



Together, Investing in Municipal Excellence

CITY COUNCIL MEETING AGENDA
 JANUARY 12, 2026

723 S. Lewis Street, Room 1122
 Stillwater, OK 74074
 5:30 PM

Mayor Will Joyce, Vice Mayor Amy Dzialowski, Councilors Kevin Clark, Christie Hawkins, & Tim Hardin

1. Call Meeting to Order
2. Pledge of Allegiance
3. Consent Docket

Items listed on the consent docket are routine administrative matters that may be approved without discussion. The Council will take action on these items collectively with a single vote. The requested City Council action is indicated for each item listed. Should a Councilor elect to discuss, amend, revise, or table any item listed on the consent docket, the item will be moved to the section of the agenda titled "Items Removed from the Consent Docket" for consideration and possible action. Additionally, a Councilor or the City Manager may simply ask the Mayor to remove an item from the consent docket prior to action by the City Council and no action will be taken on the removed item at this meeting.

a.	Approve December 15, 2025 regular meeting minutes.	
b.	Approve the appointment of Autumn Flowers as Deputy City Clerk pursuant to Stillwater City Code § 2-2.	Brady Moore
c.	Approve budget amendments to reflect award of Oklahoma Department of Aerospace and Aeronautics (ODAA) grant SWO-26-S for construction of a parking lot adjacent to the new terminal at Stillwater Regional Airport.	Jared Thulin
d.	Approve MOU with the Payne County Sheriff’s Office, the Yale Police Department, and the Cushing Police Department for network access to facilitate use of public safety software for Computer-Aided Dispatch.	Aaron Kelly
e.	Approve revised MOU with OSUPD for network access to facilitate use of public safety software	CC-26-01 Aaron Kelly

	for Computer-Aided Dispatch and Records Management Systems.		
f.	Accept Dedication of five (5) feet of Right-of-Way at 601 W. 6th Avenue.	CC-26-02	Joshua Brown
g.	Acceptance of a water line to serve a new subdivision located outside city limits along S. Sangre Road named Stonewall Ranch.	CC-26-03	Joshua Brown
h.	Accept the City's Annual Comprehensive Financial Report, Single Audit Report and Passenger Facility Charge Program Audit Report for the fiscal year ended June 30, 2025.	CC-26-04	Jared Thulin
i.	Approve Agreement to Extend Building Lease Agreement with Stillwater Flight Center, Inc. at Stillwater Regional Airport for an additional 10-year term.	CC-26-05	Kellie Reed
j.	Approve the sole source purchase from Paradigm Traffic Systems for the Alpha Technologies Uninterruptable Power Supply parts and services in the amount of \$204,546 and approve the attached budget amendment.	CC-26-06	Mark White
k.	Approve the sole source purchase from Paradigm Traffic Systems for the Applied Information field monitoring units and Glance software in the amount of \$340,280 and approve the attached budget amendment.	CC-26-07	Mark White
l.	Approve a Change Order to the CMAR contract with Lippert Brothers, Inc. for the Stillwater Regional Airport Terminal Building and Improvements Project in the amount of \$333,099 for additional needed soil and trash/debris removal and haul off for Project Work Package #3 (Partial Phase 2 Access Road work); authorize the City Manager to sign the Change Order; and approve the associated budget amendments.	CC-26-08	Kellie Reed
m.	Accept the permanent and temporary easements and authorize the Mayor to execute the	CC-26-09	Bill Millis

	<p>easement documents for:</p> <ul style="list-style-type: none"> Parcel 1A and Parcel 1.1 - Woodland Trails Lift Station Project with Woodland Trails Homeowners Association, Inc. 		
n.	<p>Accept permanent and temporary easements and authorize the Mayor to execute the easement documents for:</p> <ul style="list-style-type: none"> Parcels 6A and 6.1- Airport Water line Project with State of Oklahoma as Trustee for the Oklahoma National Guard, Parcel 3A - Airport Water line Project with CJN Properties, LLC and Parcels 12A and 12.1- Airport Water line Project with Dianna Lightfoot. 	CC-26-10	Bill Millis

4. Public Comment on Items not Scheduled for Public Hearings

Stillwater City Code, Section 2-53(a) & (b), provides that taxpayers or residents of the city, or their authorized legal representatives, may address the Council at a regularly scheduled meeting on **any item of business listed on the meeting agenda** provided they have submitted a written request prior to the meeting either online at Request to speak form or via the form found in the lobby outside Council chambers.

5. Items Removed from the Consent Docket

Items removed from the consent docket are placed on this section of the agenda for discussion, revision, amendment and/or tabling prior to action by the City Council. The City Council may take action, including a vote or series of votes, on items removed to this section of the agenda after the requested discussion, revision or amendment.

6. Public Hearings

The Council will hear public comments, discuss, and take action including a vote or series of votes on each item listed as presented or as amended by the City Council unless the agenda entry specifically states that no action will be taken.

a.	<p>Pursuant to 11 O.S. § 22-121, the Stillwater City Council will conduct a hearing to determine whether the apartments located at 1815 North Boomer Road, Stillwater, Oklahoma (the "Dwellings") constitute a public nuisance as defined in 50 O.S. § 2 and Section 18-64 of the City of Stillwater Code of Ordinances and as designated as a nuisance in Section 18-71 of the City of Stillwater Code of Ordinances on January 12, 2026, at 5:30 P.M., in the City Council Hearing Room, 723 South Lewis Street, Stillwater, Oklahoma. At said date and time, the City Council shall make a determination as to whether said Dwellings</p>	Beth Anne Childs
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<p>constitute a public nuisance as defined by the referenced statutes and ordinances and whether to order the abatement of said Dwellings as authorized by 50 O.S. § 11 and Section 18-69 of the City of Stillwater Code of Ordinances and the assessment of all associated costs thereof to the owners of said property.</p> <p>For purposes of this hearing and process, the City of Stillwater alleges that the Dwellings located at 1815 North Boomer Road, Stillwater, Oklahoma, constitute a public nuisance in accordance with 11 O.S. § 22-121 because of the following:</p> <ol style="list-style-type: none"> 1. Said Dwellings, which through neglect or injury lack necessary repairs or otherwise are in a state of decay or partial ruin to such an extent that it is a hazard to the health, safety, or welfare of the general public and, in particular, the residents of the Dwellings. 2. Said Dwellings are unfit for human occupancy due to the lack of hot water which is a hazard to the health, safety, and welfare of the public, including the residents and visitors. 3. With regard to the foregoing, said Dwellings are presently maintained in violation of the following sections of the 2018 International Property Maintenance Code: <ol style="list-style-type: none"> a. IPMC 505.1 GENERAL. Every sink, lavatory, bathtub or shower, drinking fountain, water closet or other plumbing fixture shall be properly connected to either a public water supply system or to an approved private water system. Kitchen sinks, lavatories, laundry facilities, bathtubs and showers shall be supplied with hot or tempered and cold running water in accordance with the International Plumbing Code. b. IPMC 505.3 SUPPLY: The water supply system shall be installed and maintained to provide a supply of water to plumbing fixtures, devices and appurtenances in sufficient volume and at pressures adequate to enable the fixtures to function properly, safely, and free from defects and leaks. c. IPMC 505.4 WATER HEATING FACILITIES: Water heating facilities shall be properly installed, maintained and capable of providing an adequate amount of water to be drawn at every required sink, lavatory, bathtub, shower and laundry facility at a temperature not less than 110°. 	
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7. General Orders

The City Council will hear a staff presentation, discuss, and take action including a vote or series of votes on each item listed as presented or as amended or revised by the City Council unless the agenda entry specifically states that no action will be taken. The requested action is indicated in each agenda entry but may be amended or revised prior to action by the City Council.

a.	Presentation and discussion of proposed Downtown intersection improvements, including possible action to approve the conversion of the intersections of S. Main St. and 7 th , 8 th , and 9 th Avenues to four-way stop control, and authorize total project expenditures in the amount of \$88,000, and approve the associated budget amendment.	CC-26-11	Bill Millis
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8. Resolution

a.	RESOLUTION NO. CC-2026-1: A RESOLUTION OF THE STILLWATER CITY COUNCIL DECLARING THE APARTMENTS LOCATED AT 1815 NORTH BOOMER ROAD, STILLWATER, OKLAHOMA, A PUBLIC NUISANCE DETRIMENTAL TO THE HEALTH, SAFETY, AND WELFARE OF THE GENERAL PUBLIC AND THE COMMUNITY, AND ORDERING THE PLUMBING ISSUES IN THE APARTMENTS TO BE REPAIRED PURSUANT TO 50 O.S. § 11 AND SECTION 18-69 OF THE CITY OF STILLWATER CODE OF ORDINANCES
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9. Appointments

a.	Audit Committee Appointment	CC-26-12	
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10. Reports from Officers and Boards

Announcements and remarks of general interest may be made by Councilors, City Manager or City Attorney. Items of City business that may require discussion or action including a vote or series of votes are listed below.

a.	Miscellaneous items from the City Attorney
b.	Miscellaneous items from the City Manager
c.	Miscellaneous items from the City Council

11. Questions and Inquiries

12. Adjourn

On January 8, 2026 at 4:00 p.m., a true and correct copy of this agenda was posted on the kiosk outside City Hall, 723 S. Lewis Street, Stillwater, OK.

The City of Stillwater encourages participation from all citizens. If participation at any public meeting is not possible due to a disability, please notify the City Manager’s office at least 48

hours prior to the meeting by calling 405.742.8243.

- Meetings are televised on AT&T U-verse channel 99 and Optimum channel 14.
- Find meeting agendas and minutes online at [Agendas and Minutes](#)
- Official minutes are archived in the City Clerk's office.

Agenda packet updated January 12, 2026, at 9:10 a.m.

IN ACCORDANCE WITH THE OKLAHOMA OPEN MEETING LAW
THE AGENDA WAS POSTED DECEMBER 11, 2025 AT 4:15 P.M.
AT THE MUNICIPAL BUILDING, 723 SOUTH LEWIS, STILLWATER, OKLAHOMA

MINUTES
STILLWATER CITY COUNCIL
REGULAR MEETING
COUNCIL HEARING ROOM
723 S. LEWIS
DECEMBER 15, 2025

PRESENT: MAYOR WILLIAM H. JOYCE, VICE MAYOR AMY DZIALOWSKI,
COUNCILORS CHRISTIE HAWKINS, KEVIN CLARK AND TIM HARDIN
ABSENT: NONE

1. CALL MEETING TO ORDER

Mayor Joyce called the meeting to order at 5:30 p.m.

2. PLEDGE OF ALLEGIANCE

The Stillwater City Council led the audience in the Pledge of Allegiance.

3. CONSENT DOCKET

- a. Approve December 1, 2025 regular meeting minutes.

MOTION BY COUNCILOR HAWKINS, SECOND BY COUNCILOR CLARK TO APPROVE THE CONSENT DOCKET AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

4. PUBLIC COMMENT ON AGENDA ITEMS NOT SCHEDULED FOR PUBLIC HEARING

Alane Zannotti, 615 S. Husband Street, #3, spoke in favor of the Downtown Intersection Improvements.

5. ITEMS REMOVED FROM CONSENT DOCKET

None.

6. PUBLIC HEARINGS

- a. Receive public comment regarding the approval and adoption of the update to the City's comprehensive plan, referred to as "Envision Stillwater 2045 Comprehensive Plan."

Senior Planner Henry Bibelheimer stated that consultants Freese and Nichols were hired in 2023 to update the comprehensive plan. That process has been in the works for two years. The Envision Stillwater 2045 Comprehensive Plan tells the story of Stillwater's next 20 years, outlining a vision, establishing goals, and clarifying actions to make the vision real. Mr. Bibelheimer focused on the basics of the comprehensive plan and how it will be used and updated.

Mayor Joyce opened and closed the public hearing as no one was present to speak.

No action was taken on this item.

7. GENERAL ORDERS

- a. Presentation and discussion of proposed Downtown intersection improvements.

City Manager Brady Moore reported that earlier this year a vehicle significantly damaged the roundabout at 10th & Main. This situation gave staff a chance to review all the intersections in Downtown Stillwater. The ultimate goal is to improve safety for both pedestrians and vehicles and to create a more pedestrian friendly shopping environment in the downtown area. Mr. Moore explained that staff proposed a flashing four-way stop pilot period to study the effects of converting the intersections at 7th, 8th, and 9th Streets into four-way stops. During the pilot staff observed a safer environment, cars traveled at lesser speeds, and there was more awareness of pedestrians. He reported that another benefit observed was the elimination of southbound traffic backing up between 6th and 7th into Hwy 51 because of the four-way stop. He reported that City staff did meet with the Downtown Merchants Association and residents and presented the proposed changes and the feedback was very positive. Staff did recognize that further improvements and infrastructure are needed to install the four-way stops at all the downtown intersections.

Director of Engineering Bill Millis discussed the plans for the downtown intersection improvements. He presented the proposed stop signs, streetlights and pavement markings that would be used at the Main, 7th, 8th and 9th downtown intersections. Mr. Mills also discussed the possible improvements on 10th and Main with the roundabout and the proposed statue feature concept. He reported that there would be some full-depth repair on the intersections along with the other improvements. The Transportation Projects Advisory Committee (TPAC) has been briefed on these projects, and they offered good feedback and support.

Discussion was held amongst Council and staff about what the cost would be to remove the roundabout and make the intersection a four-way stop versus repairing the roundabout. Discussion was also held about the proposed overall downtown intersection improvements. Mr. Millis answered Council's questions.

City Manager Moore stated that staff would need some guidance on the roundabout in regard to restoring it, adding better lighting and more awareness of that intersection with the proposed improvements. Staff will bring back an evaluation of the cost to return that intersection to a four-way stop versus repairing and enhancing the roundabout.

No action was taken on this item.

8. RESOLUTIONS

- a. Resolution No. CC-2025-33; SUA-2025-10: A resolution setting Water and Sewer Capacity Fees, and Water Tie On Fees in accordance with the Stillwater Municipal Code.

City Attorney Kimberly Carnley stated that this resolution and the next one are related and there will also be sister resolutions on the SUA agenda for approval as well. Development Services staff identified a need to set water capacity fees, sewer capacity fees and water tie on fees for water meter sizes of eight, ten and twelve inches in connection with development applications received. The only thing that changes in these resolutions is on the chart for water capacity fees and sewer capacity fees, a capacity fee has been added for eight, ten and twelve inches and the section for water tie on fees a water tie on fee has been established for the larger sized water meters. Approval of these resolutions establishes these changes. Ms. Carnley stated that Development Services is going to do

a comprehensive cost study on all their fees and that has not been done so these added fees are based on the formula currently used to establish the other fees.

MOTION BY VICE MAYOR DZIALOWSKI, SECOND BY COUNCILOR HAWKINS TO ADOPT RESOLUTION NO. CC-2025-33 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

- b. Resolution No. CC-2025-34; SUA-2025-11: A resolution adopting the Revised Rate Structure for Water and Wastewater Utility Services; Providing for Subsequent Rate Increases; and Providing an Effective Date.

City Attorney Kimberly Carnley reported that an almost identical resolution was adopted in 2023. The only change is on the attachment to the resolution which establishes a base charge for water rates and wastewater rates for the water meter sizes eight, ten and twelve inches.

MOTION BY COUNCILOR HAWKINS, SECOND BY COUNCILOR CLARK TO ADOPT RESOLUTION NO. CC-2025-34 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

- c. Resolution No. CC-2025-35: A resolution approving and adopting Envision Stillwater 2045 as the Comprehensive Plan of the City of Stillwater, Oklahoma.

MOTION BY COUNCILOR HAWKINS, SECOND BY VICE MAYOR DZIALOWSKI TO ADOPT RESOLUTION NO. CC-2025-35 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

- d. Resolution No. CC-2025-36: A resolution of the Stillwater City Council approving the submission of a Film Friendly Certification Application to participate in The Oklahoma Film Friendly Community Program through The State of Oklahoma Film + Music Office and authorizing the City Manager to execute all necessary documents for Film Friendly Certification.

City Attorney Kimberly Carnley stated that the Oklahoma Film + Music Office has implemented a film friendly program. This is a certification program that the City can apply for to get a film friendly designation for the community. Ms. Carnley reported that independent production companies can spend anywhere from \$300,000 to \$1 million locally. She stated that by obtaining a film friendly certification it can increase our community engagement opportunities. Approval of this resolution will authorize submission of the certification application and authorize the City Manager to sign any documents connected to the application. Ms. Carnley stated that additional approval for any permits or film friendly policies will be brought to Council for further action.

MOTION BY VICE MAYOR DZIALOWSKI, SECOND BY COUNCILOR CLARK TO ADOPT RESOLUTION NO. CC-2025-36 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

- e. Resolution No. CC-2025-37: A resolution declaring the eligibility of the City of Stillwater to submit an application to the Oklahoma Department of Transportation for use of Transportation Alternatives Program Funds set forth by the Infrastructure Investment and Jobs Act for the Third Phase of the Rails-To-Trails Project from 3rd Avenue to 12th Avenue; assures sufficient funding for operation and maintenance for the life of the Project; assures that the City of Stillwater will have Title or Permanent Easement for the project by the time of the Project Letting; Authorizing The Mayor or Vice-Mayor to sign the Grant Application and any related documents necessary to secure funding and complete the Project; and approving a budget amendment to appropriate funds for the required local match.

City Attorney Kimberly Carnley reported that the City of Stillwater has entered into a lease agreement with the Oklahoma Department of Transportation (ODOT) for interim trail use and rail banking. This resolution is for a grant application for the third phase of Rails-to-Trails Project from 3rd Avenue to 12th Avenue. It is a proposed 0.72-mile ADA compliant hard surface trail which would be the third of three planned phases necessary to connect and complete the existing Kameoka Trail system. She stated that approval of this resolution authorizes the submission of an application to ODOT for the Transportation Alternatives Program Funds Grant in the amount of \$1.2 million, it assures ODOT that there is sufficient funding for the operation and maintenance of a third phase of the Rails-To-Trails Project. Ms. Carnley stated that this resolution also authorizes the Mayor or Vice-Mayor to sign any application documents necessary to secure funds to complete the project and approves the budget amendment appropriating funds for the local match.

MOTION BY COUNCILOR CLARK, SECOND BY COUNCILOR HAWKINS TO ADOPT RESOLUTION NO. CC-2025-37 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

9. ORDINANCES

a. Second Reading

Ordinance No. 3586: An ordinance rezoning a tract of land located at 711 S. Ramsey Street from Small Lot Single-Family Residential (RSS) to Two-Family and Multi-Family (RTM).

MOTION BY VICE MAYOR DZIALOWSKI, SECOND BY COUNCILOR HARDIN TO ADOPT ORDINANCE NO. 3586 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

Ordinance No. 3587: An ordinance rezoning a tract of land located at 998 S. Murphy Street from Small Lot Single-Family Residential (RSS) and Commercial General (CG) to Commercial General.

MOTION BY VICE MAYOR DZIALOWSKI, SECOND BY COUNCILOR HARDIN TO ADOPT ORDINANCE NO. 3587 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

Ordinance No. 3589: An ordinance amending Chapter 23, Land Development Code, Article VI, Land Use Classifications, to amend or to add a Setback Exception In Division 3, Residential Districts, Sections 23-136 through 23-142 and 23.144, Division 4, Commercial Districts, Sections 23-150 through 23-153,

Division 5, Industrial Districts, Sections 23-160 through 23-161, and Division 6, Agriculture District, Public District and University District, Section 23-170.

MOTION BY COUNCILOR HARDIN, SECOND BY COUNCILOR CLARK TO ADOPT ORDINANCE NO. 3589 AS PRESENTED.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

10. APPOINTMENTS

- a. Transportation Projects Advisory Committee

MOTION BY MAYOR JOYCE, SECOND BY COUNCILOR HARDIN TO APPOINT DUSTIN MACDONALD TO THE TRANSPORTATION PROJECTS ADVISORY COMMITTEE.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

11. REPORTS FROM OFFICERS & BOARDS

- a. Miscellaneous items from the City Attorney: None.
- b. Miscellaneous items from the City Manager:
 - City Manager Brady Moore reminded residents to celebrate the holidays in Stillwater by shopping, dining, and staying local. Now through January 4th, every \$50 you spend earns one entry into the 2025 Fly Home for the Holidays giveaway. You could win gift cards for American Airlines and travel through Stillwater Regional Airport (SWO). Also, plan to join the fun at “SWO for the Holidays” on December 18th, from 5:30 to 7 p.m. at our airport in the main terminal. This free community celebration will feature photos with Santa, hot chocolate, and plenty of holiday cheer.
- c. Miscellaneous items from the City Council:
 - Councilor Hardin reminded residents that City offices will be closed on Thursday, December 25 for Christmas and Thursday, January 1, for New Year’s Day. Please remember the Waste Management calendar is adjusted for these holidays. For the weeks of Christmas and New Year’s, normal trash and recycling pick-up will be delayed one day.
 - Councilor Clark announced that it is the season for joy, cheer, and possible severe weather. Be sure to have multiple ways to receive warnings and alerts to help protect you and your family. Follow City of Stillwater Emergency Management on Facebook and sign up to receive alerts at: stillwaterok.gov/sema. Director Rob Hill and his team continuously monitor the weather and remain in communications with the National Weather Service of Norman.
 - Councilor Hawkins invited residents to please save the date, Thursday, January 29 and join us for our annual “Meet Your Legislators” event, from 6-8 p.m. at the Stillwater Public Library. This is a great opportunity to ask questions, build relationships, and share concerns with your legislators before the second regular session of the 60th Legislature begins on Monday, February 2. Many thanks to Stillwater League of Women Voters and Friends of the Stillwater Public Library for hosting the event.
 - Vice Mayor Dzialowski reminded residents that the Stillwater Community United will have their annual unity event to commemorate the life and legacy of Dr. Martin Luther King, Jr., on Monday, January 19. The commemoration kicks off

with an optional March at 5:30 p.m. from Southern Woods Park to Mt. Zion Baptist Church. The program will begin at Mt. Zion at 6 p.m. Please also note that City offices will be closed in observance of Dr. Martin Luther King Jr. on Monday, January 19. Trash, recycling and yard waste will be collected as usual.

- Mayor Joyce announced that as we move into the season of giving, we want to take a moment to recognize the important role United Way of Payne County plays in strengthening our community. United Way of Payne County is the City's selected nonprofit partner because of its broad reach and strong connections with local organizations that support youth services, crisis assistance, food security, mental health, senior care, and more. Their work touches the lives of our neighbors, families, and colleagues. We hope you will join many of our staff in considering a gift to United Way of Payne County. Every contribution, no matter the size, adds up to make a meaningful impact in Stillwater.
- i. Discussion about scheduling items for future meetings.

12. QUESTIONS & INQUIRIES

None.

13. ADJOURN

MOTION BY COUNCILOR HARDIN, SECOND BY VICE MAYOR DZIALOWSKI TO ADJOURN THE DECEMBER 15, 2025 REGULAR MEETING OF THE STILLWATER CITY COUNCIL.

ROLL CALL VOTE: JOYCE-YEA, DZIALOWSKI-YEA, HAWKINS-YEA, CLARK-YEA, HARDIN-YEA. NAY-NONE. MOTION CARRIED WITH FIVE YEA VOTES.

The December 15, 2025 regular meeting of the Stillwater City Council adjourned at 6:17 p.m.

WILLIAM H. JOYCE, MAYOR
STILLWATER CITY COUNCIL

TERESA KADAVY
CITY CLERK

MEMORANDUM

TO: Brady Moore, City Manager

FROM: Mayor and City Council

DATE: January 12, 2026

SUBJECT: Appointment of Deputy City Clerks

Pursuant to Stillwater City Code Sec. 2-2, Autumn Flowers is hereby appointed to the office of Deputy City Clerk. Said appointee shall continue in their present employment and, in the absence of the City Clerk, shall also perform the duties of the City Clerk as set forth in Stillwater City Code Sec. 2-2. This appointment is intended to replace and supersede any prior action to appoint deputy city clerks. The appointment shall become effective January 12, 2026, and shall continue until terminated by further action of the Mayor and City Council.

Budget Amendment Request
 For Budget Year 2026

Department of Finance
 723 S. Lewis Street/P.O. Box 1449
 Stillwater, OK 74076-1449

Office: 405.372.0025
 Web: stillwater.org

Date: 01/05/2026

Department: Airport

Requested by: Kellie Reed

Explanation: Revenue:
 Increase revenue projection for award of ODAA grant for construction of parking lot adjacent to the new terminal.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount	
Increase:	ODAA-N Triangle/State Grant Rev	8207010 - 43200	26AP02820	\$ 0	\$ 646,482	\$ 646,482
		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0
Decrease:		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 646,482

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/5/2026

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--

Budget Amendment Request
 For Budget Year 2026

Department of Finance
 723 S. Lewis Street/P.O. Box 1449
 Stillwater, OK 74076-1449

Office: 405.372.0025
 Web: stillwater.org

Date: 01/05/2026

Department: Airport


Requested by: Kellie Reed

Explanation: Revenue:
 Appropriate funds for award of ODAA grant for construction of parking lot adjacent to the new terminal.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount
Increase: ODAA-N Triangle/Construct Contrc	8207010 - 54009	26AP02820	\$ 0	\$ 646,482	\$ 646,482
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
Decrease:	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0

Net Change: (will usually result in a total increase or decrease) \$ 646,482

Reviewed by Department Manager: _____ Date: _____

Reviewed by Finance:  Date: 1/5/2026

Approved by CMO: _____ Date: _____

Approved by City Council: Yes No Date: _____

Processed by Finance: _____ Date: _____

Set ID: _____ Date Sent to SA&I: _____

--Print on Yellow Paper--

**MEMORANDUM OF UNDERSTANDING
NETWORK ACCESS TO FACILITATE USE OF PUBLIC SAFETY SOFTWARE FOR
COMPUTER-AIDED DISPATCH**

This Memorandum of Understanding (“MOU”) is executed the _____ day of _____ 2025 between the City of Stillwater, Oklahoma, a municipal corporation, and the following law enforcement agencies: Payne County Sheriff’s Office, Yale Police Department, and Cushing Police Department.

WHEREAS, the City of Stillwater (“Stillwater”) is a municipal corporation established by the constitution and laws of the State of Oklahoma; and

WHEREAS, the parties to this MOU are duly established and authorized full service law enforcement agencies; and

WHEREAS, pursuant to an MOU between Payne County Enhanced 911 Communications Agency and the City of Stillwater dated November 17, 2025, Stillwater will provide networking services to Payne County Enhanced 911 Communications Agency for the purpose of facilitating access to ProSuite by other approved law enforcement agencies throughout Payne County; and

WHEREAS, Public Safety Suite Professional (“ProSuite”) by CentralSquare Technologies, LLC is a suite of public safety software for agencies, integrating functions like Computer-Aided Dispatch (CAD), Records Management Systems (RMS), mobile applications, and is designed to streamline emergency response, manage records, and enhance officer safety by providing a unified, customizable, and accessible system; and

WHEREAS, providing approved law enforcement agencies with network access for use of ProSuite is in the best interest of the City of Stillwater because it serves to improve public safety communications and operations for the City of Stillwater and across Payne County.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained the parties agree as follows:

1. **Purpose of this MOU.** The Payne County Enhanced 911 Communications Agency is established in accordance with the Interlocal Cooperation Act (74 O.S. § 1001 et seq.), Nine-One-One Wireless Emergency Number Act (63 O.S. § 2846), and the Oklahoma 9-1-1 Management Authority Act (63 O.S. 2861 et seq.) to manage and coordinate the county's emergency communications system, which includes efforts to improve system efficiency and response times. Pursuant to an MOU dated November 17, 2025, between Payne County Enhanced 911 Communications Agency and the City of Stillwater, Stillwater will provide networking services to Payne County Enhanced 911 Communications Agency for the purpose of facilitating access to ProSuite by other approved law enforcement agencies throughout Payne County. In consideration of the City of Stillwater providing network access at no cost to approved law enforcement agencies, Payne County Enhanced 911 Communications Agency shall make annual payments to the City of Stillwater as set forth in the MOU dated Nov. 17, 2025, subject to annual appropriations. This MOU outlines the terms and conditions applicable

to Stillwater providing network access to the Payne County Sheriff's Office ("PCSO"), the Yale Police Department ("YPD"), and the Cushing Police Department ("CPD").

- a. **Network Access.** Stillwater shall provide network access via an established network-to-network tunnel at the network edge to facilitate secure access to ProSuite. This network access shall be provided to PCSO, YPD, and CPD at no cost. PCSO, YPD, and CPD will use ProSuite software for Computer-Aided Dispatch ("CAD"). By entering into this MOU, PCSO, YPD, and CPD represent and affirm that its agency may lawfully access and use ProSuite pursuant to a valid software license agreement. Stillwater is not responsible for any other agencies' use of ProSuite and shall not be responsible for any costs associated with other agencies obtaining a software license.
 - b. **ProSuite Servers.** PCSO, YPD, and CPD understand and acknowledge that ProSuite servers and its related hardware and equipment are connected to Stillwater's infrastructure and located at the City of Stillwater. The servers and system are wholly owned by CentralSquare Technologies, LLC. The system is used by Stillwater pursuant to a Software License and Service Subscription Agreement. PCSO, YPD, and CPD further understand and acknowledge that the fees paid by Stillwater under its software license and service subscription agreement with CentralSquare do not include or cover the cost of software licenses for any outside departments or agencies.
 - c. **Operator Agency Status.** PCSO, YPD, and CPD understand and acknowledge that any users or operators of ProSuite act solely as agents of their respective employing departments or agencies and are not, in any capacity, acting as agents of the City of Stillwater or the Stillwater Police Department.
 - d. **Primary Point of Contact.** Each law enforcement agency shall maintain a primary point of contact for any support issues related to network access for use of ProSuite throughout the term of this MOU. If a party's primary point of contact changes, that party shall notify the City of Stillwater as soon as practicable of the change in its primary point of contact. The primary point of contact shall be the person responsible for complying with required security documentation as set forth in Paragraph 2 of this MOU.
2. **System Security.**
- a. PCSO, YPD, and CPD shall comply with all applicable federal, state, and local laws, codes, and regulations in connection with network access and use of ProSuite. Each party is solely responsible for licensing required to use the software. Each agency understands and acknowledges that all transactions on ProSuite are auditable, and audit logs are routinely checked as required by the Federal Bureau of Investigation's ("FBI") Criminal Justice Information System ("CJIS") Security Policy. Each agency's primary point of contact shall be required to ensure all people being granted access to ProSuite have had a fingerprint-based background check completed. Documentation showing proof of the fingerprint-based background check shall be retained by each agency in the event of a security audit by the FBI.

- b. PCSO, YPD, and CPD understand and acknowledge that Stillwater maintains a strict security posture and that in the event of any security incident, Stillwater shall be notified immediately upon discovery of the incident. Security incidents include, but are not limited to, cyber-attacks through malicious advertising; malicious email campaigns known as phishing; malicious attacks by voice known as vishing; malicious attacks through texts known as smishing; lost or stolen credentials; or misuse of ProSuite which may violate the FBI CJIS Security Policy or any applicable federal, state, or local laws.
- c. PCSO, YPD, and CPD understand and acknowledge that if a security incident impacts CentralSquare's software system in any manner, Stillwater reserves the right to protect its networks. Protection of Stillwater's networks may include disconnecting other law enforcement agency network access and/or access to ProSuite until it can be determined that no threat exists to Stillwater's infrastructure or other partner departments or agencies.

3. Records.

- a. Each agency is independently responsible for any of its records created, generated, stored, or managed in ProSuite. Each agency is solely responsible to retain its records in accordance with applicable federal, state, and local laws, administrative rules, and applicable records retention schedules. Shared network access for use of ProSuite does not alter any agency's legal obligations for record retention or otherwise. Each agency understands and acknowledges that it remains solely responsible for the disposition of its own agency records that it creates, uploads, or maintains within ProSuite. No shared access user or operator of ProSuite may destroy, delete, or otherwise alter another agency's records unless expressly authorized in writing by the creating department. Stillwater does not and will not maintain records for other agency users. Any records contained within ProSuite belong to the agency that created the record. Any inquiry or request for records maintained in ProSuite shall be referred to the agency that created the record. Records accessed or reviewed by an agency user through shared access to ProSuite shall remain confidential and shall not be disclosed to any other person or agency unless authorized to do so in writing or by law.
- b. **Name/Vehicle/Address Cards.** Stillwater makes every effort to keep system-wide name, vehicle, and address records, known to users of the system as "Name Cards," "Vehicle Cards," and "Address Cards," free of errors and up to date with the most current information available. Agency users are obligated to make every effort possible to ensure the most current information is used for Name, Vehicle, and Address cards. The City Manager, Stillwater Chief of Police, or his designee, shall have final authority over Name Cards, Vehicle Cards, and Address Cards should any conflict arise under this MOU.
- c. **Open Records Act Compliance.** The City of Stillwater is a public body established under the constitution and laws of the State of Oklahoma and is subject to the Oklahoma Open Records Act, 51 O.S. § 24A.1 et seq., and nothing contained in this MOU is intended to be construed in any manner or create obligations for the City of Stillwater that would be inconsistent with its compliance with the Open Records Act.

