NEW ISSUE – BOOK-ENTRY-ONLY **RATING: S&P A+**
See "RATING" herein.

In the opinion of Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, Bond Counsel, under existing law and assuming compliance with certain covenants and procedures designed to meet the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Series 2025 Bonds is excludable from gross income of the recipients thereof for federal income tax purposes under Section 103 of the Code, except as described in this Official Statement, and such interest is not an item of tax preference for purposes of calculating the alternative minimum tax that may be imposed under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on such corporations. Interest on the Series 2025 Bonds will not be subject to state income taxation by the State of Oklahoma. See "TAX MATTERS" herein.

$39,435,000
MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY
Capital Improvement Revenue Bonds, Series 2025

Dated: Date of Delivery

Due: December 1, as shown below

The Muskogee County Public Safety Authority (the "Authority" or the "Issuer") will issue its $39,435,000 Capital Improvement Revenue Bonds, Series 2025 (the "Bonds" or the "Series 2025 Bonds").

The Series 2025 Bonds are being issued to provide funds for the purposes of (i) financing the costs and expenses of the acquisition of sites and the constructing, erecting, furnishing, equipping, maintaining, remodeling and repairing of public safety buildings and facilities authorized in the resolution authorizing the sales tax; and (ii) paying the costs of issuing the Series 2025 Bonds (the "Project").

Interest on the Bonds is payable June 1 and December 1, commencing June 1, 2026. The Bonds will be issued in fully registered form and registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), to which all payments of principal and interest will be made. Purchasers will acquire beneficial interests in the Bonds, in principal amounts of $5,000 and integral multiples thereof, by book-entry only. Purchasers of the Bonds will not receive physical delivery of bond certificates. The Bonds will not be transferable or exchangeable, except for transfers to another nominee of DTC or otherwise as described herein. See "BOOK-ENTRY-ONLY SYSTEM" herein. The Bonds are special, limited obligations of the Authority payable solely from the revenues, income and other monies of the Authority described in the Bond Indenture dated as of December 1, 2025, (the "Bond Indenture") by and between the Authority and BOKF, National Association, Tulsa, Oklahoma (the "Trustee"). Principal of and premium, if any, on the Bonds are payable at the corporate trust office of the Trustee with a principal office in Tulsa, Oklahoma. Interest on the Bonds is payable by check or draft of the Trustee mailed to the Registered Owner thereof.

The Bonds are subject to redemption prior to maturity as more fully described herein. See "The Bonds - Redemption of the Bonds."

The Bonds and the interest thereon do not constitute obligations, debts, general or moral obligation or full faith and credit of, or a charge against the State of Oklahoma, Muskogee County, Oklahoma, or any municipality, county, political subdivision, governmental unit or agency of the State of Oklahoma, or personal obligations of the Trustees of the Authority or general obligations of the Authority, but are limited and special obligations of the Authority payable solely from the Sales Tax Revenues (the "Sales Tax Revenues") received under the Sales Tax Agreement dated as of December 1, 2025 (the "Sales Tax Agreement") between the County and the Authority (as hereinafter defined). THE AUTHORITY HAS NO TAXING POWER.

Maturities, Interest Rates and Prices - See Inside Cover

The Bonds are offered when, as and if issued and received by the initial purchaser named below (the "Underwriter"), subject to prior sale, to withdrawal or modification of the offer without notice, and to the approval of legality by Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, Bond Counsel. Certain legal matters will be passed upon for the Authority by Hammons Hamby & Price, PLLC, Muskogee, Oklahoma, Counsel to the Authority. Certain legal matters for the Underwriter will be passed upon by their Counsel, Floyd & Driver, PLLC, Norman, Oklahoma. It is expected that the Bonds in book-entry form will be available for delivery through the facilities of DTC, New York, New York, on or about December 11, 2025.

SAMCO Capital

The date of this Official Statement is December 2, 2025

MATURITY SCHEDULE
Series 2025

Maturity December 1	Principal Amount	Interest Rate	Yield	CUSIP[1]
2026	$2,840,000.00	4.000%	3.360%	628124AA7
2027	$3,460,000.00	4.000%	3.320%	628124AB5
2028	$3,595,000.00	4.000%	3.350%	628124AC3
2029	$3,740,000.00	4.000%	3.350%	628124AD1
2030	$3,895,000.00	4.000%	3.350%	628124AE9
2031	$4,045,000.00	4.000%	3.450%	628124AF6
2032	$4,200,000.00	4.000%	3.550%	628124AG4
2033	$4,380,000.00	4.000%	3.600%	628124AH2
2034	$4,550,000.00	4.000%	3.670%	628124AJ8
2035	$4,730,000.00	4.000%	3.750%	628124AK5

1 *CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein provided by CUSIP Global Services ("CGS"), managed on behalf of The American Bankers Association by S&P Capital IQ. This information is not intended to create a database and does not serve in any way as a substitute for services provided by CGS. CUSIP numbers have been assigned by an independent company not affiliated with the Issuer or the Underwriter and are included solely for the convenience of the registered and beneficial owners of the applicable Bonds. None of the Issuer or the Underwriter is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the applicable Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.*

REGARDING USE OF THE OFFICIAL STATEMENT

The Bonds are offered only by means of this Official Statement. This Official Statement does not constitute an offering of any security other than the Bonds specifically offered hereby. It does not constitute an offer to sell or a solicitation of an offer to buy the Bonds in any state or jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale, and no dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than those contained in this Official Statement in connection with the offering of the Bonds and, if given or made, such other information or representations must not be relied upon.

The Bonds will not be registered under the United States Securities Act of 1933, as amended, pursuant to an exemption under Section 3(a) thereof, and the Issuer does not intend to list the Bonds on any stock or other securities exchange. The U.S. Securities and Exchange Commission (the "Commission") has not passed upon the accuracy or adequacy of this Official Statement or passed on or endorsed the merits of this offering of the Bonds. With respect to the various states in which the Bonds may be offered, no Attorney General, state official, state agency or bureau, or other state or local governmental entity has passed upon the accuracy or adequacy of this Official Statement or passed on or endorsed the merits of this offering of the Bonds.

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. THE COVER PAGE IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. All references made herein to the Bonds are qualified in their entirety by reference to the Indenture. All references made herein to the Indenture and other documents referred to herein are qualified in their entirety by reference to such complete documents, originals of which are on file in the offices of the Issuer and the designated corporate trust office of the Trustee.

The information contained in this Official Statement, including the cover page and Appendices hereto, has been obtained from the Issuer, the Authority and other sources which are deemed to be reliable but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Underwriter. The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information and this Official Statement is not to be construed as the promise or guarantee of the Underwriters. This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made by the Underwriter as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer, the Authority, or other matters described herein subsequent to the date hereof. This Official Statement is not to be construed as a contract with the purchasers of the Bonds.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNAUTHORIZED AND MAY CONSTITUTE A CRIMINAL OFFENSE.

This Official Statement contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "intend," "expect" and similar expressions are intended to identify forward-looking statement. Such statements are subject to known and unknown risks, uncertainties and other facts which may cause the actual

results, performance and achievements to be different from the future results, performance or achievements expressed or implied by such forward-looking statements. Investors are cautioned that the actual results could differ materially from those set forth in the forward-looking statements and are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) AS OF THE DATE HEREOF FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

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MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

TRUSTEES

Laurel Havens, Chairman

Patrick Cale	Trustee
Johnny Teehee	Trustee
Jody Moore	Trustee
Tom Martindale	Trustee
Kenny Payne	Trustee
Andy Simmons	Trustee
Nathan Parker	Trustee
Ron Morton	Trustee

BOARD OF COUNTY COMMISSIONERS OF MUSKOGEE COUNTY, OKLAHOMA

Ken Doke, Chairman

Keith Hyslop	Commissioner
Kenny Payne	Commissioner

OTHER COUNTY OFFICIALS

Polly Irving	County Clerk
Shelly Sumpter	County Treasurer
Ron Dean	County Assessor

BOND COUNSEL

Hilborne & Weidman, a professional corporation
Tulsa, Oklahoma

AUTHORITY COUNSEL

Hammons Hamby & Price, PLLC
Muskogee, Oklahoma

FINANCIAL ADVISOR

The Baker Group LLP
Oklahoma City, Oklahoma

OFFICIAL STATEMENT

$39,435,000
MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY
Capital Improvement Revenue Bonds,
Series 2025

INTRODUCTION

This Official Statement, including the cover page and Exhibits, is being provided by the Trustees of the Muskogee County Public Safety Authority (the "Authority" or the "Issuer"), in connection with the issuance of the Authority's $39,435,000 Capital Improvement Revenue Bonds, Series 2025 (the "Bonds" or the "Series 2025 Bonds). The Authority is a public trust created pursuant to a Trust Indenture, dated November 15, 2024, for the use and benefit of Muskogee County, Oklahoma (the "County") and the City of Muskogee, Oklahoma (the "City"), under the provisions of Title 60, Oklahoma Statutes 2021, Sections 176 et seq., as amended, and the Oklahoma Trust Act (the "Act"). The Bonds are being issued under the provisions of a Bond Indenture, dated as of December 1, 2025 (the "Indenture"), by and between the Authority and BOKF, National Association, Tulsa, Oklahoma as Trustee (the "Trustee").

Capitalized terms used herein and not otherwise defined have the meaning set forth in "Exhibit B"-FORM OF BOND INDENTURE."

The Series 2025 Bonds are being issued to provide funds for the purposes of (i) financing the costs and expenses of the acquisition of sites and the constructing, erecting, furnishing, equipping, maintaining, remodeling and repairing of public safety buildings and facilities authorized in the resolution authorizing the sales tax; and (ii) paying the costs of issuing the Series 2025 Bonds (the "Project").

The Bonds shall be payable from and secured by a security interest in a 0.849 of one percent (0.849%) sales tax (the "Sales Tax Revenues") levied pursuant to a County Resolution adopted October 15, 2024, by the County (the "Resolution"). The revenues derived from the Sales Tax Revenues appropriated and paid to the Authority by the County pursuant to the Sales Tax Agreement (defined herein) shall be utilized to (i) meet annual principal and semi-annual interest requirements on the Bonds, and payments due under the Indenture(ii) after satisfaction of the foregoing requirements, any remaining monies may be transferred to the Authority or the County to be used for any lawful purpose.

Pursuant to the Sales Tax Agreement by and between the County and the Authority, dated as of December 1, 2025 (the "Sales Tax Agreement"), the County has agreed to appropriate on a year-to year basis the Sales Tax Revenues to the Authority. The Sales Tax Revenues are pledged to the Authority on a year-to-year basis pursuant to the Sales Tax Agreement. The pledge of, and/or right to levy and collect, the Sales Tax Revenues are subject to revocation under certain circumstances.

The Indenture requires that payments be made by the Authority in amounts and at times sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds, as well as other amounts required by the Indenture. The Authority may issue refunding bonds (and subordinate indebtedness) payable from the Trust Estate to the extent and under the conditions set forth in the Indenture. See "FORM OF BOND INDENTURE" attached herein as Exhibit "B." The Bonds will be secured under the Indenture.

The payment of the principal of and interest on the Bonds does not constitute an indebtedness or liability of the State of Oklahoma, any political subdivision thereof, the County or the individual trustees of the Authority. The issuance of the Bonds does not directly or indirectly obligate the State of Oklahoma, any political subdivision thereof or the County to provide any funds for the payment of the Bonds. The Bonds do not currently and shall never be considered a debt of the State of Oklahoma, any political subdivision thereof or the County within the meaning of the Constitution or the statutes of the State of Oklahoma, and do not currently and shall never constitute a charge against the credit or taxing power of the State, any political subdivision thereof or the County. Neither the State of Oklahoma, any political subdivision thereof nor the County shall be liable for the payment of the principal of and interest on the Bonds or

for the performance of any agreement or covenant of any kind which may be undertaken by the Authority. No breach by the Authority of any covenant or agreement shall create any obligation upon the State of Oklahoma or any political subdivision thereof or the County, including any charge against their credit or taxing power. **THE AUTHORITY HAS NO TAXING POWER.**

SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds constitute special and limited obligations of the Authority payable by the Authority from and secured by a pledge of (i) all of the right, title and interest of the Authority in and to that certain Sales Tax Agreement dated as of December 1, 2025, between the County and the Authority, and the Sales Tax Revenues received from the County thereunder and all right, title and interest of the Authority under any other agreement in support of the Sales Tax Agreement, (ii) all revenues, funds and accounts of the Authority created under the Indenture (including, but not limited to, the Bond Account and Sinking Fund) to be controlled and maintained at the Trustee (except the Rebate Fund and any monies deposited therein), and (iii) all proceeds of the foregoing.

The Authority reserves the right to issue any refunding bonds and indebtedness subordinate to the Bonds payable from the Trust Estate.

The payment of the principal of and interest on the Bonds does not constitute an indebtedness or liability of the State of Oklahoma or any political subdivision thereof, the County, or the individual trustees of the Authority. The issuance of the Bonds does not directly or indirectly obligate the State of Oklahoma, any political subdivision thereof or the County, to provide any funds for the payment of the Bonds. The Bonds do not currently and shall never be considered a debt of the State of Oklahoma, any political subdivision thereof or the County, within the meaning of the Constitution or the statutes of the State of Oklahoma, and do not currently and shall never constitute a charge against the credit or taxing power of the State of Oklahoma, any political subdivision thereof or the County. Neither the State of Oklahoma, any political subdivision thereof nor the County shall be liable for the payment of the principal of and interest on the Bonds or for the performance of any Agreement or covenant of any kind which may be undertaken by the Authority. No breach by the Authority of any covenant or agreement shall create any obligation upon the State of Oklahoma or any political subdivision thereof or the County, including any charge against their credit or taxing power. **THE AUTHORITY HAS NO TAXING POWER.**

The Oklahoma Constitution requires that any funds of the County be appropriated on a year-to-year basis. **The payments of the County to be made pursuant to the Sales Tax Agreement shall be committed to the Authority on a year-to-year basis, subject to the annual appropriation of such monies by the County.** It is anticipated that the County's commitment of such payments set forth in the Sales Tax Agreement will be renewed on or about July 1 of each year. If the County should decide not to appropriate such monies or should the County take action to eliminate the commitment of payments, the Authority may be unable to pay the debt service requirements of the Bonds.

THE BONDS

The following is a summary of certain provisions of the Bonds. Reference is made to the Bonds themselves for the complete text thereof and to the Indenture, and the discussion herein is qualified by such reference.

Authorization

The Bonds are issued under the Indenture pursuant to, and in full compliance with, the laws of the State of Oklahoma, including particularly Title 60, Oklahoma Statutes 2021, Sections 176 to 180.4, as amended, inclusive.

Description

The Bonds are dated as of the date of delivery. The Bonds will bear interest at the rate per annum set forth on the inside cover page of this Official Statement, payable semi-annually on June 1 and December 1 of each year, beginning on June 1, 2026, and will mature on December 1 in the years and in each of the principal amounts set forth on the inside cover page of this Official Statement. Interest on the Bonds is payable by check or draft mailed by the Trustee to the Registered Owner at the address as it appears on the registration books kept by the Trustee under the Indenture.

Redemption of the Bonds

Optional Redemption. The Series 2025 Bonds maturing on and after December 1, 2031, are subject to redemption at the option of the Authority, in whole or in part, in inverse order of maturity, by lot within a maturity, on any interest payment date on or after December 1, 2030, at the principal amount thereof plus accrued interest to the date fixed for redemption, without premium.

Special Redemption of Bonds. The Series 2025 Bonds are subject to redemption at the option of the Authority in whole or in part at any time, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, if such redemption is made from excess proceeds of the Series 2025 Bonds not needed to complete the Project.

Selection of Bonds to be Redeemed. If less than all the Series 2025 Bonds shall be called for redemption under any provision of this Indenture permitting such partial redemption, the particular Series 2025 Bonds or portions of Series 2025 Bonds, within a particular maturity and within a separate series of bonds, to be redeemed shall be selected from all Series 2025 Bonds then Outstanding of the series of bonds being called for redemption, by lot by the Trustee in such manner as the Trustee, in its sole discretion, may deem appropriate and fair; **PROVIDED, HOWEVER**, that the portion of any Series 2025 Bond to be redeemed shall be in the principal amount of $5,000 or some integral multiple thereof and that in selecting Series 2025 Bonds for redemption, the Trustee shall treat each Series 2025 Bond as representing that number of Series 2025 Bonds which is obtained by dividing the principal amount of such registered Series 2025 Bond by $5,000 (such amounts being hereinafter referred to as the "applicable units of principal amount"). If it is determined that one or more, but not all of the $5,000 units of principal amount represented by any such Series 2025 Bond is to be called for redemption, then upon notice of intention to redeem such $5,000 unit or units, the holder of such Series 2025 Bond shall forthwith surrender such Series 2025 Bond to the Trustee for (i) payment of redemption price (including interest to the date fixed for redemption) of the $5,000 unit or units of principal amount called for redemption and (ii) exchange for a new Series 2025 Bond or Series 2025 Bonds of the aggregate principal of such Series 2025 Bonds and such new Series 2025 Bond or Series 2025 Bonds shall be numbered corresponding to the numbers of the $5,000 units of principal amount not called for redemption. **IF THE REGISTERED HOLDER OF ANY SUCH SERIES 2025 BOND OF A DENOMINATION GREATER THAN $5,000 SHALL FAIL TO PRESENT SUCH SERIES 2025 BOND TO THE TRUSTEE FOR PAYMENT AND EXCHANGE AS AFORESAID, SUCH SERIES 2025 BOND SHALL, NEVERTHELESS, BECOME DUE AND PAYABLE ON THE DATE FIXED FOR REDEMPTION TO THE EXTENT OF THE $5,000 UNIT OR UNITS OF PRINCIPAL AMOUNT CALLED FOR REDEMPTION (AND TO THAT EXTENT ONLY)**.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning The Depository Trust Company ("DTC") and DTC's book-entry-only system has been obtained from DTC and the Issuer and the Underwriters take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each series and maturity of the Bonds, each in the aggregate principal amount of such series and maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Paying Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Issuer. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The Issuer, the Paying Agent and the Underwriters cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the Bonds: (i) payments of principal of or interest on the Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the Bonds; or (iii) redemption or other notices sent to DTC or its nominee, as the Registered Owners of the Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the Issuer, the Paying Agent or the Underwriters will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Resolution to be given to Registered Owners; (v) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC as Registered Owner.

In reading this Official Statement, it should be understood that while the Bonds are in the book entry system, references in other sections of this Official Statement to Registered Owner should be read to include the Beneficial Owners of the Bonds, but: (i) all rights of ownership must be exercised through DTC and the book entry system; and (ii) notices that are to be given to Registered Owners by the Issuer or the Paying Agent will be given only to DTC.

THE AUTHORITY

The Authority is a public trust created and existing under the terms of the Trust Indenture, with the acceptance of beneficial interest thereunder by Muskogee County, Oklahoma (the "County") and the City of Muskogee, Oklahoma (the "City"), each a governmental subdivision of the State of Oklahoma, endorsed thereon as authorized by the governing bodies of the County and the City, all pursuant to Title 60, Oklahoma Statutes 2021, Sections 176-180.4, as amended, inclusive, and the Oklahoma Trust Act. Pursuant to the laws of the State of Oklahoma, the Trustees of the Authority are an agency of the State of Oklahoma, and the regularly constituted authority of the County and the City, each a governmental subdivision of said State, the beneficiaries of said trust, for the performance of, and for the furtherance

of, authorized and proper functions of the County and the City.

Audited financial statements of the County for fiscal year ending June 30, 2024, are contained in Exhibit "C" and should be read in their entirety.

The Authority Trustees, Board of County Commissioners, and other County Officials are as follows:

Chairman and Trustees of the Authority

Laurel Havens	Chairman
Patrick Cale	Trustee
Johnny Teehee	Trustee
Jody Moore	Trustee
Tom Martindale	Trustee
Kenny Payne	Trustee
Andy Simmons	Trustee
Nathan Parker	Trustee
Ron Morton	Trustee

County Commissioners

Ken Doke	Chairman
Keith Hyslop	Commissioner
Kenny Payne	Commissioner

Other County Officials

Polly Irving	County Clerk
Shelly Sumpter	County Treasurer
Ron Dean	County Assessor

THE SALES TAX

The County pursuant to a Resolution adopted October 15, 2024 (the "Resolution"), is levying a sales tax of 0.849 of one percent (0.849%) (the "Sales Tax Revenues"), as approved by the qualified electors of the County at an election held January 14, 2025, in accordance with Title 68, Oklahoma Statutes 2021, Section 1370, as amended, which shall be used for the payment of the debt service on the Series 2025 Bonds, including payment of interest on and principal of and premium, if any. The County and the Authority have entered into a Sales Tax Agreement dated as of December 1, 2025 (the "Sales Tax Agreement"), pursuant to which the County agrees, subject to availability and appropriation of funds, to transfer, as received, to the Trustee on behalf of the Authority, proceeds of the Sales Tax Revenues on a year-to-year basis, subject to annual approval and year-to-year appropriation.

HISTORICAL SALES TAX COLLECTIONS

Historical Collection Rate of 0.65%

Month	**2025**	**2024**	**2023**	**2022**
January	$ 557,016	$ 550,886	$ 550,273	$ 516,381
February	533,153	599,697	620,605	543,336
March	519,027	454,133	515,463	417,831

April	496,002	558,512	499,198	499,148
May	598,899	558,461	574,462	501,213
June	720,998	512,818	569,745	535,313
July	634,648	539,104	558,372	550,358
August	650,844	571,006	577,014	551,329
September	593,485	614,416	560,288	554,708
October	-	595,737	554,249	544,801
November	-	577,207	526,535	540,462
December	-	569,625	528,592	546,261
Total (1)	$ 7,074,796	$ 6,703,626	$ 6,636,819	$ 6,303163
New 0.849 (2)	$ 9,240,772	$ 8,755,967	$ 8,668,707	$ 8,232,901
Change	5.54%	1.01%	5.29%	

(1) Annualized for 2025
(2) Collections for 0.849 – June 2025 is $941,735, July $767,452, August $850,102, Sept. $775,183

DEBT SERVICE COVERAGE

	2025	2024	2023
County Sales Tax Collections (0.849%)	$9,240,772	$8,755,967	$8,668,707
Estimated Debt Service Series 2025	$5,100,000	$5,100,000	$5,100,000
Coverage	1.81x	1.71x	1.69x

PURPOSE OF THE BOND ISSUE

The Series 2025 Bonds are being issued to provide funds for the purpose of (i) financing the costs and expenses of the acquisition of sites and the constructing, erecting, furnishing, equipping, maintaining, remodeling and repairing of public safety buildings and facilities as authorized in the resolution authorizing the sales tax; and (ii) paying the costs of issuing the Series 2025 Bonds.

SOURCES AND USES OF FUNDS

Series 2025 Bonds

Sources	
Bond Proceeds	$39,435,000.00
Premium	717,887.30
Total	**$40,152,887.30**
Uses	
Deposit to Project Fund	39,000,000.00
Underwriter's Discount	295,762.50
Cost of Issuance [1]	855,756.25
Rounding Amount	1,368.55
Total	**$40,152,887.30**

[1] *Includes legal, printing, Trustee fees, Bond Counsel fee, Authority Counsel fee, Rating Agency fee and other costs of issuance.*

RATING

The Bonds have been assigned a rating of "A+" by Standard & Poor's Financial Services LLC business ("S&P"). Such rating reflects only the view of such organization at the time such rating was given, and the Issuer and the Underwriter make no representation as to the appropriateness of such rating. An explanation of the significance of such rating may be obtained only from S&P. The Issuer furnished S&P with certain information and materials relating to the Bonds that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions by the rating agencies. There is no assurance that a particular rating will be maintained for any given period of time or that it will not be lowered or withdrawn entirely if, in the judgment of the agency originally establishing such rating, circumstances so warrant. Neither the Underwriter nor the Issuer has undertaken any responsibility to bring to the attention of the owners of the Bonds any proposed revision or withdrawal of a rating of the Bonds or to oppose any such proposed revision or withdrawal. Any such revision or withdrawal of such a rating could have an adverse effect on the market price and marketability of the Bonds.

RISKS OF BONDHOLDERS

AN INVESTMENT IN THE BONDS IS SUBJECT TO CERTAIN RISK FACTORS. THE FOLLOWING IS A DISCUSSION OF CERTAIN RISKS THAT COULD AFFECT PAYMENTS TO BE MADE WITH RESPECT TO THE BONDS OR ADVERSELY AFFECT THE VALUE OF THE BONDS. SUCH DISCUSSION IS NOT, AND IS NOT INTENDED TO BE, EXHAUSTIVE AND SHOULD BE READ IN CONJUNCTION WITH ALL OTHER PARTS OF THIS OFFICIAL STATEMENT AND SHOULD NOT BE CONSIDERED AS A COMPLETE DESCRIPTION OF ALL RISKS THAT COULD AFFECT SUCH PAYMENTS. PROSPECTIVE PURCHASERS OF THE BONDS SHOULD ANALYZE CAREFULLY THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT, INCLUDING THE APPENDICES HERETO, AND ADDITIONAL INFORMATION IN THE FORM OF THE COMPLETE DOCUMENTS SUMMARIZED HEREIN, COPIES OF WHICH ARE AVAILABLE AS DESCRIBED IN THIS OFFICIAL STATEMENT.

General

The Series 2025 Bonds are not secured by any pledge, grant or mortgage of, or any security interest in, any property of the Authority other than the Sales Tax Revenues and a pledge of the Trust Estate under the Indenture. No covenant or agreement in the Series 2025 Bonds or in the Indenture and no obligation therein imposed upon the Authority and no breach thereof shall constitute or give rise to or impose a personal liability upon any trustee, officer, agent or employee of the Authority. Nove of the

provisions of the Indenture provide any assurance that the obligations of the Authority will be paid as and when due. See "SOURCE OF PAYMENT AND SECURITY FOR THE BONDS" above.

As reflected herein the Series 2025 Bonds are a special, limited obligation of the Authority payable from the Sales Tax Revenue. Since the Oklahoma Constitution requires that the funds derived from the collection of a sales tax be appropriated on a year-to-year basis, **the Sales Tax Revenues shall be committed to the Authority on a year-to-year basis, subject to the annual appropriation of such monies by the County**.

The County's commitment under the Sales Tax Agreement of said Sales Tax Revenue shall be approved and renewed on July 1 of each year unless the County fails to appropriate such moneys or the voters of the County rescind the right to levy and collect such tax at an election held for such purposes. If the County should decide not to appropriate such moneys or should the County take action to eliminate the pledge or should the voters rescind or revoke the sales tax, the Authority may be unable to pay the debt service requirements of the Series 2025 Bonds. The right of the County to levy and collect the Sales Tax Revenue is provided in the Statutes of the State. Consequently, the legislature has the ability to rescind the right of the County to levy and collect the Sales Tax Revenue. If the Authority should not receive the Sales Tax Revenue or if such revenues should decline due to economic conditions, it will adversely affect the ability of the Authority to pay the debt service requirements of the Series 2025 Bonds.

The amount of sales tax revenue depends upon the sale of covered goods and services within the jurisdiction of the County and is therefore dependent upon the general economy of the County. The Oklahoma Legislature has the ability to modify the definition of covered goods and services. Such modifications could have a negative impact upon the amount of Sales Tax Revenue collected and on debt service coverage for the Series 2025 Bonds. Additionally, sales tax receipts have historically been concentrated in the retail trade, accommodations, and food service sectors and it is likely to be concentrated in those sectors in the future. There can be no assurance that the amount of Sales Tax Revenue levied and collected in any period will be sufficient to fund debt service on the Series 2025 Bonds.

Under current laws, business establishments operated by American Native American tribes are not required to remit state, county, or city sales taxes. There has been an increase in Oklahoma of tribal operating businesses over the last several years. An increase in tribal operated businesses in the County might have a negative impact on sales tax collections.

Remedies – Enforceability Risk

Enforcement of remedies under the Indenture may be limited or restricted by federal and state laws relating to bankruptcy, fraudulent conveyances, and rights of creditors and by application of general principles of equity applicable to the availability of specific performance and may be substantially delayed in the event of litigation or statutory remedy procedures. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by state and federal laws, rulings and decisions affecting remedies, and by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors.

Cybersecurity

Computer networks and data transmission and collection are vital to the operations of the County and the Issuer. The County uses industry standard resources to detect and prevent unauthorized access to its network and information systems. Despite security measures, information technology and infrastructure of the County and the Issuer may be subject to attacks by outside or internal hackers, or breached by employee error, negligence or malfeasance. Any such breach or attack could compromise systems and the information stored thereon. Any such disruption or other loss of information could result in a disruption in the operations of the County and the Issuer and could adversely affect the ability

of the County to timely make Sales Tax Revenue transfers pursuant to the Sales Tax Agreement.

Rating Changes

There is no assurance that the ratings assigned to the Bonds will not be lowered, suspended or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Bonds. See the information contained herein under the caption "RATINGS."

Bond rating organizations have come under scrutiny by legislators, regulators and investors. Any future changes in bond rating criteria or procedures that result in different ratings of the Bonds could have a material adverse effect on the value and marketability of the Bonds.

Secondary Market

There can be no assurance that there will be a secondary market for the Bonds or, if a secondary market exists, that the Bonds can be sold for any particular price. Accordingly, a purchaser of the Bonds should be prepared to commit such purchaser's bonds for an indefinite period of time, perhaps until the Bonds mature or are redeemed.

Persons who purchase Bonds through broker-dealers become creditors of the broker-dealer with respect to the Bonds. Records of the investors' holdings are maintained only by the broker-dealer and the investor. In the event of the insolvency of the broker-dealer, the investor would be required to look to the broker-dealer's estate, and to any insurance maintained by the broker-dealer, to make good the investor's loss. The Issuer and the Trustee are not responsible for failures to act by, or insolvencies of, the Securities Depository or any broker-dealer.