4. **System Support, Maintenance and Outages.** Stillwater shall retain administrative control over the system and will be responsible for any required equipment maintenance that cannot be performed remotely by CentralSquare. PCSO, YPD, and CPD understand and acknowledge that Stillwater does not have an agreement with CentralSquare to provide in-depth software support to outside agencies. Therefore, each agency using ProSuite shall be responsible for reporting any issues with ProSuite directly to CentralSquare. In the event of a planned CentralSquare software system outage, Stillwater shall notify the law enforcement agency's point of contact in writing at least twenty-four (24) hours prior to the outage. If there is an unplanned CentralSquare software system outage, Stillwater shall notify agencies as soon as practicable under the circumstances. In the event of a CentralSquare software system outage, whether planned or unplanned, PCSO, YPD, and CPD shall indemnify and hold Stillwater harmless for any outage. PCSO, YPD, and CPD understand and acknowledge that it shall have an adopted plan in place for the recording of calls for service or case reports in the event of a CentralSquare software system outage.
5. **Non-Appropriations.** The parties understand and acknowledge that Stillwater is subject to the debt limitation provisions of the Oklahoma Constitution. The parties further understand and acknowledge that this MOU extends over more than one fiscal year and pursuant to constitutional debt limitations there is no guarantee that funding will be available to service related Software License and Service Subscription Agreements or other agreements or costs that may affect this MOU after June 30, 2026. In the event that no appropriation is made by either party that is sufficient to service this MOU, then this MOU shall be null and void. Any party failing to allocate sufficient funding that may impact this MOU shall notify the other party in writing of any such non-allocation of funds at the earliest possible date.
6. **Term and Termination.** This MOU shall become effective upon execution by all parties and shall remain in effect until June 30, 2030, unless terminated by a party with thirty (30) days' written notice. The parties may extend this MOU for additional one-year terms by mutual written agreement by the parties. In the event of termination of this MOU, the parties shall not be relieved of any obligations incurred prior to the date of termination, and agency network access to ProSuite will be deactivated in accordance with its termination notice.
7. **Indemnification and Hold Harmless.** Subject to the Oklahoma Governmental Tort Claims Act (51 O.S. § 151 et seq.) and without waiving any rights, Stillwater and PCSO, YPD, and CPD each, respectively, agree to be responsible for the negligent and intentional acts or omissions of their respective employees, agents, independent contractors, and representatives that arise out of or are related to this MOU.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding as of the date first written above.

PAYNE COUNTY SHERIFF'S OFFICE

Name, Title

YALE POLICE DEPARTMENT

Name, Title

CUSHING POLICE DEPARTMENT

Charles Clouston

POLICE CHIEF

Name, Title

CITY OF STILLWATER, OKLAHOMA
a Municipal Corporation

William H. Joyce, Mayor

ATTEST:
(seal)

Teresa Kadavy, City Clerk

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding as of the date first written above.

PAYNE COUNTY SHERIFF'S OFFICE

Joe E. Harper
JOE E. HARPER SHERIFF
Name, Title

YALE POLICE DEPARTMENT

Phillip Kelly
Phillip Kelly - City Manager
Name, Title

CUSHING POLICE DEPARTMENT

Name, Title

CITY OF STILLWATER, OKLAHOMA
a Municipal Corporation

William H. Joyce, Mayor

ATTEST:
(seal)

Teresa Kadavy, City Clerk

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.e. CC-26-01
Previous/Related Action:	
Background/Issue:	On December 1, 2025, Council approved an MOU with Oklahoma State University Police Department governing access to the police department’s public safety computer system and network security. Subsequent to approval, OSU PD requested a change in the language to clarify section 3(b) regarding dispute resolution with certain records in the system. A meeting with the chiefs from respective departments was held and the revised language was approved.
Proposal/Solution:	
Financial Source/Impact:	
Related Strategic Priority:	
Recommended Action/Motion:	
Prepared By:	Aaron Kelly
Reviewed By:	Brad Stewart Christy Cluck Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. MOU-OSUPD Public Safety Software

MEMORANDUM OF UNDERSTANDING
NETWORK ACCESS TO FACILITATE USE OF PUBLIC SAFETY SOFTWARE FOR COMPUTER-AIDED DISPATCH AND RECORDS MANAGEMENT SYSTEMS

This Memorandum of Understanding (“MOU”) is executed the ____ day of _____ 2025 between the City of Stillwater, Oklahoma, a municipal corporation, and Oklahoma State University Police Department.

WHEREAS, the City of Stillwater (“Stillwater”) is a municipal corporation established by the constitution and laws of the State of Oklahoma; and

WHEREAS, Oklahoma State University has a duly established and authorized full service law enforcement agency, known as Oklahoma State University Police Department (“OSUPD”), which includes a Dispatch Communications Center; and

WHEREAS, pursuant to an MOU between PCE 911 Communications Agency and the City of Stillwater dated November 17, 2025, Stillwater will provide networking services to Payne County Enhanced 911 Communications Agency for the purpose of facilitating access to ProSuite by other approved law enforcement agencies throughout Payne County; and

WHEREAS, Public Safety Suite Professional “ProSuite” by CentralSquare Technologies, LLC is a suite of public safety software for agencies, integrating functions like Computer-Aided Dispatch (CAD), Records Management Systems (RMS), mobile applications, and is designed to streamline emergency response, manage records, and enhance officer safety by providing a unified, customizable, and accessible system; and

WHEREAS, providing OSUPD with network access for OSUPD’s use of ProSuite is in the best interest of the City of Stillwater because it serves to improve public safety communications and operations for the City of Stillwater and across Payne County.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained the parties agree as follows;

1. **Purpose of this MOU.** The Payne County Enhanced 911 Communications Agency is established in accordance with the Interlocal Cooperation Act (74 O.S. § 1001 et seq.), Nine-One-One Wireless Emergency Number Act (63 O.S. § 2846), and the Oklahoma 9-1-1 Management Authority Act (63 O.S. 2861 et seq.) to manage and coordinate the county's emergency communications system, which includes efforts to improve system efficiency and response times. Pursuant to an MOU dated November 17, 2025 between PCE 911 Communications Agency and the City of Stillwater, Stillwater will provide networking services to Payne County Enhanced 911 Communications Agency for the purpose of facilitating access to ProSuite by other approved law enforcement agencies throughout Payne County. In consideration of the City of Stillwater providing network access at no cost to approved law enforcement agencies, PCE 911 shall make annual payments to the City of Stillwater as set forth in the MOU, subject to annual appropriations. This MOU outlines the terms and conditions applicable to Stillwater providing network access to OSUPD.
 - a. **Network Access.** Stillwater shall provide OSUPD network access via an established network-to-network tunnel at the network edge to facilitate secure access to Pro Suite. This network access shall be provided to OSUPD at no cost. OSUPD will use ProSuite software for Computer-Aided Dispatch (CAD) and its Records Management System (RMS). By entering into this MOU, OSUPD represents and affirms that it may lawfully access and use ProSuite pursuant to a valid software license agreement. Stillwater is not responsible for OSUPD’s use of ProSuite and shall not be responsible for any costs associated with OSUPD obtaining a software license.

- b. **ProSuite Servers.** OSUPD understands and acknowledges that ProSuite servers and its related hardware and equipment are connected to Stillwater's infrastructure and located at the City of Stillwater. The servers and system are wholly owned by CentralSquare Technologies, LLC. The system is used by Stillwater pursuant to a Software License and Service Subscription Agreement. OSU further understands and acknowledges that the fees paid by Stillwater under its software license and service subscription agreement with CentralSquare do not include or cover the cost of software licenses for any outside departments or agencies.
 - c. **Operator Agency Status.** OSU understands and acknowledges that any users or operators of ProSuite act solely as agents of their respective employing departments or agencies and are not, in any capacity, acting as agents of the City of Stillwater or the Stillwater Police Department.
 - d. **Primary Point of Contact.** Both Stillwater and OSU shall maintain a primary point of contact for any support issues related to network access for use of ProSuite throughout the term of this MOU. If either party's primary point of contact changes, that party shall notify the other as soon as practicable of the change in its primary point of contact. The Primary Point of Contact shall be the person responsible for complying with required security documentation as set forth in Paragraph 2 of this MOU.
2. **System Security.**
- a. OSUPD shall comply with all applicable federal, state, and local laws, codes, and regulations in connection with network access and use of ProSuite. Each party is solely responsible for licensing required to use the software. OSUPD understands and acknowledges that all transactions on ProSuite are auditable, and audit logs are routinely checked as required by the Federal Bureau of Investigation's ("FBI") Criminal Justice Information System ("CJIS") Security Policy. OSU's primary point of contact shall be required to ensure all people being granted access to ProSuite have had a fingerprint-based background check completed. Documentation showing proof of the fingerprint-based background check shall be retained by OSU in the event of a security audit by the FBI.
 - b. OSUPD understands and acknowledges that Stillwater maintains a strict security posture and that in the event of any security incident, Stillwater shall be notified immediately upon discovery of the incident. Security incidents include, but are not limited to, cyber-attacks through malicious advertising; malicious email campaigns known as phishing; malicious attacks by voice known as vishing; malicious attacks through texts known as smishing; lost or stolen credentials; or misuse of ProSuite which may violate the FBI CJIS Security Policy or any applicable federal, state, or local laws.
 - c. OSUPD understands and acknowledges that if a security incident impacts CentralSquare's software system in any manner, Stillwater reserves the right to protect its networks. Protection of Stillwater's networks may include disconnecting OSU's network access and/or access to ProSuite until it can be determined that no threat exists to Stillwater's infrastructure or other partner departments or agencies.
3. **Records Management System & Records Retention.**
- a. **Shared Access to Records Management Systems.** Each agency is independently responsible for its records created, generated, stored, or managed in ProSuite. Each agency is solely responsible to retain its records in accordance with applicable federal, state, and local laws, administrative rules, and applicable records retention schedules. Shared network access for use of ProSuite does not alter any agency's legal obligations for record retention or otherwise. OSUPD understands and acknowledges that it remains solely responsible for the disposition of its own agency records that it creates, uploads, or maintains within ProSuite. No shared access user or operator of ProSuite may destroy, delete, or otherwise alter another agency's records unless expressly authorized in writing by the creating department. OSUPD understands and acknowledges that Stillwater does not and will not maintain records for OSU or OSUPD. Any records contained within ProSuite belong to the agency that created the record. Any inquiry or request for records maintained in ProSuite shall be referred to the agency that created the record. Records accessed or

reviewed by OSUPD through shared access to ProSuite that are not OSUPD agency records shall remain confidential and shall not be disclosed to any other person or agency unless authorized to do so in writing.

- b. **Name/Vehicle/Address Cards.** OSUPD understands and acknowledges that Stillwater makes every effort to keep system-wide name, vehicle, and address records, known to users of the system as “Name Cards,” “Vehicle Cards,” and “Address Cards,” free of errors and up to date with the most current information available. OSUPD further understands and acknowledges that in connection with its shared network access to ProSuite that OSUPD is obligated to make every effort possible to ensure the most current information is used for Name, Vehicle, and Address cards. The Stillwater Chief of Police, or his designee, in consultation with the OSU Chief of Police, or his designee, shall have final authority over Name Cards, Vehicle Cards, and Address Cards should any conflict arise under this MOU.
 - c. **Open Records Act Compliance.** OSUPD understands and acknowledges that the City of Stillwater is a public body established under the constitution and laws of the State of Oklahoma and is subject to the Oklahoma Open Records Act, 51 O.S. § 24A.1 et seq., and nothing contained in this MOU is intended to be construed in any manner or create obligations for the City of Stillwater that would be inconsistent with its compliance with the Open Records Act.
4. **System Support, Maintenance and Outages.** Stillwater shall retain administrative control over the system and will be responsible for any required equipment maintenance that cannot be performed remotely by CentralSquare. OSUPD understands and acknowledges that Stillwater does not have an agreement with CentralSquare to provide in-depth software support to outside agencies. Therefore, OSUPD shall be responsible for reporting any issues with Pro Suite directly to CentralSquare. In the event of a planned CentralSquare software system outage, Stillwater shall notify OSUPD’s point of contact in writing at least twenty-four (24) hours prior to the outage. If there is an unplanned CentralSquare software system outage, Stillwater shall notify OSUPD as soon as practicable under the circumstances. In the event of a CentralSquare software system outage, whether planned or unplanned, OSUPD shall indemnify and hold Stillwater harmless for any outage. OSUPD understands and acknowledges that it shall have an adopted plan in place for the recording of calls for service or case reports in the event of a CentralSquare software system outage.
 5. **Non-Appropriations.** The parties understand and acknowledge that Stillwater and OSUPD are subject to the debt limitation provisions of the Oklahoma Constitution. The parties further understand and acknowledge that this MOU extends over more than one fiscal year and pursuant to constitutional debt limitations there is no guarantee that funding will be available to service related Software License and Service Subscription Agreements or other agreements or costs that may affect this MOU after June 30, 2026. In the event that no appropriation is made by either party that is sufficient to service this MOU, then this MOU shall be null and void. The party failing to allocate sufficient funding shall notify the other party in writing of any such non-allocation of funds at the earliest possible date.
 6. **Term and Termination.** This MOU shall become effective upon execution by both parties and shall remain in effect until June 30, 2030, unless terminated by either party with thirty (30) days’ written notice. The parties may extend this MOU for additional one-year terms by mutual written agreement by the parties. In the event of termination of this MOU, the parties shall not be relieved of any obligations incurred prior to the date of termination, and OSU’s access to ProSuite will be deactivated in accordance with its termination notice.
 7. **Indemnification and Hold Harmless.** Subject to the Oklahoma Governmental Tort Claims Act (51 O.S. § 151 et seq.) and without waiving any rights, Stillwater and OSUPD each, respectively, agree to be responsible for the negligent and intentional acts or omissions of their respective employees, agents, independent contractors, and representatives that arise out of or are related to this MOU.

IN WITNESS WHEREOF, the parties have executed this Memorandum of Understanding as of the date first written above.

OKLAHOMA STATE UNIVERSITY POLICE DEPARTMENT

~~Michael T. Berkner~~

Michael T. Berkner Chief of Police
Name, Title

CITY OF STILLWATER, OKLAHOMA
a Municipal Corporation

William H. Joyce, Mayor

ATTEST:
(seal)

Teresa Kadavy, City Clerk

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.f. CC-26-02
Previous/Related Action:	
Background/Issue:	<ul style="list-style-type: none">• JPM, Inc. owns property addressed as 601 W. 6th Avenue. Additional right-of-way is required with development of the new Taco Bell.• Request is to accept the dedication of five (5) feet of right-of-way on the north side of the property, along W. 6th Avenue.• This ROW dedication in total contains 700 square feet.
Proposal/Solution:	Staff recommends acceptance of this dedication document.
Financial Source/Impact:	There is no additional financial impact from the acceptance of this ROW area.
Related Strategic Priority:	#4 CONNECTED SPACES
Recommended Action/Motion:	Motion to authorize the Mayor to execute the Right Of Way dedication document.
Prepared By:	Joshua Brown, Project Manager
Reviewed By:	David Barth Brady Moore Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Deed of Dedication Permanent Right Of Way

DEED OF DEDICATION-PERMANENT RIGHT OF WAY
(Corporate Entity)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, J.P.M. Inc by Darren Camp, its CEO, the owner
Corporate Name Signatory Name Corporate Officer

of the legal and equitable title to the following described real estate situated in the City of Stillwater, Payne County, Oklahoma, to wit:

LEGAL DESCRIPTION

for and in consideration of the sum of One Dollar, cash in hand, paid by the City of Stillwater, Oklahoma and other good and valuable considerations, receipt of which are hereby acknowledged, do(es) hereby dedicate to the City of Stillwater for the benefit of the public, forever, the following described property, to wit:

LEGAL DESCRIPTION or SEE ATTACHED EXHIBIT "A"

together with all the improvements thereon and appurtenances there-unto belonging.

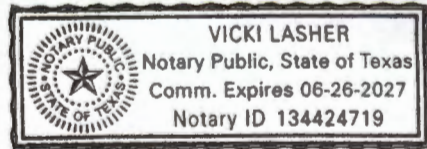
TO HAVE TO HOLD such property unto the City of Stillwater, its successors and assigns, forever.

DATED this 16th day of December, 2025.

J.P.M. Inc.
Corporate name

By [Signature]
Title/Position CEO

State of Oklahoma)
County of Payne) ss.



Before me, the undersigned Notary Public, in and for said County and State, on this 16th day of December, 2025, personally appeared Darren Camp known to me to be the identical person(s) who subscribed the name of the maker thereof to the foregoing instrument as the owner's (title/position) CEO and as the free and voluntary act and deed of such corporate entity for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year last above written.

My Commission Expires: 6-26-2027

Vicki Lasher
Notary Public

NOW on the ___ day of _____, 20__, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and on behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered permanent right of way and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

Mayor

(SEAL)

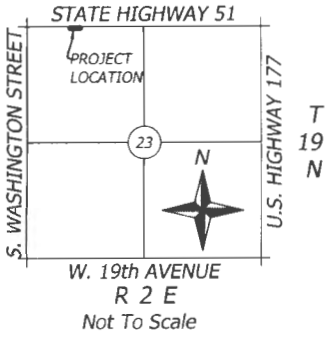
Attest:

City Clerk

Approved as to form and legality:

City Attorney

EXHIBIT

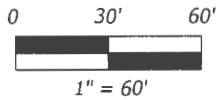


LEGEND

- SECTION CORNER
- QUARTER CORNER
- SET IRON PIN W/CAP
- SET MAG NAIL W/WASHER
- FOUND MONUMENT

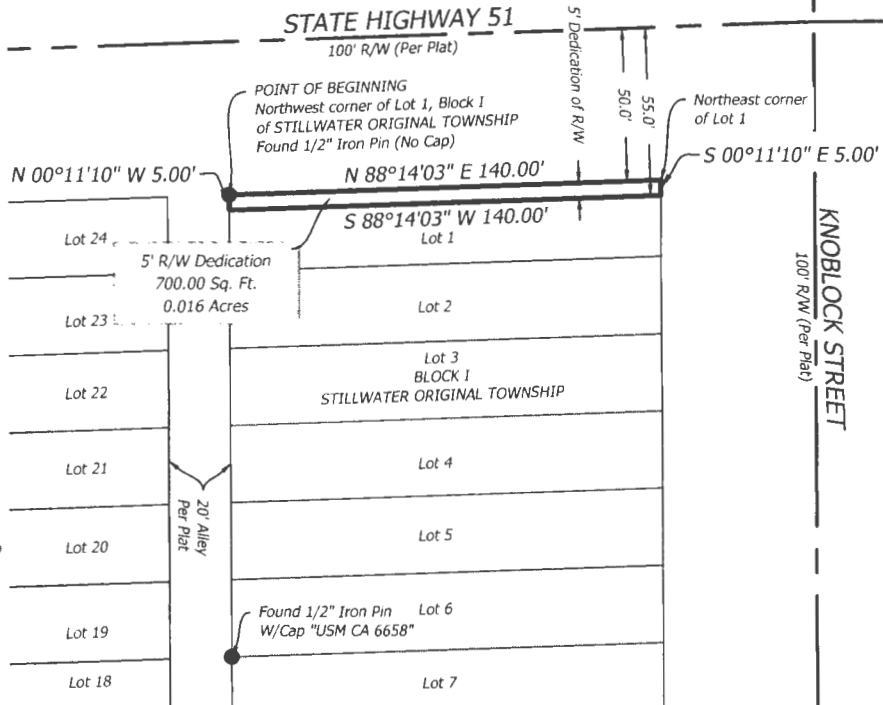
- PROPERTY LINE
- LOT LINE
- EASEMENT LINE
- SECTION LINE

NOTE: ALL MONUMENTS SET ARE CAPPED 1/2" IRON PINS OR MAG NAILS WITH WASHERS BOTH BEING STAMPED "GOLDEN CA 7263" UNLESS NOTED OTHERWISE.



U.S. Survey Foot
Basis of Bearing
West Line of the
Lot 1-Lot 12 in Block 1
North 00° 11' 10" West
Per Oklahoma State Plane
Grid North

Field Date: DECEMBER 30TH, 2024



LEGAL DESCRIPTION

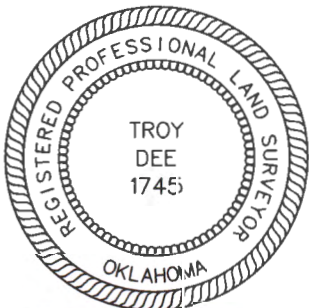
A tract of land lying in Lot One (1) in Block I of STILLWATER ORIGINAL TOWNSHIP, an Addition to the City of Stillwater, Payne County, Oklahoma, being more particularly described as follows:

BEGINNING at the Northwest corner of said Lot One (1) in Block I of STILLWATER ORIGINAL TOWNSHIP; Thence N88°14'03"E along the North line of said Lot 1 a distance of 140.00 feet to the Northeast corner of said Lot 1; Thence S00°11'10"E along the East line of said Lot 1 a distance of 5.00 feet; Thence S88°14'03"W and parallel with the North line of said Lot 1 a distance of 140.00 feet to a point on the West line of said Lot 1; Thence N00°11'10"W along the West line of said Lot 1 a distance of 5.00 feet to the Northwest corner of said Lot 1 and to the POINT OF BEGINNING.

Containing 700.00 Sq. Ft. or 0.016 Acres, more or less.

Legal Description prepared on October 8, 2025 by Troy Dee, Registered Professional Land Surveyor No. 1745.

I, Troy Dee, herewith state that the above plat is a true and correct representation of a survey made on the ground, under my supervision Witness my signature and surveyors seal this 8 day of October, 2025.



Troy Dee
Troy Dee, PLS #1745
October 8, 2025

Prepared By
GOLDEN
LAND SURVEYING

4131 N.W. 122nd St., Suite 100, Oklahoma City, Oklahoma 73120
C.A.# 7263 / Exp. Date =6/30/2026
Telephone: (405) 849-6010 Email: troy@goldens.com
Drafted by: JP GLS Job No.: 242317
Plot Date: October 8, 2025

Sheet 1 Of 1

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.g. CC-26-03
Previous/Related Action:	
Background/Issue:	<ul style="list-style-type: none">• Stonewall Ranch, LLC. owns property located just south of W. 32nd Avenue and S. Sangre Road.• This request is for acceptance of a public water line that serves the new Stonewall Ranch residential subdivision.• This acceptance is for 2,060 total linear feet of 6 in. C900 PVC pipe and 5 fire hydrants.
Proposal/Solution:	Staff recommends acceptance of the water line and fire hydrants.
Financial Source/Impact:	There is no additional financial impact from the acceptance of this public infrastructure.
Related Strategic Priority:	#4 CONNECTED SPACES
Recommended Action/Motion:	Motion to accept the water line and five fire hydrants.
Prepared By:	Joshua Brown, Project Manager
Reviewed By:	David Barth Brady Moore Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Stonewall Ranch Waterline Maint Bond 2300149

**STILLWATER COMMUNITY DEVELOPMENT
SUBDIVISION MAINTENANCE BOND**

Subdivision Name: Stonewall Ranch

Plat Case Number:

KNOW ALL MEN BY THESE PRESENTS:

THAT WE, MK Excavation, LLC, as PRINCIPAL, and West Bend Insurance Company, a corporate entity organized under the Laws of the State of Wisconsin and authorized and licensed to do business within the State of Oklahoma, as SURETY, are hereby held and firmly bound unto the CITY OF STILLWATER, OKLAHOMA, a Municipal Corporation hereinafter called CITY, in the sum of Two Hundred Thirty-Three Thousand One Hundred Thirty-Three Dollars and Cents Dollars (\$233,133.00), 100% of the construction cost of all improvements and utilities, for the payment whereof well and truly to be made, the PRINCIPAL and SURETY herein hereby bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

WHEREAS, the subject improvements and utilities are related to the above-named subdivision located on a tract of land described as follows (insert legal description):

Stonewall Ranch Waterline

THE CONDITION OF THIS BOND is such that the said Principal and Surety herein named do hereby agree and bind themselves unto and guarantee the City of Stillwater that all streets, water, sewer, stormwater and other infrastructure improvements and utilities dedicated to the City of Stillwater within said subdivision were OR WILL BE constructed by Principal with materials and in such a manner that the same shall endure without need of any repair whatsoever for a period of one (1) year from and after the formal acceptance of said improvements and utilities by the City of Stillwater, and that all the expense of said Principal and/or Surety, all needed repairs within said period of one (1) year shall be promptly repaired, within ten (10) days after notice to said Principal by letter deposited in the United States mail, addressed to said Principal at P.O. Box 74076 Stillwater, OK 74076 and copied to said Surety; and it being further agreed that upon the neglect, failure or refusal of the Principal to make any needed repairs upon said infrastructure improvements or utilities or any work connected therewith within the aforesaid ten (10) day period or other City negotiated period, the said Principal and Surety shall jointly and severally be liable to the City of Stillwater, Oklahoma, for the costs and expenses of making such repairs or making good such defects or imperfections.

NOW, THEREFORE, if the said Principal and Surety shall faithfully and securely keep and perform all the obligations herein provided to be kept and performed by them, or either of them, then this obligation shall be null and void and of no force and effect, otherwise to be and remain in full force and effect at all times.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, the said Principal has executed in its name by its duly authorized officers and delivered this bond this 12th day of January 2026.

MK Excavation, LLC
Principal

By: Amy MacIntyre
Title Project Manager

IN WITNESS WHEREOF, the said Surety has executed in its name by its duly authorized officers and delivered this bond this 12th day of January 2026.

Amy Winters
Surety
By: Amy Winters
Attorney-in Fact

1900 South 18th Ave., West Bend, WI 53095
Mailing Address
directconnect@wbmi.com
Claim submission website or email address



(Accompany this Bond with Surety Power of Attorney.)

ACKNOWLEDGEMENT OF REPRESENTATIVE OF PRINCIPAL

STATE OF OKLAHOMA, COUNTY OF Payne, SS:

Before me, the undersigned, a Notary Public in and for said County and State, on this 12th day of January, 2026 personally appeared Angus MacIntyre, to me known to be the identical person(s) who executed the foregoing subdivision bond and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed for the uses and purposes therein set forth.

WITNESS my hand and seal the day and year last above written.

Priscilla A. Hull
Notary Public





Bond No. 2300149

POWER OF ATTORNEY

Know all men by these Presents, that West Bend Insurance Company (formerly known as West Bend Mutual Insurance Company prior to 1/1/2024), a corporation having its principal office in the City of West Bend, Wisconsin does make, constitute and appoint:

Barry Herring, Neleigh Herring, Amy Winters

lawful Attorney(s)-in-fact, to make, execute, seal and deliver for and on its behalf as surety and as its act and deed any and all bonds, undertakings and contracts of suretyship, provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of: Thirty Million Dollars (\$30,000,000)

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of West Bend Insurance Company by unanimous consent resolution effective the 1st day of January 2024.

Appointment of Attorney-In-Fact. The president or any vice president, or any other officer of West Bend Insurance Company may appoint by written certificate Attorneys-In-Fact to act on behalf of the company in the execution of and attesting of bonds and undertakings and other written obligatory instruments of like nature. The signature of any officer authorized hereby and the corporate seal may be affixed by facsimile to any such power of attorney or to any certificate relating therefore and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the company, and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the company in the future with respect to any bond or undertaking or other writing obligatory in nature to which it is attached. Any such appointment may be revoked, for cause, or without cause, by any said officer at any time.

Any reference to West Bend Mutual Insurance Company in any Bond and all continuations thereof shall be considered a reference to West Bend Insurance Company.

In witness whereof, West Bend Insurance Company has caused these presents to be signed by its president undersigned and its corporate seal to be hereto duly attested by its secretary this 1st day of January 2024.

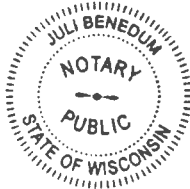
Attest Christopher C. Zwygart
Christopher C. Zwygart
Secretary



Robert J. Jacques
Robert J. Jacques
President

State of Wisconsin
County of Washington

On the 1st day of January 2024, before me personally came Robert Jacques, to me known being by duly sworn, did depose and say that he is the President of West Bend Insurance Company, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation and that he signed his name thereto by like order.



Juli Benedum
Lead Corporate Attorney
Notary Public, Washington Co., WI
My Commission is Permanent

The undersigned, duly elected to the office stated below, now the incumbent in West Bend Insurance Company, a Wisconsin corporation authorized to make this certificate, Do Hereby Certify that the foregoing attached Power of Attorney remains in full force effect and has not been revoked and that the Resolution of the Board of Directors, set forth in the Power of Attorney is now in force.

Signed and sealed at West Bend, Wisconsin this 12th day of January, 26



Christopher C. Zwygart
Christopher C. Zwygart
Secretary



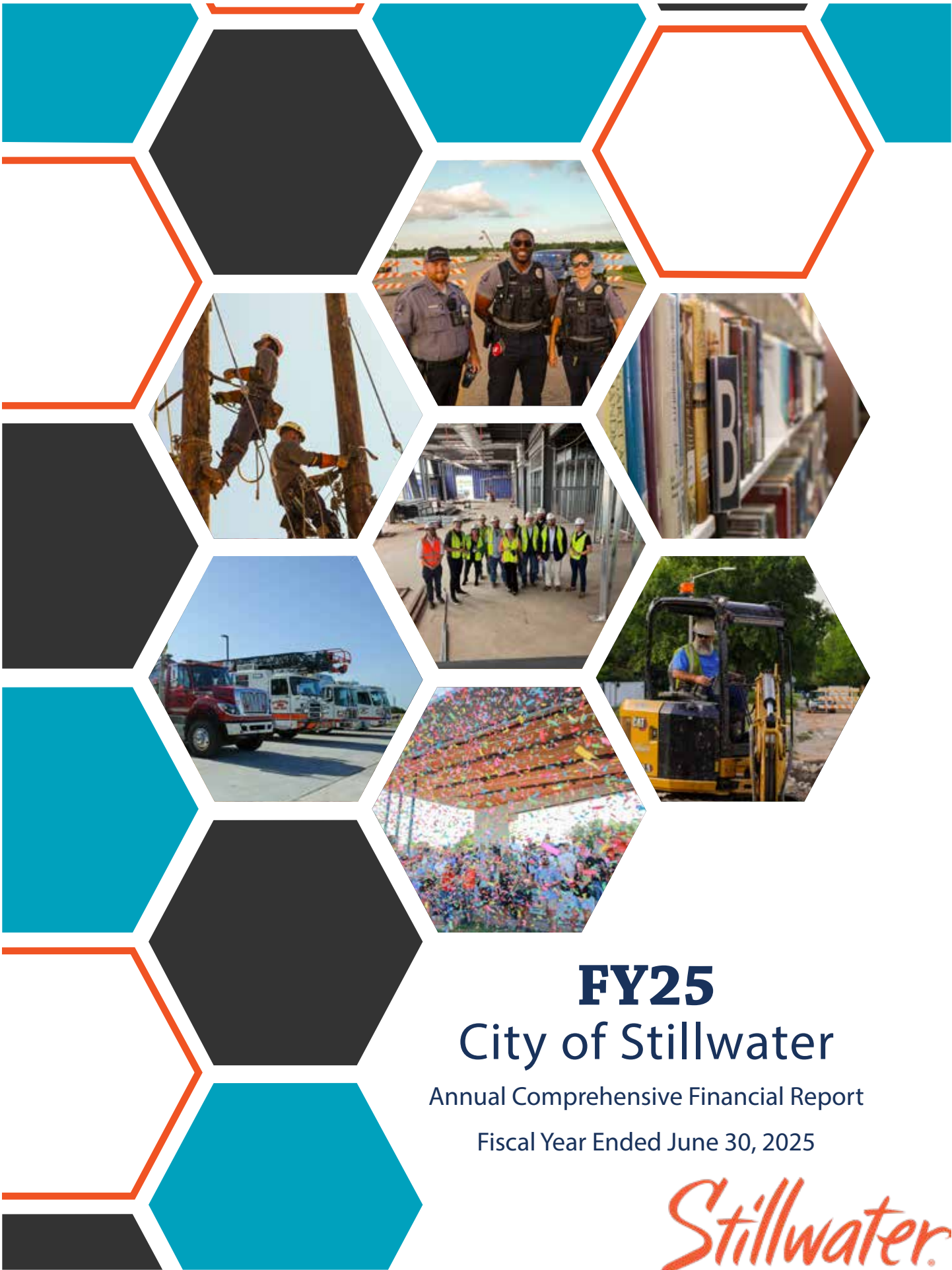
Agenda Item:	3.h. CC-26-04
Previous/Related Action:	
Background/Issue:	<p>The City of Stillwater Audit Committee met on December 15, 2025 to receive auditor communication from the City's independent audit firm, HSPG & Associates (HSPG) and to consider a recommendation to the City Council to accept the Annual Comprehensive Financial Report (ACFR), Single Audit Report, and Passenger Facility Charge (PFC) Program Audit Report for the fiscal year ended June 30, 2025. The committee voted unanimously to recommend acceptance by the Council of the FY25 ACFR, Single Audit Report, and PFC Program Audit Report.</p> <p>The ACFR is a detailed presentation of the City's financial condition that encompasses all funds and component units of the City. The ACFR is presented in three sections which include (1) an introductory section, (2) a financial section comprised of the independent auditor's report, management's discussion and analysis, government-wide financial statements, fund financial statements, notes to the financial statements, required supplementary information, and combining fund statements and schedules, and (3) a statistical section. HSPG rendered an unmodified opinion which means the financial statements present fairly, in all material respects, the financial position, change in financial position and cash flows in accordance with accounting principles generally accepted in the United States.</p> <p>The Single Audit is an organization-wide audit of an entity that expends \$750,000 or more of federal funds in one year. The major program identified for FY25 was the Coronavirus State and Local Fiscal Recovery Funds which funded portions of the finished and raw water pump stations, raw water storage, the Water Treatment Plant lime system, and lagoon dredging. HSPG conducted their audit of compliance for the City's major federal program and issued an unmodified opinion. Their audit report is included on pages 3-5 and summarized on pages 8-9 of the Single Audit Report.</p> <p>The Passenger Facility Charge (PFC) Program Audit is required at least annually for any period in which a public agency collects,</p>

holds, or uses PFC funds. Stillwater Regional Airport began collecting PFC revenues in October 2020; therefore, this is the fifth year in which the City was subject to this type of audit. HSPG conducted their audit of compliance with the PFC program regulations and issued an unmodified opinion. Their audit report is included on pages 1-3 and summarized on page 6 of the PFC Program Audit Report.

Proposal/Solution:	N/A
Financial Source/Impact:	N/A
Related Strategic Priority:	#1 EFFECTIVE SERVICES & ACCOUNTABLE GOVERNMENT
Recommended Action/Motion:	Audit Committee recommends that the City Council accept the City's Annual Comprehensive Financial Report, Single Audit Report and Passenger Facility Charge Program Audit Report for the fiscal year ended June 30, 2025.
Prepared By:	Jared Thulin, Deputy Chief Financial Officer
Reviewed By:	Christy Cluck Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. 2025 ACFR
2. 2025 Single Audit Report
3. 2025 PFC Audit Report
4. 2025 City-wide SAS Letter
5. 2025 Letter to Management
6. Audit Committee SP Mtg Minutes 12.15.25 - JRT Revisions



FY25 City of Stillwater

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025

Stillwater.
stillwaterok.gov

Transportation

The City of Stillwater's transportation network includes more than 440 lane miles of streets, over 8,000 traffic signs, 30+ miles of share-the-road bike lanes, 67 signalized intersections, and 29 bridges to helping you get where you need to go!



All photos included ©2025 City of Stillwater. All rights reserved.

ANNUAL COMPREHENSIVE FINANCIAL REPORT

And Accompanying Independent Auditor's Report
Fiscal Year Ended June 30, 2025

Prepared by:
Department of Finance

Christy Cluck,
Assistant City Manager and
Chief Financial Officer

Jared Thulin,
Deputy Chief Financial Officer

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stillwaterok.gov



Local Law Enforcement

The City of Stillwater is protected by three separate law enforcement departments – Stillwater Police Department, OSU Police Department and Payne County Sheriff’s Department.

Facebook - @StillwaterPolice 

Instagram - @stillwaterpolicedept 

X - @Stillwaterokgov 

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(continued...)

CITY OF STILLWATER, OKLAHOMA
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 Fiscal Year Ended June 30, 2024

(...continued from previous page)

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INTRODUCTORY SECTION

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Community Storm Debris Cleanup

In June 2023, Stillwater experienced severe weather that resulted with more than 70 tons of debris collected from the end of June through July. The all-time highest amount of debris collected may have been after the October 2020 ice storm with more than 2,490 tons collected.



LETTER OF TRANSMITTAL

Date: December 15, 2025

To the Honorable Mayor William H. Joyce, members of the City Council, and the Citizens of the City of Stillwater, Oklahoma:

The annual comprehensive financial report of the City of Stillwater (the "City"), for the fiscal year ended June 30, 2025, is submitted herewith. This report was prepared by the City's Department of Finance. Management assumes full responsibility for the completeness and reliability of the information contained in this report based on a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Management believes the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City in accordance with accounting principles generally accepted in the United States of America and, accordingly, all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The Oklahoma State Statutes, 11 O.S. § 17-105 (A) and City Charter require an annual audit by certified public accountants or qualified independent public accountants. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act of 1984, as amended in 1996, and related OMB Uniform Guidance and Government Auditing Standards issued by the Comptroller General of the United States. The independent certified public accountants that performed the audit were selected by the City Council upon recommendation from the City's Audit Committee.

The City's Audit Committee is a five-member advisory committee provided for under City Ordinance No. 1929. Under the provisions of the ordinance, the City Council appoints the committee. The purpose of the Audit Committee is to maintain independence between the outside auditors and city management. The primary responsibilities of the Audit Committee are to review and evaluate the year-end financial statements and independent auditor's report, review and report deficiencies in internal control, oversee the audit function, and to report to the City Council as required.

The independent audit firm, HSPG & Associates (HSPG), was selected by the City Council upon recommendation from the City's Audit Committee to perform the fiscal year 2025 audit. HSPG

issued an unmodified (“clean”) opinion on the City’s financial statements for the year ended June 30, 2025. The independent auditor’s report is located at the front of the financial section of this report. The independent auditor’s reports related specifically to the Single Audit are included in a separately bound Single Audit supplement.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Following the MD&A are the basic financial statements, including the government-wide financial statements, the fund financial statements, and the notes to the financial statements. The required supplementary information, combining financial statements, individual fund schedules, and the statistical section complete the annual comprehensive financial report.

PROFILE OF THE CITY OF STILLWATER

The City of Stillwater, located in north central Oklahoma, is a municipal corporation organized in 1891 under a Municipal Charter pursuant to Article XVIII of the Constitution and laws of the State of Oklahoma. The City currently has a land area of 28 square miles and a population of approximately 50,000. Located in Payne County, the City serves as a regional center for shopping, entertainment, health care, and education. Stillwater is home to Oklahoma State University.

GOVERNMENTAL STRUCTURE

The City is governed under the council-manager form of government according to its charter adopted in 1960 and provides such services as are authorized by its Charter to promote the public health, safety, and general welfare of the City and its citizens. Policymaking and legislative authority are vested in the governing body, which consists of a five-member council. The five councilors, including the mayor, are elected at-large on a non-partisan basis. Councilors may serve for a maximum of twelve years. The mayor is elected at-large by the citizenry while the vice-mayor is elected by the council from its membership. The council holds regular meetings, generally, on the first and third Monday evenings each month. The Stillwater City Council hires the city manager, who in turn appoints the department heads.

TYPES OF SERVICES PROVIDED AND REPORTING ENTITY

The City’s financial reporting entity includes all the funds of the primary government (i.e., the City of Stillwater as legally defined) as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The City provides the full range of municipal services contemplated by the City Charter. These include public safety (police, fire and emergency management), general government functions, recreation and culture, streets and highways, human services, airport and public improvement.

Blended component units, although legally separate entities, are in substance part of the primary government’s operations and are included as part of the primary government. Accordingly, the

Stillwater Utilities Authority (SUA), Stillwater Economic Development Authority (SEDA), Stillwater Block 34 Trust (Block 34), Stillwater Public Works Authority (SPWA) and Stillwater Library Trust Authority (Library Trust) are reported as three enterprise funds, an internal service fund and a governmental fund, respectively, of the primary government. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Stillwater Medical Center Authority is reported as a discretely presented proprietary component unit. The reporting entity is described in Note I to the combined financial statements in the financial section of this report.

THE BUDGET CYCLE

The City prepares its budget based on the guidelines found in O.S. 11 Section 17-201 – 17-216 (Municipal Budget Act). The fund types that are legally required to be appropriated by this Act are listed below:

- General Fund
- Special Revenue Funds
- Debt Service Fund
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds

The following process is required to adopt the annual budget:

- Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1.
- A public hearing shall be held no later than fifteen days (June 15) prior to July 1.
- Notice of the public hearing with the proposed budget summary shall be published in a newspaper not less than five days before the date of the hearing.
- After the public hearing and at least seven days (June 23) prior to July 1, City Council shall adopt the budget by resolution.
- The adopted budget shall be filed with the Office of State Auditor and Inspector within thirty days after the beginning of the fiscal year.

The City operates under conservative budgetary practices. Revenue is estimated using historical data and is adjusted based on current trends and economic performance. Only revenues expected to be received in cash during the year or soon thereafter are included in revenue estimates along with unreserved fund balance expected to be available during the coming year. It is the City's policy to appropriate no more than the current year estimated revenues, including beginning unreserved fund balance and inter-fund transfers for each fund.

The administrative level of budgetary control is maintained at the character classification level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. The legal level of control at which expenditures and encumbrances may not exceed appropriations is at the department level within each fund. The method of budget adoption and amendment process is described in the Notes to RSI in the financial section of this report.

STILLWATER'S ECONOMY AND REVENUE OUTLOOK

The City has a diverse economy with a high degree of stability. Stillwater is the county seat for Payne County and houses other governmental entities and educational centers that provide a stable labor force. Oklahoma State University is the City's largest employer, and the city is also the headquarters for the Oklahoma Department of Career and Technology Education and the Meridian Technology Center. Employment in the federal, state and local government sectors account for approximately 30% of local wage and salary jobs. In addition, manufacturing and advanced technology companies, health care services, and retail trade and food service cover a large share of the local economic base. Stillwater's cost of living remains well below the U. S. average.

In fiscal year 2025, commercial construction projects included Stillwater Medical Center's new Orthopedic Center of Excellence, a new bus parking facility and new high school campus for Stillwater Public Schools, and several new fuel stations, vehicle service centers and food service establishments. The remodel of existing restaurant/food service businesses and other commercial spaces remains strong with 55 remodel permits issued during the fiscal year. Residential home construction has slowed compared to recent years due to limited number of lots available for development; however, interest in infill redevelopment is on the rise with removal of blighted properties for construction of new housing ranging from single family to quad-plex structures.

As with all Oklahoma municipalities, sales tax is the primary source of revenue to the general fund. Stillwater's local sales tax rate for the period ending June 30, 2025 was 4% with 1% dedicated to transportation, 1% dedicated to the Stillwater Utilities Authority, and 2% undedicated to the general fund. Over the last five fiscal years, sales and use taxes combined have averaged \$41.6 million. This average includes the dedicated sales tax of 2%. Sales and use tax collections combined have been stable with an average annual growth of 9.1%. Fiscal year 2025 saw modest growth of sales and use tax with 4.0% and 11.4% respective growth over fiscal year 2024.

MAJOR INITIATIVES

Infrastructure: In fiscal year 2025, the City broke ground on construction of a new 31,000 square foot terminal at Stillwater Regional Airport. The new terminal replaces a building constructed in 1952 that was retrofitted in 2016 for the launch of commercial air service. The project is being funded in large part by grants from the Federal Aviation Administration and Oklahoma Department of Aerospace and Aeronautics. Completion is anticipated in August 2026.

In April 2022, the voters approved a \$9.0 million general obligation bond for the relocation and construction of Fire Station #2. The current Fire Station #2 was built in the 1930s and no longer meets the needs of a modern fire station. Construction of the new station was completed in July 2025.

In April 2025, the voters approved a \$8.75 million general obligation bond for constructing, furnishing and equipping a new Animal Welfare facility. The current Animal Welfare facility was

built in 1984 and has not kept pace with the growth and needs of the community. The new facility is currently under design with construction anticipated to begin in spring 2026.

Progress continues in the area of repair, replacement and expansion of roads, sidewalks and alternative transportation lanes which is funded by a 1.0% sales tax dedicated to transportation improvements by Stillwater voters in February 2022. During fiscal year 2025, projects under construction included the Monticello Drive reconstruction, Airport Road reconstruction, 9th and Duncan reconstruction and drainage improvements, surface repair and treatment on sections of McElroy Road and Hall of Fame Avenue, and several deferred maintenance projects.

In recent years the City has evaluated its raw water supply, treatment and finished water conveyance systems to determine what is required to continue meeting the needs of current customers and to accommodate continued growth and economic development in our city. To meet anticipated needs throughout the next 50 years, an increase in system capacity from 18 to 30 million gallons per day will be necessary and the drinking water system will require 1) a new finished water pump station, 2) a new backup raw water storage and supply system from Lake McMurtry, 3) rehabilitation of the 36-inch raw water transmission line with the addition of parallel sections, 4) expansion of the Kaw Lake raw water system and 5) rehabilitation and expansion of the water treatment plant. These projects are estimated at \$190-\$225 million. The replacement of the Recovered Water Pump Station and Finished Water Pump Station was underway in fiscal year 2025 with completion anticipated in December 2026. The replacement and upgrade of the chemical systems at the Water Treatment Plant was also underway during fiscal year 2025 with completion anticipated in April 2027. The design of a new backup raw water storage and supply system is nearly complete with construction funding secured through a Financial Assistance Program Loan made available by the Oklahoma Water Resources Board. The loan is anticipated to close in late December 2025 with construction anticipated to begin in 2026.

Economic Development: Stillwater serves as a regional hub for education, health care and commerce. The City is committed to broadening the offerings in these areas along with providing quality jobs for a skilled workforce by attracting manufacturing, retail and entrepreneurial business to Stillwater. During fiscal year 2025, the City Council continued to award small business enhancement grants to local businesses within the boundaries of the Tax Increment Financing District #3 project area for exterior façade improvements. Construction of The HUB continued with opening anticipated in fiscal year 2026. The Hub is a 60,000 square foot family entertainment center that will include pickleball courts, movie theaters, bowling lanes, arcade games, meeting rooms, a sports bar and a food venue.

In fiscal year 2025, the City worked with local taxing jurisdiction (Stillwater Public Schools, Meridian Technology Center, Payne County Health Department and Payne County) to create a Tax Increment District for development of a data center campus. Following the execution of a development agreement, Google announced the construction of the campus to include the first two phases with the potential for up to four additional phases. The benefits to Stillwater include significant new revenues through payments in lieu of taxes (PILOT) to the local taxing jurisdictions, creation of approximately 30 jobs per phase plus hundreds of construction jobs, significant sales tax collections on construction materials, and electric franchise fee revenue of

approximately \$2.25 million per phase per year once the data center is operational. The first two phases are anticipated to be complete in 2027.

Quality of Life: Donors came forward in fiscal year 2022 to fund an event space on Block 34, a city block in downtown Stillwater, and construction was completed in July 2025. The event space includes a public green space, pavilion, amphitheater and children’s play area. Block 34 is destined to be a central gathering place with programming to include concerts and family centered activities.

AWARDS

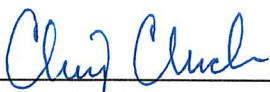
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The City has received a Certificate of Achievement for the last forty-three consecutive years. We believe that our current report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the dedicated services of the Finance Department with special thanks to the Deputy Chief Financial Officer, Jared Thulin, and the professional assistance of Crawford and Associates, P.C. and the City’s independent auditors, HSPG & Associates. In addition, thanks are extended to the members of the Audit Committee for their review and oversight of the audit process and to the members of the City Council for their interest and support in strengthening and improving the fiscal policies of the City. The City will strive to continue to provide its citizens with quality services, management and financial reporting.

Respectfully submitted,



Christy Cluck
Assistant City Manager and
Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Stillwater
Oklahoma**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

CITY OFFICIALS AND AUDIT COMMITTEE

Mayor and City Council



Audit Committee

KELLY COX
Committee Chair

RANDY MURRAY
Member

RACHEL DOMNICK
Member

AUSTIN POLLARD
Member

SKYLER RODENBERG
Member

KEVIN CLARK
Ex-Officio
Council Member

City Administration

BRADY MOORE
City Manager

CHRISTY DRISKEL
Deputy City Manager

CHRISTY CLUCK
Assistant City Manager &
Chief Financial Officer

RACHEL BERNISH
Assistant City Manager

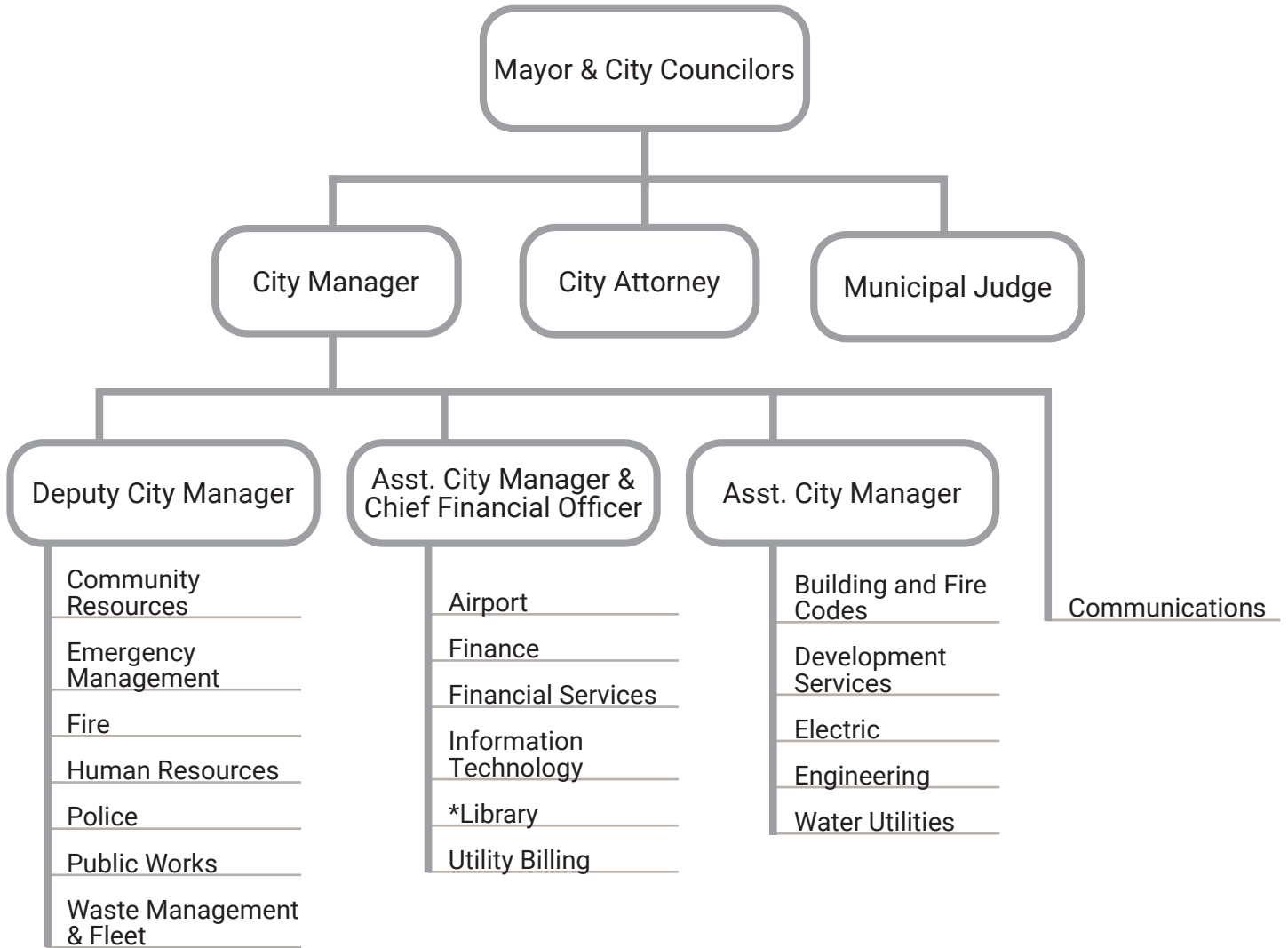
TERESA KADAVY
City Clerk

Department of Finance and Financial Services Department

JARED THULIN
Deputy Chief Financial Officer

MICHELLE WILHELM
Financial Services Director

ORGANIZATION CHART – GENERAL GOVERNMENT



Approved as of September 2025

Brady Moore, City Manager

*As provided in Section 3–6 of the Stillwater City Charter, the Library Board has supervision and control of the public library including appointment of the Library Director and setting policies for the administration of the Library.



Stillwater Public Library

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FINANCIAL SECTION

Stillwater[®] OKLAHOMA
stillwaterok.gov

Stillwater Fire Department



Facebook - @StwFire



X - @Stillwaterokgov





INDEPENDENT AUDITOR’S REPORT

To the Honorable Mayor and Members of the City Council
City of Stillwater, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Stillwater, Oklahoma (the “City”), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Stillwater Medical Center Authority (the “Authority”), the City’s discretely presented component unit, as of June 30, 2025, and the respective change in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 Statements section of our report. We are required to be independent of the City, 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 for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2025, the City adopted Governmental Accounting Standards Board Statement No. 101, *Compensated absences*, and Statement No. 102, *Certain Risk Disclosures*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

HSPG & ASSOCIATES, PC

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 generally accepted auditing standards 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 statements.

In performing an audit in accordance with generally accepted auditing standards 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 statements, 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 statements.
- 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 the City'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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the pension plan and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information

and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The budgetary comparison information – capital project funds and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the budgetary comparison information – capital project funds and combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the City'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 City'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 the City's internal control over financial reporting and compliance.

HSPG & Associates, P.C.

December 15, 2025



Facilities Maintenance

"We greatly appreciate our Facilities Maintenance staff for their continuous efforts and hard work to keep our facilities clean, safe and sanitized. Their level of professionalism and customer service embody the City's standard of quality."

– Brady Moore, City Manager

**Management's Discussion and Analysis
Fiscal Year Ended June 30, 2025**

As management of the City of Stillwater, we offer readers this narrative overview and analysis of the financial activities of the City of Stillwater for the fiscal year ended June 30, 2025. Please consider the information presented here in conjunction with the letter of transmittal in the Introductory Section of this report and the financial statements, which follow this management's discussion and analysis.

Overview of the Financial Statements in this Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Stillwater's basic financial statements, comprising the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

The financial statements presented herein include all of the activities of the City of Stillwater (the "City"), the Stillwater Utilities Authority (the "SUA") and other component units.

Government-wide Financial Statements

The government-wide financial statements present the complete financial picture of the City from the economic resources measurement focus using the accrual basis of accounting.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in the City's net position are indicators of whether its financial health is improving, deteriorating or remaining steady. However, non-financial factors, such as changes in the City's tax base, the condition of the City's infrastructure and the quality of services, must be considered to assess the overall health of the City.

The Statement of Activities presents information showing how the City's net position changed during the year. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of when cash is received or paid.

The government-wide statements of the City are divided into three categories:

1. Governmental activities – Most of the City's basic services are reported here, including police, fire, administration, streets, and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.
2. Business-type activities – The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's electric, water, wastewater, and waste management utilities are reported here, along with the airport.
3. Discretely-presented component unit – The City's report has one discretely presented component unit, the Stillwater Medical Center Authority. Although this is a legally separate entity, this "component unit" is important because the City is financially accountable for them in some way. The Stillwater Medical Center Authority is a public trust of the City and the City is the beneficiary of the trust.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required to be established by state law and by bond covenants, however, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. All of the funds of the City can be divided into two categories:

1. *Governmental funds* – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual basis of accounting, which recognizes revenues when "measurable and available." The governmental fund statements provide a detailed, short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.
2. *Proprietary funds* – When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same

way that all activities are reported in the government-wide Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position. In fact, the City's proprietary funds are the same as the business-type activities reported in the government-wide statements, but the fund financial statements provide more detail and additional information, such as cash flows.

Notes to the Financial Statements

The notes provide additional information that is essential to gain understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found following the Statement of Cash Flows for Proprietary Funds.

Net Position

For the year ended June 30, 2025, the net position for the governmental activities and business-type activities changed as follows:

The City of Stillwater's Net Position			
(expressed in \$ 000s)			
	Governmental Activities	Business-type Activities	Total
Beginning net position, as previously reported	\$ 128,894	\$ 309,265	\$ 438,159
Cumulative effect of a change in accounting principle	(3,428)	(1,370)	(4,798)
Beginning net position, as restated	125,466	307,895	433,361
Increase	8,263	26,335	34,598
Ending net position	<u>\$ 133,729</u>	<u>\$ 334,230</u>	<u>\$ 467,959</u>

The above numbers reflect an increase of 6.6% in net position for governmental activities and an increase of 8.6% in net position for business-type activities. Overall, the net position for both governmental and business-type activities increased 8.0% for this fiscal year.

The following is a summary comparison of the change in net position from last year for the City:

CITY OF STILLWATER, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2025

The City of Stillwater's Net Position
(expressed in \$ 000s)

	Governmental Activities		Business-type Activities		Total	
	2025	2024*	2025	2024*	2025	2024*
Assets:						
Current and other assets	\$ 81,169	\$ 79,514	\$ 187,837	\$ 183,681	\$ 269,006	\$ 263,195
Capital assets	118,532	100,133	284,285	256,831	402,817	356,964
Total assets	199,701	179,647	472,122	440,512	671,823	620,159
Deferred Outflows	11,741	11,825	427	538	12,168	12,363
Liabilities:						
Long-term liabilities	61,538	44,473	117,521	115,817	179,059	160,290
Other liabilities	12,430	17,145	11,704	12,087	24,134	29,232
Total liabilities	73,968	61,618	129,225	127,904	203,193	189,522
Deferred Inflows	3,746	4,388	9,094	5,251	12,840	9,639
Net position:						
Net investment in capital assets	100,599	88,634	180,902	156,344	281,501	244,978
Restricted	35,527	30,752	2,991	3,502	38,518	34,254
Unrestricted	(2,397)	6,080	150,337	148,049	147,940	154,129
Total net position	\$ 133,729	\$ 125,466	\$ 334,230	\$ 307,895	\$ 467,959	\$ 433,361

*Balances have been restated to reflect the implementation of GASB Statement 101, see Note XII for additional information.

At the end of the current fiscal year, the City of Stillwater is able to report positive balances in net position for the governmental activities and business-type activities as well as for the City as a whole.

The largest portion of the City's net position, 60.2%, reflects its investment in capital assets, less any related debt used to acquire those assets. Capital assets are items such as land, buildings, machinery and equipment, and infrastructure. Consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, 8.2%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors. The governmental activities' unrestricted net position decreased \$8.5 million making the

CITY OF STILLWATER, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2025

ending balance a negative \$2.4 million. This was primarily due to an increase in net pension liability of \$5.5 million and the implementation of GASB statement 101 for compensated absences resulting in an increase of \$3.4 in the associated liability.

Changes in Net Position

Governmental activities increased the City's net position by \$8.3 million which contributed to a 1.9% increase of the net position of the City. Business-type activities increased the City's net position by \$26.3 million which contributed a 6.0% increase in the net position of the City. The following provides details of the increases:

	Governmental Activities		Business-type Activities		Total	
	2025	2024*	2025	2024*	2025	2024*
Revenues:						
Program revenues:						
Charges for services	\$ 4,334	\$ 3,422	\$ 100,898	\$ 99,066	\$ 105,232	\$ 102,488
Operating grants and contributions	3,770	4,146	55	472	3,825	4,618
Capital grants and contributions	10,363	6,380	7,795	8,606	18,158	14,986
General revenues:						
Sales and use taxes	47,524	45,332	-	-	47,524	45,332
Other taxes	7,660	6,591	-	-	7,660	6,591
Other general revenues	2,886	3,871	7,271	6,911	10,157	10,782
Total revenues	76,537	69,742	116,019	115,055	192,556	184,797
Program expenses:						
General government	10,359	7,879	-	-	10,359	7,879
Financial administration	1,037	1,049	-	-	1,037	1,049
Public safety	38,178	29,501	-	-	38,178	29,501
Streets and highways	9,908	11,378	-	-	9,908	11,378
Culture, parks and recreation	3,188	3,651	-	-	3,188	3,651
Health and welfare	1,611	1,249	-	-	1,611	1,249
Interest on long-term debt	615	491	-	-	615	491
Stillwater Utilities Authority	-	-	84,243	81,723	84,243	81,723
Business area development	-	-	2,927	2,491	2,927	2,491
Airport operations	-	-	5,892	5,969	5,892	5,969
Total expenses	64,896	55,198	93,062	90,183	157,958	145,381
Increase in net position before transfers	11,641	14,544	22,957	24,872	34,598	39,416
Net transfers	(3,378)	(551)	3,378	551	-	-
Increase in net position	\$ 8,263	\$ 13,993	\$ 26,335	\$ 25,423	\$ 34,598	\$ 39,416
Net position - beginning of year	128,894	115,170	309,265	283,951	438,159	399,121
Cumulative effect of a change in accounting principle	(3,428)	(3,697)	(1,370)	(1,479)	(4,798)	(5,176)
Net position-beginning of year, as restated	125,466	111,473	307,895	282,472	433,361	393,945
Net position - end of year	\$ 133,729	\$ 125,466	\$ 334,230	\$ 307,895	\$ 467,959	\$ 433,361

*Balances have been restated to reflect the implementation of GASB Statement 101, see Note XII for additional information

Governmental Activities: Sales and use tax received in Fiscal Year 2025 increased from the prior year by \$2.2 million or 4.8%. Grants and contributions increased in Fiscal Year 2025 due to donations received for Block 34. In addition, capital grant revenue was recognized from American Rescue Plan Act (ARPA) funds as qualifying expenditures were incurred during the fiscal year. Public safety expenses increased by \$8.7 million, primarily due to an increase of \$5.8 million related to pension expenses compared to Fiscal Year 2024 and \$2.3 million related to the implementation of GASB Statement 101.

Business-type Activities: Charges for services of the business-type activities increased \$1.8 million in 2025 primarily due to a \$2.1 million increase in SUA operating revenue, which was the result of scheduled rate increases for water and wastewater utilities effective July 1, 2024 and for the electric utility effective January 1, 2025. This increase was offset by a \$0.3 million decrease in Airport revenues from Fiscal Year 2025 because of operating grants decreasing for the fiscal year.

Fund Financial Highlights

The General Fund's fund balance increased from Fiscal Year 2024 by \$0.4 million. Miscellaneous revenues increased \$4.6 million due to donations received for the construction of Block 34. Capital outlay expenditures increased \$3.6 million due to the construction of Block 34.

The Transportation Sales Tax Fund receives a one-cent sales tax dedicated for transportation improvements. The Transportation Sales Tax Fund's fund balance increased from Fiscal Year 2024 by \$4.1 million due to an increase in sales tax received of \$0.4 million, an increase in investment income of \$0.2 million, and total revenues exceeding expenditures for the year. Capital expenditures increased from the prior year by \$0.6 million, but did not exceed the amount of sales tax received.

The City Capital Fund received a transfer of \$1.8 related to a one-time increase in sales tax revenue during the fiscal year. In addition, proceeds from the issuance of debt in the amount of \$0.8 million for new servers for the City were recorded in Fiscal Year 2025. The fund also transferred \$1.0 million to the airport for the construction of the new terminal building. Expenditures were for debt service on capital related debt and capital purchases.

The net position of the SUA has increased by \$15.8 million or 6.0% as the result of Fiscal Year 2025 operations.

The net position of the Airport Fund increased \$8.2 million or 21.0% due primarily to \$5.7 million in capital contributions related to grants received for the construction of the new terminal at the Airport.

General Fund Budgetary Highlights

The City's adopted budget for Fiscal Year 2025 included revenues in the General Fund of \$42.5 million, which is a decrease of \$6.4 million from Fiscal Year 2024 due to the one-cent dedicated transportation sales tax being recorded in the Transportation Sales Tax Fund directly rather than being recorded in the General fund and transferred to the Transportation Sales Tax Fund as done in the prior year. Fiscal Year 2025 budgeted expenditures were about the same as amounts approved in the previous year and remained focused on the delivery of core services. These core services are concentrated in the areas of public safety, street maintenance and recreation and culture. The differences between the original expenditure budget and the final amended expenditure budget amounted to \$17.8 million due to \$13.6 million in budget carryovers from Fiscal Year 2024 and \$1.9 million in ARPA funding being budgeted for projects.

The differences between the final budgeted revenue and actual revenue collections for Fiscal Year 2025 amounted to \$1.7 million over budget. This variance is attributable to the net effect of positive budget to actual variance in sales and use tax receipts, as well as investment income.

The difference between the final budgeted expenditures and actual expenditures for Fiscal Year 2025 amounted to \$10.4 million under budget. This variance is largely due to incomplete capital projects at the end of the fiscal year that were subsequently re-appropriated in Fiscal Year 2026 and budgeted amounts for contingencies that were not utilized during the year.

Capital Assets

At June 30, 2025, the City had \$403.0 million invested in capital assets including police and fire equipment, buildings, park facilities, water and wastewater lines, electric systems, and roads. The following is a summary of changes in capital assets for the year ended June 30, 2025. More detailed information on the City's capital asset activity can be found in Note I and Note III of the accompanying Notes to the Financial Statements.

CITY OF STILLWATER, OKLAHOMA
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2025

The City of Stillwater's Capital Assets
(expressed in \$ 000s)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 17,820	\$ 17,560	\$ 2,504	\$ 2,504	\$ 20,324	\$ 20,064
Buildings	25,269	24,728	94,684	94,649	119,953	119,377
Other improvements	14,806	14,649	55,959	55,959	70,765	70,608
Equipment	41,367	33,382	90,997	88,945	132,364	122,327
Infrastructure	179,197	178,782	234,418	231,997	413,615	410,779
Intangible assets	-	-	1,530	1,604	1,530	1,604
Lease assets	490	94	669	47	1,159	141
Subscription-based IT assets (SBITA)	830	1,048	24	24	854	1,072
Construction-in-progress	32,370	18,872	68,095	31,995	100,465	50,867
	312,149	289,115	548,880	507,724	861,029	796,839
Less depreciation/amortization	193,617	188,982	264,595	250,893	458,212	439,875
Totals	\$ 118,532	\$ 100,133	\$ 284,285	\$ 256,831	\$ 402,817	\$ 356,964

Debt Administration

At June 30, 2025, the City had \$132.5 million in long term debt. These debts are further detailed in the chart below. More detailed information on the City's long-term debt activity can be found in Note III of the Notes to the Financial Statements.