Insurance

The Issuer or the County insures the County facilities against certain risks. There can be no assurance that the amount of insurance required to be obtained with respect to the facilities will be adequate or that the cause of any damage or destruction to one or more of the County's facilities will be as a result of a risk which is insured. Further, there can be no assurance of the ongoing creditworthiness of the insurance companies with which the Issuer obtains insurance policies.

Operational Disruption Risk

Certain external events, such as pandemics, natural disasters, severe weather, technological emergencies, riots, acts of war or terrorism or other circumstances, could potentially disrupt the operations and effectiveness of municipal governments, such as the Authority. A prolonged disruption in their operations could have an adverse effect on their financial conditions and results of operations. To plan for such events and mitigate the impact such an event may have on its operations, each of the Authority has developed and continues to enhance their respective continuity plans. Such plans establish policy and guidance to ensure the execution of essential functions if an emergency threatens or incapacitates operations and the relocation of selected personnel and functions of any essential facilities as required. No assurances can be given that the efforts of the Authority to mitigate the effects of an emergency or other event will be successful in preventing any and all disruptions to their operations in the event of an emergency.

Forward-Looking Statements

The statements contained in this Official Statement, and in other information provided by the Authority, that are not purely historical, are forward-looking statements, including statements regarding their respective expectations, hopes, intentions or strategies regarding the future. All forward-looking statements included in this Official Statement are based on information available to the Authority on the date hereof, and neither assumes any obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

The foregoing is intended only as a non-exclusive summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement and the Exhibits hereto.

McGirt v. Oklahoma

On July 9, 2020, the U.S. Supreme Court announced its decision in the case of *McGirt v. Oklahoma* ("McGirt"). 591 U.S. ---, 140 S. Ct. 2452, 207 L.Ed.2d 985 (2020). The Court held that for purposes of the federal Major Crimes Act, land reserved for the Muscogee (Creek) Nation, within the State of Oklahoma, remains a reservation for the Creek Nation. The holding of the U.S. Supreme Court is limited to the application of criminal law within the boundaries of the Creek Nation reservation, which includes portions of Creek, Hughes, Okfuskee, Okmulgee, Mayes, McIntosh, Muskogee, Rogers, Seminole, Tulsa, and Wagoner Counties. Consistent with the U.S. Supreme Court's holding in McGirt, the Oklahoma Court of Criminal Appeals ("OCCA") has recognized the reservations of several other tribes, including reservations of the Cherokee Nation, Chickasaw Nation, Choctaw Nation, Miami Tribe, Ottawa Tribe, Peoria Tribe, Quapaw Nation, Seminole Nation, and Wyandotte Nation.

To date, the *McGirt* decision has had limited impact on the County and the Authority. While the *McGirt* decision may have implications broader than the narrow holding of the U.S. Supreme Court, it is not possible to know the extent of those implications at this time. In *Stroble v. Oklahoma Tax Commission, No. 2026 OK 48 (July 1, 2025)*, the Oklahoma Supreme Court declined to extend the *McGirt* ruling beyond the Major Crimes Act, holding that "[t]o date, the United States Supreme Court has not extended its ruling in *McGirt* to the State's civil or taxing jurisdiction. And it is not [the Oklahoma Supreme Court's] place to do so." It should be noted, however, that such decision does not foreclose the possibility that the U.S. Supreme Court could in the future expand its *McGirt* holding beyond the application of the Major Crimes Act. On September 29, 2025, the petitioner in *Stroble v. Oklahoma Tax Commission* filed a Petition for a Writ of Certiorari with the U.S. Supreme Court.

The Authority continues to monitor the *Stroble* Petition for a Writ of Certiorari and application of the decision and any related litigation that may affect the Authority.

TAX MATTERS

Federal Tax Considerations
Series 2025 Bonds

General. The following is a summary of the material federal and State of Oklahoma income tax consequences of holding and disposing of the Series 2025 Bonds. This summary is based upon laws, regulations, rulings, and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2025 Bonds as a capital asset, tax- exempt organizations, individual retirement accounts, and other tax deferred accounts, and

foreign taxpayers), and, except for the income tax laws of the State of Oklahoma, does not discuss the consequences to an owner under any state, local, or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2025 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2025 Bonds. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "IRS") with respect to any of the federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

Federal Tax Exemption. In the opinion of Hilborne & Weidman, a professional corporation, Bond Counsel, under existing law, the interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes. Interest on the Series 2025 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals under the Code, however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. The opinions set forth in this paragraph are subject to the condition that the Authority complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2025 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2025 Bonds. The form of opinion of Bond Counsel for the Series 2025 Bonds is attached to this Official Statement as **EXHIBIT "D."**

State Income Taxation. The interest on the Series 2025 Bonds is not subject to income taxation by the State of Oklahoma. Depending upon the state of residence of the registered owners of the Bonds, interest income on the Bonds may be subject to state income tax liability in their respective state of residence. Each registered owner of the Bonds is encouraged to consult with a tax advisor in order to determine the applicability of state income taxation to this investment.

No Other Opinions. Bond Counsel expresses no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2025 Bonds.

Original Issue Discount. The resulting discount on any Series 2025 Bonds which are sold at an initial offering price to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) which is less than the principal amount of such Series 2025 Bonds constitute Original Issue Discount, which is excludable from the gross income for federal income tax purposes. Generally, such Original Issue Discount accretes actuarially on a constant interest rate basis over the term of the respective Series 2025 Bonds and the basis of such Series 2025 Bonds acquired at such initial offering price by an initial purchaser of the particular Series 2025 Bonds will be increased by the amount of such accreted interest. Any information concerning the terms of reoffering of the Series 2025 Bonds, if any, including Original Issue Discount, should be obtained from such Underwriter and not from the Issuer.

Original Issue Premium. Certain maturities of the Series 2025 Bonds may be initially sold to the public at prices greater than the amounts payable thereon at maturity. As a result of the tax cost reduction requirements of the Code relating to amortization of bond premium, under certain circumstances an initial owner of Premium Series 2025 Bonds may realize a taxable gain upon disposition of such Premium Series 2025 Bonds even though they are sold or redeemed for an amount equal to such owner's original cost of acquiring such Premium Series 2025 Bonds. Owners of Premium Series 2025 Bonds are advised that they should consult with their own tax advisors with respect to the tax consequences of owning such Premium Series 2025 Bonds.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2025 Bonds should be aware that ownership of the Series 2025 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch

profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2025 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2025 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership, and disposition of the Bonds, including the possible application of state, local, foreign, and other tax laws.

Other Tax Consequences. The foregoing is not intended to be a complete description of all Federal or Oklahoma income tax consequences associated with an investment in the Series 2025 Bonds, and except as set forth in Bond Counsel's opinion (described above), Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2025 Bonds should consult their own tax advisors regarding the particular tax consequences to them of an investment in such bonds.

Changes in Federal and State Tax Law.

Legislation and other Regulatory Actions. From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2025 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2025 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2025 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2025 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

AUDITED FINANCIAL STATEMENT

The basic financial statements of the County for the fiscal year ended as of June 30, 2024, included in Exhibit "C" of this Official Statement, have been audited by the Oklahoma State Auditor and Inspector as required by law as stated in their report appearing herein and should be read in their entirety.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approval of Hilborne & Weidman, a professional corporation, Tulsa, Oklahoma, Bond Counsel, who will render an opinion in substantially the form attached hereto as Exhibit "D". Certain legal matters will be passed upon for the Authority by Hammons Hamby & Price, PLLC, Muskogee, Oklahoma, counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by their counsel, Floyd & Driver, PLLC, Norman, Oklahoma.

NO LITIGATION

There is no pending or threatened legal proceeding or proceedings against Authority or the County, which if prosecuted to an adverse conclusion would be considered material, or would constitute a material change of financial circumstances, nor is there any litigation pending or threatened against the Authority or the County which would restrain or enjoin the issuance or delivery of the Bonds or questioning or affecting the validity of the Bonds or the proceedings and authority under which they are to be issued. Neither the creation, organization or existence of the Authority or the County, nor the title

of the present trustees or officers of the Authority or the County, to their respective offices, is being contested. There is no litigation pending against the Authority or the County which in any manner questioned the right of the County or the Authority to enter into the Sales Tax Agreement, or of the Authority to enter into the Indenture or the Authority to secure the Series 2025 Bonds in the manner provided in the Indenture.

UNDERWRITING

The Bonds are to be purchased by SAMCO (the "Underwriter"), pursuant to a Contract of Purchase with the Authority (the "Contract of Purchase"), subject to certain conditions described therein. The Underwriter has agreed to purchase the Bonds at a price of $39,857,124.80 (which represents the $39,435,000.00 principal amount of Bonds, plus $717,887.30 original issue premium, less Underwriter's Discount of $295,762.50. The Contract of Purchase provides that the Underwriter will not be obligated to purchase any Bonds if all Bonds are not available for purchase and requires the Authority to indemnify the Underwriter against losses, claims, damages and liabilities arising out of any incorrect or incomplete statements or information contained in this Official Statement pertaining to the Projects and other matters. The initial public offering price set forth on the inside cover page hereof may be changed by the Underwriter.

SAMCO Capital Markets Inc., an Underwriter of the Bonds, has entered into a retail distribution agreement with Fidelity Capital Markets, a division of National Financial Services LLC (together with its affiliates, "Fidelity"). Under this distribution agreement, SAMCO Capital Markets Inc. may distribute municipal securities to retail investors at the original issue price through Fidelity. As part of this arrangement, SAMCO Capital Markets Inc. will compensate Fidelity for its selling efforts.

The Underwriter intends to offer the Bonds to the public initially at the offering prices set forth on the inside cover page of this Official Statement, which offering prices may subsequently be changed without any requirement of prior notice. The Underwriter has reserved the right to permit other securities dealers who are members of the Securities Industry & Financial Markets Association to assist in selling the Bonds. The Underwriter may offer and sell Bonds to certain dealers at prices lower than the public offering price or otherwise allow concessions to such dealers who may re-allow concessions to other dealers. Any discounts and/or commissions that may be received by such dealers in connection with the sale of the Bonds will be deducted from the underwriting discount.

Subject to prevailing market conditions, the Underwriter intends, but is not obligated, to engage in secondary market trading in the Bonds, subject to applicable securities laws. However, neither of the Authority, the County, the Trustee, or the Underwriter is obligated to repurchase any of the Bonds at the request of the holders thereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information and this Official Statement is not to be construed as the promise or guarantee of the Underwriter.

CONTINUING DISCLOSURE

The Authority will execute and deliver its Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") for the benefit of the holders and beneficial owners of the Bonds. The Authority is required to observe the Continuing Disclosure Agreement for so long as it remains obligated to advance funds to pay the Bonds. Pursuant to the Continuing Disclosure Agreement, the Authority will be obligated to provide certain updated financial information and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org. See Exhibit "F" - Form of Continuing Disclosure Agreement.

Annual Reports

The Authority will provide certain updated financial information annually. The Authority will update and provide this information within 180 days after the end of each fiscal year. The Authority's fiscal year ends June 30th. The Authority will provide updated information to the Trustee who will provide it to the MSRB.

The Authority may provide updated information in full text or may incorporate by reference other publicly available documents, as permitted by United States Securities and Exchange Commission Rule 15c2-12 (the "Rule"). The updated information will include audited financial statements and operating data of the Authority and of the County set forth in Exhibit "C" and "E" hereto. If audited financial statements are not available by the required time, the Authority will provide or cause to be provided such financials statements on an unaudited basis within the required time and audited financial statements when they become available. Any such financial statements will be prepared in accordance with generally accepted ("GAAP") accounting principles or such other accounting principles as may be required to employ from time to time pursuant to State law or regulation.

Material Event Notices

The Authority will file with the MSRB notice of any of the Material Events listed in the Continuing Disclosure Agreement with respect to the Bonds in a timely manner (and not more than 10 business days after occurrence of the event). In addition, the Authority will provide timely notice of any failure by the Authority to provide information, data, or financial statements described above under Annual Reports in accordance with the Continuing Disclosure Agreement. The Authority will provide each notice described in the Continuing Disclosure Agreement to the MSRB.

Compliance with Prior Undertaking

The Authority has not entered into a prior continuing disclosure undertaking.

FINANCIAL ADVISOR

The Baker Group LLP is employed as Financial Advisor to the Authority in connection with the issuance of the Series 2025 Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Series 2025 Bonds is contingent upon the issuance and delivery of the bonds. In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the Authority or County for the investment of debt proceeds or other funds of the Authority or County, upon the request of the Authority or County.

The Baker Group LLP, in its capacity of Financial Advisor, has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Series 2025 Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the Authority has provided the following sentence for inclusion in the Official Statement. The Financial Advisor has reviewed the information in the Official Statement in accordance with, and as part of, its responsibilities to the Authority and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy of such information.

MISCELLANEOUS

Any statements in this Official Statement and Exhibits hereto involving estimates or assumptions, whether or not expressly so stated are intended as such and no representation whatsoever is made that

such estimates or assumptions are correct or will be realized. So far as any statements are made in this Official Statement and Exhibits attached hereto involving matters of opinion, whether or not expressly so stated, they are intended as such and not as representations of fact. Neither this Official Statement, nor any statement that may have been made orally or in writing, is to be construed as a contract with the purchasers or holders of any of the Bonds. All information contained in this Official Statement and Exhibits hereto pertaining to the County and Authority has been furnished by the County and the Authority for use herein. All information contained in this Official Statement and Exhibits is subject to change and correction without notice and neither the delivery of the Official Statement nor any sale made hereunder shall create any implication that the information contained herein is complete or accurate in its entirety as of any date after the date hereof.

CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of delivery of the Bonds, the Authority shall execute and furnish the Underwriter of the Bonds with a certificate to the effect that; (i) the descriptions and statements of or pertaining to the Authority contained in the Official Statement and any addenda thereto, for the Bonds, as of the date of such Official Statement, on the date of sale of the Bonds and on the date of the delivery, were and are true and correct in all material respects; (ii) insofar as the Authority and its affairs, including its financial affairs, are concerned, such Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (iii) insofar as the descriptions and statements, including financial data of or pertaining to entities, other than the Authority, and their activities contained in such Official Statement are concerned, such statements and data have been obtained from sources which the Authority believes to be reliable and that the Authority has no reason to believe that they are untrue in any material respect; and (iv) there has been no material adverse change in the financial condition of the County since June 30, 2024, the date of the last financial statement of the County which appears as Exhibit C to this Official Statement.

Reference is made to the Exhibits hereto which are an integral part of this Official Statement and must be read together with the rest of this Official Statement.

This Official Statement has been approved by the Authority.

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

By: /s/
Chairman

EXHIBIT A

DEBT SERVICE SCHEDULE

Period Ending December 1	Principal	Coupon	Interest	Debt Service
2026	$2,840,000.00	4.000%	$1,533,583.33	$4,373,583.33
2027	$3,460,000.00	4.000%	$1,463,800.00	$4,923,800.00
2028	$3,595,000.00	4.000%	$1,325,800.00	$4,920,400.00
2029	$3,740,000.00	4.000%	$1,181,600.00	$4,921,600.00
2030	$3,895,000.00	4.000%	$1,032,000.00	$4,927,000.00
2031	$4,045,000.00	4.000%	$ 876,200.00	$4,921,200.00
2032	$4,200,000.00	4.000%	$ 714,400.00	$4,914,400.00
2033	$4,380,000.00	4.000%	$ 546,400.00	$4,926,400.00
2034	$4,550,000.00	4.000%	$ 371,200.00	$4,921,200.00
2035	$4,730,000.00	4.000%	$ 189,200.00	$4,919,200.00

EXHIBIT B

FORM OF BOND INDENTURE

BOND INDENTURE

BETWEEN

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

AND

BOKF, NATIONAL ASSOCIATION,

AS TRUSTEE

Dated as of December 1, 2025

This Indenture constitutes a security agreement authorizing the issuance and securing the payment of $39,435,000.00 Muskogee County Public Safety Authority Capital Improvement Revenue Bonds, Series 2025.

BOND INDENTURE

THIS BOND INDENTURE, dated as of December 1, 2025, by and between the Trustees of the **MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY**, a public trust created under the laws of the State of Oklahoma (hereinafter collectively called the **"Authority"**), and **BOKF, NATIONAL ASSOCIATION**, a national banking association duly organized and doing business under the laws of the United States of America and having a principal office in Tulsa, Oklahoma, which Trustee is authorized under such laws to exercise corporate trust powers (hereinafter, together with any bank or trust company appointed as successor Trustee hereunder called "**Trustee**").

W I T N E S S E T H :

WHEREAS, the Authority was created by a Declaration of Trust dated as of November 15, 2024, (the "Declaration of Indenture"), for the use and benefit of Muskogee County, Oklahoma (the "County"), and the City of Muskogee, Oklahoma (the "City") under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2021, Section 176 to 180.3, inclusive, as amended and supplemented, and other applicable statues of the State of Oklahoma; and

WHEREAS, the County pursuant to Resolution adopted October 15, 2024 (the "Resolution"), which was approved by the qualified electors of Muskogee County at an election held for that purpose on January 14th, 2025, is levying a sales tax of Eight Hundred Forty Nine Thousandths of one percent (.849%) in accordance with Title 68, Oklahoma Statutes 2021, Section 1370, as amended (the "Sales Tax"), to provide funds for the purpose of the acquisition of sites and the construction, erecting, furnishing, equipping, operating, maintaining, remodeling and repairing of public safety buildings and facilities and operating public safety programs, operations and purposes, including police, fire, emergency management, 911, sheriff, ambulance and other public safety programs, operations and purposes, and/or to be applied or pledged toward the payment of principal of and interest and redemption premium, if any, on any indebtedness, including refunding indebtedness, incurred by or on behalf of Muskogee County for such purpose; and

WHEREAS, the County has determined upon a project consisting of construction, erecting, furnishing, and equipping public safety buildings and facilities as authorized in the resolution authorizing the Sales Tax which costs are estimated not to exceed $39,435,000.00 (the "Project'); and

WHEREAS, in order to finance the costs and expenses of the Project the Trustees of the Authority have determined to issue their revenue bonds in the aggregate principal amount of $39,435,000.00 (the "Bonds" or "Series 2025 Bonds"), pursuant to this Bond Indenture (the "Indenture"), between the Authority and BOKF, National Association (the "Trustee"); and

WHEREAS, pursuant to official action taken by the governing body of the County, the County, and the Authority have entered into a Sales Tax Agreement, dated as of December 1, 2025 (the "Sales Tax Agreement"), pursuant to which the Authority has agreed to issue the Bonds, and to provide funds for the purpose of funding the costs and expenses of the Project and the County has agreed to appropriate certain Sales Tax Revenues for the payment of debt service on the Bonds and all payments required hereunder, subject to the limitations set forth therein; and

WHEREAS, the execution and delivery of this Indenture have been duly authorized by the Authority and by the Trustee; and

WHEREAS, all acts, conditions and things required by the laws of the State to happen, exist and be performed precedent to and in the execution and delivery of this Indenture have happened, exist and have been performed as so required in order to make this Indenture a valid and binding agreement in accordance with its terms; and

WHEREAS, each of the parties hereto represents that it is fully authorized to enter into and perform and fulfill obligations imposed upon it under this Indenture and the parties are now prepared to execute and deliver this Indenture.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATIONS PAID BY EACH OF THE PARTIES TO THE OTHER, THE RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, THE AUTHORITY AND THE TRUSTEE HEREBY AGREE AS FOLLOWS:

GRANTING CLAUSES

The Trustees of the Authority, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the holders and registered owners thereof; and also for and in consideration of the sum of Ten Dollars ($10.00) in lawful money of the United States of America to it duly paid by the Trustee at or before the execution and delivery of this Indenture, and for other good and valuable consideration the receipt whereof is hereby acknowledged; and for the purpose of fixing and declaring the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become holders thereof; and in order to secure the payment of all the Bonds issued and Outstanding under this Indenture and the interest thereon according to their tenor, purport and effect; and in order to secure the performance and observance of all the covenants, express or implied, therein and herein contained, have executed and delivered this Indenture and by this Indenture have **GIVEN, GRANTED, BARGAINED, SOLD, CONVEYED, ASSIGNED, PLEDGED, AND GRANTED A SECURITY INTEREST, and GIVE, GRANT, ASSIGN, PLEDGE, AND GRANT A SECURITY INTEREST** in favor of the Trustee and its successor or successors in trust, in (i) all of the right, title and interest of the Authority in and to that certain Sales Tax Agreement dated December 1, 2025, between the County and the Authority, and the Sales Tax Revenues received from the County thereunder; (ii) all funds, revenues and accounts held by the Trustee under this Indenture (except the Rebate Fund and any monies deposited therein); and (iii) all right, title and interest of the Authority under any other agreement in support of the Sales Tax Agreement (the "Trust Estate");

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby conveyed and assigned, to the Trustee and its successor or successors in trust and to them and their assigns forever, **BUT IN TRUST, NEVERTHELESS**, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all and singular the present and future holders and owners of the Bonds issued under and secured by this Indenture, without

preference, priority or distinction as to lien or otherwise, except as may otherwise be provided herein, of any one Bond over any other Bond, all as herein provided.

PROVIDED, HOWEVER, that if the Authority, its successors or assigns, shall well and truly pay, or cause to be paid, or provide for the payment, pursuant to the provisions of this Indenture of the principal of the Bonds and the interest due on or to become due thereon, at the times and in the manner set forth in the Bonds and this Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and agreements as provided herein and pursuant to the terms and provisions hereof, then upon such performance and payments this Indenture and the rights hereby granted shall cease, determine and be void as provided in Section 5.02 hereof; otherwise this Indenture shall be and remain in full force and effect.

The Authority hereby covenants unto the Trustee, that it has good, right and lawful authority to pledge and assign the Trust Estate to the extent and in the manner herein provided; that the Authority will not suffer any lien or encumbrance upon the Trust Estate, or any part thereof, superior to or on a parity with the security or lien to accrue or be created under this Indenture; or to so suffer any act or thing whereby the security hereof may be diminished or impaired; and the Authority further does, and by these presents hereby covenants and agrees to defend or cause to be defended forever the title to each and every part of said Trust Estate against the claims and demands of all persons whomsoever and the Authority hereby covenants and agrees that all Bonds issued and secured hereunder are general obligations of the Authority backed by the full faith and credit of the Authority.

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property hereby given, granted, assigned and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective holders and registered owners, from time to time, of the Bonds, or any part thereof, as hereinafter provided.

This Indenture shall also be, and shall be construed as, a security agreement with respect to the Trust Estate, the revenues, funds and accounts of the Authority created hereunder and controlled by the Trustee. The Authority agrees to join with the Trustee in executing financing statements covering the Trust Estate for filing in the appropriate records of Oklahoma and Muskogee Counties.

ARTICLE I

CERTAIN DEFINITIONS

SECTION 1.01. In addition to words and terms elsewhere defined herein, the following terms and provisions shall have the meanings indicated:

"Authorized Investments" shall include any of the following securities, if and to the extent the same are at the time legal under Oklahoma law for investment of Issuer funds:

(a) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America;

(b) any bonds, debentures, notes or other evidence of indebtedness unconditionally guaranteed by the United States of America and issued by the U.S. Export-Import Bank, the Government National Mortgage Association, the Federal Financing Bank, Farmers Home Administration or Federal Housing Administration;

(c) New Communities Debentures issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under contracts with the United States of America; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(d) direct and general obligations of any state of the United States of America or any municipality in Oklahoma, to the payment of the principal of and interest on which the full faith and credit of such state or municipality is pledged which are rated by Moody's or S&P in one of the two highest rating categories assigned by such agencies;

(e) savings certificates or certificates of deposit, whether negotiable or non-negotiable, issued by any savings and loan association organized under applicable state or federal law, provided such deposits shall be continuously and fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation;

(f) certificates of deposit issued by any bank or trust company organized under the laws of the State of Oklahoma, or any other state, or any national banking association including the Trustee in any amount; provided that such certificates shall be either: (1) continuously and fully insured by the Federal Deposit Insurance Corporation, or (2) continuously and fully secured by such securities as are described in clauses (a) through (c) above, which shall have a market value (not including accrued interest) at all times at least equal to the principal amount of such certificates of deposit and such certificates of deposit shall be lodged with the Issuer or the bank responsible for the derivative fund invested, as custodian, by the bank, trust company or national banking association issuing such certificates of deposit, and the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured shall furnish the Trustee with either the securities pledged to the Issuer as security therefor or a prior perfected security interest in such pledged securities which are free and clear of any claims by third parties and are segregated in a

custodial or trust account held by a third party (other than the bank, trust company or national banking association issuing the certificate of deposit required to be so secured) as the agent solely of, or in trust solely for the benefit of, the Trustee, or (3) in the event any bank, trust company or national banking association has purchased any of the Bonds, such Bonds may be used as security up to the principal amount thereof, provided the Issuer shall obtain an accompanying right of set-off of such Bonds, against the resulting deposit;

(g) obligations of or investment contracts with any national or state banking institution or any other qualified financial institution with the unsecured short-term indebtedness of such institution being rated in one of the three highest rating categories established by Moody's or S&P; or

(h) money market funds or mutual funds backed or collateralized by securities described in clauses (a) through (c) and (f) above and which funds have been registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933 and rated in one of the two highest rating categories by S&P or Moody's.

"Bond" or **"Bonds"** means "Muskogee County Public Safety Authority Capital Improvement Revenue Bonds, Series 2025" (the "Series 2025 Bonds") and authorized by Article II hereof and any indebtedness issued pursuant to this Indenture or any Supplemental Bond Indenture which are at any time outstanding.

"Bond Account" means Muskogee County Public Safety Authority Bond Account created by Section 6.02 of Article VI hereof.

"Bondholder" or **"Holder"** means a person in whose name any Bond in registered form is registered with the Trustee.

"Business Day" means any day of the year other than a Saturday, a Sunday or any other day on which (i) banks in the States of New York and/or Oklahoma are required or authorized by law to remain closed, or (ii) the New York Stock Exchange is closed.

"Code" means the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder.

"Construction Fund" shall mean the special trust fund established pursuant to Section 6.04 of this Indenture.

"County" means Muskogee County, Oklahoma a political subdivision of the State of Oklahoma.

"Declaration of Trust" means the Declaration of Trust creating the Authority dated November 15, 2024, and any amendments, supplements, changes or modifications thereto.

"Event of Default" means the happening of any of the events specified in Section 10.01 of Article X hereof, whether or not any requirement for notice or lapse of time has been satisfied.

"Indenture" means this Indenture, dated as of December 1, 2025, and any Supplemental Bond Indentures and amendments and supplements hereto or thereto.

"Interest Payment Dates" means:

(a) each June 1 and December 1 beginning June 1, 2026; and

(b) the final maturity date of the Series 2025 Bonds.

PROVIDED, HOWEVER, that if any such date is not a Business Day, interest shall be paid on the next succeeding date which is a Business Day but such interest will accrue only through the day prior to the Interest Payment Date.

"Official Statement" shall mean the Official Statement of the Authority relating to the issuance of the Bonds, including any supplement thereto.

"Outstanding" means, when used with respect to the Bonds, all Bonds which have been authenticated and delivered under the Indenture, except: (i) Bonds previously cancelled by the Trustee or delivered to the Trustee for cancellation; (ii) Bonds for which satisfactory payment (whether at maturity or redemption prior to maturity) has been made to the Trustee and, with respect to Bonds which are to be redeemed prior to maturity, notice of such redemption has been duly given pursuant to the Indenture or provision therefore has been made satisfactory to the Trustee; and (iii) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered pursuant to this Indenture.

"Participant" means when used with respect to any Securities Depositories, any participant of such Securities Depository.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization , government or any agency or political subdivision thereof or any other legally cognizable entity.

"Project" means financing the costs and expenses of the additional capital improvements to the County buildings and facilities as authorized in the resolution authorizing the Sales Tax which are estimated not to exceed $39,435,000.00.

"Project Costs" shall mean, but shall not be limited to, all costs of acquiring, constructing, equipping and furnishing the Project, including but not limited to: obligations incurred for labor and materials and to contractors, builders and materialmen; the restoration or relocation of property damaged or destroyed in connection with such construction; the cost of acquiring land, property rights, rights-of-way, franchises, easements or other interests in land; premiums on contractors' performance, payment and completion bonds; machinery, equipment or supplies purchased for inclusion as part of the Project; any fees, compensation and expenses of the Authority or the Trustee for services rendered; fees, charges, and expenses due and payable in connection with the Project, the financing thereof, or the issuance of and security for the Bonds; premiums on title and other insurance in connection with the Project, the financing thereof, or the issuance of and security for

the Bonds; costs of architects' and engineers' services; all costs incident to and properly allocable to the acquisition, equipping and construction of the Project and placing of the same in operation; any reserve funds for the Bonds; legal, financing, financial, administrative, accounting, printing and recording expenses and fees incurred in connection with the Bonds; and the fees and expenses of bond counsel.

"Record Date" at any time shall mean the 15th day of the month preceding any Interest Payment Date.

"Registered Holder" means a person whose name appears on the Registration Record as the owner of a Bond.

"Registration Record" means the record maintained by the Registrar for the purpose of registering the name and address of the Registered Holders of Bonds.

"Registrar" means the Trustee, and any successor thereto performing the functions of Registrar under this Indenture.

"Revenue Account" means Muskogee County Public Safety Authority Revenue Account created by Section 6.01 of Article VI hereof.

"Sales Tax Agreement" means the Sales Tax Agreement, dated as of December 1, 2025 between the County and the Authority, wherein the Authority has agreed to provide funds for paying the costs of the Project and the County has agreed to provide Sales Tax Revenue for the payment of debt service on the Bonds and related costs hereunder.

"Sales Tax Revenue" shall mean all monies or funds appropriated by the County and received by the Authority pursuant to the Sales Tax Agreement from the Eight Hundred Forty Nine Thousandths of one percent (.849%) in accordance with Title 68, Oklahoma Statutes 2021, Section 1370, as amended (the "Sales Tax"), to provide funds for the purpose of the acquisition of sites and the construction, erecting, furnishing, equipping, operating, maintaining, remodeling and repairing of public safety buildings and facilities and operating public safety programs, operations and purposes, including police, fire, emergency management, 911, sheriff, ambulance and other public safety programs, operations and purposes, and/or to be applied or pledged toward the payment of principal and interest and redemption premium, if any, on any indebtedness, including refunding indebtedness, incurred by or on behalf of Muskogee County for such purpose; which Sales Tax was approved by the qualified electors of Muskogee County at an election held for that purpose on January 14th, 2025.

"Securities Depository" means The Depository Trust Company, a corporation organized and existing under the laws of the State of New York, and any other Securities Depository for the Bonds appointed pursuant to Section 2.12, and their successors.

"Series 2025 Bonds" means the Muskogee County Public Safety Authority Capital Improvement Revenue Bonds, Series 2025

"Sinking Fund" means Muskogee County Public Safety Authority Sinking Fund created by Section 6.03 of Article VI hereof.

"Trust Estate" means all of the property mentioned in the Granting Clauses hereof, which is pledged or assigned to the Trustee as security for the Bonds and all property interests granted, bargained, sold, or conveyed pursuant to the Granting Clauses hereof.

"Trustee" means BOKF, National Association, Tulsa, Oklahoma, a national banking association having corporate trust powers organized and existing under the laws of the United States of America, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor Trustee at the time serving as successor trustee hereunder.

"Trustees" means the duly qualified and acting Trustees of the Authority.

"Miscellaneous Definitions"

The words "hereof", "herein", "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular section or paragraph in which they occur. Words used in this Indenture in the singular include the plural and words used in the plural include the singular. The term "extensions and additions" to property shall include capital expenditures necessary to its management and operation as a going concern.

End of ARTICLE I

ARTICLE II

ISSUANCE AND FORM OF SERIES 2025 BONDS

SECTION 2.01. Amount of Series 2025 Bonds Authorized. (a) There hereby is authorized the issuance and delivery of: (i) Thirty Nine Million Four Hundred Thirty Five Thousand and No/100's Dollars ($39,435,000.00) aggregate principal amount of Muskogee County Public Safety Authority Capital Improvement Revenue Bonds, Series 2025 (the "Series 2025 Bonds").

(b) Each Series 2025 Bond shall be dated as of their date of issuance and shall bear interest from such date, payable on the applicable Interest Payment Date, until payment of the principal thereof has been made or duly provided for. The Series 2025 Bonds shall be issuable as fully registered Bonds without coupons in the denomination of $5,000 and any integral multiple thereof. Unless the Authority shall otherwise direct, the Bonds shall be lettered "R" and shall, respectively, be numbered consecutively from 1 upward.

(c) The Series 2025 Bonds shall mature and bear interest at the rates as follows:

Mature	Interest Rate (Per Annum)	Amount Maturing
December 1, 2026	4.00%	$ 2,840,000
December 1, 2027	4.00%	3,460,000
December 1, 2028	4.00%	3,595,000
December 1, 2029	4.00%	3,740,000
December 1, 2030	4.00%	3,895,000
December 1, 2031	4.00%	4,045,000
December 1, 2032	4.00%	4,200,000
December 1, 2033	4.00%	4,380,000
December 1, 2034	4.00%	4,550,000
December 1, 2035	4.00%	4,730,000

Interest on the Series 2025 Bonds shall be computed on the basis of a three hundred sixty (360) day year, consisting of twelve (12) thirty (30) day months.

SECTION 2.02. Payment of the Series 2025 Bonds. The principal of the Series 2025 Bonds shall be payable in lawful money of the United States of America at the Principal Office of the Trustee. Payment of interest on the Series 2025 Bonds shall be made to the Registered Holder thereof on the applicable Record Date by check mailed by the Trustee on the applicable Interest Payment Date to such Registered Holder at his address as it appears on the registration books of the Authority or at such other address as is furnished to the Trustee in writing by such Registered Holder, or in such other manner acceptable to the Trustee, as may be requested by the Registered Holder of any Series 2025 Bond and, at the option of any Registered Holder of an aggregate principal amount of Series 2025 Bonds at least equal to $1,000,000 by wire transfer, as directed by such Registered Holder.

SECTION 2.03. Execution. The Series 2025 Bonds shall be executed and attested on behalf

of the Authority with the manual or facsimile signature of the Chairman of Trustees or the Vice Chairman of Trustees of the Authority and the Secretary of Trustees or Assistant Secretary of Trustees of the Authority and shall have the manual or facsimile seal of the Authority impressed or imprinted thereon. All authorized facsimile signatures and seal shall have the same force and effect as if manually signed and sealed.

SECTION 2.04. Authentication. The Trustee shall be the authenticating agent for the Series 2025 Bonds. No Series 2025 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless and until the certificate of authentication on such Series 2025 Bond shall have been duly executed by the Trustee and the date of such authentication entered in the space provided therefor, and such executed certificate of authentication upon any such Series 2025 Bond shall be conclusive evidence that such Series 2025 Bond has been authenticated and delivered under this Indenture. The certificate of authentication on any Series 2025 Bond shall be deemed to have been executed by the Trustee if signed by an authorized signatory of the Trustee, but it shall not be necessary that the same signatory execute the certificate of authentication on all of the Series 2025 Bonds.

SECTION 2.05. Form of the Series 2025 Bonds. The form of the Series 2025 Bonds, the forms of the certificate of authentication thereof, the forms of endorsement to appear thereon and the form of assignment thereof shall be in substantially the forms set forth on Exhibit "A" attached hereto, with appropriate variations, omissions and insertions as permitted or required by this Indenture.

SECTION 2.06. Conditions Precedent to Delivery of the Bonds. Prior to the authentication, registration or delivery of any of the Bonds initially authorized hereunder, the Authority shall deliver or cause to be delivered to the Trustee the following items, all of which are to be in form and substance satisfactory to the Trustee, and, where necessary, duly executed and acknowledged:

(a) **Indenture.** An executed copy of this Indenture.

(b) **Certificate of Trustees.** A Certificate, signed by the Chairman of Trustees and attested by the Secretary of Trustees, certifying as follows:

(i) the numbers, denominations and aggregate amount of the Series 2025 Bonds authorized to be issued and delivered hereunder, the person to whom delivery is to be made, and the amount of money to be paid to the Trustee as the purchase price thereof;

(ii) the amount and purpose of each payment contracted to be paid by the Authority from the purchase money received for the Series 2025 Bonds for costs of issuance of the Series 2025 Bonds and to whom each such payment is to be made by the Trustee; and

(iii) that the Chairman of Trustees is authorized to execute the Certificate on behalf of the Authority, with evidence of such authorization attached.

(c) **Authorizing Resolution.** A copy, certified by the Secretary of Trustees, of the

Resolution of the Trustees authorizing the issuance and sale of the Series 2025 Bonds, the execution and delivery of this Indenture, the Series 2025 Bonds and the Certificates described in Sections 2.06(b) and 2.06(d) hereof and all other instruments which may be executed and delivered in connection with the issuance and sale of the Series 2025 Bonds.

(d) **Bond Counsel Opinion.** A signed copy of an opinion or opinions of bond counsel to the effect that, in addition to other matters covered by such opinion or opinions, the interest on the Series 2025 Bonds will be excludable from the gross income of the recipients thereof for federal income tax purposes under the laws in effect when the Series 2025 Bonds are delivered with such exceptions as the law may require.

SECTION 2.07 Transfer or Exchange of Series 2025 Bonds: Persons Treated as Registered Holder: Appointment of Paying Agent and Registrar. With respect to the Series 2025 Bonds, the Trustee is hereby constituted and appointed the Bond Registrar of the Authority and shall keep books for the ownership and transfer of the Series 2025 Bonds as provided in this Indenture, and Trustee is hereby constituted and appointed the paying agent of the Authority for the Series 2025 Bonds. The Trustee is directed to register each of the Series 2025 Bonds in the manner prescribed herein. Upon surrender for exchange or transfer of any Series 2025 Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Holder or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Series 2025 Bond or Series 2025 Bonds in authorized denominations of the same interest rate and maturity and for a like aggregate principal amount.

The Trustee shall not be required to exchange or register a transfer of (a) any Series 2025 Bonds during the fifteen (15) day period next preceding the selection of Series 2025 Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Series 2025 Bonds selected for redemption, or (b) any Series 2025 Bonds selected, called or being called for redemption in whole or in part except, in the case of any Series 2025 Bond to be redeemed in part, the portion thereof not so to be redeemed. If any Series 2025 Bond shall be transferred and delivered after such Series 2025 Bond has been called for redemption, the Trustee shall deliver to such transferee a copy of the applicable redemption notice, indicating that the Series 2025 Bond delivered to such transferee has previously been called for redemption.

SECTION 2.08. Failure to Present Series 2025 Bonds. Unless otherwise provided for in this Indenture the monies held by the Trustee in trust for the payment and discharge of any of the Series 2025 Bonds which remain unclaimed for five (5) years after the date when such Series 2025 Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such monies were held by the Trustee at such date, or for five (5) years after the date of deposit of such monies if deposited with the Trustee after the date when such Series 2025 Bonds became due and payable, shall at the written request of the Authority, be repaid by the Trustee to the Authority, as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Series 2025 Bondholders shall look only to the Authority for the payment of such Series 2025 Bonds.

SECTION 2.09. Mutilated, Destroyed, Stolen or Lost Series 2025 Bonds. In case any

Series 2025 Bond shall become mutilated or be destroyed, stolen or lost, the Authority shall cause to be executed, and the Trustee shall authenticate and deliver, a new Series 2025 Bond of like date and tenor in exchange and substitution for and upon the cancellation of such mutilated Series 2025 Bond or in lieu of and in substitution for such Series 2025 Bond destroyed, stolen or lost, upon the holder's paying the reasonable expenses and charges of the Authority and the Trustee in connection therewith, and, in case of a Series 2025 Bond destroyed, stolen or lost, his filing with the Trustee evidence satisfactory to it and to the Authority that such Series 2025 Bond was destroyed, stolen or lost, and of his ownership thereof, and furnishing the Authority and the Trustee indemnity satisfactory to them.

SECTION 2.10. Monies Held for Particular Series 2025 Bonds. The amounts held by the Trustee for the payment of the interest, principal, and redemption price due on any date with respect to particular Series 2025 Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Registered Holders of the Series 2025 Bonds entitled thereto.

SECTION 2.11 No Recourse on the Series 2025 Bonds; Special Obligations. No recourse shall be had for the payment of the principal of or interest on the Series 2025 Bonds or for any claim based thereon or on this Indenture against any officer, director, trustee or employee of the Trustee, the Authority or any officer or employee thereof. The covenants and representations contained herein do not and shall never constitute a personal or pecuniary liability or charge against the general credit of the Authority or the individual Trustees thereof. **THE SERIES 2025 BONDS ARE NOT OBLIGATIONS OR DEBTS OF THE STATE OF OKLAHOMA, MUSKOGEE COUNTY, OKLAHOMA, OR ANY MUNICIPALITY, COUNTY, POLITICAL SUBDIVISION, OR GOVERNMENTAL UNIT OR AGENCY OF THE STATE OF OKLAHOMA, BUT ARE LIMITED AND SPECIAL OBLIGATIONS OF THE AUTHORITY PAYABLE SOLELY FROM THE SALES TAX REVENUES AND ASSETS PLEDGED THEREFOR, AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF OKLAHOMA, NOR ANY COUNTY, MUNICIPALITY, SUBDIVISION, OR GOVERNMENTAL UNIT OR AGENCY THEREOF OR THEREIN IS PLEDGED FOR THE PAYMENT OF THE SERIES 2025 BONDS. THE AUTHORITY HAS NO TAXING POWER.**

SECTION 2.12. Book Entry System. The provisions of this Section shall apply to any Bonds so long as all of the Bonds shall be maintained under a book-entry system with a Securities Depository, any other provisions of this Indenture to the contrary notwithstanding.

(a) **Payments Due on Bonds**. The principal and redemption price of and interest on the Bonds shall be payable to the Securities Depository, or registered assigns, as the Registered Holder of the Bonds, in funds available not later than the next Business Day on each date on which the principal or redemption price of or interest on the Bonds is due as set forth in this Indenture and in the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the Authority and the Trustee in writing. Neither the Authority nor the Trustee shall have any obligation with respect to the transfer or crediting of the appropriate principal and interest payments to Participants or the beneficial owners of the Bonds or their nominees.

(b) **Securities Depository Deemed Registered Holder.** So long as the Securities Depository, or its nominee, is the Registered Holder of the Bonds, the Authority and the Trustee will recognize the Securities Depository, or its nominee, respectively, as the Holder of all of the Bonds for all purposes, including the payment of the principal and redemption price of, and interest on, the Bonds, as well as the giving of notices and any consent or direction required or permitted to be given to, or on behalf of, the Holders of the Bonds under this Indenture.

(c) **Replacement of Securities Depository or Discontinuance of Book-Entry System**. The Authority, in its discretion, at any time may replace any Securities Depository as the depository for the Bonds with another securities depository registered as a "clearing agency" pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, or discontinue the maintenance of the Bonds under a book-entry system upon thirty (30) days' notice to the Securities Depository (or such fewer number of days as shall be acceptable to such Securities Depository).

(d) **Issuance of Replacement Certificates Upon Discontinuance of Book-Entry System**. If the Authority discontinues the maintenance of the Bonds under a book-entry system, the Authority will issue replacement Bonds directly to the Participants or, to the extent requested by any Participant, to the beneficial owners of the Bonds as further described in this Section. The Authority shall make provisions to notify Participants and the beneficial owners of the Bonds, by mailing an appropriate notice to the Securities Depository and the Trustee, or by other means deemed appropriate by the Authority in its discretion, that it will issue replacement Bonds directly to the Participants or, to the extent requested by any Participant, to beneficial owners of the Bonds as of a date set forth in such notice, which shall be a date at least ten (10) days after the date of mailing of such notice (or such fewer number of days as shall be acceptable to the Securities Depository).

In the event that replacement Bonds are to be issued to Participants or to beneficial owners of the Bonds, the Authority shall promptly have prepared, at the expense of the Bondholder, replacement Bonds registered in the names of the Participants as shown on the records of the Securities Depository provided to the Trustee or, to the extent requested by any Participant, in the names of the beneficial owners of the Bonds shown on the records of such Participant provided to the Trustee, as of the date set forth in the notice delivered in accordance with this subsection. Replacement Bonds issued to Participants or to beneficial owners shall be in fully registered form substantially in the form of Bonds set out in Section 2.03 hereto.

(e) **Issuance of Replacement Bonds upon Appointment of Replacement Depository**. If the Authority replaces any Securities Depository as the depository for the Bonds with another qualified Securities Depository, the Trustee will issue to the replacement Securities Depository replacement Bonds substantially in the form of Bonds set out in Section 2.05 hereto registered in the name of such replacement Securities Depository.

(f) **No Liability of Authority or Trustee.** Each Securities Depository and the Participants and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the Authority and the Trustee shall have no liability for the failure of any Securities Depository to perform its obligations to any Participant or any beneficial owner of any Bonds, nor shall the Authority or the Trustee be liable for the failure of any Participant or other nominee of any beneficial owner of any Bonds to perform any obligation that such Participant or other nominee may incur to

any beneficial owner of the Bonds.

Notwithstanding anything to the contrary contained in this Section 2.12, so long as the Depository Trust Company is the Securities Depository for the Bonds, the book-entry registration of the Bonds, including (without limitation) the times and manner of payment, the selection of Bonds for redemption, the times and manner of giving notice and the issuance of replacement Bonds, shall be governed by the Letter of Representations of the Authority on file with the Depository Trust Company, as such Letter of Representations may be amended by the Authority, the Trustee and the Depository Trust Company.

End of ARTICLE II

ARTICLE III

REDEMPTION OF BONDS

SECTION 3.01 Optional Redemption. The Series 2025 Bonds maturing on and after December 1, 2031, are subject to redemption at the option of the Authority, in whole or in part, in inverse order of maturity, by lot within a maturity, on any Interest Payment Date on or after December 1, 2030, at the principal amount thereof plus accrued interest to the date fixed for redemption, without premium.

SECTION 3.02 Special Redemption. The Series 2025 Bonds are subject to redemption at the option of the Authority in whole or in part at any time, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, if such redemption is made from excess proceeds of the Series 2025 Bonds not needed to complete the Project.

SECTION 3.03. Selection of Series 2025 Bonds to be Redeemed. If less than all the Series 2025 Bonds shall be called for redemption under any provision of this Indenture permitting such partial redemption, the particular Series 2025 Bonds or portions of Series 2025 Bonds, within a particular maturity and within a separate series of bonds, to be redeemed shall be selected from all Series 2025 Bonds then Outstanding of the series of bonds being called for redemption, by lot by the Trustee in such manner as the Trustee, in its sole discretion, may deem appropriate and fair; **PROVIDED, HOWEVER**, that the portion of any Series 2025 Bond to be redeemed shall be in the principal amount of $5,000 or some integral multiple thereof and that in selecting Series 2025 Bonds for redemption, the Trustee shall treat each Series 2025 Bond as representing that number of Series 2025 Bonds which is obtained by dividing the principal amount of such registered Series 2025 Bond by $5,000 (such amounts being hereinafter referred to as the "applicable units of principal amount"). If it is determined that one or more, but not all of the $5,000 units of principal amount represented by any such Series 2025 Bond is to be called for redemption, then upon notice of intention to redeem such $5,000 unit or units, the holder of such Series 2025 Bond shall forthwith surrender such Series 2025 Bond to the Trustee for (i) payment of redemption price (including interest to the date fixed for redemption) of the $5,000 unit or units of principal amount called for redemption and (ii) exchange for a new Series 2025 Bond or Series 2025 Bonds of the aggregate principal of such Series 2025 Bonds and such new Series 2025 Bond or Series 2025 Bonds shall be numbered corresponding to the numbers of the $5,000 units of principal amount not called for redemption. **IF THE REGISTERED HOLDER OF ANY SUCH SERIES 2025 BOND OF A DENOMINATION GREATER THAN $5,000 SHALL FAIL TO PRESENT SUCH SERIES 2025 BOND TO THE TRUSTEE FOR PAYMENT AND EXCHANGE AS AFORESAID, SUCH SERIES 2025 BOND SHALL, NEVERTHELESS, BECOME DUE AND PAYABLE ON THE DATE FIXED FOR REDEMPTION TO THE EXTENT OF THE $5,000 UNIT OR UNITS OF PRINCIPAL AMOUNT CALLED FOR REDEMPTION (AND TO THAT EXTENT ONLY).**

SECTION 3.04. Notice of Redemption. Notice of redemption shall be given by mailing a copy of the redemption notice by first class mail at least thirty (30) days prior to the date fixed for redemption to the holders of the Series 2025 Bonds to be redeemed at the addresses shown on the registration books; **PROVIDED, HOWEVER**, that failure duly to give such notice, or any defect

therein, shall not affect the validity of any proceedings for the redemption of Series 2025 Bonds as to which no such failure or defect has occurred.

Interest on the Series 2025 Bonds shall be paid to the Registered Holder thereof at his address as it appears on the registration books kept pursuant to this Indenture at the close of business on the appropriate Record Date. No transfer or exchange or Series 2025 Bonds shall be required to be made after a Record Date and before the succeeding Interest Payment Date.

SECTION 3.05. Cancellation. All Series 2025 Bonds which have been redeemed shall not be reissued, but shall be cancelled and cremated or otherwise destroyed by Trustee, and counterparts of a certificate of destruction evidencing such cremation or other destruction shall be furnished by the Trustee to the Authority.

End of ARTICLE III

ARTICLE IV

PROCEEDS OF SERIES 2025 BONDS

SECTION 4.01. Proceeds of Series 2025 Bonds Issued under this Indenture. All of the proceeds of the sale of the Series 2025 Bonds issued under this Indenture shall be paid to the Trustee and shall be deposited or disbursed by the Trustee as follows:

First: The costs and expenses necessarily incidental to the issuance and sale of the Series 2025 Bonds shall be paid to the persons entitled thereto, in the respective amounts, in the amount of $855,756.25 as certified to the Trustee by the Authority in accordance with the provisions of Section 2.06 of Article II hereof; and

Second: The remaining balance of the Series 2025 Bonds shall be deposited into the Series 2025 Project Fund in the amount of $39,001,368.55.

End of ARTICLE IV

ARTICLE V

NO PARITY INDEBTEDNESS; DEFEASANCE

SECTION 5.01. Right to Incur. The Authority shall not incur indebtedness secured equally and ratably with the indebtedness evidenced by the Bonds. The Authority shall have the right to incur indebtedness that refunds any Outstanding indebtedness evidenced by the Bonds. Nothing in this Indenture shall be construed to prevent the Authority from incurring any indebtedness so long as such indebtedness is not secured by any lien or charge on any part of the Trust Estate equal or superior to the lien of this Indenture.

SECTION 5.02. Purposes Authorized. Any such subordinate indebtedness so secured shall be incurred only for those projects identified by the County Resolution calling the election for the approval of the Sales Tax and for any project as may be authorized thereunder as a proper expenditure of Sales Tax funds or for refunding any outstanding indebtedness of the Authority incurred for any of the foregoing purposes.

SECTION 5.03. Defeasance. Payment. If the Authority shall pay or cause to be paid or there shall otherwise be paid, to the Registered Holders of all Bonds the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, then the assignment and pledge of the Trust Estate under this Indenture and all covenants, agreements and other obligations of the Authority to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the Authority and shall execute and deliver to the Authority all monies or securities held by it pursuant to this Indenture which are not required for the payment of principal or of interest on Bonds not theretofore surrendered for such payment. If the Authority shall pay or cause to be paid, or there shall otherwise be paid to the Registered Holders of all Outstanding Bonds the principal thereof, interest and other amounts due or to become due thereon, at the times and in the manner stipulated therein and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture and all covenants, agreements and obligations of the Authority to the Bondholders shall thereupon cease, terminate and become void and be discharged and satisfied.

Provision for Payment. Bonds or interest installments shall be deemed to have been paid within the meaning and within the effect expressed in this Indenture to the extent that (i) Cash; or (ii) non-callable direct obligations of the United States of America ("Treasuries") or (iii) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a Trustee or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not availble to any person claiming through the custodian or to whom the custodian may be obligated; or (iv) pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively or (v) securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, (hereafter referred to as "Government Obligations"), are pledged for the payment of the Bonds or interest installments at maturity and such Government Obligations are set aside and held in trust by the Trustee until such payment. All Outstanding Bonds

and all interest on such Bonds shall, prior to the maturity thereof, be deemed to have been paid within the meaning and with the effect expressed above if (a) there shall be Government Obligations the principal of and interest on which when due will provide monies, which shall be sufficient to pay when due the principal of and interest due at the maturity thereof; and (b) in the event such Bonds are not by their terms subject to payment within the next succeeding sixty (60) days the Authority shall have given the Trustee in form satisfactory to it irrevocable instructions to give, as soon as practicable, notice of payment that the deposit required by (a) above has been made with the Trustee and that such Bonds and interest thereon are deemed to have been paid in accordance with this Section and stating such maturity upon which monies are to be available for the payment of the principal of such Bonds.

If the Authority shall pay and perform, or cause to be paid and performed, or make provision satisfactory to the Trustee for the payment and performance, or if there shall be held by the Trustee sufficient monies or obligations described below, the principal of and interest on which when due and payable will provide sufficient monies for the payment and performance, fully and promptly when due, of all indebtedness, liabilities and obligations provided in this Indenture and in all Bonds issued under authority hereof to be paid and performed, then, in such event only, this Indenture shall become null and void, and discharged of record at the cost of the Authority, which the Authority agrees to pay, and the Trustee will assign and deliver to the Authority any monies and investments of the Authority remaining in possession of the Trustee, except funds held by the Trustee for the payment of principal of, premium, if any, and interest on the Bonds or expenses incurred or which might be incurred in carrying out the purposes hereof.

To accomplish defeasance the Authority shall cause to be delivered (i) a report of an independent firm of certified public accountants verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement, (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer "Outstanding" under this Indenture and (iv) a release of the Indenture by the Trustee. Each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Authority, and the Trustee.

End of ARTICLE V

ARTICLE VI
BANK ACCOUNTS, DEPOSITS AND WITHDRAWALS

SECTION 6.01. Revenue Account.

(a) Muskogee County Public Safety Authority Series 2025 Revenue Fund (the "Revenue Fund") shall be established in a licensed commercial bank located in Muskogee County, Oklahoma (or such other bank or banks as the Authority from time to time shall designate). All monies received under the Sales Tax Agreement shall be deposited by the Authority, as received, in the Revenue Fund.

(b) **Payments From Account.** The Revenue Account shall be chargeable with the following payments, in the following order of priority:

(i) Payments into the Bond Account as herein required;

(ii) Use of any remainder by the Authority for any proper purpose or purposes of the Authority, including but not limited to redemption prior to maturity of any indebtedness issued under this Indenture or any supplement thereto, purchase of Bonds pursuant to Section 6.03(c) and payments to or for the County or any fund or funds of the County.

SECTION 6.02. Bond Account.

(a) **Creation and Purpose.** There hereby is created in the Trustee, an account designated "Muskogee County Public Safety Authority Bond Account" (herein called the "Bond Account"), which shall be used for the purpose of receiving monthly payments from the Authority and providing for the payments into the Sinking Fund of the Authority, provided for in Sections 6.03 and 6.04 of this Indenture. The Trustee shall have sole authority to withdraw money from the Bond Account. All funds deposited and held in the Bond Account are subject to the lien of this Indenture as security for the performance of the obligations of the Authority under this Indenture and the payment of any indebtedness or obligations of the Authority at any time due or obligatory under the provisions of this Indenture.

(b) **Deposits in Bond Account.** During each of the annual periods hereinafter specified, the Authority shall make monthly deposits into the Bond Account in aggregate amount (less credits for interest as provided in Section 6.05 of this Indenture), not less than the amount necessary to punctually pay the principal of and interest on the Bonds as the same shall become due and payable. Each of such monthly deposits shall be made on or before the 15th day of the month (with the first of such monthly deposits to be made as of January 15, 2026), and for each annual period shall be equal, as nearly as practicable in the circumstances, to one-twelfth (1/12th) of the aggregate deposits so prescribed for that annual period (except for the first year, which shall equal one-eleventh (1/11th) of the aggregate deposits so prescribed for that annual period); provided, that during any semi-annual period specified in Section 6.02(c) hereof, the aggregate of such monthly deposits made into the Bond Account (including credits for interest as provided in Section 6.05 of this Indenture) shall not, in any event, be less than the amount required by Section 6.02(c) to be transferred from the Bond Account to the Sinking Fund of the Authority, at the close of such semi-annual period; and provided

further that, if as of the 15th day of any month the aggregate of the amounts theretofore deposited in the Bond Account (from cash payments by the Authority and the aforesaid credits on interest) shall exceed the aggregate of the aforesaid minimum monthly payments for all of the monthly periods then elapsed, the Authority, at its option, may pay a lesser amount than the minimum herein specified for that monthly payment due on that date, but in no event shall any reduction in any such monthly payment be permitted to an extent which would result in there having been so deposited in the Bond Account an aggregate amount less than the total of the minimum monthly payments herein required for each aforesaid monthly period then elapsed. The amounts required to be so deposited have been calculated as follows:

Annual Period Ending November 30	Minimum Deposits During Annual Period
2026	$ 4,373,583.33
2027	4,923,800.00
2028	4,920,400.00
2029	4,921,600.00
2030	4,927,000.00
2031	4,921,200.00
2032	4,914,400.00
2033	4,926,400.00
2034	4,921,200.00
2035	4,919,200.00

(c) **Transfers from Bond Account to Sinking Fund.** On or before each May 25 and November 25, beginning May 25, 2026, the Trustee shall transfer from the Bond Account to the Sinking Fund an amount sufficient to enable payment of the principal of and interest on Outstanding Bonds maturing on the next ensuing Interest Payment Date. The amounts required to be so transferred from the Bond Account to the Sinking Fund for the Series 2025 Bonds have been calculated as set forth below:

	Series 2025	
Transfer Date:	**Semiannual Debt Service**	
	Interest	Principal
May 25, 2026	$ 744,883.33	$ ----------
November 25, 2026	788,700.00	2,840,000
May 25, 2027	731,900.00	----------
November 25, 2027	731,900.00	3,460,000
May 25, 2028	662,700.00	----------
November 25, 2028	662,700.00	3,595,000
May 25, 2029	590,800.00	----------
November 25, 2029	590,800.00	3,740,000
May 25, 2030	516,000.00	----------
November 25, 2030	516,000.00	3,895,000
May 25, 2031	438,100.00	----------
November 25, 2031	438,100.00	4,045,000
May 25, 2032	357,200.00	----------
November 25, 2032	357,200.00	4,200,000
May 25, 2033	273,200.00	----------

November 25, 2033	273,200.00	4,380,000
May 25, 2034	185,600.00	----------
November 25, 2034	185,600.00	4,550,000
May 25, 2035	94,600.00	----------
November 25, 2035	94,600.00	4,730,000

(d) **Special Provisions in Event of Default.** Notwithstanding any other provision of this Article VI, so long as any uncured Event of Default shall exist under this Indenture, the Trustee may transfer all or any part of the Bond Account to the Sinking Fund or to any other fund provided in this Indenture which the Trustee deems proper.

SECTION 6.03. Sinking Fund. (a) **Creation and Purposes.** There hereby is created, in the Trustee, a special fund designated "Muskogee County Public Safety Authority Sinking Fund" (herein called the "Sinking Fund"), for the purposes of (a) paying, as the same shall become due and payable, the interest on the Bonds, and (b) paying, at maturity, the principal of the Bonds as provided herein, and (c) retiring Bonds before maturity, as provided herein, and (d) paying any money for which the Authority shall become obligated to the Trustee under this Indenture. The Trustee shall hold in trust all money transferred or paid into the Sinking Fund and promptly shall pay from the Sinking Fund money payable therefrom under this Indenture for the purposes specified in this Section 6.03.