The City of Stillwater's Long-term Debt
(expressed in \$000s)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds, net	\$ 17,560	\$ 8,846	\$ -	\$ -	\$ 17,560	\$ 8,846
Direct obligation-notes payable	-	-	11,015	12,032	11,015	12,032
Lease obligations	421	61	622	26	1,043	87
Subscription-based IT obligations	98	314	-	8	98	322
Notes and bonds payable	4,991	5,922	97,555	97,733	102,546	103,655
Refundable grant obligations	-	-	234	222	234	222
Totals	\$ 23,070	\$15,143	\$ 109,426	\$110,021	\$ 132,496	\$ 125,164

Economic Factors and Next Year's Budget and Rates

The City and its public trusts operate under conservative budgetary practices. Revenue is estimated using historical data and is adjusted based on current trends and economic performance. The sales and use tax budgets for Fiscal Year 2025 increased by \$2.4 million and \$0.6 million, respectively, to account for upward trends in overall sales and use tax collections. As of the date of this report, sales tax collected in Fiscal Year 2026 has been up 5 of the 5 months over the same periods in Fiscal Year 2025, whereas use tax has been up 4 of the 5 months over the same periods in Fiscal Year 2025. Through November 2025, sales and use tax collections are up approximately \$1.5 million (8.0%) from the same months in Fiscal Year 2025.

Cost of service studies for the electric, water, and wastewater utilities were completed and presented to the Authority's Board of Trustees in the Fall of 2023. The Authority approved resolutions 2023-040 and 2023-041 on November 6, 2023, adopting the initial rate increases recommended for electric, water, and wastewater effective January 1, 2024. These resolutions also adopted future rate increases for Fiscal Year 2025 through Fiscal Year 2028 based on the recommendations of the studies. The future rate increases will be effective each July 1st for water and wastewater and January 1st for electric for the years approved by the resolution.

A cost of service study for the waste management utility was completed and presented to the Authority's Board of Trustees on June 16, 2025. The Authority approved resolution 2025-007 on September 8, 2025, adopting the initial rate increase recommended for waste management to be effective on January 1, 2026. This resolution also adopted future rate increases for Fiscal Year 2027 through Fiscal Year 2031 based on the recommendations of the study. The future rate increases will be effective January 1st for the years approved by the resolution.

The Stillwater Utilities Authority is in the process of finalizing a Financial Assistance Program Loan from the Oklahoma Water Resources Board (OWRB) with an expected closing in December 2025. The Authority's Trustees approved resolution 2025-5 authorizing the loan from the OWRB for an amount not to exceed \$112.9 million. The proceeds from this loan are anticipated to be utilized to complete the Lake McMurtry raw water transmission project, the Northeast transmission project, water line and storage improvements, and wastewater lift stations.

The City has adopted the zero-based budgeting philosophy in the preparation of the annual expenditure budget. Department directors are charged with developing annual action plans to achieve departmental strategies. Budgets are built around the tactics used to complete the departmental strategies. Each department's budget submission is measured for reasonableness against a rolling three-year average of actual expenditures. Large

increases must be justified and relate back to tactics used to achieve departmental strategies.

The budget includes a reserve for emergencies in the City's General Fund and electric, water, wastewater, and waste management utilities.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at 723 S. Lewis, P.O. Box 1449, Stillwater, Oklahoma 74076 or by telephone at (405) 372-0025.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

**Statement of Net Position
June 30, 2025**

	PRIMARY GOVERNMENT			COMPONENT UNIT
	Governmental Activities	Business-type Activities	Total	Stillwater Medical Center Authority
ASSETS				
Cash and cash equivalents	\$ 40,645,879	\$ 113,483,388	\$ 154,129,267	\$ 24,536,314
Investments	21,231,429	32,918,637	54,150,066	114,705,281
Accounts receivable, net of allowance	2,011,166	14,551,452	16,562,618	46,131,287
Opioid settlement receivable	1,914,762	-	1,914,762	-
Internal balances	5,330,189	(5,330,189)	-	-
Interest receivable	38,686	145,138	183,824	-
Other receivable	-	-	-	2,194,625
Inventory	42,031	6,610,988	6,653,019	8,467,725
Prepaid items	67,680	63,121	130,801	4,035,962
Intergovernmental receivable	9,751,850	3,266,519	13,018,369	-
Leases receivable	135,397	4,416,137	4,551,534	-
Restricted cash and cash equivalents	-	9,779,514	9,779,514	-
Restricted investments	-	-	-	340,000
Installment loans receivable	-	7,932,820	7,932,820	-
Investment in joint ventures	-	-	-	11,580,240
Other long-term assets	-	-	-	64,188,153
Capital assets:				
Non-depreciable	50,189,963	72,129,224	122,319,187	45,414,641
Depreciable, net of depreciation	68,341,981	212,155,347	280,497,328	177,330,673
Total Assets	199,701,013	472,122,096	671,823,109	498,924,901
DEFERRED OUTFLOWS OF RESOURCES				
Pension	11,390,343	-	11,390,343	-
Other postemployment benefits	350,504	426,952	777,456	-
Business acquisition	-	-	-	525,000
Total deferred outflow of resources	11,740,847	426,952	12,167,799	525,000
LIABILITIES				
Accounts payable and other accrued expenses	7,934,068	9,449,779	17,383,847	11,792,472
Accrued liabilities	3,145,299	907,326	4,052,625	27,466,165
Accrued interest payable	100,600	1,314,701	1,415,301	-
Unearned revenue	1,249,531	32,700	1,282,231	-
Long-term liabilities:				
Due within one year	3,292,515	7,986,014	11,278,529	8,302,231
Due in more than one year	26,782,356	106,848,066	133,630,422	142,543,870
Other postemployment benefits - due within one year	187,415	-	187,415	-
Other postemployment benefits	4,244,182	2,687,095	6,931,277	-
Net pension liabilities	27,031,820	-	27,031,820	-
Total Liabilities	73,967,786	129,225,681	203,193,467	190,104,738
DEFERRED INFLOWS				
Leases	174,285	4,226,879	4,401,164	316,241
Pension	2,453,939	-	2,453,939	-
Other postemployment benefits	1,117,296	824,697	1,941,993	-
Bond refunding	-	4,042,064	4,042,064	-
Disproportionate share hospital revenue	-	-	-	1,138,297
Total deferred inflow of resources	3,745,520	9,093,640	12,839,160	1,454,538
NET POSITION				
Net investment in capital assets	100,598,696	180,901,785	281,500,481	71,899,213
Restricted for:				
Debt service	1,171,671	1,911,993	3,083,664	-
Capital projects	51,817	1,078,710	1,130,527	-
Street improvements	29,782,101	-	29,782,101	-
Permanent Fund - nonexpendable	50,000	-	50,000	-
Specific operating activities	4,471,356	-	4,471,356	340,000
Unrestricted (deficit)	(2,397,087)	150,337,239	147,940,152	235,651,412
Total Net Position	\$ 133,728,554	\$ 334,229,727	\$ 467,958,281	\$ 307,890,625

See accompanying notes to the basic financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

**Statement of Activities
For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position			Component Unit Stillwater Medical Center Authority
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental Activities								
Public safety	\$ 38,178,206	\$ 549,951	\$ 3,603,611	\$ 98,231	\$ (33,926,413)	\$ -	\$ (33,926,413)	\$ -
Cultural, parks and recreation	3,187,704	300,823	166,547	6,020,037	3,299,703	-	3,299,703	-
General government	10,358,950	912,232	-	4,223,333	(5,223,385)	-	(5,223,385)	-
Financial administration	1,037,478	846,899	-	-	(190,579)	-	(190,579)	-
Streets and highways	9,907,772	1,416,177	-	20,842	(8,470,753)	-	(8,470,753)	-
Health and welfare	1,610,956	308,345	-	-	(1,302,611)	-	(1,302,611)	-
Interest on long-term debt	614,860	-	-	-	(614,860)	-	(614,860)	-
Total governmental activities	64,895,926	4,334,427	3,770,158	10,362,443	(46,428,898)	-	(46,428,898)	-
Business-type activities								
Electric, utilities, waste utilities and waste management operations	84,243,194	98,000,021	52,428	2,130,584	-	15,939,839	15,939,839	-
Business area development	2,927,178	-	-	-	-	(2,927,178)	(2,927,178)	-
Airport operations	5,892,171	2,897,866	2,831	5,664,708	-	2,673,234	2,673,234	-
Total business-type activities	93,062,543	100,897,887	55,259	7,795,292	-	15,685,895	15,685,895	-
Total primary government	\$ 157,958,469	\$ 105,232,314	\$ 3,825,417	\$ 18,157,735	(46,428,898)	15,685,895	(30,743,003)	
Component Units								
Medical Center	\$ 352,456,684	\$ 351,648,595	\$ -	\$ -				(808,089)
General revenues:								
Taxes:								
Sales and use taxes					47,524,370	-	47,524,370	-
Property tax					2,949,652	-	2,949,652	-
Franchise and public service tax					2,059,196	-	2,059,196	-
E911 tax					38,000	-	38,000	-
Lodging tax					2,612,796	-	2,612,796	-
Unrestricted investment earnings					2,596,102	7,198,940	9,795,042	10,873,188
Miscellaneous					289,338	71,802	361,140	166,568
Transfers					(3,378,074)	3,378,074	-	-
Total general revenues and transfers					54,691,380	10,648,816	65,340,196	11,039,756
Change in net position					8,262,482	26,334,711	34,597,193	10,231,667
Net position - beginning, as previously reported					128,894,030	309,265,448	438,159,478	297,658,958
Cumulative effect of a change in accounting principle (See Note XII)					(3,427,958)	(1,370,432)	(4,798,390)	-
Net position - beginning, as restated					125,466,072	307,895,016	433,361,088	297,658,958
Net position - ending					\$ 133,728,554	\$ 334,229,727	\$ 467,958,281	\$ 307,890,625

See accompanying notes to the basic financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

Balance Sheet
Governmental Funds
June 30, 2025

	Capital Project		Capital Project	Other	Total
	General Fund	Transportation Sales Tax	City Capital Fund	Governmental Funds	Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,039,767	\$ 23,756,633	\$ 3,530,151	\$ 10,213,233	\$ 40,539,784
Investments	11,746,662	5,919,242	1,237,228	2,328,298	21,231,430
Accounts Receivable, net	2,010,766	400	-	-	2,011,166
Opioid settlement receivable	1,914,762	-	-	-	1,914,762
Due from airport	165,202	-	-	-	165,202
Due from Stillwater Utilities Authority	5,164,987	-	-	-	5,164,987
Due from other funds	13,903	-	-	1,834	15,737
Due from other governments	6,499,302	1,669,843	71,088	1,511,617	9,751,850
Accrued interest receivable	27,167	7,960	1,663	1,896	38,686
Leases receivable	135,397	-	-	-	135,397
Inventories	42,031	-	-	-	42,031
Prepaid items	67,680	-	-	-	67,680
Total assets	<u>\$ 30,827,626</u>	<u>\$ 31,354,078</u>	<u>\$ 4,840,130</u>	<u>\$ 14,056,878</u>	<u>\$ 81,078,712</u>
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,786,257	\$ 1,571,977	\$ 915,336	\$ 1,382,796	\$ 7,656,366
Accrued liabilities	1,631,598	-	-	-	1,631,598
Due to other funds	-	-	-	15,737	15,737
Unearned revenue	1,249,531	-	-	-	1,249,531
Total liabilities	<u>6,667,386</u>	<u>1,571,977</u>	<u>915,336</u>	<u>1,398,533</u>	<u>10,553,232</u>
Deferred Inflows of Resources:					
Unavailable revenue-property taxes	-	-	-	1,141,992	1,141,992
Unavailable revenue-court fines	45,037	-	-	-	45,037
Unavailable revenue-opioid settlement	1,914,762	-	-	-	1,914,762
Unavailable revenue-grant proceeds	37,874	-	71,088	-	108,962
Leases	174,285	-	-	-	174,285
Total deferred inflows of resources	<u>2,171,958</u>	<u>-</u>	<u>71,088</u>	<u>1,141,992</u>	<u>3,385,038</u>
Fund balances:					
Nonspendable	109,712	-	-	50,000	159,712
Restricted					
Debt Service	-	-	-	1,171,671	1,171,671
Police Equipment	74,371	-	-	-	74,371
Police Undercover Operations	59,978	-	-	-	59,978
Capital Improvements	-	29,782,101	-	9,201,554	38,983,655
TIF Projects	-	-	-	117,367	117,367
Library books	-	-	-	4,122	4,122
Library purposes	-	-	-	971,639	971,639
Visitor and event recruitment	454,619	-	-	-	454,619
Opioid settlement	943,765	-	-	-	943,765
Fire equipment	727,027	-	-	-	727,027
Committed					
Capital improvements	799,635	-	-	-	799,635
Stormwater	1,755,987	-	-	-	1,755,987
Assigned					
Self insurance	1,628,371	-	-	-	1,628,371
Parks and recreation	9,609	-	-	-	9,609
Capital Improvements	-	-	3,853,706	-	3,853,706
Homebuyer's assistance program	35,307	-	-	-	35,307
Budget appropriation	3,148,664	-	-	-	3,148,664
Unassigned	12,241,237	-	-	-	12,241,237
Total fund balances	<u>21,988,282</u>	<u>29,782,101</u>	<u>3,853,706</u>	<u>11,516,353</u>	<u>67,140,442</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 30,827,626</u>	<u>\$ 31,354,078</u>	<u>\$ 4,840,130</u>	<u>\$ 14,056,878</u>	<u>\$ 81,078,712</u>

See accompanying notes to financial statements.

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2025**

Total fund balance, governmental funds	\$	67,140,442
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$193,703,032</p>		
		118,209,444
<p>Certain other long-term assets are not available to pay for current liabilities, and therefore they, along with certain pension and OPEB related deferrals, are either deferred in the funds or not shown:</p>		
Accounts receivable		3,210,753
Pension related deferred outflows		11,390,343
OPEB related deferred outflows		350,504
<p>Internal service fund assets and liabilities are reported in the proprietary fund in the fund financial statements but are included in government activities in the Statement of Net Position</p>		
		428,594
<p>Certain long-term liabilities are not due and payable from current financial resources and therefore they, along with deferred inflows, are not reported in the funds:</p>		
Long-term debt, net		(22,550,734)
Lease obligations		(421,145)
Subscription-based IT obligations		(98,428)
Accrued compensated absences		(7,004,566)
Net pension liability		(27,031,820)
Pension related deferred inflows		(2,453,939)
Total OPEB liability		(4,431,597)
OPEB related deferred inflows		(1,117,296)
Accrued interest payable		(100,600)
Accrued workers compensation claims		(1,791,401)
		133,728,554
Net Position of Governmental Activities in the Statement of Net Position	\$	<u>133,728,554</u>

See accompanying notes to the basic financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2025**

	General Fund	Transportation Sales Tax	City Capital Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Sales and use tax	\$ 37,084,884	\$ 10,439,486	\$ -	\$ -	\$ 47,524,370
Other taxes	4,709,992	-	-	2,469,873	7,179,865
Intergovernmental	6,762,985	-	-	154,293	6,917,278
Charges for services	1,725,942	-	-	-	1,725,942
Fines and forfeitures	798,859	-	-	-	798,859
Fees and rentals	418,746	-	-	-	418,746
Licenses and permits	364,685	-	-	-	364,685
Investment income (loss)	1,065,697	974,696	203,043	352,507	2,595,943
Miscellaneous	7,361,302	12,719	8,973	9,504	7,392,498
Total revenues	60,293,092	11,426,901	212,016	2,986,177	74,918,186
EXPENDITURES					
Current:					
Public safety	31,409,142	-	-	-	31,409,142
Recreation and culture	3,533,247	-	-	13,376	3,546,623
General government	7,238,204	-	49,998	722,473	8,010,675
Financial administration	1,049,971	-	-	-	1,049,971
Streets and highways	5,188,527	64,145	6,400	-	5,259,072
Health and welfare	1,399,150	-	-	-	1,399,150
Debt Service:					
Principal	741,760	-	1,339,354	470,000	2,551,114
Interest and other charges	132,788	-	92,292	388,700	613,780
Capital Outlay	9,588,956	7,263,394	4,106,240	6,714,167	27,672,757
Total Expenditures	60,281,745	7,327,539	5,594,284	8,308,716	81,512,284
Excess (deficiency) of revenues over expenditures	11,347	4,099,362	(5,382,268)	(5,322,539)	(6,594,098)
OTHER FINANCING SOURCE (USES)					
Issuance of debt	482,424	-	812,500	8,750,000	10,044,924
Bond Premium	-	-	-	451,012	451,012
Insurance Proceeds	162,853	-	-	-	162,853
Transfers In	19,066,694	-	1,885,000	379,654	21,331,348
Transfers Out	(19,332,869)	-	(1,007,391)	(1,395,331)	(21,735,591)
Total other financing sources and uses	379,102	-	1,690,109	8,185,335	10,254,546
Net change in fund balances	390,449	4,099,362	(3,692,159)	2,862,796	3,660,448
Fund Balances - beginning	21,597,833	25,682,739	7,545,865	8,653,557	63,479,994
Fund Balances - ending	\$ 21,988,282	\$ 29,782,101	\$ 3,853,706	\$ 11,516,353	\$ 67,140,442

See accompanying notes to the financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Year Ended June 30, 2025**

Net change in fund balances - total governmental funds: \$ 3,660,448

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	22,477,634
Capital assets donated	1,162,911
Depreciation and amortization expense	(5,230,553)
Disposal of capital assets	(11,548)

In the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as an element of pension expense. The fund financial statements report pension contributions as expenditures. (5,467,689)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:
Unavailable revenue 314,364

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Note and bond principal payments	2,212,781
Note and bond proceeds	(9,562,500)
Bond premium received	(451,012)
Lease obligation incurred	(404,465)
Lease obligation principal payments	44,654
Subscription-based IT obligation incurred	(77,959)
Subscription-based IT obligation principal payments	293,679

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Accrued interest payable	(18,699)
Accrued compensated absences change	(199,512)
Total OPEB liability and related deferrals change	(190,355)
Workers comp liability change	(307,485)
Amortization of bond premium	17,619

Internal service fund activity is reported as a proprietary fund in the fund financial statements, but the net revenues are reported in governmental activities on the Statement of Activities:
Total change in net position for internal service funds 169

Change in net position of governmental activities \$ 8,262,482

See accompanying notes to the basic financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

Statement of Net Position
Proprietary Funds
June 30, 2025

	Enterprise Funds				Total	Governmental Activities: Internal Service Funds
	Stillwater Utilities Authority	Airport Fund	Stillwater Economic Development Authority	Other Non Major Block 34 Trust Authority		
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 104,863,537	\$ 4,287,581	\$ 4,332,260	\$ 10	\$ 113,483,388	\$ 106,094
Restricted cash and cash equivalents	7,814,964	-	-	-	7,814,964	-
Investments	10,728,750	383,595	364,145	-	11,476,490	-
Restricted investments	-	-	7,256,877	-	7,256,877	-
Accounts receivable, net of allowance	14,404,996	146,456	-	-	14,551,452	-
Lease receivable, current	127,830	112,528	-	-	240,358	-
Intergovernmental receivable	-	1,938,945	132,554	-	2,071,499	-
Interest receivable	133,061	11,587	490	-	145,138	-
Inventories	6,567,693	43,295	-	-	6,610,988	-
Prepaid items	63,121	-	-	-	63,121	-
Total current assets	144,703,952	6,923,987	12,086,326	10	163,714,275	106,094
Noncurrent assets:						
Restricted cash and cash equivalents	1,964,550	-	-	-	1,964,550	-
Investments	14,185,270	-	-	-	14,185,270	-
Restricted investments	-	-	-	-	-	-
Due from other funds	7,911,478	-	-	-	7,911,478	-
Installment loans receivable	-	-	7,932,820	-	7,932,820	-
Intergovernmental receivable	-	-	1,195,020	-	1,195,020	-
Lease receivable, noncurrent	1,450,643	2,725,136	-	-	4,175,779	-
Capital assets, nondepreciable	59,298,205	12,831,019	-	-	72,129,224	322,500
Capital assets, net of accumulated depreciation	182,592,109	29,540,029	23,209	-	212,155,347	-
Total noncurrent assets	267,402,255	45,096,184	9,151,049	-	321,649,488	322,500
Total assets	412,106,207	52,020,171	21,237,375	10	485,363,763	428,594
DEFERRED OUTFLOWS OF RESOURCES						
Other postemployment benefits	188,155	238,797	-	-	426,952	-
LIABILITIES						
Current liabilities:						
Accounts payable	7,832,867	1,611,452	5,460	-	9,449,779	-
Accrued liabilities	837,520	69,806	-	-	907,326	-
Current portion of compensated absences	96,930	3,408	-	-	100,338	-
Due to other funds	5,164,987	165,202	-	-	5,330,189	-
Accrued interest payable	918,034	-	396,667	-	1,314,701	-
Unearned revenue	-	32,700	-	-	32,700	-
Current portion of lease obligations	127,561	-	-	-	127,561	-
Current portion of customer deposits payable	2,019,614	1,818	-	-	2,021,432	-
Current portion of long-term debt obligations	5,503,187	-	-	-	5,503,187	-
Current portion of refundable grant obligations	-	-	233,496	-	233,496	-
Total current liabilities	22,500,700	1,884,386	635,623	-	25,020,709	-
Noncurrent liabilities:						
Due to other funds	-	-	7,911,478	-	7,911,478	-
Noncurrent portion of compensated absences	2,265,359	134,677	-	-	2,400,036	-
Noncurrent portion of lease obligations	494,128	-	-	-	494,128	-
Noncurrent portion of customer deposits payable	885,840	-	-	-	885,840	-
Noncurrent portion of long-term debt obligations	96,068,062	-	7,000,000	-	103,068,062	-
Other post employment benefits liability	2,433,861	253,234	-	-	2,687,095	-
Total noncurrent liabilities	102,147,250	387,911	14,911,478	-	117,446,639	-
Total liabilities	124,647,950	2,272,297	15,547,101	-	142,467,348	-
DEFERRED INFLOW OF RESOURCES						
Lease receivables	1,483,679	2,743,200	-	-	4,226,879	-
Other post employment benefits	754,107	70,590	-	-	824,697	-
Bond refunding	4,042,064	-	-	-	4,042,064	-
Total deferred inflow of resources	6,279,850	2,813,790	-	-	9,093,640	-
NET POSITION						
Net investment in capital assets	140,051,544	40,827,032	23,209	-	180,901,785	322,500
Restricted for debt service	1,911,993	-	-	-	1,911,993	-
Restricted for capital projects	1,078,710	-	-	-	1,078,710	-
Unrestricted	138,324,315	6,345,849	5,667,065	10	150,337,239	106,094
Total net position	\$ 281,366,562	\$ 47,172,881	\$ 5,690,274	\$ 10	\$ 334,229,727	\$ 428,594

See accompanying notes to the financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
June 30, 2025

	Enterprise Funds				Total	Governmental Activities: Internal Service Funds
	Stillwater Utilities Authority	Airport Fund	Stillwater Economic Development Authority	Other Non Major Block 34 Trust Authority		
OPERATING REVENUES						
Charges for services, net of bad debt expense	\$ 88,259,615	\$ 2,600,917	\$ -	\$ -	\$ 90,860,532	\$ -
Operating grants and contributions	-	2,831	-	-	2,831	-
Other	9,774,142	296,949	-	-	10,071,091	10
Total operating revenues	98,033,757	2,900,697	-	-	100,934,454	10
OPERATING EXPENSES						
Operations and maintenance	67,316,583	4,396,047	2,501,710	-	74,214,340	-
Interest expense	-	-	423,500	-	423,500	-
Depreciation and amortization	12,692,203	1,496,124	1,968	-	14,190,295	-
Total Operating Expenses	80,008,786	5,892,171	2,927,178	-	88,828,135	-
Operating income (loss)	18,024,971	(2,991,474)	(2,927,178)	-	12,106,319	10
NON-OPERATING REVENUES (EXPENSES)						
Interest and investment revenue	6,267,668	143,371	787,901	-	7,198,940	159
Debt issuance cost	(889,851)	-	-	-	(889,851)	-
Miscellaneous non-operating expense	-	405	(11,829)	-	(11,424)	-
Gain (loss) on capital asset disposal	83,962	6,127	-	-	90,089	-
Interest expense	(3,344,557)	-	-	-	(3,344,557)	-
Total non-operating revenue (expenses)	2,117,222	149,903	776,072	-	3,043,197	159
Income (loss) before contributions and transfers	20,142,193	(2,841,571)	(2,151,106)	-	15,149,516	169
Capital contributions	5,081,494	5,699,458	-	-	10,780,952	-
Transfers in	10,439,486	5,366,566	4,505,057	-	20,311,109	-
Transfers out	(19,821,866)	-	(85,000)	-	(19,906,866)	-
Change in net position	15,841,307	8,224,453	2,268,951	-	26,334,711	169
Total net position - beginning	266,852,845	38,991,270	3,421,323	10	309,265,448	428,425
Cumulative effect of a change in accounting principal	(1,327,590)	(42,842)	-	-	(1,370,432)	-
Total net position - beginning, as restated	265,525,255	38,948,428	3,421,323	10	307,895,016	-
Total net position - ending	\$ 281,366,562	\$ 47,172,881	\$ 5,690,274	\$ 10	\$ 334,229,727	\$ 428,594

See accompanying notes to the financial statements.

CITY OF STILLWATER, OKLAHOMA
ANNUAL FINANCIAL REPORT
As of and for the Year Ended June 30, 2025

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Enterprise Funds				Total	Governmental Activities: Internal Service Funds
	Stillwater Utilities Authority	Airport Fund	Stillwater Economic Development Authority	Other Non Major Block 34 Trust Authority		
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers, including deposits	\$ 89,583,285	\$ 1,043,785	\$ 72,447	\$ -	\$ 90,699,517	\$ -
Payments to suppliers	(45,252,199)	(1,004,835)	(2,021,471)	-	(48,278,505)	-
Payments to employees	(19,489,004)	(1,604,850)	-	-	(21,093,854)	-
Payments of business development incentives	-	-	(465,616)	-	(465,616)	-
Payments from (to) other funds	(1,805,970)	(226,010)	(88,522)	-	(2,120,502)	-
Interest paid on operating debt	-	-	(424,666)	-	(424,666)	-
Other receipts	9,752,916	274,480	-	-	10,027,396	10
Net cash provided by (used in) operating activities	32,789,028	(1,517,430)	(2,927,828)	-	28,343,770	10
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from other funds	10,373,089	5,366,566	4,505,057	-	20,244,712	-
Insurance proceeds	-	405	-	-	405	-
Transfers from Stillwater Economic Development Authority	88,522	-	-	-	88,522	-
Operating subsidies and transfers to other funds	(17,382,141)	-	(85,000)	-	(17,467,141)	-
Net cash provided by (used in) noncapital financing activities	(6,920,530)	5,366,971	4,420,057	-	2,866,498	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from capital debt	58,522,415	-	-	-	58,522,415	-
Capital contributions	2,000,507	5,664,708	-	-	7,665,215	-
Purchase of capital assets	(30,176,438)	(8,374,026)	(11,829)	-	(38,562,293)	-
Proceeds from sale of capital assets	73,705	6,127	-	-	79,832	-
Principal on capital debt	(56,276,904)	-	-	-	(56,276,904)	-
Interest paid on capital debt	(3,638,781)	-	-	-	(3,638,781)	-
Net cash provided by (used in) capital and related financing activities	(29,495,496)	(2,703,191)	(11,829)	-	(32,210,516)	-
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of investments	-	-	(233,679)	-	(233,679)	-
Proceeds from maturities of investments	5,029,441	39,116	-	-	5,068,557	-
Interest received	5,079,936	137,047	368,960	-	5,585,943	159
Net cash provided by (used in) investing activities	10,109,377	176,163	135,281	-	10,420,821	159
Net increase (decrease) in cash and cash equivalents	6,482,379	1,322,513	1,615,681	-	9,420,573	169
Balances - beginning of year	108,160,672	2,965,068	2,716,579	10	113,842,329	105,925
Balances - end of year	\$ 114,643,051	\$ 4,287,581	\$ 4,332,260	\$ 10	\$ 123,262,902	\$ 106,094
Reconciliation to statement of net position:						
Cash and cash equivalents	\$ 104,863,537	\$ 4,287,581	\$ 4,332,260	\$ 10	\$ 113,483,388	\$ 106,094
Restricted cash and cash equivalents	7,814,964	-	-	-	7,814,964	-
Restricted cash and cash equivalents, non-current	1,964,550	-	-	-	1,964,550	-
Total cash and cash equivalents, end of year	\$ 114,643,051	\$ 4,287,581	\$ 4,332,260	\$ 10	\$ 123,262,902	\$ 106,094
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Operating Income (loss)	\$ 18,024,971	\$ (2,991,474)	\$ (2,927,178)	\$ -	\$ 12,106,319	10
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation expense	12,692,203	1,496,124	1,968	-	14,190,295	-
Change in assets, liabilities, and deferrals:						
Receivables, net	421,616	(1,468,445)	71,281	-	(975,548)	-
Prepaid items	(33,495)	-	-	-	(33,495)	-
Inventories	456,748	40,506	-	-	497,254	-
Accounts and other payables	463,865	1,416,985	14,623	-	1,895,473	-
Accrued liabilities	117,634	14,047	-	-	131,681	-
Lease assets and related lease obligations	583,610	-	-	-	583,610	-
Lease receivables and related deferral	(21,226)	(22,469)	-	-	(43,695)	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Accrued interest payable	-	-	-	-	-	-
Other postemployment benefits-liabilities	(15,898)	(4,635)	-	-	(20,533)	-
Other postemployment benefits-deferred outflows	70,600	40,574	-	-	111,174	-
Other postemployment benefits-deferred inflows	28,400	6,967	-	-	35,367	-
Due to other funds	-	1,836	(88,522)	-	(86,686)	-
Unearned revenue	-	(93,286)	-	-	(93,286)	-
Customer meter deposits payable	-	1,768	-	-	1,768	-
Accrued compensated absences	-	44,072	-	-	44,072	-
Net cash provided by (used in) operating activities	\$ 32,789,028	\$ (1,517,430)	\$ (2,927,828)	\$ -	\$ 28,343,770	\$ 10
Non-cash Activities:						
Contributed capital assets	\$ 3,058,365	\$ 34,750	\$ -	\$ -	\$ 3,093,115	\$ -
Capital assets transferred to (from) other funds	-	-	-	-	-	-
Borrowings under leases	622,310	-	-	-	622,310	-
Premium amortization	287,192	-	-	-	287,192	-
Change in fair value of investments	570,936	-	-	-	570,936	-
Total non-cash Activities	\$ 4,538,803	\$ 34,750	\$ -	\$ -	\$ 4,573,553	\$ -

See accompanying notes to the financial statements.

Footnotes to the Basic Financial Statements:

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The financial statements of the City of Stillwater, Oklahoma (the "City") are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard setting body for governmental accounting and financial reporting. The more significant accounting policies of the City are described below.

B. Reporting Entity

The City is a municipal corporation operating under the authority of Oklahoma State Statute. The City operates under a city manager form of government. Four elected members of the city council and the mayor set policy. The city council employs the city manager. The basic financial statements of the funds of the City include those of separately administered organizations that are controlled by or dependent on the legislative or executive branches, the city council, and the city manager, respectively. In accordance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units," and as amended by GASB Statement No. 61, "The Financial Reporting Entity: Omnibus," the City has presented the entities which comprise the primary government along with its discretely presented component units in the basic financial statements. As required by accounting principles generally accepted in the United States of America, the basic financial statements present the reporting entity which consists of the primary government and organizations for which the primary government is financially accountable.

Based on the foregoing criteria, the accounts of the following organizations are included in the City's reporting entity as described below:

- 1. Blended Component Units:** Organizations are presented as blended component units when the governing body is substantially the same as the governing body of the City or provides services entirely to the City.

Stillwater Utilities Authority: The Stillwater Utilities Authority (the "SUA") was created by a trust indenture dated April 1, 1979, pursuant to Title 60, Oklahoma Statutes 1971, Section 176 to 180.4 and the Oklahoma Trust Act, and amended by an Amendment to Trust Indenture dated November 1, 1980, and further amended by a Second Amendment to Trust Indenture dated March 24, 2014, and Amended Trust Indenture Creating and Recreating the Stillwater Utilities Authority dated October 7, 2024. The city council is designated as trustee for the benefit of the City in respect to water, wastewater, and electric service. The SUA leases, operates, and maintains the electric, water, wastewater, and solid waste utility systems pursuant to a renewable lease agreement and an operation and maintenance contract with the City. The operation, maintenance, and debt of the SUA are funded from service charges and a one cent sales tax levied by the City and transferred to the SUA as the SUA has no taxing authority. The operations of the SUA are reported in the accompanying basic financial statements as an enterprise fund.

Stillwater Public Works Authority: The Stillwater Public Works Authority (the "SPWA") was created by a Declaration of Trust dated January 21, 1963, pursuant to Title 60, Oklahoma Statutes 1961 and the Oklahoma Trust Act, designating the city council as trustee to enter into contractual arrangements to provide services and physical facilities to departments of the City and, on behalf of the City, to other governments and residential and commercial residents within the corporate boundaries of the City. There are both formal and informal leasing arrangements between the SPWA and the City. The SPWA operations are reported in the accompanying basic financial statements as the internal service fund.

Stillwater Economic Development Authority: The Stillwater Economic Development Authority (the “SEDA”) was established by resolution of the city council on February 19, 1990 as the Stillwater Industrial Redevelopment Authority, pursuant to Title 60, Oklahoma Statutes 1981, Sections 176-180.4, inclusive as amended and supplemented (The “Public Trust Act”), Title 11, Oklahoma Statutes 1981, Sections 40-101 through 40-115, inclusive, as amended and supplemented (the “Central Business District Redevelopment Act”). The authority was renamed via an amendment to the trust on November 5, 2012, as the Stillwater Economic Development Authority. The SEDA is a public trust with the City as beneficiary and the city councilors designated as trustees. The main purpose is the improvement of the economic climate of the trust beneficiary. Methods of improving the economic climate may include, but are not limited to, assisting in acquisition of financial resources to improve availability of housing, redevelopment of blighted areas, and other economic activities. The operations of the SEDA are reported in the accompanying basic financial statements as a blended major enterprise fund.

Stillwater Block 34 Trust: The Stillwater Block 34 Trust (“Block 34”) was established by a trust indenture dated April 9, 2018, pursuant to Title 60, Oklahoma statutes 1961, Sections 176 to 180.4, and the Oklahoma Trust Act. Block 34 is a public trust with the City as beneficiary. The city councilors appoint all trustees which must be residents of Stillwater but cannot be an elected official or city employee. The trustees may be removed at will by the city council. Block 34 has as its main purpose to recommend a plan of action to the City Council for the development of Block 34 as a community space. Block 34 provides services entirely to the city and is reported in the accompanying basic financial statements as a blended nonmajor enterprise fund.

Stillwater Public Library Trust: The Stillwater Public Library Trust (the “Library Trust”) was created by a trust agreement dated February 20, 1984, pursuant to Title 60, Oklahoma Statutes Sections 151, 162, 163 and 175.1, et seq., and amended by Amended Trust Agreements dated November 18, 1996, June 15, 1998, and February 16, 2009. The Library Trust was established to serve as a vehicle for the reception and administration of contributions for the benefit of the Stillwater Public Library. The Stillwater Public Library’s operations are included in the City’s General Fund. The Library Trust is administered by a five-member board of trustees consisting of two members appointed by the city council, two members appointed by the Library Board and one member appointed by the Friends of the Library. The City is the beneficiary of the Library Trust. The operations of the Library Trust are reported in the accompanying basic financial statements as a blended nonmajor special revenue fund.

2. **Discretely Presented Component Unit:** Organizations are presented as discretely presented component units when the governing body (in majority) is appointed by the mayor or city council, but is not substantially the same as the city council nor is the organization established to provide services primarily to the primary government. Discretely presented component units are presented in a column on the government-wide statements labeled “Component Unit”.

Stillwater Medical Center Authority: The Stillwater Medical Center Authority (the “Hospital”) was created by a trust indenture dated December 14, 1971, pursuant to Title 60, Oklahoma Statutes 1961, Sections 176 to 180.4, and the Oklahoma Trust Act, to construct, maintain, and operate facilities for various types of health care delivery, for use by the State or any political subdivision or municipality of the State, and to lease properties from the City. The Hospital is administered by a seven-member board of trustees consisting of the mayor, or one other city councilor, and six other individuals appointed by the city council. Although the Hospital Board of Trustees hires hospital management, monitors the activities of the Hospital, and establishes the rates and charges of the Hospital, the City may remove the Hospital Trustees at will. The Hospital’s operating and capital expenditures, including debt service, are financed entirely by the Hospital’s operating income. All indebtedness of the Hospital is the obligation of the Hospital Trustees, payable solely from the Hospital’s assets. However, approval from the City is required for debt issues in excess of 5% of the then outstanding Hospital debt. The City leases land to the Hospital and is the beneficiary of the trust estate but has no responsibility to fund deficits or subsidize operations. In addition, the Hospital is responsible for maintaining their accounting

records, preparation of their financial statements, and obtaining an audit of their financial statements. The Hospital has a December 31 year-end. To obtain separate financial statements for the Hospital, contact the Chief Financial Officer, Stillwater Medical Center, 1323 West Sixth Street, Stillwater, Oklahoma 74074.

C. Basis of Presentation

1. **Government-wide Financial Statements:** The statement of net position and statement of activities display information about the City as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.
2. **Fund Financial Statements:** The reporting entity is organized into funds, each of which is considered a separate accounting entity. Separate financial statements are provided for the two fund categories which are governmental and proprietary. For the governmental and proprietary fund categories, an emphasis is placed on major funds. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:
 - Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10% of the corresponding fund category total, and
 - Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental funds and enterprise funds combined.

The funds of the City are described below:

- a. **General Fund:** The general fund is the primary operating fund of the City government and will always be classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue Fund:** Special revenue funds are used to account for the proceeds of specific revenue sources, other than capital projects, that are legally restricted to expenditures for specified purposes or otherwise segregated for accounting purposes. The Community Development Block Grant Fund, the Tax Increment District #3 Fund, the Tax Increment District #5 Fund, and the Stillwater Public Library Trust Fund are the only special revenue funds active during the fiscal year ending June 30, 2025.
- c. **Debt Service Fund:** The debt service fund is used to account for the accumulation of ad-valorem taxes levied by the City for the payment of long-term debt principal, interest, and related costs.
- d. **Capital Projects Fund:** A capital projects fund is used to account for the resources restricted for the acquisition or construction of specific capital projects or items. The Transportation Sales Tax Fund, the City Capital Fund, and the G.O. Bond Fund are the only capital project funds active during the fiscal year ending June 30, 2025.
- e. **Permanent Fund:** A permanent fund is used to account for resources restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs. The Mabel King Trust is the City's only permanent fund active during the fiscal year ending June 30, 2025.
- f. **Enterprise Fund:** An enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services on a continuing basis be financed or recovered primarily through user charges or where the governing body has decided that periodic determination of revenues earned, expenses

incurred, and/or net income is appropriate for capital maintenance, management control, accountability, or other purpose. The reporting entity includes the following enterprise funds:

- Stillwater Utilities Authority
- Airport
- Stillwater Economic Development Authority
- Stillwater Block 34 Trust

g. Internal Service Fund: The internal service fund is the SPWA and accounts for acquisition and financing of physical facilities. Debt service requirements are provided from charges billed to the benefited fund.

Governmental Funds	Description
Major:	
General Fund	Accounts for all financial resources except those required to be accounted for in another fund.
Transportation Improvement Fund	Accounts for the expenditures for street and other transportation projects as approved by the voters in 2001, 2006, 2015, and 2022. Financing is provided by the one cent sales tax also approved by the voters.
City Capital Fund	Accounts for funds assigned for the purchase of capital assets.
Non-Major:	
Community Development Block Grant Fund	Accounts for funds used for improvements in the community. Funding is provided by the Community Development Block Grant Small Cities Set Aside program and local matching funds.
Tax Increment District #3	Accounts for funds used for improvements in the downtown/campus link project area as defined in Ordinance No. 3407 and amended by Ordinance Nos. 3494 and 3521. Funding is provided by incremental ad-valorem and sales tax revenue.
Tax Increment District #5	Accounts for funds used for improvements in the additional 2022 Amended Project Plan area as defined in Ordinance No. 3494 and amended by Ordinance No. 3521. Funding is provided by incremental ad-valorem tax revenue.
Stillwater Public Library Trust	Accounts for funds used for the benefit of the Stillwater Public Library. Funding is provided by contributions.
G.O. Bond Fund	Accounts for bond proceeds from the 2022 G.O. Bonds issued for the construction of a new fire station and the 2025 G.O. Bonds issued for the construction of a new animal welfare facility .
Sinking Fund	Accounts for the accumulation of ad-valorem taxes levied by the City for the payment of general long-term debt principal, interest, and related costs.

Enterprise Funds	Description
Major:	
Stillwater Utilities Authority	Accounts for the operation of the electric, water, wastewater, and solid waste systems.
Airport	Accounts for the operation of the Stillwater Regional Airport including capital additions and improvements financed through federal and state grants and City contributions.
Stillwater Economic Development Authority	Accounts for expenditures for economic development. Financing provided from federal grants, federal loans, City contributions and citizen participation.
Non-Major:	
Stillwater Block 34 Trust	Accounts for expenditures for development of Block 34. Funding provided by donations and grants.
Internal Service Funds	
Stillwater Public Works Authority	Accounts for the acquisition and financing of physical facilities. Debt service requirements are provided from charges billed to the benefited fund.

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe how transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The government-wide statement of net position and statement of activities are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The governmental funds financial statements are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means revenues are collectible within the current period or within 60 days of the end of the fiscal year. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest and accrued compensated absences which are recorded when due.

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity

- 1. Cash and Cash Equivalents:** Cash in bank, cash on hand, and short-term investments with original maturities of ninety days or less are reported as cash and cash equivalents. The resources of the individual funds are general in purpose and combined to form a pool of investments which is managed by the Director of Finance. These pooled assets are stated at amortized cost if the investment had a maturity of one year or less at the time of purchase. All investments held are authorized under Oklahoma State Statutes. Permissible investments include direct obligations of the U. S. government and agency securities, certificates of deposit, and savings accounts or savings certificates of savings and loan associations. Each fund's equity in the pooled investments account is reported in the basic financial statements as cash and cash equivalents.

Earnings on investments are allocated to the individual funds by a formula based on each fund's month-end equity in the pooled investments account (See Note II).

2. **Assets Internally Designated:** Assets internally designated consist of cash and cash equivalents set aside by the SUA Board of Trustees for the following purposes:
- Operation, maintenance, and upgrade of the water system
 - Operation, maintenance, and upgrade of the wastewater system
 - Operation, maintenance, and upgrade of the solid waste collection service
 - Offset future potential operating cost increases and/or future substantial capital expenditure requirements

At the Board's discretion the assets may be used for other purposes. As of June 30, 2025, cash and cash equivalents in the amount of \$123,615,634 have been internally designated by the SUA trustees for this purpose.

3. **Investments:** Money market investments with an original maturity of one year or less are recorded at amortized cost. Long-term investments are recorded at fair value.
4. **Accounts Receivable/Due from Other Governments:** In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable of \$249,579 in the governmental activities are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include sales and use taxes, grants, opioid settlement, and court fines.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues, since they are both measurable and available. Non-exchange revenues collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Proprietary fund receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable of \$1,603,086 in the proprietary funds are based upon historical trends and the periodic aging of accounts receivable.

Receivables of the Hospital consist of patient accounts receivable for services rendered. The Hospital provides an allowance of \$27,283,742 for bad debts and \$153,863,810 for contractual adjustments resulting in total uncollectible accounts receivable of \$181,147,552. This allowance is based on historical trends and the existing economic conditions.

5. **Restricted Assets:** Proceeds from debt and related sinking fund accounts and contributions from governmental grantors to the Enterprise Funds are classified as restricted assets, since their use is restricted by applicable bond indentures and grant agreements. Customer utilities deposits held by the City are classified as restricted assets.
6. **Inventories:** Inventories consist primarily of materials and supplies and are stated at weighted average cost. The consumption method of accounting is used by the governmental funds; therefore, inventory purchases are recorded in these funds as expenditures as they are used. Inventories are adjusted to annual physical counts. Supplies inventory of the Hospital is stated at the historical cost on the First-In, First-Out (FIFO) method.
7. **Prepaid items** - Prepaid items are recorded using the "consumption method," meaning they are recorded as an asset and the expenditure is recognized when the prepaid item is used or consumed. At fiscal year-end, prepaid items are shown as a component of nonspendable fund balance, indicating they do not constitute available expendable resources.

- 8. Bond Premiums/Discounts:** Debt discount and premium are amortized using the straight-line method, which approximates the effective interest method, over the life of the applicable debt. Amortized debt discount and premium are reported as a component of interest expense.
- 9. Capital Assets:** The accounting treatment for property, plant, and equipment depends on whether the assets are used in governmental fund operations and similar discretely presented component unit operations or proprietary fund operations and similar discretely presented component unit operations and whether they are reported in the government-wide or fund financial statements.
- a. Government-wide Financial Statements: In the government-wide financial statements, property, plant, and equipment are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets, donated works of art and similar assets, and capital assets received in a service concession arrangement. These three groups of assets are reported at acquisition value rather than fair value. The threshold for capitalization of assets is \$5,000. All land acquired by the city is capitalized.
- Prior to July 1, 2002, governmental activities' infrastructure assets were not capitalized. These assets (dating back to July 1, 1980) have been valued at estimated historical cost.
- Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. Lease assets are amortized over the life of the associated contract or the useful life of the asset, whichever is less.
- b. Fund Financial Statements: In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

The City acquired water storage space in 1981 for \$1,530,403 which is reported in the SUA fund and business-type activities column in the government-wide financial statements as a capital asset. The water storage space acquired is considered to have an indefinite life. As a result, no amortization will be taken on the space rights.

The range of estimated useful lives by type of asset is as follows:

Class of Asset	Estimated Useful Life
Buildings	5 to 70 years
Other improvements	3 to 50 years
Equipment and vehicles	1 to 50 years
Infrastructure	20 to 50 years

- 10. Long-term Debt:** Accounting treatment of long-term debt varies depending upon the source of repayment and whether the debt is reported in the government-wide or fund financial statements.
- a. Government-wide Financial Statements: All long-term debt to be repaid from governmental and similar discretely presented component unit resources and business-type and similar discretely presented component unit resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of accrued compensated absences, general obligation bonds payable, leases payable, subscription-based IT obligations, notes payable, other post-employment benefits, pension liabilities, and revenue bonds payable.
- b. Fund Financial Statements: Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. Payment of principal and interest is reported as expenditures.

The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

11. Compensated Absences: The liability for compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absences to the extent they have matured. The proprietary funds report the liability as it is incurred. As of year-end, there is no liability reported in the governmental fund financial statements. Compensated absences are paid as they are incurred by the applicable fund charged with the employee's compensation.

- a. Sick Leave: Employees may accrue a maximum of 1,000 hours of sick leave plus hours over 1,000 accrue in the catastrophic leave bank. Catastrophic leave hours are available for use only after all other sick and annual leave has been exhausted. An employee with five or more years of service who retires or resigns shall receive a bonus credit of 10% of the accumulated unused sick leave. Employees with ten to thirty-five years of service receive a bonus credit ranging from 12.5% to 35%. Hours in an employee's catastrophic leave bank are not eligible for payout. In accordance with GASB Statement No. 101, the estimated sick leave that is more likely than not to be used as paid time off is included in the calculation of the liability. The liability is based on the employees' rate of pay at the financial statement date and includes salary-related benefits where applicable.
- b. Vacation Leave: Employees are credited with vacation at various rates depending on length of employment. Non-uniformed employees may accumulate and carry over to subsequent years up to 200.16 hours of vacation. Police officers can carry over to subsequent years up to 275 hours of vacation. Firefighters can carry over to subsequent years up to 381.96 hours of vacation. Upon termination, employees are paid for unused vacation.

12. Deferred Outflows/Inflows of Resources: Accounting treatment of deferred outflows and inflows varies depending on whether it is reported in the government-wide or fund financial statements.

- a. Government-wide Financial Statements: Deferred outflows of resources represent a consumption of net assets that applies to a future period, so will not be recognized as an expense until that future period. Deferred inflows of resources are resources that are not available in the current period to pay liabilities of the current period and represent an acquisition of net assets that applies to future periods. In the government-wide statements, the City has deferred outflows and inflows related to pensions (see Note IV) and other postemployment benefits (see Note V), and leases. Lease-related amounts are recognized at the inception of leases in which the City is the lessor and are recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. The Hospital has deferred outflows of resources related to business acquisitions (see Note IX) and deferred inflows of resources related to disproportionate share of hospital revenue.
- b. Fund Financial Statements: Deferred inflows of resources arise in governmental funds using the modified accrual basis of accounting to indicate that, although an enforceable legal claim to resources exists, those resources are not available within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City's General Fund has deferred inflows related to grant proceeds, opioid settlement proceeds, and municipal court fines receivable at the end of the fiscal year that were not available to pay the liabilities of the current fiscal year. The TIF Fund has deferred inflows related to ad valorem tax receivable at the end of the fiscal year that were not available to pay the liabilities of the current fiscal year.

The General Fund also has deferred inflows related to lease receivables. Deferred inflows will be recognized as revenue in the next fiscal year when they are available or recognizable. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

13. Pensions: Information related to the City's net pension liability, deferred outflows of resources, and deferred inflows of resources has been determined on the same basis that is used for the underlying plans. Therefore, expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investments are stated at fair value based on published market prices.

14. Leases and subscription-based information technology arrangements (SBITA): The City is a party as lessor and lessee for various noncancellable long-term leases of land and equipment. The corresponding lease receivable or lease obligation payable, are recorded in an amount equal to the present value of the expected future minimum lease payments received or paid, respectively, discounted by an applicable interest rate. SBITAs are recognized as an obligation payable in an amount equal to the present value of the expected future minimum SBITA payments, discounted by an applicable interest rate.

15. Equity Classifications

a. Government-wide Financial Statements: Equity is classified as net position and is displayed in three components:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of bonds, notes, leases, or other borrowings or payables that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted – This component of net position consists of constraints placed on net position use by external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through ordinance or other enabling legislation. For the year ended June 30, 2025, the statement of net position reports restricted net position in the amount of \$38,517,648, of which \$1,023,954 is restricted by enabling legislation.
- Unrestricted – This component of net position consists of net positions that do not meet the definition of “net investment in capital assets” or “restricted”.

When both restricted and unrestricted net positions are available for use, it is the City's policy to use restricted resources first.

b. Fund Financial Statements: Governmental funds report fund balance classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2025, fund balances for governmental funds are made up of the following:

- Nonspendable fund balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to remain intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, long-term notes receivable, and permanent fund principal.
- Restricted fund balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. These restrictions arise from bond indentures, City Charter, and votes of the citizens of Stillwater. Restrictions may effectively be changed or lifted only with the

consent of the applicable resource providers.

- Committed fund balance – includes amounts that can only be used for specific purposes determined by a formal action (resolution) of the City’s highest level of decision-making authority, the city council. Commitments may be changed or lifted only by the City taking the same formal action (resolution) that imposed the constraint originally.
- Assigned fund balance – comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City’s Council or (2) a body or official to whom the City’s Council has delegated the authority to assign amounts to be used for specific purposes. Such delegation is made to the city manager, CFO, or applicable department manager at a city council meeting and is recorded in the meeting minutes.
- Unassigned fund balance – the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are available for any purpose. The General Fund is the only fund that could report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Additionally, although the city council has not adopted a formal fund balance policy, the City considers committed, then assigned, then unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

F. Revenues, Expenditures, and Expenses

1. **Sales Tax:** The City levies a four-cent sales tax on taxable sales within the City. The sales tax is collected by the Oklahoma Tax Commission and remitted to the City in the month following receipt by the Tax Commission. The Tax Commission receives the sales tax approximately one month after collection by vendors. The entire sales tax is recorded as revenue within the General Fund. Upon receipt, the General Fund distributes the dedicated portion of the sales tax as follows:

- Two cents retained by the General Fund for operations.
- One cent transferred to the SUA as required by revenue bond indentures. The proceeds are used in accordance with the trust indenture and current bond indentures.
- One cent retained in the Transportation Sales Tax Fund to be used for transportation improvement projects as approved by the voters in 2001, 2006, 2015, and 2022. This tax expires on June 30, 2032.

2. **Property Tax:** Under State law, municipalities are limited in their ability to levy a property tax. Such tax may only be levied to repay principal and interest on general obligation bonds and court-assessed judgments. Property taxes attach an enforceable lien on property as of January 1. Taxes are levied annually on November 1 and are due one-half by December 31 and one-half by March 31. The Tax Assessor’s office bills and collects the property taxes and remits to the City its portion. Property taxes not paid prior to April are considered delinquent.

Property tax levied during the fiscal year ended June 30, 2025 is being held to fund the annual debt service on the 2022 and 2025 general obligation bonds.

3. **Program Revenues:** In the Statement of Activities, revenues that are derived directly from each activity or from parties outside the City’s taxpayers are reported as program revenues. The City has the following program revenues in each activity:

Activity	Program Revenue
Public safety	Fire and police fines assessed for training, rural fire run fees, operating grants from the U.S. Department of Homeland Security, the U.S. Department of Justice, and the U.S. Department of Transportation, capital grants from the U.S. Department of Justice, and the State of Oklahoma for onbehalf payments made for police and fire pension plans, and
Recreation and culture	Park and recreation fees, operating grants from the Institute of Museum and Library Services, and donations
General government	Capital grants from the U.S. Department of Housing & Urban Development, the U.S. Department of Treasury and U.S Department of Homeland Security, fiber network fees, property rentals, reimbursements of commercial air service revenue guarantees, and capital contributions
Financial administration	Business licenses and municipal court fines
Streets and highways	Gasoline tax, auto tag tax, stormwater fees, transportation fees, and capital contributions
Health and welfare	Trade licenses and permits

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

4. Operating Revenues and Expenses: Operating revenues and expenses for proprietary funds and similar discretely presented component units are those that result from providing services and producing and delivering goods and/or services. It also includes all revenues and expenses not related to capital and related financing, noncapital financing, or investing activities.

5. Expenditures/Expenses

- a. Government-wide Financial Statements: In the government-wide financial statements, expenses are reported on the accrual basis and are classified by function for both governmental and business-type activities.
- b. Fund Financial Statements: In the fund financial statements, governmental funds report expenditures of financial resources which are classified as follows:
 - Current (further classified by function)
 - Debt service
 - Capital outlay

Proprietary funds report expenses relating to the use of economic resources.

G. Internal and Interfund Balances and Activities

1. Government-wide Financial Statements: In the process of aggregating the financial information for the government-wide statement of net position and statement of activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified. Interfund services provided and used are not eliminated in the process of consolidation. The eliminations or reclassifications, if any, in the government-wide statements are as follows:

- Internal balances – amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
- Internal activities – amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers.

2. Fund Financial Statements: Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

- Interfund loans – amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- Interfund services – sales or purchases of goods and services between funds are reported as revenue and expenditures/expenses
- Interfund reimbursements – repayments from funds responsible for certain expenditures or expenses to the funds that initially paid for them are not reported as reimbursements. Rather, the reimbursements are reported as adjustments to expenditures/expenses in the respective funds.
- Interfund transfers – flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. New Accounting Standards

The City implemented GASB Statement 101, *Compensated Absences*. This Statement updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. As a result of implementing this standard, the City recognized a restatement that decreased beginning net position as explained in Note XII.

The City also implemented GASB Statement 102, *Certain Risk Disclosures*. This Statement provides users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. There was no effect on the financial statements from the implementation of this standard.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component unit are subject to various federal, state and local laws and contractual regulations. An analysis of the City’s compliance with significant laws and regulations and demonstration of its stewardship over City resources is detailed below.

A. Fund Accounting Requirements

The City complies, in all material respects, with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

Fund	Required By
Debt Service Fund	State Law
Stillwater Utilities Authority	Trust Indenture
Stillwater Economic Development Authority	Trust Indenture
Stillwater Public Works Authority	Trust Indenture
Stillwater Block 34 Trust	Trust Indenture
Stillwater Public Library Trust	Trust Agreement

B. Deposit and Investment Laws and Regulations

The City maintains a cash pool that is available for use by most funds, as discussed in Note I. In addition, cash and investments are separately held by several of the City’s funds.

It is the City’s policy to use state statutes (as they relate to municipal deposits and investments) as the City’s deposit and investment guide. Therefore, the City collateralizes 100% of all deposit amounts, including interest, not covered by federal deposit insurance. Obligations that may be pledged as collateral include U.S. government issues, U.S. government insured securities, State of Oklahoma bonds, and bonds of any Oklahoma county or school district. The City prefers and requests U.S. governmental securities as collateral.

Public trusts created under O.S. Title 60, are not subject to the statutory investment limitations and are primarily governed by any restrictions in their trust or bond indentures. For the year ended June 30, 2025, the City and its public trusts complied, in all material respects, with these investment restrictions.

C. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note I
Gasoline excise and commercial vehicle tax	Street and alley purposes
E911 revenue	E911 emergency service purposes
Ad valorem tax	Debt service on bonds and judgements
Grants revenue	Per individual grant agreements
Visitor tax	Tourism development and visitor amenities
Stormwater fee	Stormwater management purposes
Police training fee	Training of police department employees
Water tie-on charge	Financing future construction of extensions and improvements to the water distribution system

For the year ended June 30, 2025, the City complied, in all material respects, with these revenue restrictions.

D. Debt Restrictions and Covenants

- 1. Long-term Debt:** As required by the Oklahoma State Constitution, the City (excluding public trusts) may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue, without obtaining voter approval. For the year ended June 30, 2025, no such debt was incurred by the City.
- 2. Revenue Bond Debt:** The bond indenture relating to the revenue bond issue of the SUA contains a number of financial related restrictions or covenants. These include covenants such as a required flow of funds through special accounts, required reserve account balances, and revenue bond debt service coverage requirements. The following schedule presents a brief summary of the most significant requirements and the SUA’s level of compliance thereon as of June 30, 2025.

Requirement	Level of Compliance
Flow of funds through sales tax account and other bond accounts	All required accounts have been established and are used per bond indenture requirements.
Reserve account	The bonds are secured by a Bond Fund Reserve Account held by the SUA's trustee bank.
Revenue Bond and Oklahoma Water Resources Board Notes	For the year ended June 30, 2025, available sales tax and revenues, as defined by the bond indenture, was \$114,740,911; the bond coverage requirement is operating and maintenance excluding depreciation of \$67,311,918 plus 125% of primary principal and interest plus 100% of subordinate principal and interest or \$8,696,099. Excess coverage was \$38,732,894 more than 4 times the required principal

E. Fund Equity/Net Position Restrictions

Title 11, Section 17-211 of the Oklahoma Statutes prohibits the creation of a deficit fund balance in any individual fund. For the year ended June 30, 2025, the City did not incur any fund balance deficits.

III. DETAILED NOTES-TRANSACTION CLASSES/ACCOUNTS

The following notes present detailed information to support the amounts reported in the basic financial statements for various assets, deferred outflows, liabilities, deferred inflows, equities, revenues, and expenditures/expenses.

A. Deposits and Investments

- 1. Deposits:** Custodial credit risk is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. The deposit policy of the City and the Hospital for custodial credit risk requires compliance with the provisions of state law. State law requires collateralization of all deposits with federal depository insurance, U.S. government issues, U.S. government insured securities, State of Oklahoma bonds, or bonds of any county or school district of the State of Oklahoma.

At June 30, 2025 the City’s bank balance of \$189,406,626 was not exposed to custodial credit risk. At December 31, 2024, \$362,569 of the Hospital’s bank balance of \$21,139,294 was uninsured and uncollateralized.

- 2. Investments:** The City may legally invest in direct obligations of the U.S. government and agency securities, certificates of deposit and savings accounts, or savings certificates of savings and loan associations. The Hospital may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in bank repurchase agreements. It may also invest, to a limited extent, in corporate bonds and equity securities.

- **Interest Rate Risk** – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City’s investment policy does not address interest rate risk. The Hospital’s investment policy limits its fixed income investment portfolio to an average overall portfolio duration no greater than 7.5 years.
- **Credit Risk** – Investment credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The City’s investment policy does not address credit risk. The Hospital’s policy is to limit its domestic fixed income investments to a credit rating of no less than investment grade and an overall weighted-average rating of A by Standard and Poor’s, Moody’s or Fitch.

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- Concentration of Credit Risk - The City places no limit on the amount that may be invested in any one issuer. The Hospital's investment policy limits equity investments in any one issuer, other than the U.S. government or its agencies, to 10% of the market value of the fixed income portfolio and to 5% of the market value of the equity portfolio. At December 31, 2024, no investments in any one issuer exceeded 5% of the total value of all Hospital investments.
- Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial risk. However, the City's investments are in the City's name, thus the City had no custodial risk at June 30, 2025. The Hospital's investment policy does not address how these securities are to be held.
- Fair Value Measurement - Fair value measurements are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets that the government can access at the measurement date; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. For the year ended June 30, 2025, the City had only Level 1 and Level 2 investments and at December 31, 2024, the Hospital had only Level 1 investments, which are summarized in the table below. Investments classified as Level 1 inputs are valued using quoted prices in active markets for identical securities, and investments classified as Level 2 inputs are valued using benchmark curves, benchmarking of like securities, sector groupings and matrix pricing. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

For the year ended June 30, 2025, The City and Hospital had only Level 1 and Level 2 investments which are summarized below:

Type	Fair Value	Fair Value Measurement Basis		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Primary Government:				
Certificates of deposit	\$ 31,084,406	\$ -	\$ 31,084,406	\$ -
Money market mutual funds	5,793,755	5,793,755	-	-
U.S. agency obligations	22,179,023	-	22,179,023	-
Mutual funds	796,594	796,594	-	-
Hospital:				
Certificates of deposit	\$ 840,000	\$ 840,000	\$ -	\$ -
U.S. Treasury obligations	2,251,630	2,251,630	-	-
Money market mutual funds	15,541,149	15,541,149	-	-
Common Stock - Domestic	5,398,934	5,398,934	-	-
Mutual funds - fixed income	48,867,172	48,867,172	-	-
Mutual funds - domestic equities	26,860,129	26,860,129	-	-
Mutual funds - international equities	15,286,267	15,286,267	-	-

The City had the following deposits and investments at June 30, 2025:

Type	Credit Rating	Amount	Maturities in Years		
			Less than 1	1-5	6-10
Primary Government:					
Certificates of deposit	(1)	\$ 31,084,406	\$ 28,811,703	\$ 2,272,703	\$ -
Money market mutual funds	AAAm (2)	5,703,712	5,703,712	-	-
Money market mutual funds	(1)	90,043	90,043	-	-
U.S. agency obligations	AA+ (2)	22,179,023	1,840,755	20,338,268	-
		59,057,184	\$ 36,446,213	\$ 22,610,971	\$ -
Mutual funds		796,594			
Demand deposits		158,205,069			
		<u>\$ 218,058,847</u>			

(1) not rated
(2) Standard and Poor's

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The Hospital had the following deposits and investments at December 31, 2024:

Type	Credit Rating	Amount	Maturities in Years			
			Less than 1	1-5	6-10	More than 10
Certificates of Deposit	(1)	\$ 840,000	\$ 840,000	\$ -	\$ -	\$ -
U.S. Treasury obligations	(3)	2,251,630	103,615	671,976	1,476,039	-
Money market mutual funds	AAAm (2)	15,541,149	15,541,149	-	-	-
Common stock - domestic	(1)	5,398,934	5,398,934	-	-	-
Mutual funds-fixed income	(1)	48,867,172	857,819	4,471,898	43,061,767	475,688
Mutual funds-domestic equities	(1)	26,860,129	26,860,129	-	-	-
Mutual funds-international equities	(1)	15,286,267	15,286,267	-	-	-
		\$ 115,045,281	\$ 64,887,913	\$ 5,143,874	\$ 44,537,806	\$ 475,688
Demand deposits		24,536,314				
		<u>\$ 139,581,595</u>				

(1) not rated

(2) Standard and Poor's

(3) backed by U.S. Government

A summary of the carrying values of the City's and Hospital's deposits and investments as well as a reconciliation to the presentation in the Government-wide Statement of Net Position as of June 30, 2025, is below:

	Primary Government	Stillwater Medical Center Authority Component Unit	Total
Carrying Values:			
Deposits	\$ 160,207,104	\$ 24,536,314	\$ 184,743,418
Investments	57,851,743	115,045,281	172,897,024
Total	<u>\$ 218,058,847</u>	<u>\$ 139,581,595</u>	<u>\$ 357,640,442</u>

Reconciliation to the Government-Wide Statement of Net Position:

Cash and cash equivalents:

Unrestricted	\$ 154,129,267	\$ 24,536,314	\$ 178,665,581
Restricted	9,779,514	-	9,779,514
Investments:			
Unrestricted	54,150,066	114,705,281	168,855,347
Restricted	-	340,000	340,000
Total	<u>\$ 218,058,847</u>	<u>\$ 139,581,595</u>	<u>\$ 357,640,442</u>

B. Accounts Receivable

The accounts receivable of the governmental activities consists of sales and use taxes, franchise and other taxes, ad valorem taxes, lodging taxes, stormwater fees and grant revenues. Sales taxes are \$6,679,372, use taxes are \$825,430, park donations are \$811,869, lodging taxes are \$454,619, property taxes \$1,357,325, other self-insurance receivable \$559,455, grant revenues \$227,814, and opioid settlement revenues are \$1,914,762. Other receivable types represent 6% or less of the receivable totals. The accounts receivable for the business-type activities are amounts due from utility customers. All receivables are expected to be collected within one year.