(b) **Transfers from Sinking Fund for Payment of Maturing Interest and Principal and for Redemption of Bonds.** Prior to each date on which any interest on any of the Bonds shall become due and payable, the Trustee shall transfer from the Sinking Fund, into a special trust account, an amount sufficient to pay such maturing interest plus an amount sufficient to pay the principal of any of the Bonds maturing on that Interest Payment Date, and shall hold the same uninvested in trust for the payment of such interest and principal; and, at the same time, the Trustee also shall transfer from the Sinking Fund, into the special trust account, an amount sufficient to pay the principal of, premium, if any, and interest on any of the Bonds which shall have been called by it, as provided in Article II of this Indenture, for redemption prior to maturity on that Interest Payment Date, and shall hold the same uninvested in trust for the redemption of such Bonds. As between the Trustee and the Authority, all money so transferred for such purposes shall be deemed to have been paid by the Authority, but such transfer shall not affect any obligation of the Authority to any other person or entity.

(c) **Purchase of Bonds.** At any time, either before or after any Bonds may be called for prior redemption, the Authority may direct the Trustee to purchase one or more Bonds on the open market, out of any money in the Sinking Fund in excess of the aggregate amount then required to be on deposit in the Sinking Fund under the provisions of this Article VI, and, in that event, if the Trustee can so purchase any such Bond or Bonds at a price not exceeding the amount for which any Bond issued under this Indenture next shall be callable for prior redemption (but not including more interest than the next semi-annual interest thereon), it shall so purchase the same.

(d) **Credit for Principal and Interest on Redeemed Bonds.** In the event that any Bond shall be redeemed prior to maturity, or purchased by the Authority prior to maturity thereof, upon cancellation thereof, the amount of interest expressed in such Bond which would have been payable on each Interest Payment Date following cancellation to the date of maturity expressed in such Bond shall be deemed to have been deposited in the Bond Account and transferred to the Sinking Fund fifteen (15) days prior to such Interest Payment Date and the amount of principal of such Bond shall be deemed to have been so deposited and transferred fifteen (15) days prior to the expressed maturity date thereof.

(e) **Disposition of Redeemed and Purchased Bonds.** All Bonds which shall be redeemed (whether pursuant to maturity or call) or purchased as provided in this Indenture, shall forthwith be cancelled and destroyed by the Trustee, and the Trustee shall deliver a certificate of such fact to the Authority. No new Bond shall be issued under this Indenture in lieu of any Bond so redeemed, purchased or surrendered.

SECTION 6.04 Construction Fund. (a) **Creation and Purposes.** The Muskogee County Public Safety Authority Series 2025 Capital Improvement Revenue Bond Construction Fund (the "Construction Fund") shall be established in the Trustee as a special trust fund and shall be used to receive the proceeds from the sale of the Series 2025 Bonds. The proceeds of the Bonds and investment earnings thereon, if any, shall be segregated within the Construction Fund and accounted for separately by the Trustee. Amounts in the Construction Fund shall be used to pay the costs of issuance of the Bonds, to transfer to the Bond Fund, to make transfers to the Rebate Fund, as required, and to pay Project Costs. In respect to the amount of the proceeds of the Bonds necessary to pay the costs of issuing the Bonds, the Trustee shall disburse to the payee the amounts set forth in the Certificate of the Trustees delivered to the Trustee at the closing and in respect to the amount of proceeds of the Bonds necessary to pay the construction, acquisition or installation of the Project, the Trustee shall disburse to the payee the amount of qualified Project Costs upon the direction of any Authorized Representative of the Authority endorsed on the form of requisition attached hereto as Exhibit "B". Upon completion of acquisition and construction of the Project and the payment of all costs and expenses to be paid from the Construction Fund relating to the issuance of the Bonds and written certification thereof to the Trustee by any Authorized Representative of the Authority, the Trustee shall retain in the Construction Fund a sum equal to the amounts necessary for payment of the costs of acquisition and construction not then due and payable. Any amount not to be retained in the Construction Fund for payment of the costs of acquisition and construction of the Project shall be transferred or deposited into the Bond Fund. In the event that amounts held in the Bond Fund are insufficient to pay, when due, interest on the Bonds, amounts in the Construction Fund in excess of the amount encumbered by the Authority to cover the Project's costs may be used to make up such deficiency upon direction of the Authority.

(b) Authority Representative. With respect to proceeds of the Bonds deposited in the Construction Fund, the Authority shall appoint some person or persons in writing to serve as Authority Representative; the Authority may by subsequent official action appoint a different or additional Authority Representative. The Trustee shall accept the written certification of the designated representative of the Authority for the purposes herein expressed.

SECTION 6.05. Investment of, and Security for, Bond Account and Sinking Fund. The Trustee shall invest as directed in writing by the Authority, such portions of the Construction Fund, Bond Account and Sinking Fund. All such investments shall be in Authorized Investments that shall mature not later than the respective dates, as estimated by the Trustee upon recommendation by the Authority, when the monies in such Funds or Accounts shall be required for the purposes intended. Investment income derived from the Construction Fund, the Sinking Fund, and the Bond Fund shall be deposited in the Bond Fund.

All interest collected by the Trustee on such investments shall be deposited, as collected, in the Bond Fund. The fact of such deposits and the amounts thereof during each monthly period described in Section 6.07 hereof shall be reported by the Trustee to the Authority as provided in Section 6.07 hereof, and for the purposes of Section 6.02(b) hereof, shall be deemed to have been deposited by the Authority into its Bond Account during the first calendar month next following the monthly period during which such interest was so collected and deposited by the Trustee in the Authority's Sinking Fund.

The Trustee shall not be liable for any losses (including specifically depreciation of value) resulting from compliance with such directed investment.

SECTION 6.06. Protection of Funds. Except as otherwise provided in this Article VI with respect to any particular account or fund created or provided in this Article VI, no bank account or fund created or provided by this Indenture in any bank shall be permitted to exceed in aggregate amount the insurance provided therefor by the Federal Deposit Insurance Corporation, unless the bank in which the same shall be deposited shall secure such excess amount in the manner provided by law for the security of deposits of uninvested sinking funds of political subdivisions of the State of Oklahoma, or, in the case of deposits in the Trustee, in the manner provided by the national banking laws of the United States of America for the security of trust funds. Any and all such security received by the Authority pursuant to this Section 6.06 shall, forthwith, be delivered to the Trustee.

SECTION 6.07. Statements by the Trustee. On or before the 10th day of December, 2025, and on or before the 10th day of each calendar month thereafter, the Trustee shall furnish to the Authority a statement or statements showing (a) the total amount of interest collected and deposited in the Authority's Sinking Fund, as provided in Section 6.04 hereof, during the last preceding calendar month and (b) the total investments of each account or fund of the Authority which is subject to investment by the Trustee, as of the last day of the last preceding calendar month, and (c) the respective amounts, if any, transferred during the last preceding calendar month from the Authority's Sinking Fund to the special trust account for the payment of principal of, premium, if any, or interest on the Bonds, and (d) the cash balance in each account or fund as of the last day of the last preceding calendar month.

SECTION 6.08. Combining other Funds with Sinking Fund to Complete Retirement of Bonds. Whenever the aggregate of balances of accounts and funds of the Authority maintained at the Trustee, not otherwise allocated for contracted payments, when added to the balances in the Authority's Sinking Fund and Bond Account, shall be sufficient to provide for the retirement of all then Outstanding Bonds issued under this Indenture and any Supplemental Bond Indenture or

Supplemental Bond Indentures hereto (either by payment at maturity, or by redemption prior to maturity, or by purchase on the open market, as provided in this Indenture and any such Supplemental Bond Indenture or Supplemental Bond Indentures hereto), the Authority may direct the Trustee in writing to transfer to the Authority's Sinking Fund a sufficient amount of such unallocated funds or accounts to retire all of such Bonds, and the Trustee shall make such transfer or transfers and proceed to retire such Bonds in the manner provided therefor.

SECTION 6.09. No Arbitrage. Notwithstanding all the provisions of this Indenture, the Authority covenants that monies in the various funds and accounts created hereunder shall not be allowed to accumulate or be invested in a manner which would result in the loss of exemption from Federal income taxation of interest on the Series 2025 Bonds or in such manner which would result in the Series 2025 Bonds constituting "arbitrage bonds" within the meaning of Section 148 of the Code.

End of ARTICLE VI

ARTICLE VII

NATURE, PURPOSES AND POWERS OF THE AUTHORITY; AND PURPOSES OF THIS BOND ISSUE

SECTION 7.01. Nature, Purposes and Powers of the Authority.

(a) **Nature of the Authority.** The Authority is a public trust created and existing under the terms of the Declaration of Trust, with the acceptance of beneficial interest thereunder by the County and the City, each political subdivisions of the State of Oklahoma, endorsed thereon as authorized by the governing body of the County and the governing body of the City, all pursuant to Title 60, Oklahoma Statutes 2021, Sections 176-180.3, inclusive, and the Oklahoma Trust Act. Pursuant to the laws of the State of Oklahoma, the Trustees of the Authority are an agency of the State of Oklahoma, and the regularly constituted authority of the County and the City, each political subdivisions of said State, the beneficiaries of said trust, for the performance of, and for the furtherance of, authorized and proper functions of the County and the City.

(b) **Purposes and Powers of the Authority.** The Declaration of Trust declares the purpose, among others, of the Authority to be to assist the County and the City, the State of Oklahoma, its governmental agencies, municipalities and private entities, agencies and citizens in making the most efficient use of all of their economic resources and powers in accord with the needs and benefit of the State of Oklahoma and the County and the City in order to lessen the burdens on government and to promote the safety, security and general well being of the residents of the County and the City and to finance any and all programs, activities or resources promoting or intending to promote any of the foregoing and, without limitation, in furtherance of the foregoing general objectives, to promote, develop and finance the acquisition, construction, rehabilitation and equipping of county buildings, county roads and bridges, county jail facilities, detention centers and rehabilitation centers, of any sort or description, including, but not limited to, any real or personal property related thereto. For a more detailed description of the purposes and powers of the Authority, reference is made to the Declaration of Trust.

SECTION 7.02. Purposes of Bonds. The proceeds of the Bonds shall be used (a) pay the costs and expenses including principal and interest requirements for the refunding of the Authority's Prior Bonds, (b) to pay the costs and expenses of, and incidental to the issuance, sale and delivery of the Bonds.

SECTION 7.03. Payment of Principal and Interest. The Authority covenants that it will promptly pay or cause to be paid the principal of and interest on every Series 2025 Bond issued under this Indenture at the place, on the dates, and in the manner provided herein and in said Series 2025 Bonds according to the true intent and meaning thereof, but solely from the amounts pledged therefor which are from time to time held by Trustee in the Bond Fund. The principal of and interest on the Series 2025 Bonds are payable solely out of the Trust Estate. **NEITHER THE AUTHORITY, ANY MEMBER, OFFICER OR EMPLOYEE OF THE AUTHORITY, THE STATE, NOR ANY POLITICAL SUBDIVISION OF THE STATE SHALL IN ANY EVENT BE LIABLE FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR INTEREST ON ANY OF THE SERIES 2025 BONDS OR FOR THE PERFORMANCE OF**

ANY PLEDGE, OBLIGATION OR AGREEMENT UNDERTAKEN BY THE AUTHORITY EXCEPT TO THE EXTENT THAT PAYMENTS AND MONIES PLEDGED UNDER THIS INDENTURE ARE SUFFICIENT, THEREFOR. THE SERIES 2025 BONDS ARE SPECIAL OBLIGATIONS OF THE AUTHORITY AND DO NOT CONSTITUTE AN OBLIGATION, EITHER GENERAL OR SPECIAL, OF THE STATE OF OKLAHOMA OR THE AUTHORITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISIONS WHATSOEVER. THE AUTHORITY HAS NO TAXING POWER.

End of ARTICLE VII

ARTICLE VIII

CONCERNING THE TRUSTEE

SECTION 8.01. Acceptance of the Trusts. The Trustee hereby accepts the trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) Except during the continuance of an Event of Default, the Trustee shall perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations of the Trustee shall be read into this Indenture against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under similar circumstances.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties hereunder by or through attorneys, agents, experts, receivers or employees, and may in all cases pay such reasonable compensation to all such attorneys, agents, experts, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of professional engineers, accountants and attorneys (who may be the engineers, accountants and attorneys of the Authority), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for the loss or damage resulting from any action or nonaction in good faith in reliance upon such opinion or advice.

(c) The recitals of facts herein and in the Bonds shall be taken as statements of the Authority, and the Trustee assumes no responsibility for the correctness of the same (other than those statements which relate to the Trustee). The Trustee shall not be responsible for doing or performing any thing or act which the Authority shall have covenanted to do or perform, or for any compliance with any covenant by the Authority, or for the sufficiency of this Indenture, the Bonds or the security for the Bonds, or otherwise as to the maintenance of such security, nor shall the Trustee be bound to ascertain or inquire as to the performance of any covenant, condition, or agreement by the Authority, but it may require full information and advice in regard to any of the foregoing. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds.

(d) The Trustee may rely and shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee shall not withhold unreasonably its consent, approval or action to any reasonable request of the Authority. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Holder of any Bond, shall be conclusive and binding upon all future Registered Holders of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by an authorized officer of the Authority as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in subsection (g) of the Section, or of which by said subsection it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may, at its discretion, secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the Chairman of Trustees of the Authority or its Secretary of Trustees to the effect that a resolution in the form therein set forth has been adopted by the Authority as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and it shall not be answerable or liable for any loss or damage whatsoever for other than its negligence or willful misconduct. The Trustee shall not be liable with respect to any action taken or not taken by it in accordance with the written directions received by the Trustee from the holders of a majority in aggregate principal amount of Bonds then Outstanding at the time of the direction.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default other than an Event of Default under clause (a) and (b) of Section 10.01 hereof, unless the Trustee shall be specifically notified in writing of such Event of Default by the Authority, or by the holders of a majority in aggregate principal amount of Bonds then Outstanding, and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and, in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right, but not the obligation, to fully inspect any and all of the property herein conveyed, including all books, papers and records of the Authority pertaining to the Bonds and to take such memoranda or copies from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything herein to the contrary, in respect of the authentication of any Bonds, the withdrawal of any cash, or the taking of any action whatsoever within the purview of this Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee deemed desirable for the purpose of establishing the right of the Authority to the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) Before exercising any remedy under Article X of this Indenture, the Trustee may require that indemnity satisfactory to it be furnished by the Bondholders requesting such action for the reimbursement of all expenses to which the Trustee may be put and to protect the Trustee against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct.

(l) The Trustee may become the owner or pledgee of any Bonds with the same rights it would have if it were not the Trustee. To the extent permitted by law, the Trustee may act as a depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization resulting from or pertaining to the enforcement of the Bonds or this Indenture whether or not such committee shall represent the holders of a majority in the principal amount of the Bonds then Outstanding.

(m) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to its satisfaction.

(n) The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provisions hereof and such construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Bondholders.

(o) All indemnifications and releases from liability granted herein to the Trustee shall extend to the directors, officers, employees and agents of the Trustee.

(p) The Trustee shall be paid reasonable fees and expenses. The obligation to pay such amounts shall survive the payment in full of the principal and interest of the outstanding securities or removal or resignation of the Trustee.

(q) The Trustee shall have a priority right and first lien for reimbursement of any and all fees, costs, expenses (including legal fees) from any recovery of funds resulting from a bankruptcy or workout of the securities prior to any distribution to the bondholders or other third parties.

(r) The recitals contained in this Indenture and in the Bonds (other than the certificate of authentication on the Bonds) are statements of the Issuer and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the value, condition or sufficiency of any assets pledged or assigned as security for the Bonds, the right, title or interest of the Issuer therein, the security provided thereby or by this Indenture, the technical or financial feasibility of the Project, the compliance of the Project with the Act, or the tax-exempt status of the Bonds. The Trustee is not accountable for the use or application by the Issuer of any of the Bonds or the proceeds of the Bonds, or for the use or application of any moneys paid over by the Trustee in accordance with any provision of this Indenture or the Agreement.

(s) The Trustee shall have no duty to analyze or review any financial report or Official Statement received by the Trustee or express any opinion concerning the contents of any financial report or Official Statement and shall have no responsibility for the contents or accuracy of such reports.

(t) The Trustee shall not be liable for any losses (including specifically depreciation of value) resulting from Authorized Investments.

SECTION 8.02. Paying Agent; Appointment and Acceptance of Duties. The Trustee is hereby appointed paying agent with respect to the Bonds and the Trustee hereby accepts the duties and obligations imposed upon it by this Indenture as such paying agent.

SECTION 8.03. Fees, Charges and Expenses of Trustee. Subject to the terms of any written contract with the Trustee, the Authority shall timely pay to the Trustee from time to time, the Trustee's reasonable fees for services rendered under this Indenture and all reasonable expenses, charges, fees of counsel, accountants and consultants and other disbursements, including those of their attorneys, agents, experts and employees, incurred in good faith in and about the performance of their power and duties under this Indenture. The resignation or removal of the Trustee under Sections 8.05 or 8.06 herein shall be without prejudice to the rights of the Trustee to receive compensation and payment as herein provided.

SECTION 8.04. Intervention by Trustee. In any judicial proceeding concerning the issuance or the payment of the Bonds to which the Authority is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Registered Holders of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the holders of at least 25% of the aggregate principal amount of Bonds then outstanding, and upon receiving indemnification from such Bondholders satisfactory to it.

SECTION 8.05. Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations created by this Indenture by giving not less than thirty (30) days written notice to the Authority, and giving written notice thereof to each Bondholder in the manner required to redeem Bonds, specifying the date when such resignation shall take effect, in the manner required to redeem Bonds, and such resignation shall take effect upon the day specified in such notice unless previously a successor shall have been appointed by the Authority or the Bondholders as provided in Section 8.07, in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor trustee (or temporary trustee) has been appointed pursuant to Section 8.07. The rights of the Trustee to indemnity and reimbursement of fees and expenses shall survive the Trustee's resignation or removal.

SECTION 8.06. Removal of Trustee. The Trustee may be removed at any time by the Authority, if no Event of Default exists hereunder, by an instrument in writing signed by the Authority, or the Trustee may be removed at any time by concurrent instruments in writing, filed with the Trustee, and signed by the Bondholders representing a majority in principal amount of the

Bonds then Outstanding or their attorneys-in-fact duly authorized, excluding any Bonds held by or for the account of the Trustee, the Authority or the County. The rights of the Trustee to indemnity and reimbursement of fees and expenses shall survive the Trustee's resignation or removal.

SECTION 8.07. Appointment of Successor Trustee; Temporary Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor trustee may be appointed by the Bondholders representing a majority in principal amount of the Bonds then outstanding, excluding any Bonds held by or for the account of the Trustee, the Authority or the County, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to such successor trustee, notification thereof being given to the Authority and its predecessor; **PROVIDED, NEVERTHELESS**, that unless a successor trustee shall have been appointed by the Bondholders as aforesaid, the Authority by duly written instrument signed by its Chairman and Secretary shall forthwith appoint a temporary trustee to fill such vacancy until a successor trustee shall be appointed by the Bondholders as authorized in this Section 8.07. The Authority shall give notice of any such appointment made by it in the manner required to redeem Bonds. Any temporary trustee appointed by the Authority shall, immediately and without further act, be superseded by a trustee appointed by the Bondholders.

(b) If in a proper case no appointment of a successor trustee shall be made by Bondholders pursuant to the foregoing provisions of this Section within forty-five (45) days after the Trustee shall have given to the Authority written notice as provided in Section 8.05 or after a vacancy in the office of the trustee shall have occurred by reason of its inability to act, the Trustee or the Bondholders may apply to any court of competent jurisdiction to appoint a successor trustee. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor trustee.

(c) Any successor or temporary trustee appointed under the provisions of this Section shall be a bank or trust company organized under the laws of any state of the United States, or a national banking association having capital, surplus and undivided profits aggregating at least $50,000,000, if there be such a bank or trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by laws to perform all the duties imposed upon it by this Indenture.

(d) Any company into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible under subsection (c) of this Section, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 8.08. Transfer of Rights and Property to Successor Trustee. Any successor trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor, and to the Authority, an instrument accepting such appointment, and thereupon such successor trustee, without any further act, deed or conveyance, shall become fully vested with all monies, estates, properties, rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Trustee; but the Trustee ceasing to act shall nevertheless, on the written request of the Authority, or of the successor trustee, execute, acknowledge and deliver such instrument of conveyance and further assurance and do such other things as may reasonably be required to more fully and certainly vest and confirm in such successor trustee all the right, title and interest of the predecessor trustee in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor trustee any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the Authority be required by such successor trustee for more fully and certainly vesting in and confirming to such successor trustee any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request and so far as may be authorized by law, be executed, acknowledged and delivered by the Authority.

End of ARTICLE VIII

ARTICLE IX

COVENANTS

The Authority covenants to the Trustee and to each and all of the Bondholders as follows:

SECTION 9.01. Performance of Covenants. The Authority covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations and provisions on its part under, and preserve and enforce all the terms and provisions of this Indenture and the Bonds. Specifically, without limitation, the Authority agrees to take any action or refrain from taking any action necessary to protect the exemption of interest on the Bonds from Federal income taxation. The Authority covenants that it is duly authorized under the laws of the State of Oklahoma to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the holders thereof are and will be valid and enforceable obligations of the Authority according to the import thereof.

SECTION 9.02. Books and Records; Annual Audit. The Authority shall keep or cause to be kept proper books of record and account and shall cause such books of record and account to be audited annually as of the close of each fiscal year by a firm of independent certified public accountants of favorable reputation selected by the Trustees of the Authority.

Not more than one hundred eighty (180) days after the close of each fiscal year of the Authority, the Authority shall furnish to the Trustee and to any requesting Bondholder a report which includes financial statements prepared by the Authority and audited by the firm of independent certified public accountants, containing among other things:

(a) opinion of firm of independent certified public accountants on Authority's financial statements and supplemental schedules; and

(b) a balance sheet of the Authority as of the end of the fiscal year.

SECTION 9.03. Payment of Charges. The Authority covenants that all reasonable charges made by the County and the Trustee for services rendered and all charges for the payment of principal of and interest on the Bonds, and any Authority compensation and expenses will be paid by the Authority from the Trust Estate and will not be required to be paid by the holders of the Bonds.

SECTION 9.04. Compliance with Governmental and Contractual Requirements. The Authority covenants and agrees to faithfully and fully comply with and abide by every statute, order, rule or regulation now in force or hereafter enacted by any competent governmental agency or authority with respect to or affecting the Trust Estate. The Authority covenants and agrees to comply with the terms, covenants and provisions, express or implied, of all contracts entered into by the Authority for the use of or affecting the Trust Estate or the business of the Authority.

SECTION 9.05. Instruments of Further Assurance; Defects and Clouds on Security Interest in Trust Estate; Defense of Actions. Whenever reasonably requested so to do by the Trustee, the Authority covenants and agrees to promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and to promptly do or cause to be done all such other and further things, as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the holders of the Bonds all rights, interests, powers, benefits, privileges and advantages conferred or intended to be conferred upon them by this Indenture.

The Authority covenants and agrees from time to time to promptly take such action upon request of the Trustee as may be necessary or proper to remedy or cure any defect in or cloud upon the security interest granted herein in the Trust Estate or any part thereof whether now existing or hereafter developing, and to prosecute all such suits, actions and proceedings as may be appropriate for such purpose and to indemnify, defend and save the Trustee harmless from all loss, cost, damage and expense, including attorney's fees, which it may incur by reason of any such defect, cloud, suit, action or proceedings.

The Authority covenants and agrees to defend against every suit, action or proceeding at any time brought against the Trustee or the Bondholders upon any claim involving the Trustee or such Bondholder's rights under this Indenture; **PROVIDED, HOWEVER**, that the Trustee or the Bondholders at its or their election may appear in and defend against any such suit, action or proceedings; and notwithstanding any contrary provision hereof, this covenant shall continue and remain in full force and effect, even though all indebtedness, liabilities, obligations and other sums secured hereby may have been fully paid and satisfied, and this Indenture may have been released of record and the lien hereof discharged. The Authority shall promptly provide to the Trustee written notice of any litigation affecting the Bonds or the Trust Estate.

SECTION 9.06. Recordation of Security Documents. The Authority shall cause such security documents, financing statements and all supplements thereto and other instruments as may be required from time to time to be kept, recorded and filed, to be kept, recorded and filed in such manner and in such places as may be required by law in order to fully preserve and protect the security of the holders and owners of the Bonds, and the rights of the Trustee hereunder and to perfect the lien of and the security interest created by this Indenture.

SECTION 9.07. Rights of Inspection and Copying. The Trustee or any Owner of $100,000 in aggregate principal amount of Bonds at the time Outstanding shall have the right at all reasonable times to inspect and copy all records, accounts and data of the Authority relating thereto, and upon request the Authority shall furnish to the Trustee or such Owner such financial statements, reports and other information relating to the Authority as the Trustee or such Owner may from time to time reasonably request.

SECTION 9.08. Liens and Encumbrances. The Authority covenants and agrees to keep, or cause to be kept, the Trust Estate and all parts thereof free from judgments and all other liens, claims, demands, and encumbrances of whatsoever nature or character (except the lien of this

Indenture and other liens and encumbrances permitted hereby) to the end that the priority of the pledge and assignment of the Authority's interest in the Trust Estate as provided for in this Indenture may at all times be maintained and preserved free from any lien or encumbrance which might prevent or hamper the Authority in conducting its business or the operation thereof.

SECTION 9.10. Fees and Expenses of the Trustee. The Authority covenants and agrees to pay to the Trustee promptly upon receipt of statements of the amounts due and payable, (i) the annual fee of the Trustee for its ordinary services rendered and ordinary expenses incurred hereunder, and (ii) all other extraordinary sums which shall at any time become payable to the Trustee for enforcement of the provisions of this Indenture.

SECTION 9.11. Warranty of Declarations. The Authority represents and warrants that all statements contained in this Indenture are true and correct in all respects.

SECTION 9.12. Survival of Covenants, Agreements, Representations and Warranties. All covenants, agreements, representations and warranties made by the Authority in this Indenture or in any other instrument executed by the Authority in connection with the issuance and sale of the Bonds shall survive the execution of this Indenture and shall continue in full force and effect as long as there shall remain any Outstanding Bonds.

SECTION 9.13. Change in Sales Tax Agreement. The Authority shall not execute any release, modification, termination, amendment or other change or alteration of the Sales Tax Agreement without the prior written approval of the Trustee. In addition, the Authority shall send to the Trustee copies of all notices sent or received by the Authority under the Sales Tax Agreement.

SECTION 9.14. Security Agreement. This Indenture shall also be, and shall be construed as, a security agreement with respect to the Trust Estate, the revenues, funds and accounts of the Authority created hereunder (including but not limited to the Bond Account and Sinking Fund) to be controlled by and maintained at the Trustee. The Authority agrees to join with the Trustee in executing financing statements covering the Trust Estate for filing in the appropriate records of Oklahoma and Muskogee Counties; provided, the Authority shall be entitled to replace or substitute items of machinery, equipment and personal property as expressly provided in this Indenture, without obtaining a release of the security interest created hereunder in regard to such replaced or substituted items.

End of ARTICLE IX

ARTICLE X

EVENTS OF DEFAULT AND ENFORCEMENT OF SECURITY

SECTION 10.01. Events of Default. The following shall constitute Events of Default hereunder:

(a) **Nonpayment of Bonds.** Failure of the Authority to pay when due any principal of, premium, or interest on any Bond.

(b) **Other Nonpayment.** Failure of the Authority to pay when due any other amount payable under the terms of this Indenture.

(c) **Breach of Covenant.** Failure by the Authority in the performance or observance of any covenant contained in this Indenture, the Bonds or under the terms of any other instrument executed in connection with the issuance and sale of the Bonds, including, without limitation, the falsity or breach of any representation, warranty or covenant.

(d) **Representations and Warranties.** If any representation, statement, certificate, schedule or report made or furnished to the Trustee by the Authority proves to be false or erroneous in any material respect at the time of the making thereof, or, any warranty ceases to be complied with in any material respect, and the Authority fails to take or cause to be taken corrective measures satisfactory to the Trustee within thirty (30) days after written notice by the Trustee.

(e) **Bankruptcy.** The dissolution, liquidation or insolvency of the Authority, the filing by the Authority of a voluntary petition in bankruptcy, the failure by the Authority within sixty (60) days to lift any execution, garnishment or attachment affecting the Trust Estate, any act of bankruptcy by the Authority, the adjudication of the Authority as a bankrupt, the assignment by the Authority of any assets for the benefit of its creditors, the entry by the Authority into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Authority in any proceeding for the composition of its debts or for its reorganization instituted under the provisions of the Bankruptcy Act (11 U.S.C. §1 et seq.), as amended, or under any similar act which may hereafter be enacted.

(f) **Judgment.** Entry by any court of a final judgment against the Authority which shall not be satisfactorily discharged within sixty (60) days from the date thereof, or an attachment of any fund or account created hereunder, which shall not be released or otherwise provided for to the Trustee's satisfaction within sixty (60) days after the making thereof.

(g) **Sales Tax Agreement.** If the Sales Tax Agreement shall be terminated or not annually renewed or for any reason shall be declared invalid or unenforceable by the Authority; or

(h) **Adverse Claims.** If the Authority fails to keep the Trust Estate free and clear of all adverse claims and demands, and all liens and encumbrances whatsoever, except as otherwise permitted herein; or

(i) **Monthly Deposits**. If the Authority fails to make the monthly deposits required under Section 6.01(b) when due, and such failure shall continue after five (5) calendar days written notice from the Trustee to the Authority and the County.

SECTION 10.02. Remedies. Upon the occurrence of an Event of Default, the Authority, the Trustee and the Bondholders shall have all the rights and remedies at law or equity as may be allowed by law, this Indenture including, but not limited to, suit for specific performance of any or all of the covenants of the Authority contained in this Indenture or the Bonds; acceleration of the payment of principal of and interest accrued on all Bonds; and suits at law or in equity to enforce or enjoin the action or inaction of parties under the provisions of this Indenture.

SECTION 10.03. Acceleration. Upon the Trustee's having actual knowledge of the occurrence of any Event of Default hereunder, the Trustee may, and upon the written request of the holders of a majority in aggregate principal amount of Bonds then Outstanding, the Trustee shall, by notice in writing sent to the Authority and to the County, declare the principal of all Bonds then Outstanding (if not then due and payable) and the interest accrued thereon to be due and payable immediately, and, upon the date of said declaration, such principal and interest shall become and be immediately due and payable. Pursuant to such declaration, interest on the Bonds shall accrue to the date of such declaration.

Promptly following any such declaration of acceleration, the Trustee shall mail notice of such declaration by first class mail to the Owner of each Bond at its last address appearing on the registration books of the Authority. Any defect in or failure to give such notice of such declaration shall not affect the validity of such declaration.

SECTION 10.04. Insufficiency; Application of Monies. Anything in this Indenture to the contrary notwithstanding, if at any time the monies held by the Trustee and available for such purpose shall not be sufficient to pay the interest on or the principal of the Bonds as the same shall become due and payable (either by their terms or by acceleration of maturities), such monies, together with any monies then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) Unless the principal of all Bonds shall have become or shall have been declared due and payable, all such monies shall be applied:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due and payable in the order in which such installments became due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment thereof, ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due and payable in the order of their due dates, with interest on the principal amount of such Bonds due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Bonds and their interest thereon, then to the payment thereof ratably, according to the amount of the interest due on such date, and next to the payment of the

principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and

THIRD: To the payment of the interest on and the principal of the Bonds, to the purchase and retirement of Bonds, all in accordance with the provisions of this Indenture.

(b) If the principal of all the Bonds shall have become or shall have been declared due and payable, all such monies shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preferences.

(c) If the principal of all the Bonds shall have been declared due and payable and if such declaration shall thereafter have been rescinded and annulled, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all the Bonds shall later become or be declared due and payable, the monies then remaining and thereafter accruing and held by the Trustee shall be applied in accordance with the provisions of paragraph (a) of this Section.

Whenever money is to be applied by the Trustee pursuant to the provisions of this Section, such money shall be applied by the Trustee at such times and from time to time as the Trustee in its sole discretion shall determine, having due regard to the amount of such money available for application and the likelihood of additional money becoming available for such application in the future; the setting aside of such money, in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the Authority, to any Bondholder or to any other person for any delay in applying any such money, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such money, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to the Owner of any Bond until such Bond shall be surrendered to the Trustee for appropriate endorsement, or for cancellation if fully paid.

SECTION 10.05. Discontinuance of Proceedings. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Authority, the Trustee, and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no proceeding had been taken.

SECTION 10.06. Other Remedies. Upon the occurrence of an Event of Default, the Trustee may, as an alternative, pursue any available remedy by suit at law or equity to enforce the payment of the principal of and interest on the Bonds then Outstanding.

Upon the occurrence of an Event of Default, the Trustee shall, if requested by the holders of twenty-five percent (25%) in principal amount of the Bonds then Outstanding, and upon being furnished with reasonable security and indemnity as herein provided, and acceptable to the Trustee, either in its own name or in the name of the Authority, compromise or discharge any liens, adverse claims and demands, liabilities and encumbrances; eliminate waste with regard to the Trust Estate; cause each statute, rule or regulation with respect to the Trust Estate to be complied with; enter an appearance in and defend against any or other proceeding and file and prosecute therein such cross petition, counter claim, third party petition or other claim as to the Trustee may deem proper; enforce the covenants and requirements of this Indenture; institute and prosecute all suits and actions as may be deemed necessary, expedient or advisable to allay or remove any adverse claim or other difficulty or obstacle with respect to the Trust Estate; and institute and maintain such suits and proceedings and do or cause to be done any and all other and further things (without limitation by virtue of the express enumeration of the powers herein above) which the Trustee may deem proper or may deem necessary or prudent to prevent an impairment of the security under this Indenture by any acts which may be unlawful, or in violation of this Indenture, or for the protection of the Trust Estate and the security of the Bonds, all at the expense of the Authority.

SECTION 10.07. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee, or the Bondholders is intended to be exclusive of any other remedy, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of execution and delivery of this Indenture.

SECTION 10.08. Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) under this Indenture, the Sales Tax Agreement or under any of the Bonds may be enforced by the Trustee without the possession of the Bonds and without their production in any trial or other proceedings relating thereto. Any suit or proceeding instituted by the Trustee may be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any holders of the Bonds.

SECTION 10.09. Individual Bondholder Action Restricted.

(a) Except as otherwise provided herein, no holder of any Bond shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereunder or for any remedy under this Indenture unless:

(1) An Event of Default has occurred as to which the Trustee has actual notice, or as to which the Trustee has been notified in writing; and

(2) The Trustee shall have failed or refused to institute an action, suit or proceeding in its own name for a period of thirty (30) days after receipt of the request and offer of indemnity.

(b) No one or more holders of Bonds shall have any right in any manner whatsoever to disturb or prejudice the security of this Indenture or to enforce any right hereunder except in the manner herein provided and then only for the equal benefit of the holders of all Outstanding Bonds.

(c) Nothing contained in this Indenture shall be construed to affect or impair the right of the holder of any Bonds to receive payment of the principal of or interest on the Bonds, as the case may be, when due or to institute suit for payment past due.

SECTION 10.10. Waiver and Non-Waiver of Event of Default. (a) No delay or omission of the Trustee or of any holder of Bonds to exercise any right or power accruing upon any Event of Default shall impair the right or power or shall be construed to be a waiver of an Event of Default or an acquiescence therein. Every power and remedy given by this Article to the Trustee and to the Owners of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

(b) The Trustee may, in its discretion, waive any Default hereunder and its consequences and rescind any declaration of acceleration of principal, and shall do so upon the written request of the Owners of more than two-thirds (2/3) in aggregate principal amount of all Outstanding Bonds; **PROVIDED, HOWEVER**, that there shall not be waived any Default in the payment of the principal of or interest on any Outstanding Bonds unless prior to such waiver or rescission, all delinquent principal and interest (other than principal of or interest on the Bonds which became due and payable by declaration of acceleration), and all expenses of the Trustee in connection with such Default shall have been paid or provided for. In case of any waiver or rescission described above, or in case any proceeding taken by the Trustee on account of any such Default shall have been discontinued or concluded or determined adversely, then and in every such case the Authority, the Trustee and the Owners of Bonds shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Default, or impair any rights consequent thereon.

SECTION 10.11. Right of County to Cure Default. With regard to any alleged Default concerning which notice is given to the Authority under the provisions of this Article, the Authority hereby grants the County full authority for the account of the Authority to perform any covenant or obligation alleged in said notice to constitute a Default, in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with powers of substitution, in which event the County shall be subrogated to any rights with respect to the Authority for performance of such covenant or obligation.

SECTION 10.12. Notice of Defaults. Within thirty (30) days after the receipt of notice of an Event of Default or the occurrence of an Event of Default of which the Trustee is deemed to have notice, the Trustee shall (unless the Event of Default has already been cured or the payment of the Bonds has already been accelerated pursuant to Section 8.04) give written notice of the Event of Default by first class mail to each Owner of Bonds then Outstanding, **PROVIDED**, that, except in the case of a default in the payment of principal or interest on any of the Bonds, the Trustee may withhold the notice to each Owner of Bonds then Outstanding if, in its sole judgment, it determines that the withholding of notice is in the best interests of the Bondholders. The Trustee shall immediately notify, in writing, the Authority and the County of any Event of Default known to the Trustee.

End of ARTICLE X

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. Notices. Any notice, request or demand provided for in this Indenture shall be deemed to have been given when the same shall have been personally delivered or deposited in the United States Mail, registered or certified, with postage thereon prepaid, as follows:

To the Authority:	Muskogee County Public Safety Authority 400 W. Broadway Muskogee, Oklahoma 74402 Attn: Chairman of Trustees
To the Trustee:	BOKF, National Association Bank of Oklahoma Tower P.O. Box 2300 Tulsa, Oklahoma 74192 Attn: Corporate Trust Department
To the County:	Board of County Commissioners Muskogee County, Oklahoma 400 W. Broadway Muskogee, Oklahoma 74402 Attn: Chairman

A duplicate copy of each notice required to be given hereunder by the Trustee to the Authority shall also be given to the others. The Authority, the Trustee and the County may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent. Notice hereunder shall be deemed effective on the earliest date of its receipt by the addressee. The above addresses may be changed at any time upon written notice of such change sent by United States mail, postage prepaid, to the other parties by the party effecting the change.

SECTION 11.02. Binding Effect. All of the terms, covenants, stipulations, conditions, agreements and provisions herein contained shall extend to and be binding upon and inure to the benefit of the successors and assigns of the respective parties hereto and the Bondholders.

SECTION 11.03. Personal Liability of Trustees. All expenses, obligations, debts, damages, judgments, decrees or liabilities incurred by any Trustee or Trustees, and any of the foregoing incurred by any agent, servant or employee of the Authority, under or arising from or growing out of the provisions of this Indenture, shall be payable solely out of the Trust Estate. In no event shall any Trustee or Trustees in any manner individually be liable for any damage, or for breach of contract or obligation caused by, arising from, incidental to, or growing out of, the execution of the trust purposes of the Authority; nor shall they or any of them be liable for the acts or omissions of each other, or of any agent, servant, or employee of them or any of them.

SECTION 11.04. Partial Invalidity. Should any section, clause or provision of this Indenture be invalid, contrary to law, or void for any reason, such invalid, illegal or void section, clause or provision shall be deemed severable from the remaining terms of the Indenture and shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

SECTION 11.05. Supplemental Bond Indentures.

(a) **Supplemental Bond Indentures Not Requiring Consent of Bondholders.** The Authority and the Trustee may, without the consent of, or notice to, any Bondholder, enter into a Supplemental Bond Indenture or Supplemental Bond Indentures to this Indenture as shall not be inconsistent with the terms and provisions hereof for any one or more of the following purposes:

(i) to cure any ambiguity or formal defect or omission in this Indenture;

(ii) to grant to or confer upon the Trustee for the benefit of the Bondholders, any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon them, the Trustee, or either of them;

(iii) to subject additional revenues, property or collateral to the lien of this Indenture;

(iv) to more precisely identify or to substitute or add additional property acquired with the proceeds of the Bonds so as to subject the same to the lien of this Indenture; or

(v) to comply with the provisions of Article V pertaining to Supplemental Bond Indentures to this Indenture in connection with the incurring of subordinate indebtedness for the purposes provided in Article V.

(b) **Supplemental Bond Indentures Requiring Consent of Bondholders**.

(i) Exclusive of Supplemental Bond Indentures covered by Section 11.05(a) of Article XI hereof, and subject to the terms and provisions contained in this Section 11.05(b), and not otherwise, the prior written consent of the Holders of not less than fifty one percentum (51%) in aggregate principal amount of all then Outstanding Bonds shall be required prior to the execution of any supplement to this Indenture which is executed for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any Supplemental Bond Indenture; provided, however, that nothing contained in this Section 11.05(b) shall permit, or be construed as permitting (a) an extension of the stated maturity or reduction in the principal amount of, or reduction in the rate (except as expressly provided in Article II hereof) or extension of the time of payment of interest on, any Bond, without the consent of the Holder of such Bond, or (b) a reduction in the amount or extension of the time of any payment required to be deposited in any fund or account created under this Indenture, or any supplement hereto, without the consent of the Holders of all then Outstanding Bonds, or (c) the creation of any lien (other than in accordance with the provisions of Article V of this Indenture) prior to or secured equally and ratably with the lien of this Indenture, without the consent of the Holders of all then Outstanding Bonds, or (d) a reduction in the aggregate principal amount of Bonds, the Holders of

which are required to consent to any such Supplemental Bond Indenture, without the consent of the Holders of all then Outstanding Bonds which would be affected by the action to be taken, or (e) modify the rights, duties or immunities of the Trustee without the written consent of the Trustee.

(ii) If at any time the Authority shall request the Trustee to enter into any such supplement to this Indenture for any of the purposes of this Section 11.05(b), the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such supplement to this Indenture to be mailed by first class mail, postage prepaid, to the Registered Holder of each Bond secured under this Indenture at his address shown on the Registration Record. Such notice shall briefly set forth the nature of the proposed supplement to this Indenture and shall state that copies thereof are on file at the Trustee for inspection by any Bondholder. If, within thirty (30) days or such longer period as shall be prescribed by the Authority following the mailing of such notice, the Holders of not less than fifty one percentum (51%) in aggregate principal amount of Outstanding Bonds at the time of the execution of any such supplement to this Indenture shall have consented to and approved the execution thereof as herein provided, no Bondholder shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. On the execution of any such supplement to this Indenture as permitted in this Section 11.05(b), this Indenture shall be and be deemed to be modified and amended in accordance therewith.

SECTION 11.06. Consent of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be executed by Bondholders may be executed in any number of counterparts and may be executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution; and

(b) The fact of ownership by any person of any Bonds and the amounts and numbers of such Bonds, and the date of ownership of the same, may be proved by a certificate executed by any trust company, bank or banker, wherever situated, stating that at the date thereof the party named therein did exhibit to an officer of such trust company or bank or to such banker, as the property of such party, the Bonds therein mentioned, if such certificate shall be deemed by the Trustee to be satisfactory. The Trustee may, in its discretion, require evidence that such Bonds have been deposited with a bank, banker or trust company, before taking any action based on such ownership. In lieu of the foregoing, the Trustee may accept other proofs of the foregoing as it shall deem appropriate. For all purposes of this Indenture, and of the proceedings for the enforcement hereof, such person shall be deemed to continue to be the owner of such Bond until the Trustee shall have received notice in writing to the contrary.

SECTION 11.07. Limitation on Obligations of the Authority. Notwithstanding anything in this Indenture appearing to provide to the contrary, whenever any obligation of the Authority hereunder shall require the payment or expenditure of any money, the same shall be payable from and chargeable to the Trust Estate and not otherwise.

SECTION 11.08. Applicable Law. This Indenture shall be governed by and construed in accordance with the laws of the State of Oklahoma.

SECTION 11.09. Descriptive Headings. The descriptive headings of the sections and subsections of this Indenture are for convenience only and shall not be used in the construction of the contents hereof.

SECTION 11.10. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than the Authority, the Trustee and the Bondholders any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation thereon; and all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee and the Bondholders.

SECTION 11.11. Third Party Beneficiary. This Indenture shall constitute a third party beneficiary contract by and between the Authority and the Trustee for the equal and proportionate benefit of the Registered Holders.

End of ARTICLE XI

ARTICLE XII

ASSIGNMENT OF REVENUES

To further secure to the Trustee the payment of the Bonds and other indebtedness hereby secured and the full and complete performance of each of the covenants, agreements and promises contained in the Bonds and this Indenture, the Trustees do hereby assign, grant a lien and security interest in, transfer and set over unto the Trustee, its successors and assigns, all of the Sales Tax Revenues and all proceeds thereof, until the indebtedness and obligations above referred to shall have been fully paid and satisfied. This Assignment includes the present and continuing right to collect all of the revenues, issues and profits assigned hereunder and to take all actions which the Authority is entitled to take for the collection or enforcement of the revenues, issues and profits assigned hereunder; provided, that this Assignment shall not impair or diminish any obligations of the Authority under this Indenture.

The Authority agrees that nothing in this Assignment shall be construed to limit or restrict in any way the rights and powers granted in this Indenture, the Bonds, or any other instrument executed in connection with the issuance and sale of the Bonds. The collection and application of the revenues, issues and profits as above described shall not constitute waiver of any Event of Default which might at the time of application or thereafter exist under this Indenture or other instruments executed in connection with the issuance and sale of the Bonds, and the exercise by the Trustee of the rights herein provided shall not prevent the Trustee's exercise of any other rights provided in this Indenture or any other instrument executed in connection with the issuance and sale of the Bonds. The Trustee shall not be obligated to perform or discharge any obligation under or by reason of this Assignment and the Authority hereby agrees to indemnify and hold harmless the Trustee against any and all liability, loss or damage which the Trustee might incur under or by reason of this Assignment.

End of ARTICLE XII

IN WITNESS WHEREOF, this Indenture has been executed and delivered as of December 1, 2025.

THE TRUSTEES OF THE MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

ATTEST:

_____
Chairman of Trustees

_____
Secretary of Trustees

(SEAL)

BOKF, NATIONAL ASSOCIATION
as Trustee,

ATTEST:

_____
Authorized Officer

EXHIBIT "A"

FORM OF SERIES 2025 BONDS
AND ENDORSEMENT AND ASSIGNMENT PROVISIONS

Unless the Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration, transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or in the name of such other entity as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE OF THIS BOND FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner of this Bond, Cede & Co., has an interest in this Bond.

UNITED STATES OF AMERICA
STATE OF OKLAHOMA
MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY
CAPITAL IMPROVEMENT REVENUE BOND,
SERIES 2025

No.(s) R-0001 $_____

INTEREST RATE	**MATURITY DATE**	**DATED DATE**	**CUSIP**
		December 11, 2025	

REGISTERED OWNER: CEDE & CO.

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY (hereinafter referred to as the "Authority"), a public trust duly created and validly existing under the laws of the State of Oklahoma, particularly but not exclusively Title 60, Oklahoma Statutes 2021, Sections 176 to 180.3, inclusive, and the Oklahoma Trust Act, by which laws the Trustees of the Authority are designated as an agency of the State of Oklahoma and the regularly constituted authority of Muskogee County, Oklahoma, and the City of Muskogee, Oklahoma (each a governmental subdivision of the State of Oklahoma and the beneficiaries of the Authority), for value received, hereby promises to pay, but solely from the revenues, income and other monies of the Authority hereinafter specified and not otherwise, to the registered owner named above, or registered assigns, the principal amount specified above on the maturity date specified above (subject to the right of prior redemption hereinafter mentioned), upon presentation and surrender of this Bond, and to pay interest on such principal amount, but solely from such revenues, income and other monies of the Authority hereinafter specified and not otherwise, from the Dated Date above, until the payment of such principal amount in full, at the rate of interest per annum specified above, such interest being payable on each Interest Payment Date in each year, by check or draft mailed to the registered owner hereof at his address as it appears on the registration books kept pursuant to the Bond Indenture hereinafter mentioned, all as set forth in such registration books at the close of business on the appropriate Record Date preceding an Interest Payment Date. Principal of this Bond is payable at the principal office of BOKF, National Association, Tulsa, Oklahoma (the "Trustee" or "Registrar"), in such coin or

currency of the United States of America which on the date of such payment is legal tender for public and private debts. This Bond is one of an authorized series of Bonds of like designation herewith aggregating **Thirty Nine Million, Four Hundred and Thirty Five Thousand and No/100's Dollars ($39,435,000.00)** in principal amount. This Bond and the Bonds of the series of Bonds of which it is one are issued under the authority of and pursuant to and in full compliance with the laws of the State of Oklahoma, and pursuant to a Bond Indenture, dated as of December 1, 2025, executed by the Authority and the Trustee. (Such Bond Indenture and all amendments and supplements thereto are hereinafter referred to as the "Indenture".)

This Bond and the series of Bonds of which this Bond is one constitute a duly authorized issue of Bonds (herein called the "Bonds") to be issued by the Authority under the Indenture for the purposes set forth therein. All Bonds, including this Bond, are and will be equally secured without priority by reason of issuance, execution, authentication or delivery, by the liens, pledges, charges, trusts, assignments and covenants made therein, except as otherwise expressly provided or permitted in the Indenture. Reference is hereby made to the Indenture, copies of which are on file in the office of the Authority and the corporate trust office of the Trustee and to all of the provisions of which any holder of this Bond by his acceptance hereof thereby assents, for definitions of terms; a description of and the nature and extent of the security for the Bonds issued under the Indenture, including this Bond; the revenues, income and other monies of the Authority pledged to the payment of the interest on and principal of the Bonds and the priorities of the lien of the Bonds on such revenues, income and other monies; the nature and extent and manner of enforcement of the pledge; the terms and conditions upon which this Bond and the series of which it is one are issued; the conditions upon which the Indenture may be amended or supplemented with or without the consent of the holders of the Bonds; the rights and remedies of the holder hereof with respect hereto; the rights, duties and obligations of the Authority and the Trustee under the Indenture; the terms and provisions upon which the liens, pledges, charges, trusts, assignments and covenants of the Authority made in the Indenture may be discharged at or prior to the maturity or redemption of this Bond, and this Bond thereafter shall no longer be secured by the Indenture or be deemed to be outstanding thereunder, if monies or certain specified securities shall have been deposited with the Trustee sufficient and held in trust solely for the payment hereof; and for the other terms and provisions thereof.

This Bond and the series of Bonds of which it is one and the interest thereon are payable solely from and are secured by the revenues, income and monies of the Authority pledged to the payment thereof by the Indenture. This Bond and the Bonds of the series of which this Bond is one are and shall be equally and ratably secured solely by the monies and assets in the trust estate assigned, pledged, charged and confirmed to the Trustee in the Indenture.

The term "Interest Payment Date" means (a) each June 1 and December 1 beginning June 1, 2026; and (b) the final maturity date of the Bonds.

Interest on the Bonds shall be computed on the basis of a three hundred sixty (360) day year, consisting of twelve (12) thirty (30) day months. As used herein, the term "Record Date" means the 15th day of the month next preceding any Interest Payment Date or, if such date shall not be a Business Day, the next preceding Business Day.

Optional Redemption. The Bonds maturing on and after December 1, 2031 are subject to redemption at the option of the Authority, in whole or in part, in inverse order of maturity, by lot within a maturity, on any Interest Payment Date on or after December 1, 2030, at the principal amount thereof plus accrued interest to the date fixed for redemption, without premium.

Special Redemption. The Bonds are subject to redemption at the option of the Authority in whole or in part at any time, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption, if such redemption is made from excess proceeds of the Bonds not needed to complete the Project.

Bonds shall be called for redemption only in inverse order of maturity date, and no Bond shall be called for redemption unless all Bonds of subsequent maturity date shall have been called previously or are being called simultaneously with that Bond: **PROVIDED**, if all Bonds of equal maturity date are not called for redemption at the same time, the Bond or Bonds of such equal maturity date so to be called shall be selected, by lot, by the Trustee. Whenever, on the 25th day of the month second next preceding any Interest Payment Date on which Bonds may be redeemed prior to maturity there shall have been deposited in the Sinking Fund established by the Indenture as expanded by Supplemental Bond Indentures, an amount in excess of that required to have been deposited therein for the payment of interest next becoming due on all outstanding indebtedness secured under the Indenture and all supplements thereto and also for the payment of all principal of all such indebtedness maturing on that date, or the deposit of such excess amount shall have been contracted to the satisfaction of the Trustee, and such excess amount shall be sufficient to pay the principal and premium required to call for redemption one or more outstanding Bonds, the Trustee, upon direction in writing by the Authority so to do, shall call for redemption on the next Interest Payment Date such number of Bonds as may be redeemed with such excess amount. When any portion or portions of the principal of this Bond shall be called for redemption, the Trustee, at least thirty days before the date fixed for such redemption, shall mail to the Registered Holder thereof, by first class United States Mail, postage and fee prepaid, a notice of such call for redemption, specifying the date fixed for redemption the number or numbers of the Bond or Bonds of such Registered Holder to be redeemed, and amount of principal of each such Bond to be redeemed, and also stating the substance of (i) and (ii) next following; (i) Money deposited with the Trustee or set aside by it for the redemption of Bonds shall be held in trust for the account of the Registered Holder of this Bond, and shall be paid by the Trustee to the Registered Holder of this Bond upon surrender of this Bond to the Trustee and such payment noted upon the Registration Record, and, after the date fixed for redemption and the providing of sufficient money for the redemption thereof, no Bond so called for redemption shall be entitled to any benefit of or under the Indenture except to receive payment of the money so held by the Trustee; and (ii) interest on the principal of any Bond so called for redemption shall cease to accrue after the date fixed for redemption.

Procedure for Redemption. In the event any of the Bonds are called for redemption, the Trustee shall give notice in the name of the Authority, of the redemption of such Bonds, which notice shall specify the title of the Bonds to be redeemed, the series designation (if any) thereof, the redemption date, the place or places of redemption and the redemption price payable upon such redemption; if less than all the Bonds are to be redeemed, the distinctive numbers of the Bonds to be redeemed; that the interest on the Bonds, or on the principal amount thereof to be redeemed, designated for redemption in such notice shall cease to accrue from and after such redemption date;

and that on such date there will become due and payable on each such Bond the principal amount thereof to be redeemed at the then applicable redemption price and the interest accrued on such principal amount to the redemption date. Each notice of redemption mailed to the holder of a Bond to be redeemed shall, if less than the entire principal sum thereof is to be redeemed, also state the principal amount thereof to be redeemed and that such Bond must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed and the issuance of a new Bond or Bonds equaling in principal amount that portion of the principal sum not to be redeemed of the Bonds to be surrendered.

Notice shall be given by mailing a copy of the redemption notice by first class mail at least thirty (30) days prior to the date fixed for redemption to the Bondholders of such Bonds to be redeemed at the addresses shown on the registration books and by giving such other notice as may be required pursuant to the Indenture; **PROVIDED, HOWEVER**, that failure duly to give such notice, or any defect therein, shall not affect the validity of any proceedings for the redemption of Bonds as to which no such failure or defect has occurred.

Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, the Bonds of the series of which this Bond is one may be exchanged at the principal office of the Trustee for an equal aggregate principal amount of Bonds of the same series and maturity, of any denomination or denominations authorized by the Indenture and bearing interest at the same rate and in the same form as the Bonds surrendered for exchange.

The Bonds of the series of which this Bond is one are transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the principal office of the Registrar but only in the manner, subject to limitations and upon payment of the charges, if any, provided in the Indenture and upon the surrender hereof to the Registrar for cancellation. Upon such transfer a new Bond or Bonds, of authorized denominations and of the same aggregate principal amount, interest rate and maturity as the Bond surrendered will be issued to the transferee in exchange herefor.

The Trustee shall not be required to exchange or register a transfer of (a) any Bonds during the fifteen (15) day period next preceding the selection of Bonds to be redeemed and thereafter until the date of the mailing of a notice of redemption of Bonds selected for redemption, or (b) any Bonds selected, called or being called for redemption in whole or in part except, in the case of any Bond to be redeemed in part, the portion thereof not so to be redeemed. If any Bond shall be transferred and delivered after such Bond has been called for redemption, the Trustee shall deliver to such transferee a copy of the applicable redemption notice, indicating that the Bond delivered to such transferee has previously been called for redemption

This Bond and the Bonds of the series of which it is one shall not in any manner or to any extent be (i) an indebtedness of the State of Oklahoma or of any municipality or political subdivision of the State of Oklahoma, (ii) a general obligation of the Authority nor a charge upon any other revenues or assets of the Authority not specifically pledged thereto in the Indenture, or (iii) a personal obligation of any of the Trustees of the Authority. This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until it shall have been authenticated by the Registrar by its execution of the certificate of authentication endorsed hereon.

It is hereby certified, recited and declared that all acts, conditions and things required by the laws of the State of Oklahoma and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of this Bond and the series of which this Bond is a part, do exist, have happened and have been performed in due time, form and manner as required by such laws and the Indenture; that the amount of this Bond and the series of which this Bond is a part, together with all other obligations or indebtedness of the Authority, does not exceed any constitutional or statutory limitations of indebtedness; and that provision has been made for the payment of the principal of and interest on this Bond and the series of which it is a part as provided in the Indenture.

IN WITNESS WHEREOF, the Authority acting by and through its legally constituted, qualified and acting Trustees has caused this Bond to be executed by its Chairman of Trustees by his facsimile signature, to be attested by its Secretary of Trustees by his facsimile signature and the facsimile seal of the Authority to be printed hereon, all as of the 1st day of December, 2025.

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

ATTEST:

_____
Chairman of Trustees

_____
Secretary of Trustees

SEAL

CERTIFICATE OF AUTHENTICATION

This Bond is one of an issue described in the Indenture mentioned herein.

BOKF, NATIONAL ASSOCIATION,

_____
Authorized Officer

Date of Authentication: _____

(FORM OF ASSIGNMENT)

ASSIGNMENT FOR VALUE RECEIVED, the undersigned _____ _____ (the "Transferor"), hereby sells, assigns, and transfers unto _____ (Please print name, address, zip code and Social Security or Federal Employer Identification number of assignee) the within Bond and all rights

thereunder, and hereby irrevocably constitutes and appoints _____ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____ _____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common	**UNIF TRANS MIN ACT** – _____ (Cust.)
TEN ENT	-	as tenants by the entireties	Custodian for - _____ (Minor)
JT TEN	-	as joint tenants with right of survivorship and not as tenants in common	under Uniform Transfers to Minors Act of – _____ (State)

Additional abbreviations may also be used though not in list above.

EXHIBIT "B"

FORM OF REQUISITION

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY
CAPITAL IMPROVEMENT REVENUE BONDS
SERIES 2025

PAYMENT REQUISITION
CONSTRUCTION FUND

TO: BOKF, National Association, Tulsa, Oklahoma

FROM: Trustees of Muskogee County Public Safety Authority

Pursuant to the provisions of Section 6.04 of the Bond Indenture, dated as of December 1, 2025, by and between the Muskogee County Public Safety Authority and BOKF, National Association, Tulsa, Oklahoma, as Trustee, you are directed to pay to the Town for payment to the Creditor from the Construction Fund of said Authority as indicated below, the amounts shown for the purposes set forth in this Requisition.

Creditor	**Trust No.**

Item	**Item No.**

Date	**Purpose**	**Amount**

AUTHORIZATION AND CERTIFICATE OF
AUTHORIZED REPRESENTATIVE OF AUTHORITY

With reference to the above requisition, the undersigned certify:

1. The above requisition is approved.

2. Each obligation therein has been properly incurred and is now due and unpaid and that insofar as such obligation was incurred for work, materials, equipment or supplies, such work was actually performed, and such materials, equipment or supplies were actually installed or delivered to or for the Project as evidenced by the certificate of the supervising architect or engineer or other appropriate certification.

3. That obligations in the stated amounts have been incurred by the Authority or the Town and that each item is a proper charge against the Muskogee County Public Safety Authority's Capital Improvement Revenue Bonds, Series 2025 Construction Fund and has not been paid.