C. Accounts Payable

Accounts payable balances are payables to vendors. Accrued liabilities are salaries, wages payable, and risk management claims (see Note VI).

D. Restricted Assets

Certain assets of the SUA are restricted in their use by bond and note indentures. Cash and cash equivalents, classified as current, in the amount of \$5,703,712 at June 30, 2025 have been restricted in use to the service of debt.

Certain cash and cash equivalents of the SUA are restricted by agreement for the purpose of acquiring necessary easements related to water line upgrades for an area of service purchased from a rural water district. As of June 30, 2025, cash and cash equivalents, classified as non-current, in the amount of \$54,756 were restricted for this purpose.

Cash and cash equivalents received from customers as a water tie-on charge for new connections to the water distribution system are restricted by an ordinance of the City for the purpose of financing future construction of extensions and improvements to the water distribution system of the City. Cash and cash equivalents, classified as non-current, in the amount of \$1,023,954 at June 30, 2025 were restricted for this purpose.

Cash and cash equivalents received from utility customers for payment of the Western Payne County Ambulance Trust Authority (WPCATA) Subscription Fee are restricted in their use. Per agreement, the Authority remits to the WPCATA on a monthly basis all money collected from said charge. As of June 30, 2025, cash and cash equivalents, classified as current, in the amount of \$91,638 were restricted for this purpose.

Customer deposits received for water or electric service are restricted in their use toward the customer's final bill. As of June 30, 2025, cash and cash equivalents in the amount of \$2,905,454, of which \$2,019,614 is classified as current and \$885,840 is classified as non-current, have been restricted for customer deposits.

A certificate of deposit of the Stillwater Economic Development Authority for \$7,256,877 has been restricted as collateral for the \$7,000,000 note payable to Great Plains Bank.

E. Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

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	Balance at June				Balance at June
	30, 2024	Additions	Deletions	Transfers	30, 2025
PRIMARY GOVERNMENT:					
<u>Governmental Activities</u>					
Capital assets not being depreciated:					
Land	\$ 17,560,041	\$ 260,215	\$ -	\$ -	\$ 17,820,256
Construction work in progress	18,872,048	20,790,395	-	(7,292,736)	32,369,707
Total capital assets not being depreciated	36,432,089	21,050,610	-	(7,292,736)	50,189,963
Other capital assets:					
Buildings	24,728,143	-	-	540,827	25,268,970
Improvements other than buildings	14,649,427	156,973	-	-	14,806,400
Machinery and equipment	33,381,645	1,889,720	(302,300)	6,397,875	41,366,940
Infrastructure	178,782,191	60,818	-	354,034	179,197,043
Total other capital assets at historical cost	251,541,406	2,107,511	(302,300)	7,292,736	260,639,353
Less accumulated depreciation for:					
Buildings	14,284,296	425,671	-	-	14,709,967
Improvements other than buildings	11,721,266	288,477	-	9,832	12,019,575
Machinery and equipment	24,388,324	1,475,801	(290,752)	-	25,573,373
Infrastructure	137,959,111	2,748,008	-	(9,832)	140,697,287
Total accumulated depreciation	188,352,997	4,937,957	(290,752)	-	193,000,202
Lease assets - Equipment	94,053	404,465	(8,813)	-	489,705
Less accumulated amortization - Equipment	33,145	46,534	(8,813)	-	70,866
Total lease assets being amortized, net	60,908	357,931	-	-	418,839
Subscription-based IT assets (SBITA)	1,047,945	77,959	(296,194)	-	829,710
Less accumulated amortization - SBITA	595,851	246,062	(296,194)	-	545,719
Total SBITA assets being amortized, net	452,094	(168,103)	-	-	283,991
Other capital assets, net	63,701,411	(2,640,618)	(11,548)	7,292,736	68,341,981
Total capital assets, net	\$ 100,133,500	\$ 18,409,992	\$ (11,548)	\$ -	\$ 118,531,944
<u>Business-type Activities</u>					
Capital assets not being depreciated:					
Land	\$ 2,503,519	\$ -	\$ -	\$ -	\$ 2,503,519
Intangible assets	1,530,403	-	-	-	1,530,403
Construction work in progress	31,995,110	36,682,909	-	(582,717)	68,095,302
Total capital assets not being depreciated	36,029,032	36,682,909	-	(582,717)	72,129,224
Other capital assets:					
Buildings	94,649,383	-	-	34,750	94,684,133
Improvements other than buildings	55,959,402	-	-	-	55,959,402
Machinery and equipment	88,944,491	2,368,050	(315,668)	-	90,996,873
Intangible assets	74,054	-	(74,054)	-	-
Infrastructure	231,996,539	1,970,309	(96,386)	547,967	234,418,429
Total other capital assets at historical cost	471,623,869	4,338,359	(486,108)	582,717	476,058,837
Less accumulated depreciation for:					
Buildings	64,607,878	2,115,203	-	-	66,723,081
Improvements other than buildings	27,578,043	1,255,203	-	-	28,833,246
Machinery and equipment	36,402,090	3,740,937	(315,668)	-	39,827,359
Infrastructure	122,197,835	7,043,850	(96,386)	-	129,145,299
Amortization for intangible assets	74,054	-	(74,054)	-	-
Total accumulated depreciation	250,859,900	14,155,193	(486,108)	-	264,528,985
Lease assets:					
Land	15,749	-	-	-	15,749
Equipment	31,425	622,311	-	-	653,736
Total lease assets being amortized	47,174	622,311	-	-	669,485
Less accumulated amortization:					
Land	2,625	5,249	-	-	7,874
Equipment	15,652	21,742	-	-	37,394
Total accumulated amortization	18,277	26,991	-	-	45,268
Total lease assets being amortized, net	28,897	595,320	-	-	624,217
Subscription-based IT assets (SBITA)	24,769	-	(990)	-	23,779
Less accumulated amortization - SBITA	15,381	8,110	(990)	-	22,501
Total SBITA amortized, net	9,388	(8,110)	-	-	1,278
Other capital assets, net	220,802,254	(9,229,624)	-	582,717	212,155,347
Total capital assets, net	\$ 256,831,286	\$ 27,453,285	\$ -	\$ -	\$ 284,284,571

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COMPONENT UNITS:	Balance at		Reclass/		Balance at	
	December 31, 2023	Additions	Deletions	Transfers	December 31, 2024	
<u>Stillwater Medical Center Authority</u>						
Capital assets not being depreciated:						
Land	\$ 5,240,692	\$ 1,492,240	\$ -	\$ -	\$ 6,732,932	
Construction work in progress	68,454,443	7,465,041	(37,237,775)	-	38,681,709	
Total capital assets not being depreciated	73,695,135	8,957,281	(37,237,775)	-	45,414,641	
Other capital assets:						
Land improvements	4,073,111	-	-	-	4,073,111	
Buildings and improvements	99,842,616	9,867,469	-	-	109,710,085	
Equipment	150,114,514	5,156,712	33,687,620	-	188,958,846	
Lease assets	13,239,153	-	-	-	13,239,153	
Total other capital assets at historical cost	267,269,394	15,024,181	33,687,620	-	315,981,195	
Less accumulated depreciation and amortization for:						
Land improvements	2,092,266	72,143	-	-	2,164,409	
Buildings and improvements	22,329,126	4,532,636	(7,066)	-	26,854,696	
Equipment	92,613,447	10,306,660	(3,249,725)	-	99,670,382	
Lease assets	8,832,941	1,128,094	-	-	9,961,035	
Total accumulated depreciation and amortization	125,867,780	16,039,533	(3,256,791)	-	138,650,522	
Other capital assets, net	141,401,614	(1,015,352)	36,944,411	-	177,330,673	
Total capital assets, net	\$ 215,096,749	\$ 7,941,929	\$ (293,364)	\$ -	\$ 222,745,314	

Depreciation and amortization expense was charged to functions in the statement of activities as follows:

Primary Government:

Governmental Activities

Public safety	\$ 877,915
Recreation and culture	384,038
General government	1,164,006
Financial administration	27,506
Streets and highways	2,777,088
Total depreciation expense for governmental activities	<u>\$ 5,230,553</u>

Business-type Activities

Stillwater Utilities Authority	\$ 12,692,203
Airport (includes amortization of intangible assets)	1,496,124
Stillwater Economic Development Authority	1,968
Total depreciation expense for business-type activities	<u>\$ 14,190,295</u>

Component Units:

Stillwater Medical Center Authority	<u>\$ 16,039,533</u>
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F. Interfund Receivables and Payables

Interfund balances result from the normal operations of the various funds of the primary government. Other funds routinely make payments to the General Fund to cover payroll, vendor payments, health insurance costs, workers compensation costs, and other operating costs. Generally, these charges are paid within a month of their incurrence. Interfund receivables and payables for the year ended June 30, 2025, are as follows:

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	Due To		Due From		
	General		Other Governmental Funds	SUA	Total
Airport	\$ 165,202		\$ -	\$ -	\$ 165,202
Other governmental funds	13,903		1,834	-	15,737
SUA	5,164,987		-	-	5,164,987
SEDA	-		-	7,911,478	7,911,478
	<u>\$ 5,344,092</u>		<u>\$ 1,834</u>	<u>\$ 7,911,478</u>	<u>\$ 13,257,404</u>

Reconciliation to Government-wide Statement of Net Position:

<i>Governmental Activities Due From:</i>		<i>Business-Type Activities Due From:</i>	
General Fund	\$ 5,344,092	SUA	\$ 7,911,478
Other Governmental Funds	1,834		
<i>Governmental Activities Due To:</i>		<i>Business-Type Activities Due To:</i>	
Other Governmental Funds	(15,737)	Airport	(165,202)
		SUA	(5,164,987)
		SEDA	(7,911,478)
Net Internal Balance	<u>\$ 5,330,189</u>	Net Internal Balance	<u>\$ (5,330,189)</u>

G. Interfund Transfers

Interfund transfers are made on an annual basis to comply with sales tax provisions and contracts and to supplement fund balances as needed. Of the City's four cent sales tax, one cent is designated for the SUA and one cent is designated for the Transportation Sales Tax Fund (see Note I.F). The SUA one cent is transferred on a monthly basis upon receipt by the General Fund. The Transportation Sales Tax Fund directly records its one cent sales tax monthly. The General Fund also transferred \$3.4 million to the Airport Fund to meet capital and operating needs of the fund, \$3.7 million to the SEDA to meet contractual obligations related to economic development initiatives, and \$1.8 million to the City Capital Fund to fund capital improvement projects. The Tax Increment District #3 transferred \$0.9 million to the SEDA for economic development initiatives. The SUA transferred \$18.9 million to the General Fund to meet operating needs of the fund. A summary of the interfund transfers reported in the fund financial statements for the year ended June 30, 2025, is summarized in the table below:

	Transfer In		Transfer Out			
	General Fund	City Capital Fund	Nonmajor Governmental	Stillwater Utilities Authority	Stillwater Economic Development Authority	Total
General Fund	\$ -	\$ -	\$ 165,692	\$ 18,901,002	\$ -	\$ 19,066,694
City Capital Fund	1,800,000	-	-	-	85,000	1,885,000
Nonmajor Governmental	2,542	-	377,112	-	-	379,654
SUA	10,439,486	-	-	-	-	10,439,486
Airport Fund	3,438,311	1,007,391	-	920,864	-	5,366,566
SEDA	3,652,530	-	852,527	-	-	4,505,057
	<u>\$ 19,332,869</u>	<u>\$ 1,007,391</u>	<u>\$ 1,395,331</u>	<u>\$ 19,821,866</u>	<u>\$ 85,000</u>	<u>\$ 41,642,457</u>

Reconciliation to Government-Wide Statement of Activities:

<i>Governmental Activities Transfers In:</i>		<i>Business-Type Activities Transfers In:</i>	
General Fund	\$ 19,066,694	SUA	\$ 10,439,486
City Capital Fund	1,885,000	Airport Fund	5,366,566
Nonmajor Governmental Funds	379,654	SEDA	4,505,057
	\$ 21,331,348		\$ 20,311,109
<i>Governmental Activities Transfers Out:</i>		<i>Business-Type Activities Transfers Out:</i>	
General Fund	(19,332,869)	SUA	(19,821,866)
City Capital Fund	(1,007,391)	SEDA	(85,000)
Nonmajor Governmental Funds	(1,395,331)		
	(21,735,591)		(19,906,866)
<i>Government-wide Capital Asset Activity:</i>		<i>Government-wide Capital Asset Activity:</i>	
Transfers Out	(2,985,660)	Transfers Out	(11,829)
Transfers In	11,829	Transfers In	2,985,660
Net Transfers	<u>\$ (3,378,074)</u>		<u>\$ 3,378,074</u>

The interfund transfers above do not include government-wide transfers for capital assets from the City to the SUA of \$2,950,910, the City to the Airport of \$34,750, and from SEDA to the City of \$11,829. These are only reported at the government-wide level.

H. Lease Receivables

The City as a lessor, has entered into lease agreements involving land, electric infrastructure, airport hangars and facilities. The total amount of inflows of resources, including lease revenue and interest revenue recognized during the fiscal year was \$478,964.

I. Long-term Liabilities

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities, amounts to be repaid from business-type activities, and amounts to be repaid from component units.

1. Governmental Activities: As of June 30, 2025, the governmental activities long-term debt consisted of the following:

General Obligation Bonds

2022 Bonds dated June 1, 2022, original issue amount of \$9,000,000, interest rate from 4% to 5%; semiannual interest payments commencing June 1, 2023; annual principal payments commencing June 1, 2024; proceeds used for new fire station construction.	\$ 8,060,000
Plus: unamortized debt premium	298,352

2025 Bonds dated June 1, 2025, original issue amount of \$8,750,000, interest rate from 4% to 5%; semiannual interest payments commencing June 1, 2026; annual principal payments commencing June 1, 2027; proceeds used for new animal welfare facility construction.	8,750,000
Plus: unamortized debt premium	451,012
Total general obligation bonds payable	<u>\$ 17,559,364</u>

Current portion	\$ 517,889
Noncurrent portion	17,041,475
Total general obligation bonds payable	<u>\$ 17,559,364</u>

Accrued Compensated Absences

Current portion	\$ 726,354
Noncurrent portion	6,278,212
Total accrued compensated absences	<u>\$ 7,004,566</u>

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Note Payable - Direct Borrowing

Note payable to Motorola Solutions Credit Company, LLC, dated January 1, 2022, original issue amount of \$6,397,875, interest rate of 1.94%; annual payments of \$1,355,000 commencing January 1, 2023, proceeds used for public safety communications equipment. Default provisions include 1) removal of equipment and surrender of title to the lender; 2) all remaining note payments would become immediately due and payable; 3) sell or lease the equipment or sublease it, while holding the city liable for all note payments; 4) prompt return of the equipment to the lender; 5) any other right, remedy or privilege which may be available to the lender. \$ 2,633,131

Note payable to BOK Financial Equipment Finance, Inc., dated September 27, 2023, original issue amount of \$1,398,570, interest rate of 6.130%; monthly payments of \$27,123 commencing October 1, 2023, proceeds used for the purchase of fire truck. Default provisions include 1) removal of equipment and surrender of title to the lender; 2) all remaining note payments would become immediately due and payable; 3) sell or lease the equipment or sublease it, while holding the city liable for all note payments; 4) prompt return of the equipment to the lender; 5) any other right, remedy or privilege which may be available to the lender. 979,001

Note payable to Dell Financial Services, dated October 26, 2023, original issue amount of \$281,456, interest rate of 7.25%; monthly payments of \$5,573 commencing March 1, 2024, proceeds used for information technology equipment. Default provisions include 1) removal of equipment and surrender of title to the lender; 2) all remaining note payments would become immediately due and payable; 3) sell or lease the equipment or sublease it, while holding the city liable for all note payments; 4) prompt return of the equipment to the lender; 5) any other right, remedy or privilege which may be available to the lender. 214,750

Note payable to Dell Financial Services, dated February 1, 2024, original issue amount of \$551,263, interest rate of 7.25%; monthly payments of \$10,915 commencing February 1, 2024, proceeds used for information technology equipment. Default provisions include 1) removal of equipment and surrender of title to the lender; 2) all remaining note payments would become immediately due and payable; 3) sell or lease the equipment or sublease it, while holding the city liable for all note payments; 4) prompt return of the equipment to the lender; 5) any other right, remedy or privilege which may be available to the lender. 412,240

Note payable to Dell Financial Services, dated November 21, 2024, original issue amount of \$812,500, interest rate of 7.25%; monthly payments of \$5,573 commencing March 1, 2024, proceeds used for information technology equipment. Default provisions include 1) removal of equipment and surrender of title to the lender; 2) all remaining note payments would become immediately due and payable; 3) sell or lease the equipment or sublease it, while holding the city liable for all note payments; 4) prompt return of the equipment to the lender; 5) any other right, remedy or privilege which may be available to the lender. 752,248

Total note payable \$ 4,991,370

Current portion \$ 1,884,959

Noncurrent portion 3,106,411

Total note payable \$ 4,991,370

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Lease Obligations Payable - Direct Borrowing

The City has 14 active equipment leases. The leases have payments that range from \$25 to \$2,893 and interest rates that range from 0.972% to 3.529%. The lease terms include extension options, which are reasonably certain to be exercised.

\$ 137,796

The City has 5 active vehicle leases. The leases have payments that range from \$829 to \$1,075 and interest rates of 2.899%.

283,345

Total lease obligations payable

\$ 421,141

Current portion

\$ 96,379

Noncurrent portion

324,762

Total lease obligations payable

\$ 421,141

Subscription based IT (SBITA) Obligations Payable - Direct Borrowing

On 12/01/2023, City entered into a 36 month subscription for the use of software for general government. An initial subscription liability was recorded in the amount of \$114,976. As of 06/30/2025, the value of the subscription liability is \$38,309. City of Stillwater, OK is required to make annual fixed payments of \$39,700. The subscription has an interest rate of 3.6310%.

\$ 38,309

On 11/01/2022, the City entered into a 60 month subscription for the use of software for financial administration. An initial subscription liability was recorded in the amount of \$64,615. As of 06/30/2025, the value of the subscription liability is \$27,261. The City is required to make annual fixed payments of \$13,125. The subscription has an interest rate of 3.305%.

27,261

On 02/15/2025, the City entered into a 36-month subscription for the use of software for financial administration. An initial subscription liability was recorded in the amount of \$47,709. As of 06/30/2025, the value of the subscription liability is \$32,860. The City is required to make annual fixed payments of \$14,850. The subscription has an interest rate of 2.8717%.

32,860

Total SBITA obligations payable

\$ 98,430

Current portion

\$ 66,934

Noncurrent portion

31,496

Total SBITA obligations payable

\$ 98,430

Business-type Activities: As of June 30, 2025, the long-term liabilities payable from business-type activities consisted of the following:

Revenue Bonds Payable

Series 2025A Revenue Bonds dated March 19, 2025, original issue amount of \$45,525,000, secured by utility revenues, interest rates range from 3.75% to 5%, semiannual interest and annual principal installments commencing October 1, 2025 through October 1, 2042.

\$ 45,525,000

Plus: unamortized debt premium

3,293,502

Total revenue bonds payable

\$ 48,818,502

Current portion

\$ 1,765,753

Noncurrent portion

47,052,749

Total revenue bonds payable

\$ 48,818,502

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Notes Payable

2009 OWRB DWSRF Note Payable dated November 24, 2009, original amount of \$11,645,000, \$2,000,000 in principal forgiveness from American Recovery and Reinvestment Act grant funds, secured by utility revenues, 2.84% interest plus an administrative fee of 0.5%, semiannual principal installments commencing March 15, 2013 through September 15, 2032	\$ 3,991,113
2009 OWRB CWSRF Note Payable dated November 24, 2009, original amount of \$1,875,000, \$578,999 in principal forgiveness from American Recovery and Reinvestment Act grant funds, secured by utility revenues, 2.34% interest plus an administrative fee of 0.5%, semiannual principal installments commencing March 15, 2011 through September 15, 2030	409,758
2016 OWRB SRF Note Payable dated June 27, 2016, not to exceed \$29,900,000, secured by utility revenues, 1.82% interest plus an administrative fee of 0.5%, semiannual principal installments commencing March 15, 2017 through September 15, 2046.	21,773,492
2017 OWRB SRF Note Payable dated September 22, 2017, not to exceed \$12,600,000, secured by utility revenues, 2.18% interest plus an administrative fee of 0.5%, semiannual principal installments commence the earlier of March 15, 2019 or construction completion. Construction is ongoing.	10,207,148
2023 OWRB SRF Note Payable dated January 10, 2023, not to exceed \$10,500,000, secured by utility revenues, 2.43% interest plus an administrative fee of 0.5%, semiannual principal installments commencing September 15, 2024 through March 15, 2054.	8,696,696
2024 OWRB SRF Note Payable, dated December 1, 2023, not to exceed \$37,000,000, secured by utility revenue, with interest at 2.92% plus an administrative fee of 0.5%, semiannual principal installments commence the earlier of March 15, 2026, or construction completion. Construction is ongoing.	3,151,391
United States Army Corps of Engineers Note dated September 26, 1980, original amount of \$1,530,403, 3.222% interest, annual interest and principal installments commencing August 27, 1984 through August 27, 2034	<u>507,833</u>
Total notes payable	<u>\$ 48,737,431</u>
Current portion	\$ 2,666,792
Noncurrent portion	<u>46,070,639</u>
Total notes payable	<u>\$ 48,737,431</u>

Direct Obligations – Notes Payable:

Business-Type Activities

Direct Obligations – Notes Payable:

Borrowings have been advanced pursuant to a credit agreement with Bank of America, N.A., that provides for the purchase of equipment. The collateral for this debt is the equipment assets purchased. Default provisions include 1) declaring all note payments immediately due and payable; 2) taking possession of the collateralized equipment, sell or lease such equipment, requiring SUA to pay difference, if any, between the note payments and proceeds of sale or new note; and 3) any action of law necessary to enforce creditor's rights.

Borrowings have been advanced pursuant to a credit agreement with BOK Financial Equipment Finance, Inc. that provides for the purchase of equipment. The collateral for this debt is the equipment assets purchased. Default provisions include 1) taking possession of the collateralized equipment, sell or lease such equipment, holding SUA liable for all payments and charges due up of the effective date of such termination; 2) requiring the SUA to deliver the equipment to the point of origin at the SUA's sole risk, cost and expense; and 3) any action of law necessary to enforce creditor's rights.

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Direct Obligations - Notes Payable

\$1,120,000 note payable with Bank of America for equipment, fixed interest rate of 4.2035%, monthly installments commencing January 13, 2023 through December 13, 2027	\$ 607,946
\$694,482 note payable with Bank of America for equipment, fixed interest rate of 4.4885%, monthly installments commencing March 3, 2023 through February 3, 2028	401,125
\$224,000 note payable with Bank of America for equipment, fixed interest rate of 4.0535%, monthly installments commencing April 24, 2023 through March 24, 2028	132,468
\$3,495,000 note payable with Bank of Oklahoma for equipment, fixed interest rate of 5.7475%, monthly installments commencing July 1, 2024 through June 1, 2029	2,873,777
\$7,000,000 Stillwater Economic Development Authority note payable dated July 28, 2022 to Great Plains National Bank, interest rate of 3%, proceeds were used to assist local industry for economic development purposes; the total principal balance is due July 2028; collateralized with a certificate of deposit with an original balance of \$7,000,000; upon default, the lender may declare the entire unpaid principal balance and all accrued unpaid interest immediately due or right of setoff of the collateral.	7,000,000
Total direct obligations - notes payable	<u>\$ 11,015,316</u>
Current portion	\$ 1,070,642
Noncurrent portion	<u>9,944,674</u>
Total direct obligations - notes payable	<u>\$ 11,015,316</u>

Accrued Compensated Absences

Current portion	\$ 100,338
Noncurrent portion	<u>2,400,036</u>
Total accrued compensated absences	<u>\$ 2,500,374</u>

Deposits Subject to Refund

Current portion	\$ 2,021,432
Noncurrent portion	<u>885,840</u>
Total deposits subject to refund	<u>\$ 2,907,272</u>

Lease Obligations Payable

The Authority has one active land lease. The lease requires annual payment of \$5,375 and interest rate of 2.426%. The lease terms include extension options, which are reasonably certain to be exercised.	\$ 5,248
The Authority has 5 active equipment leases. The leases have payments that range from \$600 to \$1,980 and interest rates that range from 0.841% to 3.269% The lease terms include extension options, which are reasonably certain to be exercised.	8,491
The Authority has 13 active vehicle leases. The leases have payments that range from \$170 to \$2,459 and interest rates that range from 2.899% to 2.925%.	607,950
Total lease obligations payable	<u>\$ 621,689</u>
Current portion	\$ 127,561
Noncurrent portion	<u>494,128</u>
Total lease obligations payable	<u>\$ 621,689</u>

2. **Component Unit:** As of December 31, 2024, the long-term debt of the component unit, Stillwater Medical Center Authority, consisted of the following:

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Revenue Bond Payable:

SMC 2021 Commerce: \$26,041,096 Stillwater Medical Center Authority dated April 15, 2021 with an interest rate of 2.20%. The revenue bond is payable in monthly principal and interest installments through April 13, 2028. The SMC 2021 Commerce Revenue Bond is collateralized by the gross revenues of the Authority. The SMC 2021 Commerce Revenue Bond was issued to refinance Series 2019A, Series, 2019C, and Series 2019D Supplemental Bond Indentures.

\$ 19,530,822

Total Revenue Bonds Payable

\$ 19,530,822

Current portion

\$ 1,736,073

Noncurrent portion

17,794,749

Total Revenue Bonds Payable

\$ 19,530,822

Notes Payable:

SMC 2020 Bank of America (BOA): \$10,000,000 Stillwater Medical Center Authority dated June 30, 2020 with an interest rate of 1.48%. The note is payable in monthly principal and interest payments through June 30, 2025. The SCM 2020 BOA Note is collateralized by the gross revenues of the Authority and the assets held by the trustee.

\$ 1,034,119

SMC 2021 Bank of America (BOA): \$4,000,000 Stillwater Medical Center Authority dated June 25, 2021 with an interest rate of 1.70%. Principal and interest are payable in monthly installments of \$69,648 through June 25, 2025. The SMC 2021 BOA note is collateralized by the gross revenues of the Authority and the assets held by the trustee.

1,236,796

SMC 2022 Simmons: \$8,000,000 Stillwater Medical Center Authority dated March 16, 2022 with an interest rate of 2.50%. The note is payable in monthly installments of \$53,343 through June 16, 2029. The SMC 2022 Simmons Note is collateralized by the gross revenues of the Authority.

6,743,265

SMC 2022 Commerce: \$40,000,000 Stillwater Medical Center Authority dated February 25, 2022 with an interest rate of 2.80%. The SMC 2022 Commerce Note is payable in yearly installments through February 25, 2037. The SMC 2022 Commerce Note is collateralized by the gross revenues of the Authority.

32,444,445

SMC Equipment: During 2018 SMC Equipment entered into two promissory notes payable to MMOK Sub VII. These notes financed the acquisition of certain major equipment, which is to be leased back to the Authority upon acquisition. The notes are collateralized by all of the assets of SMC Equipment. These notes payable were dated August 3, 2018 with an interest rate of 1.67%. Interest is payable in quarterly installments until September 1, 2025. Commencing on December 1, 2025, SMC Equipment will pay the principal balance of the loans as of the maturity date. SMC Equipment is not permitted to prepay any portion of the principal of the loans until September 25, 2025. Concurrently, the Hospital loaned \$10,758,400 to Stillwater NMTC, LLC. This note receivable is included with other assets on the accompanying Statement of Net Position. The note receivable is dated August 3, 2018, with an interest rate of 1.0%, and will mature August 3, 2025. This note receivable is payable in quarterly interest installments through September 1, 2025. At the end of the seven-year term, a put/call agreement may be exercised whereby Simmons NMTC Holding, LLC's interest in Stillwater NMTC, LLC is sold to the Hospital under terms defined in the put/call agreement.

31,000,000

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SMC Development: During 2019 SMC Development entered into two promissory notes payable to REI Subsidiary CDE 19, LLC with the principal balances of \$21,189,000 and \$8,811,000, combined in the long-term debt schedule below. These notes financed the acquisition of certain building improvements, which are to be leased back to the Authority upon acquisition. These notes are collateralized by all of the assets of SMC Development. These notes were dated December 19, 2019 with an interest rate of 1.21%. Interest is payable in quarterly installments through December 19, 2026. Additionally, a principal payment amount of \$300,000 is due on December 19, 2026, related to the \$8,811,000 note payable. Commencing on March 5, 2027, SMC Development will pay equal installments of principal and interest until the maturity date of the notes payable. SMC Development is not permitted to prepay any portion of the principal of the notes until after October 2026. Concurrently, the Hospital loaned \$21,189,000 to BF SMC Investment Fund, LLC. This note receivable is included with other assets on the accompanying Statement of Net Position. The note receivable is dated December 19, 2019, with an interest rate of 1.40%, and will mature December 19, 2026. This note receivable is payable in quarterly interest installments through September 16, 2026. At the end of the seven-year term, a put/call agreement may be exercised whereby BancFirst's interest in BF SMC Investment Fund, LLC is sold to the Hospital under terms defined in the put/call agreement.

During 2024 SMC Development entered into two promissory notes payable to REI Subsidiary CDE 28, LLC with principal balances of \$7,180,000 and \$2,820,000 combined in the long-term debt schedule below. These notes financed the acquisition of certain building improvements which are to be leased back to the Hospital upon acquisition. These notes are collateralized by all of the assets of SMC Development. These notes were dated March 15, 2024 with an interest rate of 1.20%. Interest is payable in quarterly installments. Additionally, a principal payment amount of \$85,534 is due on June 5, 2031, related to the \$7,180,000 note payable and \$100,000 is due on March 15, 2031 related to the \$2,820,000 note payable. SMC Development will pay equal installments of principal and interest until the maturity date of December 31, 2049. SMC Development also entered into two promissory notes payable to LEGF Sub-CDE 15, LLC with principal balances of \$7,120,000 and \$2,680,000, combined in the long-term debt schedule below. These notes financed the acquisition of certain building improvements, which are to be leased back to the Hospital upon acquisition. These notes are collateralized by all of the assets of SMC Development. These notes were dated March 15, 2024 with an interest rate of 1.20%. Interest is payable in quarterly installments. Additionally, principal payments in the amounts of \$84,810 and \$31,946 related to the \$7,120,000 and \$2,820,000 notes payable, respectively, are due on June 15, 2031. SMC Development will pay equal installments of principal and interest until the maturity date of December 31, 2049. Concurrently, the Hospital loaned \$14,300,000 to DV-Stillwater QEI, LLC. This note receivable is included with other assets on the accompanying statement of net position. The note receivable is dated March 15, 2024, with an interest rate of 1.00% and will mature March 14, 2046. This note receivable is payable in quarterly interest installments through March 15, 2031. At the end of the seven-year term, a put/call agreement may be exercised whereby BancFirst's interest in BF SMC Investment Fund, LLC is sold to the Hospital under terms defined in the put/call agreement.

	56,800,000
Total Notes Payable	\$ 129,258,625
Current portion	\$ 4,998,802
Noncurrent portion	124,259,823
Total Notes Payable	\$ 129,258,625

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Right-to-Use Lease Obligations:

Dell Financial Services AMD Servers: 3.99% right-to-use lease obligation commencing on February 1, 2021. Principal and interest is payable in yearly installments of \$81,542 through January 6, 2026, collateralized by the leased equipment.	\$ 78,413
Dell Financial Services VMWare (New): right-to-use lease obligation commencing on November 6, 2023. Principal is payable in yearly installments of \$440,575 through December 1, 2025, collateralized by the leased equipment.	396,026
Medicenter Building: right-to-use lease obligation commencing on August 1, 2020. Principal and interest is payable in monthly installments of \$6,181 through July 31, 2025.	42,803
Bushwood Surgery Building: right-to-use lease obligation commencing on July 1, 2021 and maturing on June 1, 2026. Principal and interest is payable in graduating monthly installments starting at \$47,307 and increasing 3% every January 1. Monthly installments of principal and interest during 2023 are \$56,270	944,117
Bushwood Ortho Building: right-to-use lease obligation commencing on July 1, 2021 and maturing on June 1, 2026. Principal and interest is payable in graduating month installments starting at \$34,888 and increasing 3% every January 1. Monthly installments of principal and interest during 2023 are \$36,297.	595,295
Total Right-to-Use Lease Obligations	<u>\$ 2,056,654</u>
Current portion	\$ 1,567,356
Noncurrent portion	489,298
Total Right-to-Use Lease Obligations	<u>\$ 2,056,654</u>

J. Applicability of Federal Arbitrage Regulations

Certain debt issuances of the City and SUA issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of an issue in excess of the amount that could have been earned had the yield on the investment been equal to the yield on the bonds be remitted to the federal government. These carry strict penalties for noncompliance including taxability of interest retroactive to the date of the issue. The City's management believes it is in compliance with these rules and regulations.