4. That there has not been filed with or served upon the Muskogee County Public Safety Authority or the Muskogee County, Oklahoma, notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the monies payable to any of the persons, firms or corporations named in such requisition, which has not been released or will not be released simultaneously with the payment of such obligation.

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

_____ _____
Authorized Representative **Date**

Date Approved: _____

Date Paid: _____

EXHIBIT C

MUSKOGEE COUNTY, OKLAHOMA

AUDITED FINANCIAL STATEMENT
FISCAL YEAR ENDING JUNE 30, 2024

MUSKOGEE COUNTY, OKLAHOMA
FINANCIAL STATEMENT
AND INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 19 O.S. § 171, has not been printed, but is available on the agency's website (www.sai.ok.gov) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Prairie Collection (http://digitalprairie.ok.gov/cdm/search/collection/audits/) pursuant to 65 O.S. § 3-114.

OKLAHOMA
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

August 28, 2025

TO THE CITIZENS OF
MUSKOGEE COUNTY, OKLAHOMA

Transmitted herewith is the audit of Muskogee County, Oklahoma for the fiscal year ended June 30, 2024. The audit was conducted in accordance with 19 O.S. § 171.

A report of this type can be critical in nature. Failure to report commendable features in the accounting and operating procedures of the entity should not be interpreted to mean that they do not exist.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during our engagement.

This report is a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.) and shall be open to any person for inspection and copying.

Sincerely,

Cindy Byrd

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

Board of County Commissioners

District 1 – Ken Doke
District 2 – Keith Hyslop
District 3 – Kenny Payne

County Assessor

Ron Dean

County Clerk

Polly Irving

County Sheriff

Andy Simmons

County Treasurer

Shelly Sumpter

Court Clerk

Robyn Boswell

District Attorney

Larry Edwards

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FINANCIAL SECTION

OKLAHOMA
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

Independent Auditor's Report

TO THE OFFICERS OF
MUSKOGEE COUNTY, OKLAHOMA

Report on the Audit of the Financial Statement

Opinion

We have audited the total—all county funds on the accompanying regulatory basis Statement of Receipts, Disbursements, and Changes in Cash Balances of Muskogee County, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the regulatory basis total receipts, disbursements, and changes in cash balances for all county funds of Muskogee County, as of and for the year ended June 30, 2024, in accordance with the financial reporting provisions of Title 19 O.S. § 171 of Oklahoma Statutes described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles (U.S. GAAP) section of our report, the financial statement referred to above does not present fairly, in accordance with U.S. GAAP, the financial position of Muskogee County as of June 30, 2024, or changes in financial position for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Muskogee County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statement is prepared by Muskogee County using accounting practices prescribed or permitted by Oklahoma state law, which is a basis of accounting other than U.S. GAAP to meet the requirements of the State of Oklahoma. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and U.S. GAAP, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the regulatory basis of accounting prescribed or permitted by Oklahoma state law, and for determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Muskogee County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Muskogee County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Muskogee County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the total of all county funds on the financial statement. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the remaining supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statement.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards and the remaining supplementary information is fairly stated, in all material respects, in relation to the financial statement.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 26, 2025, on our consideration of Muskogee County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Muskogee County's internal control over financial reporting and compliance.

Cindy Byrd

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

August 26, 2025

REGULATORY BASIS FINANCIAL STATEMENT

MUSKOGEE COUNTY, OKLAHOMA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BALANCES—REGULATORY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Beginning Cash Balances July 1, 2023	Receipts Apportioned	Transfers In	Transfers Out	Disbursements	Ending Cash Balances June 30, 2024
County Funds:						
County General	$ 4,935,956	$ 9,449,161	$ 28,202	$ -	$ 8,560,408	$ 5,852,911
County Highway Unrestricted	9,009,313	4,756,068	-	-	4,427,245	9,338,136
Health	4,126,406	1,839,763	-	-	1,221,029	4,745,140
Resale Property	1,633,614	524,008	342,663	33,089	848,572	1,618,624
County Sinking Fund	109,514	-	-	-	-	109,514
Industrial Sinking Fund	12,689	766	-	-	-	13,455
Sheriff Service Fee	782,676	540,364	-	-	673,365	649,675
Jail	1,008,537	2,401,692	-	21,350	2,333,245	1,055,634
Use Tax-ST	5,993,639	1,700,223	-	350,000	849,023	6,494,839
Sheriff-ST	1,942,254	2,683,131	-	-	2,062,258	2,563,127
County Bridge and Road Improvement	2,714,520	1,074,149	-	-	1,331,206	2,457,463
Road and Bridges-ST	3,528,403	2,897,654	-	-	2,364,964	4,061,093
Rural Fire-ST	4,283,941	1,721,953	-	-	1,147,908	4,857,986
Rainy Day Fund	1,921,099	-	-	28,202	-	1,892,897
Emergency Management	55,541	88,964	-	-	90,781	53,724
Reward Fund	25,017	-	-	-	-	25,017
County Clerk Lien Fee	44,524	29,354	-	-	-	73,878
Treasurer Mortgage Certification	2,682	8,990	-	-	2,661	9,011
Assessor Revolving Fee	18,480	1,592	-	-	157	19,915
Sheriff Commissary	287,296	714,912	-	-	689,698	312,510
County Clerk Records Management and Preservation Fund	520,650	129,672	-	-	13,716	636,606
Sheriff Forfeiture	22,542	34	-	-	290	22,286
Sheriff Training	12,792	38,498	-	-	5,964	45,326
Justice Assistance Grant	6,344	20,283	-	-	20,249	6,378
County Donations	5,246	2,600	-	-	-	7,846
Community Development Block Grants Revolving Fund	7,336	257,730	350,000	-	391,870	223,196
Safe Room Grant	4,751	-	-	-	-	4,751
Cash Drawers	1,530	-	-	-	-	1,530
Flood Plain	2,293	-	-	-	-	2,293
Lodging Tax-ST	57,139	20,398	-	-	67,982	9,555
Courthouse Improvement-ST	495,325	-	-	-	55,274	440,051
Safe Oklahoma - AG	14,085	-	-	-	-	14,085
COVID Aid and Relief	501,678	-	-	-	-	501,678
American Rescue Plan Act 2021	6,167,251	-	-	-	1,769,300	4,397,951
Court Clerk Payroll	6,880	392,429	33,089	33,089	386,848	12,461
LATCF	71,997	71,998	-	-	-	143,995
Coronavirus Emergency Supplemental Grant	29,323	421	-	-	-	29,744
Fire Protection District Grant	6,510	9,993	-	-	15,387	1,116
Opioid Abatement Settlement	23,245	45,776	-	-	-	69,021
Harm Prevention & Safety Grant	-	800	-	-	796	4
NCHIP	-	-	21,350	-	-	21,350
Total - All County Funds, as Restated	$ 50,393,018	$ 31,423,376	$ 775,304	$ 465,730	$ 29,330,196	$ 52,795,772

The notes to the financial statement are an integral part of this statement.

1. Summary of Significant Accounting Policies

A. Reporting Entity

Muskogee County is a subdivision of the State of Oklahoma created by the Oklahoma Constitution and regulated by Oklahoma Statutes.

The accompanying financial statement presents the receipts, disbursements, and changes in cash balances of the total of all funds under the control of the primary government. The general fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund, where its use is restricted for a specified purpose. Other funds established by statute and under the control of the primary government are also presented.

The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including emergency medical service districts, libraries, school districts, and cities and towns. The cash receipts and disbursements attributable to those other entities do not appear in funds on the County's financial statement; those funds play no part in the County's operations. Any trust or agency funds maintained by the County are not included in this presentation.

B. Fund Accounting

The County uses funds to report on receipts, disbursements, and changes in cash balances. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Following are descriptions of the county funds included within the financial statement:

County General – accounts for revenue derived mostly from ad valorem tax as directed by the Oklahoma Constitution and state statutes. Other revenue includes fees, in-lieu taxes, and other miscellaneous collections. Disbursements are for general operations of the County.

County Highway Unrestricted – accounts for revenue from motor fuel and motor vehicle taxes and is designated for those activities associated with building and maintaining county roads and bridges.

Health – accounts for ad valorem tax collections and fees for services collected, disbursements are for the operation of the County Health Department.

Resale Property – accounts for interest and penalties assessed on delinquent ad valorem tax payments as well as proceeds of selling real property in the County which has remained delinquent in ad valorem tax payments for three years. The fund is utilized by the County Treasurer for offsetting the costs associated with the collection of delinquent ad valorem taxes.

County Sinking Fund – accounts for the debt service collections derived generally from a special ad valorem tax levy and interest earned on investments.

Industrial Sinking Fund – accounts for the payment of interest and principal on the matured portion of the Muskogee County General Obligation Limited Tax Bonds that are administered by the County. Receipts are derived from industrial tenant rental payments.

Sheriff Service Fee – accounts for the collection of fees and reimbursements for revenues such as process fees, courthouse security, contracts for housing and feeding prisoners, and disbursements as restricted by state statute.

Jail – accounts for revenues from law enforcement entities for the housing of prisoners. Disbursements are for the jail and any surplus in the revolving fund for administering expenses for salaries, training, equipment, or travel, or for capital expenditures.

Use Tax-ST – accounts for the collection of county sales tax, use tax revenue and excise tax levied on the storage, use or other consumption of tangible personal property used, stored, or consumed within the County. The purpose of the use tax is designated by the Board of County Commissioners.

Sheriff-ST – accounts for the collection of sales tax revenue and the disbursement of funds as restricted by the sales tax resolution.

County Bridge and Road Improvement – accounts for collections from fuel and gas taxes collected by Oklahoma Tax Commission and disbursements are for the purpose of constructing and maintaining county bridges and roads.

Road and Bridges-ST – accounts for the collection of sales tax revenue and the disbursement of funds as restricted by the sales tax resolution.

Rural Fire-ST – accounts for the collection of sales tax revenue and the disbursement of funds as restricted by the sales tax resolution.

Rainy Day Fund – accounts for surplus monies receipted over and above the itemized estimate of needs for the County General Fund. Disbursements are for natural disasters declared by the Governor, BOCC or Federal Government; for supplementing the County's current County General Fund budget; or for supplementing the current year's revenue if a revenue failure is declared by the BOCC (68 O.S. § 3034.1).

Emergency Management – accounts for revenue from state or federal grants for the purpose of providing the County emergency management services.

Reward Fund – accounts for revenue provided by fines assessed upon persons convicted of illegal dumping of trash, debris, waste, or other substances that may cause fire on public or private property. The Board of County Commissioners may use this fund to offer and pay a reward to individuals offering information that leads to an arrest and conviction. The fund may also be used for special enforcement programs related to investigating and/or preventing littering and illegal dumping.

County Clerk Lien Fee – accounts for revenue generated from filing and copy fees. Proceeds to be expended as restricted by state statute.

Treasurer Mortgage Certification – accounts for fees collected by the County Treasurer for evaluating mortgages or other liens upon real property filed with the county for the purpose of collateralizing debt. The fund is used for lawful operation of the County Treasurer's office.

Assessor Revolving Fee – accounts for the collection of fees for copies as restricted by state statute.

Sheriff Commissary – accounts for profits on commissary sales in the County jail. Disbursements are for jail operations as defined by state statute.

County Clerk Records Management and Preservation Fund – accounts for fees collected for instruments filed in the County Clerk's office. Expenditures are restricted to activities related to preservation of records in the County Clerk's office.

Sheriff Forfeiture – accounts for proceeds from the sale of property seized by law enforcement as ordered by the court. The fund is used for law enforcement purposes and/or drug prevention and eradication.

Sheriff Training – accounts for property in the possession of the Sheriff's office that remains unclaimed for a period of six months or more may be sold upon application to the district court. Proceeds are used for purchase of equipment, materials, or supplies that may be used in crime prevention, education, training, or programming.

Justice Assistance Grant – revenues are from a federal grant. Disbursements are for Sheriff patrol cars.

County Donations – accounts for donations to the county from private donors to be disbursed for a specified purpose and approved Board of County Commissioners' resolution.

Community Development Block Grants Revolving Fund – accounts for Community Development Block Grants received from the U.S. Department of Commerce and disbursed as restricted by the grant agreement.

Safe Room Grant – accounts for federal grant revenues to be disbursed as restricted by the grant agreement.

Cash Drawers – accounts for cash held by the various county offices for change funds.

Flood Plain – accounts for fees collected from flood plain permits and map charges to offset the costs of floodplain management.

Lodging Tax-ST – accounts for the collection of lodging tax revenue and the disbursement of funds as restricted by the lodging tax resolution.

Courthouse Improvement-ST – accounts for sales tax monies collected for the maintenance of the Muskogee County Courthouse and County Services Building.

Safe Oklahoma - AG – accounts for grant funds from the State of Oklahoma and disbursements are for salaries and operations of the Sheriff's office.

COVID Aid and Relief – accounts for federal grant monies received from the Coronavirus Relief Fund for the reimbursement of COVID related expenditures. Disbursements are for any lawful purpose of the County as directed by Board of County Commissioners' resolution.

American Rescue Plan Act 2021 – accounts for monies received from the United States Department of Treasury and disbursed for responding to the COVID-19 public health emergency and its negative economic impact, premium pay to eligible workers, the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, and investments in water, sewer, and broadband infrastructure as restricted by federal requirements.

Court Clerk Payroll – accounts for funds from the Court Fund for compensation of the District Court employees.

LATCF – Local Assistance and Tribal Consistency Fund (LATCF) accounts for federal funding made available through the American Rescue Plan Act of 2021 to be used in the same manner as other locally generated revenue.

Coronavirus Emergency Supplemental Grant – accounts for federal awards to prevent, prepare for and respond to the coronavirus.

Fire Protection District Grant – accounts for local grant revenues to be disbursed as restricted by the grant agreement.

Opioid Abatement Settlement – accounts for court settlement from class-action lawsuits against opioid manufacturers and distributors. Proceeds to be used in accordance with the settlement agreement for opioid abatement.

Harm Prevention & Safety Grant – accounts for local grant fund revenue to be disbursed for first aid kits for deputies.

NCHIP – accounts for National Criminal History Improvement Program (NCHIP) federal grant revenues to be disbursed as restricted by the grant agreement.

C. Basis of Accounting

The financial statement is prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America (U.S. GAAP), which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred. This regulatory basis financial presentation is not a comprehensive measure of economic condition or changes therein.

Title 19 O.S. § 171 allows Oklahoma counties to present their financial statement in accordance with U.S. GAAP or on a regulatory basis. The County has elected to present their financial statement on a regulatory basis in conformity with Title 19 O.S. § 171, which specifies the format and presentation of such regulatory basis financial statements: county governments (primary only) are required to present their financial statements on a fund basis format with, at a minimum, the general fund and all other county funds, which represent ten percent or greater of total county revenue with all other funds included in the audit presented in the aggregate in a combining statement. However, the County has elected to present all funds included in the audit in the Statement of Receipts, Disbursements, and Changes in Cash Balances—Regulatory Basis.

D. Budget

Under current Oklahoma Statutes, a general fund and a county health department fund are the only funds required to adopt a formal budget. On or before the first Monday in July of each year, each officer or department head submits an estimate of needs to the governing body. The budget is approved for the respective fund by office, or department and object. The County Board of Commissioners may approve changes of appropriations within the fund by office or department and object. To increase or decrease the budget by fund requires approval by the County Excise Board.

E. Cash and Investments

For the purposes of financial reporting, “Ending Cash Balances, June 30” includes cash and cash equivalents and investments as allowed by statutes. The County pools the cash of its various funds in maintaining its bank accounts. However, cash applicable to a particular fund is readily identifiable on the County’s books. The balance in the pooled cash accounts is available to meet current operating requirements.

State statutes require financial institutions with which the County maintains funds to deposit collateral securities to secure the County's deposits. The amount of collateral securities to be pledged is established by the County Treasurer; this amount must be at least the amount of the deposit to be secured, less the amount insured (by, for example, the FDIC).

The County Treasurer has been authorized by the County's governing board to make investments. Allowable investments are outlined in statutes 62 O.S. § 348.1 and § 348.3.

All investments must be backed by the full faith and credit of the United States Government, the Oklahoma State Government, fully collateralized, or fully insured. All investments as classified by state statute are nonnegotiable certificates of deposit. Nonnegotiable certificates of deposit are not subject to interest rate risk or credit risk.

2. Ad Valorem Tax

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. Title 68 O.S. § 2820.A. states, ". . . Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable property within the county at least once each four (4) years."

Taxes are due on November 1 following the levy date, although they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1. The County Treasurer, according to the law, shall give notice of delinquent taxes and special assessments by publication once a week for two consecutive weeks at any time after April 1, but prior to the end of September following the year the taxes were first due and payable. Unpaid real property taxes become a lien upon said property after the treasurer has perfected the lien by public notice.

Unpaid delinquent personal property taxes are usually published in May. If the taxes are not paid within 30 days from publication, they shall be placed on the personal tax lien docket.

3. Other Information

A. Pension Plan

Plan Description. The County contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and

amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73105 or by calling 1-800-733-9008.

Funding Policy. The contribution rates for each member category are established by the Oklahoma Legislature and are based on an actuarial calculation which is performed to determine the adequacy of contribution rates.

B. Other Post Employment Benefits (OPEB)

In addition to the pension benefits described in the Pension Plan note, OPERS provides post-retirement health care benefits of up to $105 each for retirees who are members of an eligible group plan. These benefits are funded on a pay-as-you-go basis as part of the overall retirement benefit. OPEB expenditure and participant information is available for the state as a whole; however, information specific to the County is not available nor can it be reasonably estimated.

C. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, primarily the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; however, the County expects such amounts, if any, to be immaterial.

As of the end of the fiscal year, there were no claims or judgments that would have a material adverse effect on the financial condition of the County; however, the outcome of any lawsuit would not be determinable.

D. Sales Tax

Sales Tax of November 8, 2005

On November 8, 2005, the voters of Muskogee County approved a permanent excise tax of fifteen hundredths of one percent (.0015). The revenue from the sales tax is for the purpose of providing funds for the fire departments of Muskogee County, including, but not limited to: purchase of equipment, general operation and maintenance, training, construction of new buildings or improvements to existing buildings, and payment of existing or future loans.

Five percent (5%) of the fifteen hundredths percent (.0015) is designated for a newly formed Board with one member elected and representing each of the following Muskogee County fire departments: Muskogee, Boynton, Braggs, Brushy Mountain, Buckhorn, Council Hill, Fort Gibson, Gooseneck Bend, Haskell, Keefeton, Mountain View, Oktaha, Summit, Taft, Wainwright, Warner,

Webber Falls, and Porum. These funds will be used for such other fire protection services as may be deemed necessary by the Board of County Commissioners. These funds are accounted for in the Rural Fire – ST fund.

Ninety five percent (95%) of the fifteen hundredths percent (.0015) shall be divided equally between the above-mentioned eighteen (18) fire departments to construct new fire stations or improve existing fire stations, purchase equipment and defray training and fire education costs, purchase firefighting and other emergency response vehicles and equipment and for the general maintenance and operations, with the exception of salaries and wages, for which the tax proceeds are not intended. These funds are accounted for in the Rural Fire – ST fund.

Lodging Tax of August 23, 2016

The voters of Muskogee County passed a lodging tax on August 23, 2016, of 5% per room, per night derived from the occupancy of hotel, motel, and lodge rooms outside of the Muskogee's municipal boundaries to the be used for the purpose of economic development. These funds are accounted for in the Lodging Tax – ST fund.

Sales Tax of June 13, 2017

On June 13, 2017, the voters of Muskogee County approved renewing an excise tax for Muskogee County on all goods and products authorized by law, in the amount of one half of one cent on the dollar ($0.005). The tax is to commence January 1, 2019, and to terminate December 31, 2028. The revenue from the sales tax is for the purpose of improving county services as follows: 50% of the monies to go to the county roads and bridges and 50% of the monies to go to Homeland Security, courthouse security, and county law enforcement. These funds are accounted for in the Road and Bridges-ST and Sheriff– ST funds.

E. Tax Abatements

The County is subject to ad valorem tax abatements granted by the State of Oklahoma in accordance with the Oklahoma Constitution, Article 10 Section 6B for qualifying manufacturing concern—ad valorem tax exemption.

Under this program, a five-year ad valorem tax exemption exempts all real and personal property that is necessary for the manufacturing of a product and facilities engaged in research and development which meet the requirements set by the Oklahoma Constitution and statutes. Under Title 68 O.S. § 2902, in exchange for the five-year exemption, qualifying manufacturing concerns must meet certain minimum investment requirements for construction, acquisition, or expansion of a manufacturing facility. In addition, there are general minimum payroll requirements that must be met and the qualifying manufacturing concern must offer basic health benefit plans to all full-time employees within 180 days of employment.

The County had $264,174 of ad valorem taxes abated under this program for the fiscal year ended June 30, 2024.

The State has an Ad Valorem Reimbursement Fund in accordance with Title 62 O.S. § 193 that is used to reimburse the County for the loss of revenue. Monies apportioned to this fund by the State also may be transferred to other state funds or otherwise expended as directed by the Legislature. In the event monies apportioned to the Fund are insufficient to pay all claims for reimbursement, claims for reimbursement for loss of revenue due to manufacturing exemptions of ad valorem taxes shall be paid first, and any remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for school district exemptions.

F. Interfund Transfers

During the fiscal year, the County made the following transfers between cash funds:

- $28,202 was transferred from the Rainy Day Fund into the County General fund for state appropriation for District Attorney's office. This transfer did not meet the requirements of 68 O.S. § 3034.1.
- $309,574 was transferred from the Excess Resale fund (a Trust and Agency fund) to the Resale Property fund in accordance with 68 O.S. § 3131.
- $33,089 was transferred from the Resale Property fund to the Court Clerk Payroll fund to meet requirements of appropriations in accordance with 68 O.S. § 3021.
- $33,089 was transferred from the Court Clerk Payroll fund to the Resale Property fund for repayment of the loan in accordance with 68 O.S. § 3021.
- $21,350 was transferred from the Jail fund to the NCHIP fund to meet requirements of appropriations in accordance with 68 O.S. § 3021.
- $350,000 was transferred from the Use Tax-ST fund to the Community Development Block Grant fund meet requirements of appropriations in accordance with 68 O.S. § 3021.

G. Restatement of Fund Balance

During the fiscal year, the County had a reclassification of funds. The County General, County Highway Unrestricted, and Treasurer Mortgage Certification fund balances on the June 30, 2022 financial statement were not classified properly due to prior year error corrections.

Prior year ending balance, as reported	$50,493,898
Correction to Fund Balance for County General	(379,526)
Correction to County Highway Unrestricted	280,000
Correction to Resale Property	1,831
Correction to Treasurer Mortgage Certification	(3,185)
Prior year ending balance, as restated	$50,393,018

SUPPLEMENTARY INFORMATION

MUSKOGEE COUNTY, OKLAHOMA
COMPARATIVE SCHEDULE OF EXPENDITURES—BUDGET AND ACTUAL—
BUDGETARY BASIS—GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund		
	Budget	Actual	Variance
District Attorney - State	$ 123,493	$ 97,416	$ 26,077
District Attorney - County	9,089	8,988	101
Sheriff	510,877	510,787	90
Treasurer	292,424	290,071	2,353
District #1	115,000	101,611	13,389
District #2	115,000	97,504	17,496
District #3	115,000	104,162	10,838
OSU Extension	167,737	83,384	84,353
County Clerk	425,000	400,678	24,322
Court Clerk	463,705	440,959	22,746
Assessor	489,300	454,384	34,916
Visual Inspection	519,246	513,356	5,890
District Court	44,178	43,567	611
General Government	5,859,931	3,244,350	2,615,581
Excise Equalization	12,000	6,432	5,568
Election Board	266,242	224,538	41,704
County Purchasing	223,000	162,225	60,775
Emergency Management	178,942	177,650	1,292
County Jail	294,928	294,783	145
Public Transportation	67,500	45,376	22,124
Highway Budget	75,500	-	75,500
Highway District 1	713,420	712,957	463
Highway District 2	710,000	707,457	2,543
Highway Distrct 3	713,549	710,895	2,654
County Audit Budget	191,161	92,709	98,452
Free Fair Budget	53,000	11,200	41,800
Soil Conservation District	1,400	1,106	294
Flood Plain	5,087	5,086	1
Public Schools	22,000	-	22,000
Total Expenditures, Budgetary Basis	$ 12,777,709	$ 9,543,631	$ 3,234,078

MUSKOGEE COUNTY, OKLAHOMA
COMPARATIVE SCHEDULE OF EXPENDITURES—BUDGET AND ACTUAL—
BUDGETARY BASIS—HEALTH FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Health Fund		
	Budget	Actual	Variance
Health and Welfare	$ 5,621,779	$ 1,584,775	$ 4,037,004
Total Expenditures, Budgetary Basis	$ 5,621,779	$ 1,584,775	$ 4,037,004

1. Budgetary Schedules

The Comparative Schedules of Expenditures—Budget and Actual—Budgetary Basis for the General Fund and the Health Fund presents a comparison of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Statement of Receipts, Disbursements, and Changes in Cash Balances because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in these funds. At the end of the year unencumbered appropriations lapse.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

MUSKOGEE COUNTY, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Federal Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Passed Through the State Department of Commerce:			
Community Development Block Grants State program and Non-Entitlement Grants in Hawaii	14.228	18664 CDBGDR19	$ 391,870
Total U.S. Department of Housing and Urban Development			391,870
U.S. DEPARTMENT OF INTERIOR			
Direct Grant:			
Payments in Lieu of Taxes	15.226		70,884
Total U.S. Department of Interior			70,884
U.S. DEPARTMENT OF JUSTICE			
Passed Through the City of Muskogee:			
Edward Byrne Memorial Justice Assistane Grant Program	16.738	JAG-FY23	20,249
Total U.S. Department of Justice			20,249
U.S. DEPARTMENT OF TREASURY			
Direct Grant:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		1,769,300
Total U.S. Department of Treasury			1,769,300
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed Through the Oklahoma Department of Emergency Management:			
Hazard Mitigation Grant	97.039	HMPG DR4530	101,572
Hazard Mitigation Grant	97.039	HMPG DR4438	207,633
Emergency Management Performance Grants	97.042	EMPG-2022	13,063
Emergency Management Performance Grants	97.042	EMPG-2023	13,063
Total U.S. Department of Homeland Security			335,331
Total Expenditures of Federal Awards			$ 2,587,634

Basis of Presentation

The schedule of expenditures of federal awards includes the federal grant activity of Muskogee County, and is presented on the *cash basis of accounting*. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance.

Indirect Cost Rate

Muskogee County has elected to not use the 10 percent de minimis cost rate allowed for by 2 CFR§ 200.414(f).

INTERNAL CONTROL AND COMPLIANCE SECTION

OKLAHOMA
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

TO THE OFFICERS OF
MUSKOGEE COUNTY, OKLAHOMA

We have audited, in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the total—all county funds of the accompanying Statement of Receipts, Disbursements, and Changes in Cash Balances of Muskogee County, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statement, which collectively comprise Muskogee County's financial statement, prepared using accounting practices prescribed or permitted by Oklahoma state law, and have issued our report thereon dated August 26, 2025.

Our report included an adverse opinion on the financial statement because the statement is prepared using accounting practices prescribed or permitted by Oklahoma state law, which is a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). However, our report also included our opinion that the financial statement does present fairly, in all material respects, the receipts, disbursements, and changes in cash balances – regulatory basis of the County as of and for the year ended June 30, 2024, on the basis of accounting prescribed by Oklahoma state law, described in Note 1.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Muskogee County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Muskogee County's internal control. Accordingly, we do not express an opinion on the effectiveness of Muskogee County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be material weaknesses: 2024-001 and 2024-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Muskogee County's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2024-001.

We noted certain matters regarding statutory compliance that we reported to the management of Muskogee County, which are included in Section 4 of the schedule of findings and responses contained in this report.

Muskogee County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Muskogee County's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Muskogee County's response was not subjected to the other auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

August 26, 2025

OKLAHOMA
Office of the State Auditor & Inspector

Cindy Byrd, CPA | State Auditor & Inspector

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Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

TO THE OFFICERS OF
MUSKOGEE COUNTY, OKLAHOMA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Muskogee County's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Muskogee County's major federal program for the year ended June 30, 2024. Muskogee County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Muskogee County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Muskogee County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Muskogee County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Muskogee County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Muskogee County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Muskogee County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Muskogee County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Muskogee County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Muskogee County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs. Those instances of noncompliance related to the following program and compliance requirements:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-006	21.027	Coronavirus State and Local Fiscal Recovery Funds	Procurement and Suspension and Debarment
2024-007	21.027	Coronavirus State and Local Fiscal Recovery Funds	Reporting

Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Muskogee County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Muskogee County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs to be material weaknesses. Those material weaknesses in internal control over compliance related to the following program and compliance requirements:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2024-004	21.027	Coronavirus State and Local Fiscal Recovery Funds	Activities Allowed and Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement and Suspension and Debarment; Subrecipient Monitoring; Reporting
2024-005	21.027	Coronavirus State and Local Fiscal Recovery Funds	Activities Allowed and Unallowed, Allowable Costs/Cost Principles, Period of Performance; Procurement and Suspension and Debarment; Reporting.

Muskogee County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Muskogee County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Muskogee County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

August 26, 2025

SECTION 1—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:.....Adverse as to U.S. GAAP; unmodified as to regulatory presentation

Internal control over financial reporting:

- Material weakness(es) identified?.....Yes
- Significant deficiency(ies) identified? .....None reported

Noncompliance material to the financial statement noted? .....Yes

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?.....Yes
- Significant deficiency(ies) identified? .....None reported

Type of auditor's report issued on
compliance for major programs: .....Unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR § 200.516(a) of the Uniform Guidance?.....Yes

Identification of Major Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between
Type A and Type B programs: $750,000

Auditee qualified as low-risk auditee?.....No

SECTION 2—Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Finding 2024-001 – Lack of Internal Controls and Noncompliance Over Disbursements (Repeat Finding – 2019-011, 2020-009, 2021-006, 2022-006, 2023-002)

Condition: Upon inquiry of County personnel and observation of the County's disbursement process, we noted the following:

- The County does not have an adequate segregation of duties to ensure that duties assigned to individuals are done so in a manner that would not allow one individual to control both the recording function and the procedures relative to processing a transaction for manually transmitted purchase orders.
- The purchasing deputy that is encumbering funds is not signing the purchase order, rather the County Clerk is signing at a different date and time after a purchase order has been issued for manually transmitted purchase orders.
- The signatures of the County Clerk and the BOCC Chairman that appear on all warrants are facsimile signatures printed by the software program. Neither the County Clerk nor the BOCC Chairman reviews or initials the warrants after they are printed.

Additionally, of the forty-four (44) disbursements tested totaling $2,452,551, we noted the following:

- Fourteen (14) disbursements totaling $967,024 were not reviewed/authorized.
- One (1) disbursement in the amount of $8,594 was not made for the appropriate amount.
- Eight (8) disbursements totaling $8,404 were not supported by adequate documentation such as a timesheet.
- Four (4) disbursements totaling $74,514 did not have encumbrances made or funds were not available prior to ordering goods and/or services.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure adequate segregation of duties in the County Clerk's office with regard to the manually transmitted disbursements. Additionally, policies and procedures have not been designed and implemented to ensure the County complies with the state statute regarding the disbursement process.

Effect of Condition: These conditions resulted in noncompliance with state statute, which could result in unrecorded transactions, misstated financial records, undetected errors, inaccurate records, and misappropriation of funds.

Recommendation: The Oklahoma State Auditor & Inspector's Office (OSAI) recommends management be aware of this condition and determine if duties can be properly segregated. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risk involved with a concentration of duties. Compensating controls would include

separating key processes and/or critical functions of the office and having management review and approve accounting functions.

Furthermore, OSAI recommends that the County adhere to state purchasing guidelines. Purchase orders should be encumbered before goods or services are ordered, invoices and other supporting documentation should be reviewed for accuracy and attached, payroll and purchase orders should be properly reviewed and authorized. Timesheets should be signed by the employee and the official.

Management Response:
Chairman of the Board of County Commissioners: I will partner with the County Clerk and all other county elected officials to ensure that all proper purchasing procedures are being followed**.**

County Clerk: Once it was brought to my attention, immediate changes were implemented within my office to ensure that duties were segregated. Additionally, I will partner with other elected officials to ensure that all PO's have adequate supporting documentation, and encumbrances are being done before services are rendered.

Criteria: The United States Government Accountability Office's *Standards for Internal Control in the Federal Government* (2014 version) aided in guiding our assessments and conclusion. Although this publication (GAO Standards) addresses controls in the federal government, this criterion can be treated as best practices and may be applied as a framework for an internal control system for state, local, and quasi-governmental entities.

GAO Standards – Section 2 – Establishing an Effective Internal Control System – OV2.23 states in part:

> *Objectives of an Entity – Compliance Objectives*
> Management conducts activities in accordance with applicable laws and regulations. As part of specifying compliance objectives, the entity determines which laws and regulations apply to the entity. Management is expected to set objectives that incorporate these requirements.

The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

> *Segregation of Duties*
> Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets so that no one individual controls all key aspects of a transaction or event.
>
> *Appropriate documentation of transactions and internal control*
> Management clearly documents internal control and all transactions and other significant events in a manner that allows the documentation to be readily available for examination. The documentation may appear in management directives, administrative policies, or

> operating manuals, in either paper or electronic form. Documentation and records are properly managed and maintained.

Additionally, Principle 10 - Segregation of Duties states:

> 10.14 – If segregation of duties is not practical within an operational process because of limited personnel or other factors, management designs alternative control activities to address the risk of fraud, waste, or abuse in the operational process.

Furthermore, effective internal controls require that management properly implement procedures to ensure that expenditures comply with 19 O.S. § 1505.

Finding 2024-002 – Lack of Internal Controls Over the Payroll Process (Repeat Finding – 2016-013, 2017-013, 2018-013, 2019-012, 2020-010, 2021-007, 2022-007, 2023-002)

Condition: Upon inquiry and observation of the County's payroll process, it was noted that the County Clerk does not have an adequate segregation of duties to ensure that duties assigned to individuals are done so in a manner that would not allow one individual to control both the recording function and the procedures relative to processing a transaction.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure adequate segregation of duties in the County Clerk's office with regard to the payroll process.

Effect of Condition: These conditions could result in unrecorded transactions, misstated financial reports, undetected errors, and misappropriation of funds.

Recommendation: OSAI recommends management be aware of this condition and determine if duties can be properly segregated. In the event that segregation of duties is not possible due to limited personnel, OSAI recommends implementing compensating controls to mitigate the risk involved with a concentration of duties. Compensating controls would include separating key process and/or critical functions of the office and having management review and approval of accounting functions.

Management Response:
County Clerk: Once this was brought to my attention we began implementing segregation of duties over the payroll process.

Criteria: The GAO Standards – Principle 10 – Design Control Activities – 10.03 states in part:

> *Segregation of Duties*
> Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions,

and handling any related assets so that no one individual controls all key aspects of a transaction or event.

Additionally, Principle 10 - Segregation of Duties states:

10.12 – Management considers segregation of duties in designing control activity responsibilities so that incompatible duties are segregated and, where such segregation is not practical, designs alternative control activities to address the risk.

10.13 – Segregation of duties helps prevent fraud, waste, and abuse in the internal control system. Management considers the need to separate control activities related to authority, custody, and accounting of operations to achieve adequate segregation of duties. In particular, segregation of duties can address the risk of management override. Management override circumvents existing control activities and increases fraud risk. Management addresses this risk through segregation of duties, but cannot absolutely prevent it because of the risk of collusion, where two or more employees act together to commit fraud.

10.14 – If segregation of duties is not practical within an operational process because of limited personnel or other factors, management designs alternative control activities to address the risk of fraud, waste, or abuse in the operational process.

SECTION 3— Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Finding 2024-004 – Lack of County-Wide Controls Over Major Federal Program – Coronavirus State and Local Fiscal Recovery Funds (Repeat Finding – 2022-014, 2023-004)

FEDERAL AGENCY: U.S. Department of the Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Funds
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2022
CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement and Suspension and Debarment; Subrecipient Monitoring; Reporting
QUESTIONED COSTS: $-0-

Condition: County-wide controls regarding Control Environment, Risk Assessment, Information and Communication, and Monitoring have not been designed.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure the County complies with grant requirements.

Effect of Condition: This condition could result in noncompliance with grant requirements.

Recommendation: OSAI recommends that the County design and implement a system of internal controls to ensure compliance with grant requirements.

Management Response:
Chairman Board of County Commissioners: We have hired a grant writer and are also in the process of creating a federal grant policy that lists out requirements that are to be followed to ensure all federal requirements are being addressed and followed.

Criteria: The GAO Standards – Section 1 – Fundamental Concepts of Internal Control – OV1.01 states in part:

> *Definition of Internal Control*
> Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved.

Additionally, GAO Standards – Section 2 – Establishing an Effective Internal Control System – OV2.04 states in part:

> *Components, Principles, and Attributes*
> Control Environment - The foundation for an internal control system. It provides the discipline and structure to help an entity achieve its objectives.
>
> Risk Assessment - Assesses the risks facing the entity as it seeks to achieve its objectives. This assessment provides the basis for developing appropriate risk responses.
>
> Information and Communication - The quality information management and personnel communicate and use to support the internal control system.
>
> Monitoring - Activities management establishes and operates to assess the quality of performance over time and promptly resolve the findings of audits and other reviews.

Finding 2024-005 – Lack of Internal Controls Over Major Federal Program – Coronavirus State and Local Fiscal Recovery Funds (Repeat Finding – 2022-015, 2023-005)

FEDERAL AGENCY: U. S. Department of Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Funds
FEDERAL AWARD NUMBER: SLFRFP3720
FEDERAL AWARD YEAR: 2022

CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement and Suspension and Debarment; Reporting.
QUESTIONED COSTS: $-0-

Condition: During the process of documenting the County's internal controls regarding federal disbursements, we noted that Muskogee County has not established procedures to ensure compliance with the following compliance requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement and Suspension and Debarment; Reporting.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure federal expenditures are made in accordance with federal grant requirements.

Effect of Condition: This condition could result in noncompliance to grant requirements and could lead to a loss of federal funds to the County.

Recommendation: OSAI recommends that the County gain an understanding of requirements for these programs and implement a system of internal control procedures to ensure compliance with grant requirements.

Management Response:
Chairman of the Board of County Commissioners: We have hired a grant writer and are also in the process of creating a Federal Grant policy that lists out requirements that are to be followed to ensure all federal requirements are being addressed and followed.

Criteria: *2 CFR § 200.303 Internal Controls (a)* reads as follows:

> The non-Federal entity must:
> (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Further, accountability and stewardship should be overall goals in management's accounting of federal funds. Internal controls should be designed to monitor compliance with laws and regulations pertaining to grant contracts.

Finding 2024-006 – Noncompliance Over Procurement and Suspension and Debarment – Coronavirus State and Local Fiscal Recovery Funds (Repeat Finding – 2022-011, 2023-006)

FEDERAL AGENCY: U.S. Department of Treasury
ASSISTANCE LISTING: 21.027

FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Funds
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2023
CONTROL CATEGORY: Procurement and Suspension and Debarment
QUESTIONED COSTS: $34,103

Condition: During our review of 100% of disbursements totaling $1,769,300 of the Federal program, we identified the following:

- One (1) Security Service in the amount of $34,103 for the Sheriff's office did not have bids provided to the County.

Additionally, there were ten (10) vendors the County did not verify against the www.SAM.gov website to review if the vendor had been suspended or debarred for those disbursements that warranted a bid, on the 6-month bid list, or received quotes.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance of expenditures for all federal awards.

Effect of Condition: This condition resulted in noncompliance to grant requirements and could lead to a loss of federal funds to the County.

Recommendation: OSAI recommends county officials and department heads gain an understanding of federal programs awarded to Muskogee County. Internal control procedures should be designed and implemented to ensure accurate procurement and suspension/debarment and to ensure compliance with federal requirements.

Management Response:
Chairman of the Board of County Commissioners: We have hired a grant writer and are also in the process of creating a federal grant policy that lists out requirements that are to be followed to ensure all federal requirements are being addressed and followed.

Criteria: *2 CFR § 200.317 through 200.327 General Procurement Standards* reads as follows:

> When procuring property and services under a Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. The State will comply with §§ 200.321, 200.322, and 200.323 and ensure that every purchase order or other contract includes any clauses required by § 200.327. All other non-Federal entities, including subrecipients of a State, must follow the procurement standards in §§ 200.318 through 200.327.
>
> The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the standards of this section, for the acquisition of property or services required under a Federal award or subaward. The non-

Federal entity's documented procurement procedures must conform to the procurement standards identified in §§ 200.317 through 200.327.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchases orders.

2 CFR 180.700 – 180.760 Suspension and 2 CFR 180.800 – 180.885 Debarment

Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed $25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

Finding 2024-007 – Noncompliance Over Reporting – Coronavirus State and Local Fiscal Recovery Funds (Repeat Finding – 2022-013, 2023-007)

FEDERAL AGENCY: U.S. Department of Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Funds
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2022
CONTROL CATEGORY: Reporting
QUESTIONED COSTS: $-0-

Condition: During the process of documenting the County's internal controls regarding federal reporting process we noted that the County has not established procedures to ensure compliance with reporting requirement. Furthermore, while performing a test over the reporting requirement, we noted the following:

- Three (3) quarterly reports were not submitted by the required due date.
- Variances between expenditures reported on quarterly reports and the County's expenditure data:
    - Quarterly reports during the period of January through March expenditures were more than the County's expenditure data by $210,000.
    - Quarterly reports during the period of April through June expenditures were less than the County's expenditure data by $174,091.
    - Quarterly reports during the period of July through September expenditures were less than the County's expenditure data by $202,648.
    - Quarterly reports during the period of October through December expenditures were less than the County's expenditure data by $30,000.

Cause of Condition: Policies and procedures have not been designed and implemented to ensure compliance of reporting compliance requirements.

Effect of Condition: This condition resulted in noncompliance with grant requirements.

Recommendation: OSAI recommends the County comply with federal laws and regulations and grant agreements by submitting required reports to the U.S. Department of Treasury timely. In addition, OSAI recommends the County design and implement a system of internal controls to ensure the accuracy and completeness of information submitted.

Management Response:
Chairman of the Board of County Commissioners: In regard to the Reporting process, for current and future grants we will ensure that the reports are accurately and timely submitted as required in the supplement compliance requirements. Additionally, we have hired a grant administrator to assist us with the reporting requirements.

Criteria: GAO Standards – Section 2 – Establishing an Effective Internal Control System – OV2.23 states in part:

> *Objectives of an Entity – Compliance Objectives*
> Management conducts activities in accordance with applicable laws and regulations. As part of specifying compliance objectives, the entity determines which laws and regulations apply to the entity. Management is expected to set objectives that incorporate these requirements.

2 CFR § 200.303(a) Internal Controls reads as follows:

> The non-Federal entity must:
> Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

SECTION 4—This section contains certain matters not required to be reported in accordance with *Government Auditing Standards.* However, we believe these matters are significant enough to bring to management's attention. We recommend that management consider these matters and take appropriate corrective action.

Finding 2024-003 – Lack of Internal Controls and Noncompliance Over the Inmate Trust Fund Checking Account and Sheriff Commissary Fund (Repeat Finding)

Condition: Upon inquiry and observation of the Inmate Trust Fund Checking Account, it was noted that the County Sheriff does not have an adequate segregation of duties to ensure that duties assigned to individuals are done so in a manner that would not allow one individual to control both the recording function and the procedures relative to processing a transaction.

Further, an examination of the Inmate Trust Fund Checking Account and Sheriff Commissary Fund reflected the following:

- Collections are not deposited into the Inmate Trust Fund Checking Account on a daily basis.
- There is no indication of review of the Inmate Trust Fund Checking Account reconciliations by anyone other than the preparer.
- Individual Inmate Trust Fund balances are not being reconciled to the Inmate Trust Fund Checking Account bank statement.
- Bank deposit slips are not verified back to deposit reports by someone other than the preparer.
- Blank check stock, debit cards and inventory for nicotine pouches and e-cigarettes are kept in the commissary manager's office, which multiple employees have a key and access to.
- The County is charging sales tax on nicotine pouches and e-cigarettes sales to inmates; however, there are no remittances being made or monthly reports filed to the Oklahoma Tax Commission.
- An annual report for the Sheriff Commissary Fund was not prepared and filed with the BOCC by January 15th of each year.
- There is no policy or procedure regarding unclaimed funds.
- Multiple individuals have access to the inmate property room and will obtain inmate credit/debit cards to add funds to their Inmate Trust Account.

Cause of Condition: Policies and procedures have not been designed to ensure financial transactions regarding the Inmate Trust Fund Checking Account and Sheriff Commissary Fund are adequately segregated complies with state statutes.

Effect of Condition: This condition resulted in noncompliance with state statutes. A single person having responsibility for more than one area of recording, authorization, custody of assets, and execution of transactions could result in unrecorded transactions, misstated financial reports, clerical errors, or misappropriation of funds not being detected in a timely manner.

Recommendation: OSAI recommends management be aware of this condition realize that a concentration of duties and responsibilities is not desired from a control point of view. Management should provide segregation of duties so that no employee is able to perform all accounting functions.

- Deposits be made daily in accordance with 19 O.S. § 682.
- Bank reconciliations should be performed on a monthly basis and be reviewed and approved by someone other than the preparer.
- Inmate Trust Fund balances should be reconciled to the Inmate Trust Fund Checking Account bank statement monthly and be reviewed and approved by someone other than the preparer.
- Deposit slips are reconciled back to deposit reports by someone other than the person taking the deposit to the bank.
- All blank check stock, debit cards and in-house commissary inventory should be maintained in a secured location with restricted access.
- Sales tax collected should be remitted to the Oklahoma Tax Commission on a monthly basis.
- The Sheriff should file a report of the commissary with the BOCC by January 15th, of each year in accordance with 19 O.S. § 180.43D.
- Policies and procedures should be designed and implemented to ensure disposition of inmates unclaimed property are handled in accordance with 22 O.S. § 1325.
- Restricted access to inmate property and cease use of inmate credit/debit cards.

Management Response:
County Sheriff:

- To correct this issue, administration and Commissary Clerk will have a set time frame each day to count and collect funds out of the booking kiosk, lobby kiosk, and money orders/checks to be deposited each day.
- Going forward we are going to ensure that the deposit receipt is reconciled back to the deposit reports by someone other than the person taking the deposit to the bank.
- Commissary Clerk will print inmate ledger monthly and reconcile it back to the bank statement.
- The Commissary Clerk will be performing monthly reconciliations with jail admin signing off as reviewer.
- Blank checks, debit cards, and nicotine items are all stored within the commissary office which is locked daily at the end of each day. The checks and debit cards are stored in an unlocked safe box by commissary clerk's desk. Nicotine items are stored in an unlocked filing cabinet. The door is closed when there is not a commissary employee inside. The office is under camera surveillance at all times with all cabinets in view. Key holders to my knowledge include Commissary Clerks (2), mail/visitation (1), administration (1), maintenance (2) and Undersheriff (1). They are in the process of getting the Commissary Clerk her own office to allow for some more control.
- We will be in contact with Oklahoma Tax Commission to determine the best way to handle the sales tax being paid.
- Beginning in January, the Commissary Clerk will print the Sheriff Commissary report from the OSAI website and make sure that it is filed with the BOCC by the 15th of January each year.
- We will partner with the District Attorney (DA) or General Council to enact a policy and procedure regarding unclaimed funds.

- We will partner with the DA or General Council on getting a generic letter compiled (with approval from DA or General Council) that will allow inmates to withdrawals cash off of their debit cards and place in their commissary account. Additionally, the Jail Administrator will provide additionally controls when money is being withdrawn.

Criteria: The GAO Standards – Principle 10 – Design Control Activities: 10.03 states in part:

> *Segregation of duties*
> Management divides or segregates key duties and responsibilities among different people to reduce the risk of error, misuse, or fraud. This includes separating the responsibilities for authorizing transactions, processing and recording them, reviewing the transactions, and handling any related assets so that no one individual controls all key aspects of a transaction or event.

Additionally, Principle 10 - Segregation of Duties states:

> 10.12 – Management considers segregation of duties in designing control activity responsibilities so that incompatible duties are segregated and, where such segregation is not practical, designs alternative control activities to address the risk.
>
> 10.13 – Segregation of duties helps prevent fraud, waste, and abuse in the internal control system. Management considers the need to separate control activities related to authority, custody, and accounting of operations to achieve adequate segregation of duties. In particular, segregation of duties can address the risk of management override. Management override circumvents existing control activities and increases fraud risk. Management addresses this risk through segregation of duties but cannot absolutely prevent it because of the risk of collusion, where two or more employees act together to commit fraud.
>
> 10.14 – If segregation of duties is not practical within an operational process because of limited personnel or other factors, management designs alternative control activities to address the risk of fraud, waste, or abuse in the operational process.

Title 19 O.S. § 180.43 D. states in part, "…Any funds received pursuant to said operations shall be the funds of the county where the persons are incarcerated and shall be deposited in the Sheriff's Commissary Account. The sheriff shall be permitted to expend the funds to improve or provide jail services. The sheriff shall be permitted to expend any surplus in the Sheriff's Commissary Account for administering expenses for training equipment, travel or for capital expenditures. The claims for expenses shall be filed with and allowed by the board of county commissioners in the same manner as other claims. The Sheriff shall receive no compensation for the operation of said commissary. The sheriff shall file an annual report on any said commissary under his or her operation no later than January 15 of each year."

Title 19 O.S. § 531A states in part, "The county sheriff may establish a checking account, to be designated the "Inmate Trust Fund Checking Account." The county sheriff shall deposit all monies collected from inmates incarcerated in the county jail into this checking account and may write checks to the Sheriff's Commissary Account for purchases made by the inmate during his or her incarceration and to the inmate from unencumbered balances due the inmate upon his or her discharge."

Title 19 O.S. § 682 states in part, "It shall be the duty of each and every county officer…to deposit daily…all monies…of every kind received or collected by virtue or under color of office…"

Title 22 O.S. § 1325(F, H) outlines the procedures for handling unclaimed property.

APPENDIX A

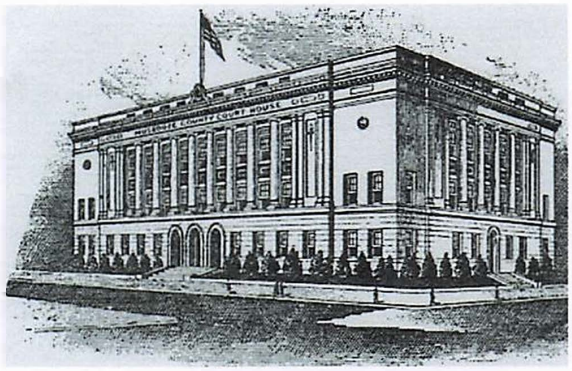
CORRECTIVE ACTION PLAN

(Prepared by County Management)

KEN DOKE
MUSKOGEE CO. DISTRICT 1

KEITH HYSLOP
MUSKOGEE CO. DISTRICT 2

KENNY PAYNE
MUSKOGEE CO. DISTRICT 3



POLLY IRVING
COUNTY CLERK

Melissa Lee
BOCC Executive Assistant

MUSKOGEE BOARD OF COUNTY COMMISSIONERS
P.O. BOX 2307 MUSKOGEE, OK 74402-2307 PHONE (918)682-9601 * FAX (918) 684-1697
Email: bocc@readymuskogee.org - **Website:** www.muskogeecountygov.com

Corrective Action Plan
in accordance with 2 CFR § 200.511c
for the fiscal year ended June 30, 2024

Finding No.	Title (Financial) or Assistance Listing No. (formerly CFDA No.) & Program Name (Federal)	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2024-001	Lack of Internal Control and Noncompliance Over Disbursements	Changes have been made and implemented by the County Clerk's office before this finding was concluded to ensure that the purchasing duties are adequately segregated by having signatures present on all electronic purchase orders before going to the BOCC for approval.	9/1/25	Ken Doke, Chairman of BOCC Polly Irving, County Clerk
2024-002	Lack of Internal Controls Over the Payroll Process	Changes have been made and implemented by the County Clerk's office before this finding was concluded to ensure that the payroll duties are adequately segregated by adding and in signatures and or initials after payroll reports are ran and presented to the BOCC for approval.	9/1/25	Ken Doke, Chairman of BOCC Polly Irving, County Clerk
2024-004	Assistance Listing Number 21.027 Lack of County-Wide Controls Over Major Federal Program – Coronavirus State and Local Fiscal Recovery Funds	The Board of County Commissioners will work with all elected officials, the new county grant administrator, and federal, state and local partners to develop policies, procedures, and internal controls designed to accurately track grants, including the application process, verification, oversight, and reporting of grant requirements.	9/1/25	Ken Doke, Chairman of BOCC
2024-005	Assistance	The Board of County Commissioners will work	9/1/25	Ken Doke,

	Listing Number 21.027 Lack of Internal Controls Over Major Federal Program – Coronavirus State and Local Fiscal Recovery Funds	with all elected officials, the new county grant administrator, and federal, state and local partners to develop policies, procedures, and internal controls designed to accurately track grants, including the application process, verification, oversight, and reporting of grant requirements.		Chairman of BOCC
2024-006	Assistance Listing Number 21.027 Noncompliance Over Procurement and Suspension and Debarment – Coronavirus State and Local Fiscal Recovery Funds	The Board of County Commissioners, with the cooperation and participation of all elected officials, reviews, develops and implements policies and procedures to create a strong internal control environment. The Board of County Commissioners will work with all elected officials, the new county grant administrator, and federal, state and local partners to develop policies, procedures, and internal controls designed to accurately track grants, including the application process, verification, oversight, and reporting of grant requirements. The Board of County Commissioners will work with the new county grant administrator to ensure proper grant administration.	9/1/25	Ken Doke, Chairman of BOCC
2024-007	Assistance Listing Number 21.027 Noncompliance Over Reporting – Coronavirus State and Local Fiscal Recovery Funds	The Board of County Commissioners, with the cooperation and participation of all elected officials, reviews, develops and implements policies and procedures to create a strong internal control environment. The Board of County Commissioners will work with all elected officials, the new county grant administrator, and federal, state and local partners to develop policies, procedures, and internal controls designed to accurately track grants, including the application process, verification, oversight, and reporting of grant requirements. The Board of County Commissioners will work with the new county grant administrator to ensure proper grant administration.	9/1/25	Ken Doke, Chairman of BOCC

APPENDIX B

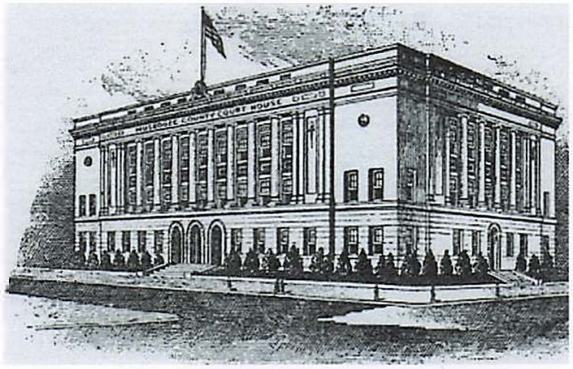
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

(Prepared by County Management)

KEN DOKE
MUSKOGEE CO. DISTRICT 1

KEITH HYSLOP
MUSKOGEE CO. DISTRICT 2

KENNY PAYNE
MUSKOGEE CO. DISTRICT 3



POLLY IRVING
COUNTY CLERK

Melissa Lee
BOCC Executive Assistant

MUSKOGEE BOARD OF COUNTY COMMISSIONERS
P.O. BOX 2307 MUSKOGEE, OK 74402-2307 PHONE (918)682-9601 * FAX (918) 684-1697
Email: bocc@readymuskogee.org - **Website:** www.muskogeecountygov.com

Summary Schedule of Prior Audit Findings in accordance with 2 CFR § 200.511b for the fiscal year ended June 30, 2024

FINANCIAL AUDIT FINDINGS

Finding 2019-011, 2020-009, 2021-006, 2022-006, 2023-001
Lack of Internal Controls and Noncompliance over Disbursements
Finding Summary: Upon inquiry of County personnel and observation of the County's disbursement process, we noted the following:

- The County does not have an adequate segregation of duties to ensure that duties assigned to individuals are done so in a manner that would not allow one individual to control both the recording function and the procedures relative to processing a transaction for manually transmitted purchase orders.
- The purchasing deputy that is encumbering funds is not signing the purchase order, rather the County Clerk is signing at a different date and time after a purchase order has been issued for manually transmitted purchase orders.
- The signatures of the County Clerk and the BOCC Chairman that appear on all warrants are facsimile signatures printed by the software program. Neither the County Clerk nor the BOCC Chairman reviews or initials the warrants after they are printed.
- Key Accounting functions for the payroll process are not adequately segregated due to one employee enrolling new employees, removing terminated employees, maintaining personnel files, reviewing time records, preparing payroll, and distributing payroll.

Additionally, of the 49 disbursements tested totaling $4,297,887, we noted the following:

- Five (5) disbursements totaling $467,335 were not reviewed/authorized.
- One (1) disbursement totaling $26,524 was not approved by the BOCC and/or management.
- One (1) disbursement totaling $4,742 could not determine appropriate amount due to no invoice present.
- Twenty (20) disbursements totaling $68,804 were not supported by adequate documentation (invoice and receiving report or timesheet.
- Five (5) disbursements totaling $287,169 did not have encumbrances made or funds were not available prior to ordering goods and services (f).

Status: Not Corrected

Finding 2016-013, 2017-013, 2018-013, 2019-012, 2020-010, 2021-007, 2022-007, 2023-002
Lack of Internal Controls Over the Payroll Process
Finding Summary: Upon inquiry and observation of the County's payroll process, it was noted that the County Clerk does not have an adequate segregation of duties to ensure that duties assigned to individuals are done so in a manner that would not allow one individual to control both the recording function and the procedures relative to processing a transaction.
Status: Not Corrected

FEDERAL AUDIT FINDINGS

Finding 2022-014, 2023-004
Lack of County-Wide Controls Over Major Federal Programs – Coronavirus State and Local Fiscal Recovery Funds
PASS THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: U.S. Department of the Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Fund (CSLFRF)
FEDERAL AWARD YEAR: 2023
CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement and Suspension and Debarment; Subrecipient Monitoring; Reporting
QUESTIONED COSTS: $-0-
Finding Summary: County-wide controls regarding Control Environment, Risk Assessment, Information and Communication, and Monitoring have not been designed.
Status: Not Corrected

Finding 2022-015, 2023-005
Lack of Internal Controls Over Major Federal Programs – Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
PASS THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: U. S. Department of the Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
FEDERAL AWARD NUMBER: SLFRFP3720
FEDERAL AWARD YEAR: 2022
CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement; Suspension and Debarment; Reporting; Subrecipient Monitoring.
QUESTIONED COSTS: $-0-
Finding Summary: During the process of documenting the County's internal controls regarding federal disbursements, we noted that Muskogee County has not established procedures to ensure compliance with the following compliance requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance; Procurement; Suspension and Debarment; Reporting; Subrecipient Monitoring.
Status: Not Corrected

Finding 2022-011, 2023-006
Noncompliance Over Procurement and Suspension and Debarment – Coronavirus State and Local Fiscal Recovery Funds
PASS THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: United States Department of the Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2023
CONTROL CATEGORY: Procurement and Suspension and Debarment
QUESTIONED COSTS: $1,591,425
Finding Summary: During our review of 100% of federal disbursements totaling $4,616,730 of the Federal program, we identified the following:

- One (1) Industrial Park Project in the amount of $651,800 for the City of Muskogee did not have bids or invoices provided to the County. This disbursement was approved by the Board of County Commissioners (BOCC) in the BOCC meeting with no contract or supporting documentation.
- One (1) Water Pump Project in the amount of $100,000 for Muskogee County Rural Water District 1 did not have

bids or invoices provided to the County. This disbursement was approved in the BOCC meeting with no contract or supporting documentation.