K. Changes in Long-Term Liabilities

Changes in the long-term liabilities for the year ended June 30, 2025 are summarized below:

	Balance at June 30,			Balance at June 30,		Amounts Due Within One Year
	2024*	Additions	Reductions	2025		
PRIMARY GOVERNMENT:						
<u>Governmental Activities</u>						
General obligations bonds	\$ 8,530,000	\$ 8,750,000	\$ 470,000	\$ 16,810,000	\$ 470,000	
Unamortized bond premium	315,970	451,012	17,618	749,364	47,889	
Notes payable-direct borrowing	5,921,651	812,500	1,742,781	4,991,370	1,884,959	
Lease obligations - direct borrowing	61,332	404,465	44,656	421,141	96,379	
Subscription based IT obligations - direct borrowing	314,150	77,959	293,679	98,430	66,934	
Accrued compensated absences (change is net)	6,805,054	199,512	-	7,004,566	726,354	
Total governmental activities	\$ 21,948,157	\$ 10,695,448	\$ 2,568,734	\$ 30,074,871	\$ 3,292,515	
<u>Business-type Activities</u>						
Notes payable	\$ 41,842,697	\$ 10,539,935	\$ 3,645,201	\$ 48,737,431	\$ 2,666,792	
Revenue bonds payable	51,615,000	45,525,000	51,615,000	45,525,000	1,575,000	
Unamortized bond premium	4,275,427	3,347,331	4,329,256	3,293,502	190,753	
Notes payable-direct borrowing	12,032,019	-	1,016,703	11,015,316	1,070,642	
Refundable obligations - direct borrowings	221,534	477,578	465,616	233,496	233,496	
Lease obligations - direct borrowing	26,443	622,310	27,064	621,689	127,561	
Subscription based IT obligations-direct borrowing	8,412	-	8,412	-	-	
Accrued compensated absences (change is net)	2,454,615	45,759	-	2,500,374	100,338	
Deposits subject to refund	2,003,450	1,610,811	706,989	2,907,272	2,021,432	
Total business-type activities	\$ 114,479,597	\$ 62,168,724	\$ 61,814,241	\$ 114,834,080	\$ 7,986,014	
COMPONENT UNIT:						
<u>Stillwater Medical Center Authority</u>						
Revenue bonds	\$ 21,411,568	\$ -	\$ 1,880,746	\$ 19,530,822	\$ 1,736,073	
Notes payable	115,899,925	19,800,000	6,441,300	129,258,625	4,998,802	
Lease obligations	4,218,086	-	2,161,432	2,056,654	1,567,356	
Total component unit	\$ 141,529,579	\$ 19,800,000	\$ 10,483,478	\$ 150,846,101	\$ 8,302,231	

* The beginning balance of accrued compensated absences liability was restated due to the implementation of GASB 101 – *Compensated Absences*. See Note XII for more information.

**The beginning balance of long-term debt for the Hospital was increased related to an accounting error for New Market Tax Credits. See Note XII for more information.

L. Maturities of Long-term Debt

The debt service maturities for long-term indebtedness in the coming years are as follows:

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PRIMARY GOVERNMENT:

Governmental Activities

Year ending June 30,	General Obligation Bonds		Direct Borrowings - Notes Payable		Future Minimum Payments for Lease Obligations		Future Minimum Payments for SBITA Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 470,000	\$ 758,450	\$ 1,884,959	\$ 179,969	\$ 96,379	\$ 11,149	\$ 66,934	\$ 3,236
2027	1,095,000	734,950	1,946,308	117,998	93,249	8,342	31,496	963
2028	1,095,000	686,450	656,133	53,173	88,614	5,634	-	-
2029	1,095,000	637,950	399,052	16,406	85,278	3,049	-	-
2030	1,095,000	583,200	104,918	3,793	57,621	874	-	-
2031-2035	5,475,000	2,094,750	-	-	-	-	-	-
2036-2040	5,475,000	859,000	-	-	-	-	-	-
2041-2045	1,010,000	62,000	-	-	-	-	-	-
Total	\$ 16,810,000	\$ 6,416,750	\$ 4,991,370	\$ 371,339	\$ 421,141	\$ 29,048	\$ 98,430	\$ 4,199

Business-type Activities:

Year ending June 30,	Revenue Bonds Payable		Notes Payable		Direct Borrowings - Notes Payable		Lease Payments for Lease Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,575,000	\$ 2,236,875	\$ 2,666,792	\$ 1,211,607	\$ 1,070,642	\$ 608,906	\$ 127,561	\$ 15,969
2027	1,725,000	2,154,375	3,312,214	1,183,945	1,127,500	552,049	122,868	12,695
2028	1,830,000	2,065,500	3,356,716	1,086,950	1,035,811	492,998	124,061	9,124
2029	1,905,000	1,972,125	2,358,380	991,866	7,781,363	24,540	127,249	5,486
2030	2,000,000	1,874,500	2,256,482	928,338	-	-	119,950	1,755
2031-2035	11,560,000	7,011,875	9,295,820	3,895,528	-	-	-	-
2036-2040	14,440,000	4,497,500	8,694,641	2,813,580	-	-	-	-
2041-2045	10,490,000	801,000	9,562,249	1,664,572	-	-	-	-
2046-2050	-	-	5,550,377	566,010	-	-	-	-
2051-2054	-	-	1,683,760	114,676	-	-	-	-
Total	\$ 45,525,000	\$ 22,613,750	\$ 48,737,431	\$ 14,457,072	\$ 11,015,316	\$ 1,678,493	\$ 621,689	\$ 45,029

COMPONENT UNIT:

Stillwater Medical Center Authority

Year ending December 31,	Long-term Debt		Lease Obligation Payable	
	Principal	Interest	Principal	Interest
2025	\$ 6,734,875	\$ 2,256,483	\$ 1,567,356	\$ 167,549
2026	10,701,861	2,096,319	489,298	86,341
2027	10,187,091	1,992,476	-	-
2028	19,284,536	1,610,628	-	-
2029	9,390,538	1,327,721	-	-
2030-2034	51,706,893	3,694,515	-	-
2035-2039	20,288,851	1,163,933	-	-
2040-2044	12,746,194	349,204	-	-
2045-2049	7,748,608	65,754	-	-
Total	\$ 148,789,447	\$ 14,557,033	\$ 2,056,654	\$ 253,890

M. Installment Loan Receivable

The Stillwater Economic Development Authority entered into a redevelopment agreement with USA Rare Earth Magnets, LLC and USA Rare Earth Real Estate, LLC (hereafter Redeveloper) to finance \$7,000,000 of Development Capital Assistance to the Redeveloper as of April 3, 2023, to be used for provision of real property improvements purchased and installed for the operation of the Redevelopment. During the initial five-year period during which the Redeveloper claims a manufacturing ad valorem tax exemption on the redevelopment, 90% of the portion of the increment generated by the assessed real and personal property values in Tax Increment District #5 in excess of an assessed valuation of \$1,128,600, by payments received from the State Ad Valorem Reimbursement Fund will be applied by the Authority toward repayment of the Development Capital Assistance. The remaining balance of incremental revenues generated by the Redevelopment and the ad valorem tax payments paid by the Redeveloper, if any, shall be used by SEDA to provide financial support to the Stillwater Public Schools and to pay authorized project costs set forth in the

2022 Amended Project Plan, other than assistance in development financing. Upon expiration of the initial five-year period during which the Redeveloper claims a manufacturing ad valorem tax exemption on the Redevelopment, Redeveloper shall thereafter be obligated to pay to SEDA the then remaining balance, if any, of the Development Capital assistance plus such interest that is incurred by SEDA. Interest shall be the same interest reflected in the loan commitment signed by SEDA to borrow the \$7 million Development Capital Assistance obtained from Great Plains Bank, but shall not exceed 6% per annum. The remaining balance, if any, of the Development Capital Assistance payable to SEDA shall be amortized equally over the subsequent five-year period immediately following expiration of the initial 5-year manufacturing ad valorem tax exemption period claimed by Redeveloper. Accordingly, the property shall be subject to a minimum annual payment obligation in the amount calculated to pay the remaining balance of the Development Capital Assistance plus interest, in full, in equal annual installments, within five years (Minimum Annual Payment), which Minimum Annual Payment shall continue in effect for each year thereafter until such time as the Development Capital Assistance and interest thereon is paid in full.

The Minimum Annual Payment obligation during the subsequent five-year period shall be paid annually on or before December 31 and shall be deemed delinquent and in default if not paid in full each year on or before the December 31 payment deadline.

The owner of the property shall, in addition to paying the assessed ad valorem real and personal property taxes on the property, also make a payment in lieu of taxes in the amount of the Minimum Annual Payment referenced above.

The Minimum Annual Payment obligations of the property are secured by a continuing tax lien on the property in favor of Payne County, Oklahoma, SEDA, and the apportionment fund of Increment District No. 5, City of Stillwater, and shall arise annually at the same time, in the same manner, having the same priority, and subject to the same enforcement and remedies as liens to secure the annual payments of other ad valorem taxes.

If after completion of the Redevelopment and thereafter an Employment Certification reflects that the Redeveloper has not substantially met an agreed upon Net New Total Annual Payroll for each Phase, and for any year thereafter during the minimum operation period, the amount of benefit payable to Redeveloper will be decreased proportionately. The minimum operation period is the duration of the related Increment District.

Agreed Upon Net New Total Annual Payroll for each Phase (exclusive of benefits):		
Phase	Net New Total Annual Payroll	Effective Time Period
I	\$2,548,005	Commencing with completion of Phase I and continuing through completion of Phase II
II	\$4,051,490	Commencing with completion of Phase II and continuing through completion of Phase III
III	\$6,773,446	Commencing with completion of Phase III and continuing during the Minimum Operation Period

IV. EMPLOYEE PENSION AND OTHER BENEFIT PLANS

A. Non-uniformed Employees

- 1. Defined Contribution Plan:** All full-time, non-uniformed City employees are provided pension benefits through a defined contribution plan created in accordance with Internal Revenue Code Section 401(a). The employee begins participation on the date of employment. Employees are required to contribute

a minimum of 3% of their salary with an optional maximum of up to 100% of their salary, subject to Internal Revenue Service limitations. The City's contribution is determined by the city council each year, and was 6% of employee salaries for fiscal year 2025. The City's contribution for each employee begins vesting after 1 year and is fully vested after 5 years. If an employee terminates before becoming fully vested, the employer's contributions that are forfeited may be used to reduce the City's current-period contributions requirement.

Salary deferred under the plan is not available to employees until termination, death, retirement, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with these amounts, and all income attributable to these amounts remain the property of the City without being restricted to the provisions of benefits under the plan until such amounts are paid or made available to the employees, subject only to the claims of the City's general creditors.

The plan is administered by the Oklahoma Municipal Retirement Fund. Neither the Oklahoma Municipal Retirement Fund nor the City have a liability for losses under the plan, but have the duty of due care that would be required of an ordinary prudent investor.

The total contribution, net of forfeitures, for the year ended June 30, 2025, was \$3,102,942 which consisted of \$1,548,080 (net of \$45,814 in forfeitures) from the City and \$1,554,862 from employees.

The Hospital contributes to a defined contribution pension plan covering substantially all employees. Pension expense is recorded for the amount of the Hospital's required contributions, determined in accordance with the terms of the plan. The plan is administered by the Hospital's Board of Trustees. The plan provides retirement and death benefits to plan members and their beneficiaries. Benefit provisions are contained in the plan document and were established and can be amended by action of the Hospital's governing body. Contribution rates for plan members and the Hospital, expressed as a percentage of covered payroll, were 2% and 4%, respectively, for 2023. Contributions actually made by plan members and the Hospital aggregated approximately \$2,938,000 and \$5,875,000, respectively, during 2024.

2. **Defined Contribution Plan – City Manager Plan:** The City provides a defined contribution plan available to any person who is in the position of City Manager. Employees are eligible on the employee's employment commencement date. The City has elected the variable funding option. The City intends to make a contribution to the Plan for the benefit of the participants on a monthly basis. The contribution may be varied from year to year by the City. The City's contributions for each employee (and interest allocated to the employee's account) are vested at 100% immediately upon the participation date. Benefits depend solely on amounts contributed to the plan plus investment earnings. The authority to establish and amend the provisions of the plan rests with the city council. For the year ended June 30, 2025 the City contributed 6% to the plan and the enrolled employee contributed 3% to the plan. The total contributions for the year ended June 30, 2025 was \$31,888 which consisted of \$21,259 from the City and \$10,629 from employee.

B. Uniformed Employees

Oklahoma Police and Firefighter's Pension and Retirement Systems: The City of Stillwater, as the employer, participates in two statewide, cost-sharing, multiple employer defined benefit pension plans on behalf of the police officers and firefighters. The systems are funded by contributions from participants, employers, insurance premium taxes, and state appropriations, as necessary. The following is a summary of eligibility factors, contribution methods, and benefit provisions:

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	Oklahoma Police Pension and Retirement System	Oklahoma Firefighter's Pension and Retirement System
Obtaining separately issued financial statements	Police Pension and Retirement 1001 N.W. 63rd St., Suite 305 Oklahoma City, OK 73116-7335	Firefighter's Pension & Retirement 6601 Broadway Extension, Ste 100 Oklahoma City, OK 73116
Authority establishing contribution obligations and benefits	State statute	State statute
Eligibility to participate	All full-time officers, employed by a participating municipality, not less than 21 years of age or more than 45 years of age when hired	All full-time or voluntary firefighters of a participating municipality hired before age 45
Employee's required contribution rate (percent of covered payroll)	8%	9%
City's required contribution rate (percent of covered payroll)	13%	14%
State obligation	State appropriation to fund the unfunded actuarial accrued liability	State appropriation to fund the unfunded actuarial accrued liability
Periods required to vest	10 years	10 years
Eligibility and benefits for distribution (full-time)	20 years credited service, 2.5% of final average salary multiplied by the years of credited service with a maximum of 30 years considered; reduced benefits if vested at or after age 50 or after 10 but before 20 years of credited service	20 years credited service for members hired before November 1, 2013, 22 years of credited service and 50 years old for members hired on or after November 1, 2013; 50% of final average compensation; benefits continue to accrue for service up to 30 years at the rate of 2.5% per year of service; no benefits are extended for early retirement
Deferred retirement option	Yes. 20 years credited service with additional option to participate in deferred compensation plan (Louisiana Plan)	Yes. 20 years credited service with continued service for a maximum of 30 years
Provisions for:		
Cost of living adjustments (normal retirement)	Yes	Yes
Death (duty, non-duty, post-retirement)	Yes	Yes
Disability (duty, non-duty)	Yes	Yes
Cost of living allowances	Yes	Yes

Contributions required by state statute:

Fiscal Year	Oklahoma Police Pension & Retirement System		Oklahoma Firefighter's Pension & Retirement System	
	City's Required Contribution	Percent Contributed	City's Required Contribution	Percent Contributed
2025	\$ 1,003,734	100%	\$ 957,439	100%
2024	1,001,241	100%	895,917	100%
2023	948,721	100%	870,235	100%
2022	938,695	100%	854,391	100%
2021	843,322	100%	778,175	100%
2020	842,890	100%	778,342	100%

Pension Liability, Expense, and Deferred Inflows and Outflows of Resources: At June 30, 2025, the City reported a liability of \$5,220,885 for its proportionate share of the collective net pension liability of the Oklahoma Police Pension and Retirement System and a liability of \$21,810,935 for its proportionate share of the collective net pension liability of the Oklahoma Firefighter's Pension and Retirement System. For both cost-sharing plans of the City, the net pension liability was measured as of June 30, 2024 using an actuarial valuation to calculate the total pension liability as of that date. The City's proportion of the net

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pension liability represents the City's actual cash basis contributions for the fiscal year divided by the total of all employer cash basis contributions for the fiscal year. The City's proportion of the Police Pension plan increased from 1.940% to 1.993% during the fiscal year and resulted in a deferred inflow of \$89,164. The City's proportion of the Fire Pension plan decreased from 1.668% to 1.656% during the fiscal year and resulted in a deferred inflow of \$102,508.

For the year ended June 30, 2025, the City recognized pension expense of \$6,325,896 for the police pension plan and \$2,559,560 for the firefighter's pension plan. The City reported deferred outflows of resources and deferred inflows of resources related to the cost-sharing pension plans due to the following factors:

	Oklahoma Police Pension & Retirement System		Oklahoma Firefighter's Pension & Retirement System	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 2,180,055	\$ 42,581	\$ 3,195,615	\$ -
Change in assumptions	-	884,339	788,508	-
Net difference between projected and actual earnings on pension plan investments	2,795,471	-	-	167,522
Effect of City's proportion of plan	93,699	184,481	375,822	1,175,016
City contributions made subsequent to the measurement date	1,003,734	-	957,439	-
Total	\$ 6,072,959	\$ 1,111,401	\$ 5,317,384	\$ 1,342,538

Deferred outflows resulting from City contributions to the plans subsequent to the measurement date will be recognized as a reduction of pension expense in the fiscal year ending June 30, 2026. Other deferred inflows and deferred outflows related to pensions will be recognized in pension expense as shown in the following chart:

Fiscal Year	Oklahoma Police Pension & Retirement System	Oklahoma Firefighter's Pension & Retirement System
2026	\$ 245,952	\$ 471,836
2027	2,595,340	2,434,154
2028	785,539	58,350
2029	244,389	53,067
2030	86,604	-
Total	\$ 3,957,824	\$ 3,017,407

Actuarial Assumptions: The actuarial valuation that provided the total pension liability as of June 30, 2024 used the following assumptions:

Assumption	Oklahoma Police Pension & Retirement System	Oklahoma Firefighter's Pension & Retirement System
Inflation	2.75%	2.75%
Salary increases*	3.5%-12.0%	2.75%-14%
Investment rate of return	7.5%	7.5%

*Based on years of service; includes inflation

During the 2024 legislative session Senate Bill 102 was passed and became effective November 1, 2024, for the police pension plan. This bill changed the multiplier used to calculate a pension benefit from 2.5% to 3%, to be phased in between July 1, 2025 and July 1, 2030, depending on a member's years of accrued service. Member and employer contributions increase on July 1, 2025 to 9% and 14% respectively, to offset the increase in benefit costs. This change in benefit terms increased the City's share of total pension liability for 2025 by \$5,729,217.

For the police pension plan, mortality rates use the PubS-2010 Employee (below median) mortality tables with rates set forward 2 years and projected generationally using SOA Scale MP-2021. For the fire pension plan, mortality rates use the Pub-2010 Public Safety Table with generational mortality improvement using MP-2021.

The actuarial assumptions used for the police pension plan's June 30, 2024 valuation was based on actuarial experience studies for a 5 year period of July 1, 2017 to June 30, 2022. The actuarial assumptions used for the fire pension plan's June 30, 2024 valuation were based on actuarial experience studies for a 5 year period of July 1, 2018 through June 30, 2023.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024, are summarized in the following table:

Asset Class	Oklahoma Police	Oklahoma Firefighter's
	Pension & Retirement System	Pension & Retirement System
	Long-term Expected Real Rate of Return	Long-term Expected Real Rate of Return
Fixed income	5.65%	5.86%
Domestic equity	8.63%	8.78%
International equity	10.68%	10.68%
Real estate	9.55%	9.68%
Private equity	11.46%	0.00%
Other assets	0.00%	6.44%

Discount Rate: For both cost sharing plans the discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rates assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, determined by State statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14.7% of the insurance premium collected for fiscal year 2025 through fiscal year 2027, and 14.0% thereafter for the Police plan. For the Firefighter plan, prior to July 1, 2021, the Plan was allocated 36% of the Statewide insurance premium tax. The State has passed legislation that changes the allocation percentage as follows:

- 25.2% effective September 1, 2020
- 36.0% effective July 1, 2021
- 37.8% effective July 1, 2022
- 36.0% effective July 1, 2027

Based on these assumptions, both of the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability (Asset) to Changes in the Discount Rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	1% Decrease to 6.5%	Current Discount Rate of 7.5%	1% Increase Rate of 8.5%
City's share of police plan net pension liability	\$ 12,697,540	\$ 5,220,885	\$ (1,100,726)
City's share of fire plan net pension liability	29,028,928	21,810,935	15,796,392

Non-employer Contributing Entity: For the City's police and firefighters pension plans, the State of Oklahoma is considered to be a non-employer contributing entity. The State contributed 14.7% of the insurance premium tax collected through its taxing authority to the police pension plan and 37.8% of the insurance premium tax collected to the firefighter's pension plan during the measurement period ended June 30, 2024. The City is required to recognize revenue for its share of the support provided by the State by multiplying the State's total contribution to each pension plan by the City's calculated proportionate share of the collective net pension liability or asset for each pension plan. For the year ended June 30, 2025, the City recorded revenues of \$1,089,883 for the police pension plan and \$2,327,884 for the firefighter's pension plan on an accrual basis at the government-wide level. On-behalf contributions by the state on a modified accrual basis at the fund level for the police pension plan was \$1,064,420 and for the fire pension plan was \$2,363,519. These are also reported as retirement expense on a modified accrual basis.

C. Aggregate Pension Information

	Oklahoma Police Pension & Retirement System	Oklahoma Firefighter's Pension & Retirement System	Total
Net pension liability	\$ 5,220,885	\$ 21,810,935	\$ 27,031,820
Deferred outflows of resources	6,072,959	5,317,384	11,390,343
Deferred inflows of resources	1,111,401	1,342,538	2,453,939
Pension expense	6,325,896	2,559,560	8,885,456

V. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description: The City sponsors and administers a self-funded, single employer defined benefit plan providing postemployment healthcare benefits. All employees who retire from the City on or after attaining age 55 with at least 10 years of service are eligible to participate in the plan. Police and fire personnel are eligible based on the retirement requirements for their pension plans. The election to participate must be made at the time of separation from service. The City requires a monthly premium contribution from the retiree based on City-wide claim trends of the previous fiscal year. Upon payment of this premium, the City covers all medical expenses just as for active employees on a pay-as-you-go basis. Coverage is available until the first day of the month in which the retiree reaches Medicare eligibility age (currently 65). If the spouse of a retiree is covered at the time the retiree becomes ineligible for the plan at age 65, the spouse becomes COBRA-eligible until age 65 or for 36 months, whichever is less. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The plan does not issue a stand-alone report.

Funding Policy: The City funds healthcare benefits on a pay-as-you-go basis utilizing a third-party administrator, UMR, Inc., and Surest. Eligible employees are required to pay set premiums for a portion of the cost, with the City subsidizing the remaining costs. Contribution requirements of active employees are established and amended as needed by the city council. Premium rates for retirees and COBRA participants are set by City management upon recommendations provided by the third-party administrator and the City's re-insurance agent. The required monthly contribution rates for plan members for fiscal year 2025 range from \$51 to \$685 for active employees, \$820 to \$3,031 for retired participants, and \$836 to \$3,091 for COBRA participants.

Employees Covered by Benefit Terms: At June 30, 2025, the following employees were covered by the benefit terms.

Active plan members	517
Inactive employees or beneficiaries currently receiving benefit payments	24
	<u>541</u>

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Total OPEB Liability: The City's total OPEB liability of \$7,118,692 was measured as of June 30, 2024 and was determined by an actuarial valuation performed as of June 30, 2024.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Discount rate	4.13 percent based on the yield for 20-year municipal bonds on the measurement date (Bond Buyers Index)
Pay increases	3.00 percent (the inflation component of pay increases used to determine the EAN actuarial liability and service cost of the OPEB plan)
Mortality	PubG-2010 for non-public safety; PubS-2010 for police and fire
Retirement rates	OkMRF 2023 experience study
Turnover	OkMRF 2023 experience study
Healthcare cost trend	Plan year dependent rates graded from 5.88% in 2024 to 3.94% in 2075. The same trend is applied to retiree contributions. Healthcare trend was developed using the Society of Actuaries Getzen healthcare economics model (2022).
Participation	50% of currently covered employees are assumed to elect retiree medical coverage if they meet eligibility requirements (50% for police and firefighters). The acceptance rate for spouses of covered retirees is assumed to be 50%.
Actuarial cost method	Entry age normal
Cost method application	Level percentage of pay
Asset valuation method	Market value

The discount rate used to value benefits was the municipal bond yield on the measurement data as specified by GASB Statement 75. Over the twelve-month measurement period ending June 30, 2024, the 20-year bond rates increased from 4.13% to 4.21%.

Changes in the Total OPEB Liability:

Balance at June 30, 2024	\$ 7,134,386
Changes for the year:	
Service cost	406,463
Interest	306,805
Changes of benefit terms	-
Differences between expected and actual experience	(448,407)
Change of assumptions	(56,265)
Expected net benefit payments	(224,290)
Net changes	<u>(15,694)</u>
Balance at June 30, 2025	<u>\$ 7,118,692</u>
Current portion - reported in Governmental Activities	<u>\$ 187,415</u>

The change of assumptions were related to: 1) change in the discount rate from the beginning of the measurement period to the end of the measurement period (an increase from 4.13% to 4.21% from June 30, 2022 to June 30, 2023); 2) Retiree contribution trend and healthcare trend for the next year was changed to reflect an increase of 5.9%.

CITY OF STILLWATER, OKLAHOMA
 ANNUAL FINANCIAL REPORT
 As of and for the Year Ended June 30, 2025

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (3.21%)	Discount Rate (4.21%)	1% Increase (5.21%)
Total OPEB liability	\$ 7,880,581	\$ 7,118,692	\$ 6,443,953

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease 4.90% Grading to 2.94%	Healthcare Cost Trend Rates 5.90% Grading to 3.94%	1% Increase 6.90% Grading to 4.94%
Total OPEB liability	\$ 6,348,147	\$ 7,118,692	\$ 8,032,526

OPEB Expense and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2025, the City recognized OPEB expense of \$503,778. At June 30, 2025, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 81,323	\$ (873,724)
Differences between expected and actual experience	267,952	(827,503)
Change in proportion/difference in contributions	240,766	(240,766)
Contributions subsequent to the measurement date	187,415	-
Total Deferrals	<u>\$ 777,456</u>	<u>\$ (1,941,993)</u>

The \$187,415 reported as deferred outflows of resources related to OPEB resulting from city contributions subsequent to the measurement date will be recognized as an increase/decrease of the total OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2026	\$ (177,406)
2027	(205,704)
2028	(229,476)
2029	(227,934)
2030	(197,933)
Thereafter	(313,499)
	<u>\$ (1,351,952)</u>

VI. RISK MANAGEMENT

As of June 30, 2025, claims outstanding against the City and its public authorities were \$2,806,088 and are accrued under the heading “Accrued Liabilities” in the accompanying financial statements. Liabilities were accrued for workers’ compensation claims and employee health insurance claims. The City is self-insured for group medical, workers’ compensation, and unemployment. The City has a reinsurance policy which limits the City’s liability for major medical to \$150,000 per individual. The City purchases conventional insurance for excess losses for general liability and property damage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. The claims liability for health claims incurred but not reported is estimated by management using a five-month claims lag analysis. The claims liability for workers’ compensation claims and judgments is estimated using information provided by a third-party administrator based on their opinion of probable outcome of litigation. The balance of the claim liability is expected to be paid within the next year and is included in accrued liabilities on the statement of net position. All claims are paid from the consolidated cash account, funded by the General Fund. Changes in the balances of claims liabilities for the years ended June 30, 2025 and 2024 were as follows:

	Beginning Liability Balance	Current Year Claims & Changes in Estimate	Claims Payments	Ending Liability Balance
2025	\$ 2,773,284	\$ 10,275,664	\$ 10,242,860	\$ 2,806,088
2024	\$ 1,388,909	\$ 9,096,107	\$ 7,711,732	\$ 2,773,284

The Hospital is exposed to various risks of loss from torts: theft of, damage to, and destruction of assets; business interruption; errors and omissions; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to workers’ compensation and employee health claims. The Hospital is self-insured for a portion of its exposure to risk of loss from employee health claims. An annual estimated provision is accrued for the self-insured portion of employee health claims and includes an estimate of the ultimate cost for both claims and claims incurred but not yet reported. Settled claims have not exceeded any commercial insurance coverage in any three preceding years.

The Hospital is self-insured for health claims of participating employees and dependents up to an annual aggregate amount of approximately \$300,000.

The Hospital is self-insured for risks related to workers’ compensation claims up to \$550,000 per occurrence with an annual liability of \$1,000,000 in the aggregate. In connection with the self-insured workers’ compensation policy, the Hospital had a \$340,000 certificate of deposit held in escrow at a local bank as of December 31, 2024. No draws were made on the certificate of deposit held in escrow through 2024.

A provision is accrued for self-funded employee health claims and workers’ compensation claims, including both claims reported and claims incurred but not yet reported. The accruals are estimated based on consideration of prior claims experience, recently settled claims, frequency of claims, and other economic and social factors. It is reasonably possible that the estimates will change by a material amount in the near future.

Activity in the Hospital’s accrued employee health and workers’ compensation claims liability for years ended December 31, 2024 and 2023 is summarized as follows:

	Beginning Liability Balance	Current Year Claims & Changes in Estimate	Claims Payments	Ending Liability Balance
2024	\$ 3,149,182	\$ 13,744,248	\$ 14,515,536	\$ 3,920,470
2023	\$ 1,824,956	\$ 18,519,035	\$ 19,843,261	\$ 3,149,182

VII. CONTINGENT LIABILITIES, LITIGATION, AND COMMITMENTS

Under the terms of federal and state grants, periodic audits are required, and certain costs and revenues may be questioned as to how they have been reported to the grantor agency. Such audits could lead to reimbursement to the grantor agency. The City’s management believes disallowances, if any, will be immaterial to the accompanying basic financial statements.

Various claims and lawsuits are pending against the City. In the opinion of management, some of these may result in monetary judgments against the City. The claims result from property damage and other claims seeking declaratory/injunctive relief. Although the outcome of these claims and lawsuits is not presently determinable, the amount of judgments could range from under \$25,000 to in excess of \$100,000. The City has not recorded any accrual for these claims.

In July 2006, SUA and Rural Water Corporation No. 3 entered into a purchase agreement in which the Authority agreed to consolidate the two water distribution systems. In September 2010, the Rural Water Advisory Board, the Rural Water Corporation No. 3 Board, and the SUA’s Trustees approved amendment of the initial July 2006 purchase agreement. The amended agreement identifies specific improvements and upgrades to be made to the system and provides a timeline for completion. Many of the improvements have been completed or are being addressed as part of the Water 2040 Program funded by debt issuance with the Oklahoma Water Resources Board. All remaining improvements and upgrades are subject to funding availability.

Asset Retirement Obligation – The City has incurred certain asset retirement obligations related to the operation of its wastewater utility system. The estimated liability of the legally required closure costs for the wastewater utility system cannot be reasonably estimated as of June 30, 2025, since the specific legally required costs of retirement have not yet been identified.

VIII. REVENUES PLEDGED

Ad valorem revenue can only be collected to pay principal and interest on general obligation bonds or court assessed judgments. Levying of an ad valorem tax requires a vote of the citizens. The City has pledged future ad valorem taxes to repay the \$9,000,000 2022 General Obligation bonds used to provide financing for the relocation and construction of a new fire station building and the \$8,750,000 2025 General Obligation bonds used to provided financing for the construction of a new animal welfare facility. The bonds of \$9,000,000 are due in payments commencing June 2024 through June 2042. The bonds of \$8,750,000 are due in payments commencing June 2026 thru June 2040. The total principal and interest payable for the remainder of the life of these bonds is \$23,226,750. Ad valorem taxes received in the current year were \$1,013,151. Debt service payments of \$858,700 in the current fiscal year were 84.76% of the total ad valorem taxes received.

The SUA has pledged future sales tax revenues and future utility revenues, net of operating and maintenance expenses, to repay debt obligations. Proceeds from the debt issues financed electric construction projects, water and wastewater construction projects, and refinanced outstanding balances of notes to the OWRB. The debt obligations are payable from the one cent sales tax revenue dedicated to the Authority by City Ordinance No. 1835 and from net revenues derived from the existence and operation of the utility system. Pledged revenues are projected to produce 125 percent of the debt service requirements over the life of the debt. For the year ended June 30, 2025, sales tax revenues were \$10,439,486 and net revenues were \$36,101,681. The following is a summary of the debt issues included in this pledge of revenues as of June 30, 2025:

Debt Issue	Issue Amount	Issue Date	Maturity Date	Remaining Principal and Interest	Current Year Principal and Interest
2005 OWRB Fixed Rate Note	\$ 7,620,000	Jun 2005	Mar 2025	\$ -	\$ 494,786
2009 OWRB DWSRF Note	11,645,000	Nov 2009	Sept 2032	4,329,427	654,338
2009 OWRB CWSRF Note	1,875,000	Nov 2009	Sept 2030	437,744	79,535
Series 2014A Revenue Bonds	61,830,000	Aug 2014	Oct 2042	-	53,928,606
2016 OWRB DWSRF Note	29,900,000	Jun 2016	Sept 2046	27,871,940	1,296,370
2017 OWRB DWSRF Note	12,600,000	Sept 2017	Sept 2048	13,599,998	575,852
2023 OWRB CWSRF Note	10,500,000	Jan 2023	Mar 2054	13,032,571	546,613
2024 OWRB DWSRF Note	37,000,000	Dec 2023	Mar 2056	3,320,822	1,000,000
Series 2025A Revenue Bonds	45,525,000	Mar 2025	Oct 2042	68,138,750	-

IX. COMPONENT UNIT BUSINESS ACQUISITIONS AND ASSOCIATED DEFERRED OUTFLOW OF RESOURCES

The Hospital has acquired multiple service lines since 2009 for which the consideration provided exceeded the net position acquired as of the date of acquisition. These service lines were acquired as they were considered strategic additions to the services already provided by the Hospital. Acquisitions resulting in deferred outflows of resources include:

The 2016 acquisition of assets and the oncology practice of Oklahoma Oncology and Hematology, Inc., and Oklahoma Cancer Specialists which is being amortized over 10 years. Amortization expense is approximately \$300,000 annually through 2026.