- One (1) Vehicle purchased in the amount of $50,000 for the County Sheriff Office did not have bids provided to the County.
- One (1) Communications Antenna purchased in the amount of $25,584 did not have bids provided to the County.
- One (1) backhoe purchased in the amount of $28,900 did not have bids provided to the County.
- One (1) Road Project in the amount of $60,000 for Muskogee County Economic Authority did not have bids or invoices provided to the County. This disbursement was approved by in the BOCC meeting with no contract or supporting documentation.
- Two (2) Skid Steers totaling $150,846 did not have the state contract on file with the County.

Additionally, there were twenty (20) vendors that the County did not verify against the www.SAM.gov website to review if the vendor had been suspended or debarred for those disbursements that warranted a bid, on the 6-month bid list, or received quotes.
Status: Not Corrected

Finding 2022-013, 2023-007
Noncompliance Over Reporting – Coronavirus State and Local Fiscal Recovery Funds
PASS THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: United States Department of the Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2023
CONTROL CATEGORY: Reporting
QUESTIONED COSTS: $0
Finding Summary: During the process of documenting the County's internal controls regarding federal reporting process, we noted that the County has not established procedures to ensure compliance with reporting requirement. Furthermore, while performing a test over the reporting requirement, we noted the following:

- Three (3) quarterly reports were not submitted by the required due date.
- Variances between expenditures reported on quarterly reports and the County's expenditure data:
    - Quarterly reports during the period of January through March expenditures were less than the County's expenditure data by $20,000.
    - Quarterly reports during the period April through June expenditures were more than the County's expenditure data by $4,962,723.
    - Quarterly reports July through September expenditures were less than the County's expenditure data by $198,142.
    - Quarterly reports October through December expenditures were less than the County's expenditure data by $151,661.

Status: Not Corrected

Finding 2023-008
Noncompliance Over Activities Allowed or Unallowed and Allowable Costs/Cost Principles– Coronavirus State and Loal Fiscal Recovery Funds
PASS-THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: U.S. Department of Treasury
ASSISTANCE LISTING: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Fund (SLFRF)
FEDERAL AWARD NUMBER: SLFRP3720
FEDERAL AWARD YEAR: 2023
CONTROL CATEGORY: Activities Allowed or Unallowed and Allowable Costs/Cost Principles
QUESTIONED COSTS: $811,800
Finding Summary: During the review of 100% of federal disbursements totaling $4,616,730 for Coronavirus State and Local Fiscal Recovery Fund, program disbursements were not expended in accordance with the Activities Allowed or

Unallowed and Allowable Costs/Cost Principles as noted below:

- One (1) Industrial Park Project in the amount of $651,800 for the City of Muskogee did not have invoices or supporting documentation to determine if the project was allowable. This disbursement was approved in the BOCC meeting with no documentation.
- One (1) Water Pump Project in the amount of $100,000 for Muskogee County Rural Water District 1 did not have invoices or supporting documentation to determine if the project was allowable. This disbursement was approved in the BOCC meeting with no documentation.
- One (1) Road Project in the amount of $60,000 for Muskogee County Economic Authority did not have invoices provided to the County. This disbursement was approved in the BOCC meeting with no contract or documentation.

Status: Not Corrected

Finding 2023-009
Noncompliance with Subrecipient Monitoring Over Federal Grant – Coronavirus State and Local Fiscal Recovery Fund (CSLFR)
PASS-THROUGH GRANTOR: Direct Grant
FEDERAL AGENCY: U.S. Department of Treasury
ASSISTANCE LISTING NO: 21.027
FEDERAL PROGRAM NAME: Coronavirus State and Local Fiscal Recovery Funds (CSLFEF)
FEDERAL AWARD YEAR: 2022
CONTROL CATEGORY: Subrecipient Monitoring
QUESTIONED COSTS: $811,800.00
Finding Summary: During our audit, it was noted the County had three (3) subrecipients totaling $811,800 of the Coronavirus State and Local Fiscal Recovery Funds: City of Muskogee, Muskogee County Rural Water District 1, and Muskogee County Economic Authority. The County does not have a subrecipient monitoring policy, and the County did not obtain subrecipient agreements containing all required elements of 2 CFR 200.332.
Status: Not Corrected

2021-010
PASS THROUGH GRANTOR: Office of Management and Enterprise Services
FEDERAL AGENCY: U. S. Department of the Treasury
ASSISTANCE LISTING: 21.019
FEDERAL PROGRAM NAME: Coronavirus Relief Fund
FEDERAL PROGRAM NUMBER: SA-0187
FEDERAL AWARD YEAR: 2021
CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance
QUESTIONED COSTS: $-0-
Finding Summary: County-wide controls regarding Control Environment, Risk Assessment, Information and Communication, and Monitoring have not been designed.
Status: Not Corrected

2021-011
PASS THROUGH GRANTOR: Office of Management and Enterprise Services
FEDERAL AGENCY: U. S. Department of the Treasury
ASSISTANCE LISTING: 21.019
FEDERAL PROGRAM NAME: Coronavirus Relief Fund
FEDERAL PROGRAM NUMBER: SA-0187
FEDERAL AWARD YEAR: 2021
CONTROL CATEGORY: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Period of Performance
QUESTIONED COSTS: $-0-
Finding Summary: During the process of documenting the County's internal controls regarding federal disbursements, we noted that Muskogee County has not established procedures to ensure compliance with the following compliance requirements: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; and Period of Performance.
Status: Not Corrected

2021-012
PASS THROUGH GRANTOR: Office of Management and Enterprise Services
FEDERAL AGENCY: U. S. Department of the Treasury
ASSISTANCE LISTING: 21.019
FEDERAL PROGRAM NAME: Coronavirus Relief Fund
FEDERAL PROGRAM NUMBER: SA-0187
FEDERAL AWARD YEAR: 2021
CONTROL CATEGORY: Activities Allowed or Unallowed and Allowable Costs/Cost Principles
QUESTIONED COSTS: $1,089,096
Finding Summary: During the test of 100% of federal expenditures for Coronavirus Relief Fund, program disbursement totaling $1,089,096 were not expended in accordance with the Activities Allowed or Unallowed and Allowable Costs/Cost Principles due to unsubstantiated, duplicated, and ineligible costs as detailed below:

Payroll Reimbursements

- Unallowable reimbursement in the amount of $1,900 for longevity bonus.
- Sick leave totaling $2,285 for a county official.
- Duplicate payroll reimbursements totaling $17,668 were reimbursed by another grant.

Expenditure Reimbursements

- Reimbursements totaling $1,059,350 for hazard runs on behalf of Muskogee EMS District.
- Reimbursements totaling $7,879 were not supported with adequate documentation.
- Reimbursement in the amount of $14 that exceeded the purchase order amount.

Status: Not Corrected

EXHIBIT D

FORM OF LEGAL OPINION

HILBORNE & WEIDMAN
A PROFESSIONAL CORPORATION
ATTORNEYS AND COUNSELORS
2405 EAST 57TH STREET
TULSA, OKLAHOMA 74105-7548

TELEPHONE:
(918) 749-0111

December 11, 2025

Trustees of Muskogee County Public Safety Authority
Muskogee, Oklahoma

Re: $39,435,000 Muskogee County Public Safety Authority Capital Improvement Revenue Bonds, Series 2025

Gentlemen:

We have acted as Bond Counsel to Muskogee County Public Safety Authority in connection with the issuance and sale of the captioned Bonds.

In connection with the opinions expressed below, we have examined (i) originals or certified copies of the proceedings relating to the issuance of the Bonds, as contained in a Transcript of Proceedings had in connection therewith, and (ii) executed Bond No. R-1. In addition, we have examined such other documents and instruments as we have deemed necessary to express the opinions hereinafter set forth.

Based upon our examination of all of the foregoing, and in reliance thereon, and on all matters of fact as we deem relevant under the circumstances, and upon consideration of applicable law, we are of the opinion that:

1. The Authority is a duly created and validly existing public trust under the laws of the State of Oklahoma;

2. The Bond Indenture, dated as of December 1, 2025 (the "Indenture"), authorizing the issuance of the captioned Bonds has been duly and lawfully authorized by the Authority and has been executed and delivered by duly authorized officers of both the Authority and

BOKF, National Association, Tulsa, Oklahoma, as trustee, and such Indenture is in full force and effect and is valid, binding and enforceable in accordance with its terms, except to the extent that enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency, debt arrangement or other laws affecting creditors' rights generally and further subject to judicial limitations on rights to specific performance;

3. The Bonds are validly authorized and constitute the valid, binding and enforceable obligations of the Authority, except as enforceability may be limited by moratorium, bankruptcy, reorganization, insolvency, debt arrangement or other laws affecting creditors' rights generally and further subject to judicial limitations on rights to specific performance;

4. The form of Bond No. R-1 and its execution are regular and proper; and

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. However, interest on the Bonds is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the federal alternative minimum tax imposed on corporations. The opinion set forth above is subject to the condition that the Authority comply with all requirements of the Internal Revenue Code of 1986, as amended, (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The interest on the Bonds is excluded from gross income for State of Oklahoma income taxation purposes.

Respectfully submitted,

EXHIBIT E

ECONOMIC INFORMATION

MUSKOGEE COUNTY, OKLAHOMA

POPULATION

Year	Muskogee County
2025 est.	67,417
2024 est.	66,752
2023 est.	66,656
2022 est.	66,354
2020	66,339
2015	69,349
2010	71,121

Source: U.S. Census Bureau

MAJOR EMPLOYERS

Employer	Product/Service	Number of Employees
Department of Veteran Affairs	Government	1,800
VA Hospital	Government	1,100
Georgia Pacific	Manufacturing	730
Muskogee Public Schools	Public Schools	620
St. Francis Hospital	Healthcare	500
City of Muskogee	Government	435
Dal-tile	Manufacturing	384
Refresco	Manufacturing	273
Wal-Mart	Retail	250
O-I	Manufacturing	246

Source: Oklahoma Department of Commerce/County Officials

HISTORICAL SALES TAX COLLECTIONS

Historical Collection Rate of .65%

Month	2025	2024	2023	2022
January	$ 557,016	$ 550,886	$ 550,273	$ 516,381
February	533,153	599,697	620,605	543,336
March	519,027	454,133	515,463	417,831
April	496,002	558,512	499,198	499,148
May	598,899	558,461	574,462	501,213
June	720,998	512,818	569,745	535,313
July	634,648	539,104	558,372	550,358
August	650,844	571,006	577,014	551,329
September	593,485	614,416	560,288	554,708
October	-	595,737	554,249	544,801
November	-	577,207	526,535	540,462
December	-	569,625	528,592	546,261
Total (2)	$ 7,074,796	$ 6,703,626	$ 6,636,819	$ 6,303163
New .849	$ 9,240,772	$ 8,755,967	$ 8,668,707	$ 8,232,901
Change	5.54%	1.01%	5.29%	

1. Collections for 0.849 – June 2025 is $941,735, July $767,452, August $850,102, Sept. $775,183
2. Annualized for 2025

EXHIBIT F

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

Dated as of December 1, 2025

Between

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

And

BOKF, NA

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

$39,435,000
Capital Improvement Revenue Bonds,
Series 2025

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY
CONTINUING DISCLOSURE AGREEMENT

This **MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY CONTINUING DISCLOSURE AGREEMENT** dated as of **December 1, 2025** (this *"Agreement"*), is executed and delivered by **MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY** (the *"Authority"*) and **BOKF, NA,** a national banking association, as trustee and acting hereunder as dissemination agent (the *"Dissemination Agent"*).

RECITALS

1. This Agreement is executed and delivered in connection with the issuance by the Muskogee County Public Safety Authority (the "Authority" and an Issuer as defined below) of $39,435,000 aggregate principal amount Capital Improvement Revenue Bonds, Series 2025 (the "Bonds" or *"Series 2025 Bonds"*), pursuant to a Bond Indenture dated as of December 1, 2025 (the "Bond Indenture").

2. The Authority and the Dissemination Agent are entering into this Agreement for the benefit of the Beneficial Owners of the Bonds and in order to assist each Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the *"Rule"*). The Authority is the only *"obligated person"* (as defined by the Rule) with respect to the Bonds at the time the Bonds are delivered to each Participating Underwriter and that no other person presently is expected to become an obligated person with respect to the Bonds at any time after the issuance of the Bonds.

In consideration of the mutual covenants and agreements herein, the Authority and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions.

In addition to the definitions set forth in the Bond Indenture, which apply to any capitalized term used in this Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Authority pursuant to, and as described in, **Section 2** of this Agreement.

"Beneficial Owner" means, with respect to a series of Bonds, any registered owner of any Bonds of such series and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds of such series (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds of such series for federal income tax purposes.

"Bond" or "Series 2025 Bonds" means the Issuer's $39,435,000 aggregate principal amount Capital Improvement Revenue Bonds, Series 2025.

"Business Day" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"Dissemination Agent" means BOKF, NA, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Authority.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"*Financial Obligation*" means a (a) debt obligation; (b) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of clause (a) or (b). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the **12**-month period beginning on July 1 and ending on July 31 or any other **12**-month period selected by the Authority as the Fiscal Year of the Authority for financial reporting purposes.

"Indenture" or *"Bond Indenture"* means the Bond Indenture dated as of December 1, 2025, between the Issuer and BOKF, NA, as trustee.

"Issuer" means the Muskogee County Public Safety Authority.

"Listed Events" means any of the events listed in **Section 3(a)** of this Agreement.

"*Listed Event Notice*" means notice of a Listed Event in Prescribed Form.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"*Official Statement*" means the Official Statement dated December 2, 2025, of the Issuer as defined in the paragraph (f)(3) of the Rule, relating to the Bonds.

"Participating Underwriter" means each of the original underwriters of a series of Bonds required to comply with the Rule in connection with the offering of Bonds of that series.

"*Prescribed Form*" means, with regard to the filing of the Annual Report, Audited Financial Statements and notices of Listed Events with the MSRB at *www.emma.msrb.org* (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

"Project" means financing the costs and expenses of the additional capital improvements to the County buildings and facilities as authorized in the resolution authorizing the Sales Tax.

"*Rule*" means Rule 15c2-12 promulgated by the Commission under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof issued either before or after the effective date of this Disclosure Agreement which are applicable to this Disclosure Agreement.

"*State*" shall mean the State of Oklahoma.

"*Trustee*" means, with respect to each series of Bonds, the corporate trustee under the applicable Bond Indenture.

"*Unaudited Financial Statements*" means the same as Audited Financial Statements, except that they shall not have been audited, provided that such statements are in a format similar to that of the Audited Financial Statements.

Section 2. Provision of Annual Reports.

(a) The Authority shall, or shall cause the Dissemination Agent to, not later than 10 business days after such information becomes available, and not later than **180** days after the end of the Authority's Fiscal Year, commencing with the year ending June 30, 2026, file with the MSRB, through EMMA in Prescribed Form, the following financial information and operating data (the *"Annual Report"*):

(1) The audited financial statements of the Authority and the County for the prior Fiscal Year, prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board; provided, however, that the Authority may from time to time, if required by federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB and shall include a reference to the specific federal or State law or regulation describing such accounting basis. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 2(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report within 10 business days of when they become available.

(2) Updates to any information contained in Exhibit "E" to the final Official Statement.

(3) Reserved.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Authority is an *"obligated person"* (as defined by the Rule), which have been filed with the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The Authority shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the Authority or the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Authority's or County's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under **Section 3(d)**.

(b) Not later than the date specified in subsection (a) for providing the Annual Report to the MSRB, the Authority shall either (1) provide the Annual Report to the Dissemination Agent, with written instructions to file the Annual Report as specified in subsection (a), or (2) provide written notice to the Dissemination Agent that the Authority has filed the Annual Report with the MSRB (or will do so prior to the deadline specified in subsection (a).

(c) If the Dissemination Agent has not received either an Annual Report with filing instructions or a written notice from the Authority that it has filed an Annual Report with the MSRB by the date required in subsection (a), the Dissemination Agent shall file a notice of such failure to the MSRB by a date not in excess of 10 u=business days after the occurrence of such failure with the MSRB.

(d) The Dissemination Agent shall, (1) notify the Authority each year, not later than **30** days prior to the date for providing the Annual Report to the MSRB, of the date on which its Annual Report must be provided to the Dissemination Agent or the MSRB, and (2) unless the Authority has filed the Annual Report with the MSRB, promptly following receipt of the Annual Report and instructions required in subsection (a) above, file the Annual Report with the MSRB and file a report with the Authority, each Issuer and (if the Dissemination Agent is not the Trustee) the Trustee certifying that the Annual Report has been filed pursuant to this Agreement, stating the date it was filed.

Section 3. Reporting of Listed Events.

(a) No later than **10** Business Days after the occurrence of any of the following events, the Authority shall give, or cause to be given, to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to any series of Bonds in Prescribed Form(*"Listed Events"*):

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) modifications to rights of bondholders, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution or sale of property securing repayment of the Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the Authority (which shall be deemed to occur as provided in the Rule);
(13) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other

than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of the trustee, if material;

(15) incurrence of a Financial Obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Authority, any of which affect Bond holders, if material; and

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Authority, any of which reflect financial difficulties.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Listed Event, contact the chief financial officer of the Authority or his or her designee or such other person as the Authority shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the Authority promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the Authority determines that the event does not constitute a Listed Event, the Authority shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the Authority obtains knowledge of the occurrence of a Listed Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the Authority shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the Authority to report the occurrence of a Listed Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, with a copy to the Authority. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) or (9) of this Section need not be given under this subsection any earlier than the notice (if any) of the underlying event is provided to the Beneficial Owners of affected Bonds pursuant to the Bond Indenture.

Section 4. Termination of Reporting Obligation.

The Authority's obligations under this Agreement for a particular series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of that series of Bonds. If the Authority's obligations under this Agreement are assumed in full by some other entity, such entity shall be responsible for compliance with this Agreement in the same manner as if it were the Authority, and the Authority shall have no further responsibility hereunder. If such assumption occurs prior to the final maturity of such Bonds, the Authority shall give notice of such assumption in the same manner as for a Listed Event under **Section 3(d)**.

Section 5. Dissemination Agent.

The Authority may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon **30** days prior written notice to the Authority. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the Authority pursuant to this Agreement. The initial Dissemination Agent is BOKF, NA.

Section 6. Bonds Subject to this Agreement; Amendment; Waiver.

(a) Reserved.

(b) All references to the "Bonds" in this Agreement shall apply separately to each series of Bonds that are or become subject to this Agreement, without further amendment hereto.

(c) Notwithstanding the provisions of **subsection (d)** of this Section or anything else contained in this Agreement to the contrary, in conjunction with the public offering of any series of Bonds, the Authority and the Dissemination Agent may amend the categories of operating data to be updated on an annual or quarterly basis to conform to the operating data included in the final official statement for such series of Bonds, in conformance with the requirements and interpretations of the Rule as of the date of such final official statement, without further amendment to this Agreement.

(d) Except as otherwise provided in **subsection (c)** of this Section, the Authority and the Dissemination Agent may amend this Agreement and any provision of this Agreement may be waived, provided that Bond Counsel or other counsel experienced in federal securities law matters provides the Authority and the Dissemination Agent with its written opinion that the undertaking of the Authority contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Agreement; provided, however, that this Agreement may be amended for the purpose of (i) extending the coverage of this Agreement to any additional series of Bonds or (ii) removing reference to any series of Bonds for which the Authority's reporting obligations have terminated in accordance with **Section 4** hereof, each without the provision of a written opinion as otherwise required by this paragraph.

(e) If a provision of this Agreement is amended or waived with respect to a series of Bonds pursuant to **subsection (d)** of this Section, the Authority shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Authority. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Listed Event under **Section 3(d)**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information.

Nothing in this Agreement shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Agreement, the Authority shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 8. Default.

If there is a failure of the Authority or the Dissemination Agent to comply with any provision of this Agreement with respect to a series of Bonds, the Trustee for such series of Bonds may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least **25%** aggregate principal amount of outstanding Bonds of such series, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority or the Dissemination Agent, as the case may be, to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an event of default under the Bond Indenture, and the sole remedy under this Agreement if there is any failure of the Authority or the Dissemination Agent to comply with this Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent.

The Dissemination Agent shall have only such duties as are specifically set forth in this Agreement, and the Authority agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Authority under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Authority shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Agreement.

Section 10. Notices.

Any notices or communications to or among any of the parties to this Agreement may be given by registered or certified mail, return receipt requested, or by facsimile or by e-mail, receipt confirmed by telephone, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the Authority:	**Muskogee County Public Safety Authority** 400 W. Broadway Muskogee, Oklahoma 74402 Attention: Chairman of Trustees
To the Dissemination Agent:	**BOKF, NA** Bank of Oklahoma Tower P.O. Box 2300 Tulsa, Oklahoma 74192 Attn: Corporate Trust Department

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries.

This Agreement shall inure solely to the benefit of the Authority, the Trustee, the Dissemination Agent, each Participating Underwriter, and Beneficial Owners from time to time with respect to a series of Bonds and shall create no rights in any other person or entity.

Section 12. Severability.

If any provision in this Agreement, the Bond Indenture or the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 13. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions.

The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma.

[***Remainder of page left blank intentionally.***]

IN WITNESS WHEREOF, the Authority and the Dissemination Agent have caused this Agreement to be executed as of the day and year first above written.

THE TRUSTEES OF THE MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY

By: _____

BOKF, NA, as Dissemination Agent

By: _____

EXHIBIT G

FORM OF SALES TAX AGREEMENT

SALES TAX AGREEMENT

THIS AGREEMENT is made and entered into and effective as of the 1st day of December, 2025, by and between the **MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY**, an Oklahoma public trust (hereinafter called the **"Authority"**), created pursuant to the laws of the State of Oklahoma (particularly, but not exclusively, Title 60, Oklahoma Statutes 2021, Sections 176 to 180.3, inclusive, and the Oklahoma Trust Act), and the **BOARD OF COUNTY COMMISSIONERS OF MUSKOGEE COUNTY, OKLAHOMA** (hereinafter called the **"County").**

W I T N E S S E T H :

WHEREAS, the Authority was created by a Declaration of Trust dated as of November 15, 2024, (the "Declaration of Indenture"), for the use and benefit of Muskogee County, Oklahoma (the "County"), and the City of Muskogee, Oklahoma (the "City") under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes 2021, Section 176 to 180.3, inclusive, as amended and supplemented, and other applicable statues of the State of Oklahoma; and

WHEREAS, the County, pursuant to Resolution adopted October 15, 2024 (the "Resolution"), which was approved by the qualified electors of Muskogee County at an election held for that purpose on January 14th, 2025, is levying a sales tax of Eight Hundred Forty Nine Thousandths of one percent (.849%) in accordance with Title 68, Oklahoma Statutes 2021, Section 1370, as amended (the "Sales Tax"), to provide funds for the purpose of the acquisition of sites and the construction, erecting, furnishing, equipping, operating, maintaining, remodeling and repairing of public safety buildings and facilities and operating public safety programs, operations and purposes, including police, fire, emergency management, 911, sheriff, ambulance and other public safety programs, operations and purposes, and/or to be applied or pledged toward the payment of principal of and interest and redemption premium, if any, on any indebtedness, including refunding indebtedness, incurred by or on behalf of Muskogee County for such purpose; and

WHEREAS, the County has determined upon a project consisting of construction, erecting, furnishing, and equipping public safety buildings and facilities as authorized in the resolution authorizing the Sales Tax which costs are estimated not to exceed $39,435,000.00 (the "Project'); and

WHEREAS, in order to finance the costs and expenses of the Project the Trustees of the Authority have determined to issue their revenue bonds in the aggregate principal amount of not to exceed $39,435,000.00, (the "Bonds"), pursuant to a Bond Indenture dated as of December 1, 2025 (the "Indenture"), between the Authority and BOKF, National Association (the "Trustee"); and

WHEREAS, in order to induce the Authority to issue the Bonds, the County and the Authority will enter into this Sales Tax Agreement (the "Agreement"), relating to the Bonds, wherein the Authority agrees to issue the Bonds and the County agrees to appropriate the Sales Tax to the Authority for payment of debt service on the Bonds subject to the limitations set forth herein; and

WHEREAS, all things required to be done to make this Agreement a valid and binding agreement by and between the County and the Authority have been done, happened and performed.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

1. **Issuance of Bonds by the Authority.** The Authority agrees, within a reasonable time after execution of this Agreement, to issue the Bonds.

2. **Sales Tax Payments.** In consideration of the issuance of the Bonds, the County shall deposit in its special sales tax fund each month as received, proceeds derived from the Sales Tax as received from the Oklahoma Tax Commission, and the County agrees, subject to availability and appropriation of funds, to transfer, as received, all proceeds of the Sales Tax to the Trustee on behalf of the Authority for immediate deposit in the Authority's Revenue Fund created under the Indenture (but in no event later than the 10th of such month). Such Sales Tax proceeds shall be used by the Trustee on behalf of the Authority pursuant to the terms and provisions of the Indenture, including specifically for the payment of principal of and interest and redemption premium, if any, on the Bonds when due (whether upon the scheduled due date, upon purchase, or acceleration, or otherwise), which purpose is hereby acknowledged to be consistent with the authorized and proper use of such Sales Tax proceeds.

All such payments referred to in Section 2 herein shall not be subject to set-off or counterclaim by the County and shall be used as set forth in the Indenture and shall be in such amounts as are necessary for the payment when due (whether upon the scheduled due date, upon redemption, purchase, or acceleration, or otherwise) of (a) principal of and interest and redemption premium, if any, on the Bonds coming due at such time and (b) all other amounts due under the Indenture. In any case where the date fixed for any payment from the County to the Trustee on behalf of the Authority shall not be a Business Day (as defined in the Indenture), then such payment may be made on the next succeeding Business Day. In the event that such payments are not deposited in the Authority's Revenue Fund at least ten days prior to the time that payments are due into the Bond Fund, the Trustee on behalf of the Authority shall give written notice of such failure to deposit to the Authority and to the County, and the County will have five calendar days to deposit such funds into the Authority's Revenue Fund. Failure to deposit such funds within such five calendar day period shall constitute an event of default hereunder.

3. **County Not Obligated Beyond Its Fiscal Year.** It is hereby acknowledged that under applicable Oklahoma law, the County may not become obligated beyond its fiscal year (July 1 through June 30) and therefore, the covenants made herein by the County shall be on a year-to-year basis. Payment of the payments as set out herein is subject to availability of funds and annual appropriation thereof by the County. The Bonds issued by the Authority shall in no way be or become an obligation of the County. In connection with any such appropriation, the County covenants to include any such amounts in its budget for such fiscal year and to do all things necessary to lawfully appropriate such funds to the Authority.

4. **No Default; Financial Statements.** The County is not in default in the performance, observance or fulfillment of any material obligation, covenant or condition contained in any material

agreement or instrument to which the County is a party or by which the County or any of its property is bound or in any of the obligations, covenants or conditions contained in this Agreement.

The financial statements of the County as and for the period ended June 30, 2024, supplied to the Authority fairly present the financial status and operating results of the County as of such date and for the period covered thereby and there has not been any material adverse change in the financial condition of the County since such date; and to the best knowledge of the County, do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

The County hereby agrees to supply to the Authority, and any holder of the Bonds who requests the same, the financial statements prepared by the County as and when received by the State Auditor's office and such other financial information of the County as the Authority may from time to time reasonably request.

5. **Third Party Beneficiary Contract.** It is understood and agreed that this Agreement is a third party beneficiary contract for the benefit of the owners of the Bonds and may be pledged and assigned by the Authority as security for the Bonds to be issued pursuant to the Indenture.

6. **Term.** The primary term of this Agreement shall be for a term commencing on the effective date of this Agreement and terminating on June 30, 2026. The County may, at its option, renew this Agreement for successive one (1) year terms commencing on July 1, 2026, and on each successive July 1 thereafter, until payment or provision for payment has been made for all Bonds by taking such official action as may be required by law to effect such renewal on or before July 20 of such year. Each such renewal term shall be upon all of the terms, conditions and provisions herein contained. A copy of the official action effecting each such renewal shall be delivered to the Authority within ten (10) days after the taking thereof.

7. **Notices.** Any notice or other communication required or permitted hereunder shall be sufficiently given if delivered personally or sent by registered or certified mail, postage prepaid, return receipt requested, and addressed as listed below, or to such other address as the party concerned may substitute by written notice to the other:

If to the Authority:
Muskogee County Public Safety Authority
400 W. Broadway
Muskogee, OK 74402

If to Muskogee County:
Muskogee County Board of
County Commissioners
400 W. Broadway
Muskogee, OK 74402

8. **Applicable Law.** It is the intention of the parties that the laws of the State of Oklahoma shall govern the validity of this Agreement, the construction of its terms and interpretation of the rights and duties of the parties.

9. **Amendment of Agreement.** No amendment or modification hereof shall be deemed valid unless first reduced to writing and signed and dated by both parties hereto and unless written consent of the Bondholders has been obtained, if required, as more fully set forth in the Indenture. Fully executed copies of this Agreement shall be deemed for all purposes as duplicate originals.

10. **Partial Invalidity of Agreement.** Should any section, clause or provision of this Agreement be invalid or void for any reason, such invalid or void section, clause or provision shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain in full force and effect.

11. **Section Headings Not Controlling.** The headings of the several sections of this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agreement.

12. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective successors and assigns. The County hereby acknowledges that this Agreement will be pledged as security to the Trustee for the holders of the Bonds, and the County consents to such pledge.

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the day and year first above written.

BOARD OF COUNTY COMMISSIONERS OF MUSKOGEE COUNTY

ATTEST:

_____
Chairman

_____
County Clerk

(SEAL)

MUSKOGEE COUNTY PUBLIC SAFETY AUTHORITY,
a public trust

ATTEST:

_____
Chairman of Trustees

_____
Secretary of Trustees

(SEAL)