The 2019 acquisition of Pipeline Crossroads Clinic, which is being amortized over five years. Amortization expense is approximately \$603,000 annually through 2024.

The carrying basis and accumulated amortization of recognized deferred outflows of resources related to government acquisitions at December 31, 2024 were as follows:

Deferred outflows of resources	\$ 12,293,360
Accumulated amortization	<u>(11,768,360)</u>
	<u>\$ 525,000</u>

X. COMPONENT UNIT INVESTMENTS IN JOINT VENTURES

The Hospital's investments in joint ventures relate to a 10% ownership in LifeCare Health Services, LLC; a 4% ownership in Tecumseh Health Reciprocal Risk Retention Group; a 9% ownership in Fresenius Medical Care-Stillwater, LLC; a 50% ownership in Bushwood, LLC; a 13% ownership in LifeCare Association Insurance Exchange; and a 1% ownership in Upper Midwest Consolidated Services Center, LLC.

Tecumseh Health Reciprocal Risk Retention Group (Tecumseh) provides insurance coverage. The Hospital paid approximately \$319,000 to purchase its professional liability (medical malpractice) and general liability insurance from Tecumseh during the year ended December 31, 2024. The Hospital's investment in Tecumseh was approximately \$1,180,000 at December 31, 2024.

LifeCare Health Services, LLC (LifeCare) is a joint venture between certain hospitals in Oklahoma organized to collaborate and share expenses and expertise to expand or enhance health care services in the communities served by each participating hospital in furtherance of their independent missions. The Hospital's investment in LifeCare was approximately \$1,325,000 as of December 31, 2024.

Effective August 15, 2018, the Hospital acquired a 50% equity interest in Bushwood, LLC (Bushwood) for \$6,285,000. Bushwood owns two buildings in Stillwater, Oklahoma, an ambulatory surgery center and a medical office building, that are 100% leased by the Hospital. For the year ended December 31, 2024, the Hospital paid approximately \$1,118,000 in rent for the right to utilize the building space. The Hospital's investment in Bushwood was approximately \$7,698,000 at December 31, 2024. During the year ended December 31, 2024, the Hospital received a distribution of \$1,127,000 from Bushwood.

Fresenius Medical Care-Stillwater, LLC provides dialysis services to residents of Stillwater and the surrounding area. The Hospital's investment in Fresenius was approximately \$207,000 at December 31, 2024.

Upper Midwest Consolidated Services Center, LLC (UMCSC) is a health care supply purchasing and management organization. The Hospital's investment in UMCSC was approximately \$184,000 at December 31, 2024.

Lifecare Association Insurance Exchange (LAIE) is a joint venture between certain hospitals in Oklahoma, organized to collaborate and share expenses to create a captive insurance company for property insurance coverage. The Hospital's investment in LAIE was approximately \$878,000 as of December 31, 2024. Effective July 1, 2021, the Hospital purchased its property insurance coverage from LAIE. For the year ended December 31, 2024, the Hospital paid approximately \$202,000 to LAIE for the coverage.

Complete financial statements of these joint venture entities may be obtained by contacting the Hospital's management.

XI. TAX ABATEMENTS

The Stillwater Economic Development Authority (SEDA) negotiates sales tax abatement agreements on an individual basis. The agreements result in an abatement of 50% of the City's unrestricted sales tax collected and remitted to the Oklahoma Tax Commission by the business for an agreed upon period of time or until total abatements equal an agreed upon dollar amount. For the fiscal year ended June 30, 2025, the SEDA abated sales tax totaling \$573,466 to 2 entities for the purposes described below:

Purpose	Percentage of Taxes Abated During the Fiscal Year	Amount of Taxes Abated During the Fiscal Year
Economic revitalization and new development within the boundaries of the Tax Increment Financing District #3	22.6%	\$129,724
Development of a retail center in undeveloped parts of the City	77.4%	\$443,741

In accordance with Title 68, Section 205 of the Oklahoma Statutes, individual sales tax data has been omitted.

XII. PRIOR YEAR RESTATEMENT

With the current year implementation of GASB 101 – *Compensated Absences*, the City's beginning net position balances were restated as follows:

	Stillwater Utilities Authority	Airport	Governmental Activities	Business-Type Activities
Beginning net position as previously stated	\$ 266,852,845	\$ 38,991,270	\$ 128,894,030	\$ 309,265,448
Cumulative effect of a change in accounting principle:				
Increase in accrued compensated absence liability	(1,327,590)	(42,842)	(3,427,958)	(1,370,432)
Beginning net position as restated	\$ 265,525,255	\$ 38,948,428	\$ 125,466,072	\$ 307,895,016

In accordance with GASB Statement No. 100 – *Accounting Changes and Error Corrections*, the Hospital applied a correction in accounting error retroactively by restating balances in the financial statements as of January 1, 2023. The financial statements are restated for a correction in an accounting error related to the elimination of the long-term investments and long-term debt associated with the new market tax credits. The restatement had no effect on the Hospital's change in net position. The following table shows the restatements:

	Long-term Assets	Long-term Debt	Net Position
As previously reported	\$ 913,252	\$ 92,554,679	\$ 282,591,390
Correction of accounting error related to the elimination of long-term assets/debt in connection with the New Market Tax Credit	48,974,900	48,974,900	-
As restated	\$ 49,888,152	\$ 141,529,579	\$ 282,591,390

XIII. RECENTLY ISSUED ACCOUNTING STANDARDS

The following accounting standards have been recently issued and will be adopted as applicable by the City and its Component Units. Unless otherwise noted below, management has not yet determined the impact of these Statements on the City's financial statements.

GASB Statement No. 103 – “Financial Reporting Model Improvements” - This Statement provides users of government financial statements with improvements to key components of the financial reporting model to enhance the effectiveness of providing information that is essential for decision making and assessing government's accountability. The Statement is effective for the city in the fiscal year June 30, 2026.

GASB Statement 104 – “Disclosure of Certain Capital Assets” - This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. The Statement is effective for the city in the fiscal year June 30, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

Stillwater[®] OKLAHOMA
stillwaterok.gov

Convenience Collection Center

In fiscal year 2025, the Convenience Collection Center had 48,711 visitors and collected more than 1,529 tons of recyclable materials.

The Convenience Collection Center is located at 807 S. Perkins Road and is open Tuesday-Friday, 10 a.m.-6 p.m. and Saturday, 8 a.m.-4 p.m.



CITY OF STILLWATER, OKLAHOMA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2025

CITY OF STILLWATER, OKLAHOMA
 SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 For the fiscal year ended June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT BUDGETARY BASIS	Budget to GAAP Difference	Actual Amount GAAP Basis
REVENUES					
Sales and use tax	\$ 34,523,000	\$ 36,673,000	\$ 37,084,884	\$ -	\$ 37,084,884
Other taxes	3,779,000	4,714,000	4,709,992	-	4,709,992
Intergovernmental	50,000	1,656,386	3,335,046	3,427,939	6,762,985
Charges for Services	1,209,000	1,209,000	1,725,942	-	1,725,942
Fines and forfeits	634,000	634,000	798,859	-	798,859
Fees and rentals	431,000	431,000	418,746	-	418,746
Licenses and permits	319,000	319,000	364,685	-	364,685
Investment Income	127,000	127,000	1,065,697	-	1,065,697
Other miscellaneous revenue	1,409,000	9,448,085	7,361,302	-	7,361,302
Total revenues	<u>42,481,000</u>	<u>55,211,471</u>	<u>56,865,153</u>	<u>3,427,939</u>	<u>60,293,092</u>
EXPENDITURES					
Public Safety:					
Police:					
Personal Services	13,282,984	13,685,478	13,604,451	3,494,089	17,098,540
Materials and supplies	865,354	841,387	781,827	-	781,827
Contract Services	386,625	501,406	413,024	-	413,024
Fire:					
Personal Services	8,088,119	8,761,707	8,676,223	3,818,924	12,495,147
Materials and supplies	288,325	322,997	291,145	-	291,145
Contract Services	308,950	552,772	329,459	-	329,459
Total Public Safety	<u>23,220,357</u>	<u>24,665,747</u>	<u>24,096,129</u>	<u>7,313,013</u>	<u>31,409,142</u>
Recreation and culture					
Parks and recreation:					
Personal Services	733,050	742,509	703,021	161,833	864,854
Materials and supplies	88,206	84,553	76,020	-	76,020
Contract Services	918,173	937,963	884,709	5,854	890,563
Library:					
Personal Services	1,080,392	1,112,782	1,067,698	240,571	1,308,269
Materials and supplies	107,685	107,685	106,272	-	106,272
Contract Services	108,150	394,043	287,269	-	287,269
Total recreation and culture	<u>3,035,656</u>	<u>3,379,535</u>	<u>3,124,989</u>	<u>408,258</u>	<u>3,533,247</u>
General government:					
Personal Services	13,173,065	13,906,422	12,769,812	(9,825,246)	2,944,566
Materials and supplies	121,857	158,498	126,399	-	126,399
Contract Services	7,702,475	9,518,239	5,913,039	(1,745,800)	4,167,239
Total general government	<u>20,997,397</u>	<u>23,583,159</u>	<u>18,809,250</u>	<u>(11,571,046)</u>	<u>7,238,204</u>
Financial administration:					
Personal Services	700,923	689,351	643,615	262,978	906,593
Materials and supplies	27,400	32,430	30,384	-	30,384
Contract Services	98,910	99,330	54,626	58,368	112,994
Total financial administration	<u>827,233</u>	<u>821,111</u>	<u>728,625</u>	<u>321,346</u>	<u>1,049,971</u>

(continued...)

CITY OF STILLWATER, OKLAHOMA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2025

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT BUDGETARY BASIS	Budget to GAAP Difference	Actual Amount GAAP Basis
Street and highways:					
Personal Services	3,123,643	2,874,774	2,755,752	916,842	3,672,594
Materials and supplies	781,419	726,949	698,793	-	698,793
Contract Services	658,930	831,948	528,913	288,227	817,140
Total streets and highways	4,563,992	4,433,671	3,983,458	1,205,069	5,188,527
Health and welfare:					
Personal Services	1,197,837	1,063,902	956,489	243,838	1,200,327
Materials and supplies	25,146	25,866	18,922	-	18,922
Contract Services	169,250	304,612	179,901	-	179,901
Total health and welfare	1,392,233	1,394,380	1,155,312	243,838	1,399,150
Debt Service:					
Police	-	-	-	3,097	3,097
Fire	325,475	325,475	325,475	2,604	328,079
Parks and recreation	-	-	-	3,174	3,174
Library	-	-	-	3,518	3,518
General government	197,854	197,854	197,854	301,925	499,779
Financial administration	-	-	-	30,097	30,097
Streets and highways	-	-	-	6,804	6,804
Total debt service	523,329	523,329	523,329	351,219	874,548
Capital Outlay:					
Police	-	146,818	144,571	-	144,571
Fire	-	261,397	158,689	-	158,689
Parks and recreation	-	140,299	15,143	-	15,143
General government	-	8,615	8,614	-	8,614
Health and welfare	-	4,571,484	3,111,415	-	3,111,415
Streets and highways	-	8,471,655	6,150,524	-	6,150,524
Total capital outlay	-	13,600,268	9,588,956	-	9,588,956
Total expenditures	54,560,197	72,401,200	62,010,048	(1,728,303)	60,281,745
Excess (deficiency) of revenues over (under) expenditures	(12,079,197)	(17,189,729)	(5,144,895)	5,156,242	11,347
OTHER FINANCING SOURCES (USES)					
Transfers in	32,387,783	33,531,033	30,806,943	(11,665,942)	19,141,001
Transfers out	(21,120,951)	(26,786,237)	(26,596,968)	7,189,792	(19,407,176)
Insurance proceeds	-	41,071	162,853	-	162,853
Proceeds from long-term lease	-	-	-	482,424	482,424
Total other financing sources (uses)	11,266,832	6,785,867	4,372,828	(3,993,726)	379,102
Net change in fund balance	(812,365)	(10,403,862)	(772,067)	1,162,516	390,449
FUND BALANCE, beginning of year	-	21,597,833	21,597,833	-	21,597,833
FUND BALANCE, end of year	\$ (812,365)	\$ 11,193,971	\$ 20,825,766	\$ 1,162,516	\$ 21,988,282

NOTES TO BUDGETARY COMPARISON SCHEDULES

BUDGET LAW

The City operates under the Oklahoma Municipal Budget Act of 1979 (the "Budget Act"). The budget, as adopted by the city council, is filed with the State of Oklahoma Office of the Auditor and Inspector. Budget amendments or supplements made during the year are recommended by the city manager and must be approved by the city council. An amended budget is filed before year-end with the agency mentioned above. The budget and actual comparisons presented in the budgetary comparison schedules include the legally amended budgets for the respective funds.

CITY OF STILLWATER, OKLAHOMA
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

The City uses the following procedures to establish the budgetary data reflected in the accompanying financial statements:

- Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments. Public hearings are held no later than 15 days prior to the beginning of the budget year.
- Prior to July 1, the budget is legally enacted through the passage of a motion by the City Council.

The Budget Act specifies that the governing body may grant authorization to the city manager to transfer budgeted amounts between departments within any fund; however, any revision that alters the total expenditures of any fund must be approved by the city council.

Budgets are legally adopted and formally integrated as a management control device for all funds of the primary government.

Budgets as adopted by the city council are prepared on a modified accrual basis where revenues are recognized when measurable and available and expenses are recognized when incurred.

Budgetary control is maintained by department and by the following category of expenditures: personnel services, materials and supplies, other services and charges, capital outlay, and debt service. Expenditures and encumbrances may not legally exceed appropriations at the department level. All transfers of appropriations between funds and supplemental appropriations require city council approval. The city manager may transfer appropriations between object categories within a fund. Supplemental appropriations must also be filed with the Office of State Auditor and Inspector.

All encumbered appropriations lapse at year end and are re-budgeted in the following budget year where appropriate. Unencumbered appropriations lapse at year end.

In accordance with Title 60 of the Oklahoma State Statutes, the Stillwater Medical Center Authority is required to prepare an annual budget and submit a copy to the city as beneficiary. However, there are no further requirements such as form of budget, approval of the budget or definition of a legal level of control.

BUDGETARY COMPLIANCE

For the year ended June 30, 2025 the City complied, in all material respects, with the applicable budget laws.

CITY OF STILLWATER, OKLAHOMA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2025

**SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
 OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
 Last 10 Fiscal Years**

For the year June 30,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	1.993%	1.940%	2.015%	1.919%	2.027%	1.913%	1.922%	1.905%	1.929%	1.927%
City's proportionate share of the net pension liability (asset)	\$ 5,220,885	\$ (592,397)	\$ (1,616,064)	\$ (9,203,474)	\$ 2,327,809	\$ (122,109)	\$ (915,585)	\$ 146,562	\$ 2,954,182	\$ 78,571
City's covered payroll	\$ 7,701,855	\$ 7,297,854	\$ 7,220,731	\$ 6,487,104	\$ 6,483,780	\$ 6,118,891	\$ 5,816,669	\$ 5,588,023	\$ 5,873,785	\$ 5,428,069
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-(67.79%)	(8.12%)	(22.38%)	141.873%	(35.90%)	(2.00%)	15.74%	2.62%	50.29%	(1.45%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	92.40%	101.02%	102.74%	117.01%	95.80%	100.24%	101.89%	99.68%	93.50%	99.82%

Notes to Schedule:

For the period that ends on the measurement date of the pension liability.

**SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
 Last 10 Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	1.656%	1.668%	1.844%	1.728%	1.824%	1.706%	1.687%	1.802%	1.763%	1.733%
City's proportionate share of the net pension liability	\$ 21,810,935	\$ 21,526,023	\$ 24,109,773	\$ 11,382,311	\$ 22,470,976	\$ 18,023,156	\$ 18,994,082	\$ 22,668,491	\$ 21,542,978	\$ 18,399,430
City's covered payroll	\$ 6,399,407	\$ 6,215,964	\$ 6,102,793	\$ 5,558,376	\$ 5,559,569	\$ 5,240,149	\$ 4,957,864	\$ 5,077,200	\$ 5,063,550	\$ 4,667,564
City's proportionate share of the net pension liability as a percentage of its covered payroll	340.83%	346.30%	395.06%	204.78%	404.19%	343.94%	383.11%	446.48%	425.45%	394.20%
Plan fiduciary net position as a percentage of the total pension liability	71.94%	70.85%	69.49%	84.24%	69.98%	72.85%	70.73%	66.61%	64.87%	68.27%

Notes to Schedule:

For the period that ends on the measurement date of the pension liability.

CITY OF STILLWATER, OKLAHOMA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2025

SCHEDULE OF CITY CONTRIBUTIONS
OKLAHOMA POLICE PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 1,003,734	\$ 1,001,241	\$ 948,721	\$ 938,695	\$ 843,322	\$ 842,890	\$ 795,457	\$ 756,167	\$ 726,443	\$ 763,592
Contributions in relation to the statutorily required contribution	<u>(1,003,734)</u>	<u>(1,001,241)</u>	<u>(948,721)</u>	<u>(938,695)</u>	<u>(843,322)</u>	<u>(842,890)</u>	<u>(795,457)</u>	<u>(756,167)</u>	<u>(726,443)</u>	<u>(763,592)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 7,721,031	\$ 7,701,855	\$ 7,297,854	\$ 7,220,731	\$ 6,487,104	\$ 6,483,780	\$ 6,118,891	\$ 5,816,669	\$ 5,588,023	\$ 5,873,785
Contributions as a percentage of covered payroll	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%

SCHEDULE OF CITY CONTRIBUTIONS
OKLAHOMA FIREFIGHTERS PENSION & RETIREMENT SYSTEM
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 957,439	\$ 895,917	\$ 870,235	\$ 854,391	\$ 778,175	\$ 778,342	\$ 733,622	\$ 694,101	\$ 710,808	\$ 708,897
Contributions in relation to the statutorily required contribution	<u>(957,439)</u>	<u>(895,917)</u>	<u>(870,235)</u>	<u>(854,391)</u>	<u>(778,175)</u>	<u>(778,342)</u>	<u>(733,622)</u>	<u>(694,101)</u>	<u>(710,808)</u>	<u>(708,897)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 6,838,850	\$ 6,399,407	\$ 6,215,964	\$ 6,102,793	\$ 5,558,376	\$ 5,559,569	\$ 5,240,149	\$ 4,957,864	\$ 5,077,200	\$ 5,063,550
Contributions as a percentage of covered payroll	14%	14%	14%	14%	14%	14%	14%	14%	14%	14%

CITY OF STILLWATER, OKLAHOMA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2025

**Schedule of Changes in Total OPEB Liability and Related Ratios
 Last 10 Fiscal Years**

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 406,463	\$ 386,463	\$ 456,754	\$ 432,790	\$ 351,194	\$ 319,735	\$ 289,621	\$ 326,718
Interest	306,805	307,498	168,516	170,569	247,914	240,241	204,729	160,852
Experience Gain/(Loss)	(448,407)	(424,723)	68,410	59,209	(423,902)	(23,365)	140,297	-
Changes of assumptions	(56,265)	(159,899)	(691,863)	(384,456)	550,856	430,376	(304,645)	(459,374)
Expected net benefit payments	(224,290)	(213,549)	(216,247)	(220,694)	(125,017)	(120,931)	(100,180)	(91,192)
Net change in total OPEB liability	(15,694)	(104,210)	(214,430)	57,418	601,045	846,056	229,822	(62,996)
Balances at Beginning of Year	7,134,386	7,238,596	7,453,026	7,395,608	6,794,563	5,948,507	5,718,685	5,781,681
Balances End of Year	\$ 7,118,692	\$ 7,134,386	\$ 7,238,596	\$ 7,453,026	\$ 7,395,608	\$ 6,794,563	\$ 5,948,507	\$ 5,718,685
Covered employee payroll	\$ 34,799,000	\$ 33,914,000	\$ 32,052,000	\$ 32,589,000	\$ 30,900,000	\$ 30,819,000	\$ 28,460,000	\$ 28,450,000
Total OPEB liability as a percentage of covered-employee payroll	20.46%	21.04%	22.58%	22.87%	23.93%	22.05%	20.90%	20.10%

Notes to Schedule:

GASB 75 requires the presentation of ten years of data. Data was not available prior to fiscal year 2018. Additional years' data will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Changes of assumptions in fiscal year 2018 relates to the discount rate which changed from 2.85% to 3.58%.

Changes of assumptions in fiscal year 2019 relates mainly to the following:

Discount rate changed from 3.58% to 3.87%

Mortality table was changed from RP 2000 projected using scale AA to Pub2010 Gen or

Public Safety projected

Healthcare age claim curve was adjusted for change in demographics of covered participant group

Healthcare trend changed to reflect actual change in budgeted medical premiums for the year

Changes of assumptions in fiscal year 2020 relates mainly to the following:

Discount rate changed from 3.87% to 3.50%

Healthcare age claim curve was adjusted for change in demographics of participants

Healthcare trend changed to reflect actual change in budgeted medical premiums for the year

Retiree contributions for the next year was changed to reflect actual increase in required contributions

Future retirees were assumed to take Plan A upon retirement

Changes of assumptions in fiscal year 2021 relates mainly to the following:

Discount rate changed from 3.50% to 2.21%

Changes of assumptions in fiscal year 2022 relates mainly to the following:

Discount rate changed from 2.21% to 2.16%

Changes of assumptions in fiscal year 2023 relates mainly to the following:

Discount rate changed from 2.16% to 4.09%

Retiree contribution trend and healthcare trend for next year was changed to reflect an increase of 30%

Changes of assumptions in fiscal year 2024 relates mainly to the following:

Discount rate changed from 4.096% to 4.13%

Changes of assumptions in fiscal year 2025 relates mainly to the following:

Discount rate changed from 4.13% to 4.21%

OTHER SUPPLEMENTARY INFORMATION

Stillwater® OKLAHOMA
stillwaterok.gov



Stillwater Regional Airport

The Stillwater Regional Airport is getting a new terminal! Phase one of the project includes constructing a new terminal building, a four-lane drop-off area, and more. For more information, go to: Stillwaterok.gov/projects.

Facebook - @FlyStillwaterOK



Instagram - stillwater_regional_airport



X - @FlyStillwaterOK



CITY OF STILLWATER, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MAJOR GOVERNMENTAL CAPITAL PROJECT FUNDS
For the fiscal year ended June 30, 2025

	Capital Project Fund Transportation Improvement Fund				Capital Project Fund City Capital Fund			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget
REVENUES								
Taxes	\$ 10,000,000	\$ 10,350,000	10,439,486	89,486	-	-	-	-
Investment income	-	-	974,696	974,696	-	-	203,043	203,043
Intergovernmental	-	-	-	-	-	145,877	-	(145,877)
Other miscellaneous revenue	-	-	12,719	12,719	-	-	8,973	8,973
Total revenues	10,000,000	10,350,000	11,426,901	1,076,901	-	145,877	212,016	66,139
EXPENDITURES								
General Government:								
Materials and supplies	-	-	-	-	-	49,998	49,998	-
Total General Government	-	-	-	-	-	49,998	49,998	-
Police:								
Contract services	-	-	-	-	-	32,000	-	32,000
Total Police	-	-	-	-	-	32,000	-	32,000
Streets and highways:								
Personal services	-	-	-	-	-	-	-	-
Materials and supplies	-	199,502	64,145	135,357	-	-	-	-
Contract services	-	496,029	-	496,029	-	32,000	6,400	25,600
Total Streets and highways	-	695,531	64,145	631,386	-	32,000	6,400	25,600
Debt service:								
General government	-	-	-	-	-	91,975	76,647	15,328
Emergency management	-	-	-	-	1,355,000	1,355,000	1,354,999	1
Total debt service	-	-	-	-	1,355,000	1,446,975	1,431,646	15,329
Capital outlay:								
Parks and recreation	-	-	-	-	-	508,162	485,007	23,155
General government	-	-	-	-	-	1,053,442	1,570,544	(517,102)
Police	-	-	-	-	-	828,671	147,102	681,569
Streets and highways	-	16,183,948	7,263,394	8,920,554	-	1,521,006	1,363,725	157,281
Emergency management	-	-	-	-	-	660,237	539,862	120,375
Total capital outlay	-	16,183,948	7,263,394	8,920,554	-	4,571,518	4,106,240	465,278
Excess (deficiency) of revenues over (under) expenditures	10,000,000	(6,529,479)	4,099,362	10,628,841	(1,355,000)	(5,954,614)	(5,382,268)	572,346
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	-	-	-	-	812,500	812,500
Transfers in	-	-	-	-	-	2,452,317	1,885,000	(567,317)
Transfers out	-	-	-	-	-	(1,007,391)	(1,007,391)	-
Total other financing sources (uses)	-	-	-	-	-	1,444,926	1,690,109	245,183
Net change in fund balance	10,000,000	(6,529,479)	4,099,362	10,628,841	(1,355,000)	(4,509,688)	(3,692,159)	817,529
FUND BALANCE, beginning of year	14,084,057	25,682,739	25,682,739	-	3,266,325	7,545,865	7,545,865	-
FUND BALANCE, end of year	\$ 24,084,057	\$ 19,153,260	\$ 29,782,101	\$ 10,628,841	\$ 1,911,325	\$ 3,036,177	\$ 3,853,706	\$ 817,529

NONMAJOR GOVERNMENTAL FUNDS

Community Development Block Grant – to account for funds used for the improvements in low-income portions of the community. Funding is provided by the Community Development Block Grant Small Cities Set Aside program and local matching funds.

Tax Increment District #3 – Accounts for funds used for improvements in the downtown/campus link project area as defined in Ordinance No. 3407 and amended by Ordinance Nos. 3494 and 3521. Funding is provided by incremental ad-valorem and sales tax revenue.

Tax Increment District #5 – Accounts for funds used for improvements in the additional 2022 Amended Project Plan area as defined in Ordinance No. 3494 and amended by Ordinance No. 3521. Funding is provided by incremental ad-valorem tax revenue.

Stillwater Public Library Trust – Accounts for contributions received for the benefit of the Stillwater Public Library.

G.O. Bond Fund – to account for 2022 general obligation bond proceeds to be used for construction of new fire station and 2025 general obligation bond proceeds to be used for construction of a new animal control facility.

Sinking Fund – to account for the accumulation of ad valorem taxes levied by the City for the payment of general long-term principal, interest and related costs.

Mabel King Trust – Accounts for the Mabel M. King Endowment, of which the net income may be used for the purchase of books for the Stillwater Public Library.

CITY OF STILLWATER, OKLAHOMA
 OTHER SUPPLEMENTARY INFORMATION
 June 30, 2025

City of Stillwater
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2025

	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
	Community Development Block Grant	Tax Increment District #3	Tax Increment District #5	Stillwater Public Library Trust	G.O. Bond Fund	Sinking Fund	Mabel King Trust	
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 5,866	\$ 9,185,759	\$ 967,503	\$ 54,106	\$ 10,213,234
Investments	-	-	-	965,726	1,160,509	202,062	-	2,328,297
Due from other funds	-	-	-	-	-	1,834	-	1,834
Due from other governments	154,292	1,206,371	150,954	-	-	-	-	1,511,617
Accrued interest receivable	-	-	-	47	1,561	272	16	1,896
Total assets	\$ 154,292	\$ 1,206,371	\$ 150,954	\$ 971,639	\$ 10,347,829	\$ 1,171,671	\$ 54,122	\$ 14,056,878
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 88,572	\$ 16,279	\$ 79,853	\$ -	\$ 1,198,092	\$ -	\$ -	\$ 1,382,796
Due to other funds	13,903	-	1,834	-	-	-	-	15,737
Total liabilities	102,475	16,279	81,687	-	1,198,092	-	-	1,398,533
Deferred Inflows of Resources								
Unavailable revenue-property taxes	-	1,141,992	-	-	-	-	-	1,141,992
Total deferred inflows of resources	-	1,141,992	-	-	-	-	-	1,141,992
Fund Balances:								
Nonspendable	-	-	-	-	-	-	50,000	50,000
Restricted	-	-	-	-	-	1,171,671	-	1,171,671
Debt Service	-	-	-	-	-	-	-	-
Capital Improvements	51,817	-	-	-	9,149,737	-	-	9,201,554
TIF projects	-	48,100	69,267	-	-	-	-	117,367
Library books	-	-	-	-	-	-	4,122	4,122
Library purposes	-	-	-	971,639	-	-	-	971,639
Total fund balances	51,817	48,100	69,267	971,639	9,149,737	1,171,671	54,122	11,516,353
Total liabilities, deferred inflows of resources, and fund balances	\$ 154,292	\$ 1,206,371	\$ 150,954	\$ 971,639	\$ 10,347,829	\$ 1,171,671	\$ 54,122	\$ 14,056,878

CITY OF STILLWATER, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025

City of Stillwater
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
	Community Development Block Grant	Tax Increment District #3	Tax Increment District #5	Stillwater Public Library Trust	G.O. Bond Fund	Sinking Fund	Label King Trust	
REVENUES								
Taxes	\$ -	\$ 1,307,602	\$ 149,120	\$ -	\$ -	\$ 1,013,151	\$ -	\$ 2,469,873
Intergovernmental	154,293	-	-	-	-	-	-	154,293
Investment income (loss)	-	-	-	98,722	218,438	33,311	2,036	352,507
Miscellaneous	-	-	-	9,504	-	-	-	9,504
Total revenues	154,293	1,307,602	149,120	108,226	218,438	1,046,462	2,036	2,986,177
EXPENDITURES								
Current:								
Recreation and culture	-	-	-	7,496	-	-	5,880	13,376
General government	-	411,882	79,853	-	230,738	-	-	722,473
Debt Service:								
Principal	-	-	-	-	-	470,000	-	470,000
Interest and other charges	-	-	-	-	-	388,700	-	388,700
Capital Outlay	327,517	-	-	-	6,386,650	-	-	6,714,167
Total Expenditures	327,517	411,882	79,853	7,496	6,617,388	858,700	5,880	8,308,716
Excess (deficiency) of revenues over expenditures	(173,224)	895,720	69,267	100,730	(6,398,950)	187,762	(3,844)	(5,322,539)
OTHER FINANCING SOURCES (USES)								
Issuance of debt	-	-	-	-	8,750,000	-	-	8,750,000
Bond Premium	-	-	-	-	451,012	-	-	451,012
Transfers In	2,542	-	-	-	-	377,112	-	379,654
Transfers Out	-	(852,527)	-	-	(377,112)	(165,692)	-	(1,395,331)
Total other financing sources and uses	2,542	(852,527)	-	-	8,823,900	211,420	-	8,185,335
Net change in fund balances	(170,682)	43,193	69,267	100,730	2,424,950	399,182	(3,844)	2,862,796
Fund Balances - beginning	222,499	4,907	-	870,909	6,724,787	772,489	57,966	8,653,557
Fund Balances - ending	\$ 51,817	\$ 48,100	\$ 69,267	\$ 971,639	\$ 9,149,737	\$ 1,171,671	\$ 54,122	\$ 11,516,353

CITY OF STILLWATER, OKLAHOMA
OTHER SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2025

	Special Revenue Fund Community Development Block Grant				Special Revenue Fund Tax Increment District #3			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,795,000	\$ 1,795,000	\$ 1,307,602	\$ (487,398)
Intergovernmental	-	222,500	154,293	(68,207)	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Other miscellaneous revenue	-	-	-	-	-	-	-	-
Total revenues	-	222,500	154,293	(68,207)	1,795,000	1,795,000	1,307,602	(487,398)
EXPENDITURES								
General government:								
Contract services	-	-	-	-	560,000	560,000	411,882	148,118
Debt service:	-	-	-	-	-	-	-	-
Principal retirements	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	560,000	560,000	411,882	148,118
Capital Outlay:								
General government	-	445,000	327,517	117,483	-	-	-	-
Streets and highway	-	-	-	-	-	-	-	-
Total capital outlay	-	445,000	327,517	117,483	-	-	-	-
Total expenditures	-	445,000	327,517	117,483	560,000	560,000	411,882	148,118
Excess (deficiency) of revenues over (under) expenditures	-	(222,500)	(173,224)	49,276	1,235,000	1,235,000	895,720	(339,280)
OTHER FINANCING SOURCES (USES)								
Transfers in	2,542	2,542	2,542	-	-	-	-	-
Transfers out	-	-	-	-	(1,185,000)	(1,185,000)	(852,527)	332,473
Total other financing sources (uses)	2,542	2,542	2,542	-	(1,185,000)	(1,185,000)	(852,527)	332,473
Net change in fund balance	2,542	(219,958)	(170,682)	49,276	50,000	50,000	43,193	(6,807)
FUND BALANCE, beginning of year	(2,542)	222,499	222,499	-	49,856	4,907	4,907	-
FUND BALANCE, end of year	\$ -	\$ 2,541	\$ 51,817	\$ 49,276	\$ 99,856	\$ 54,907	\$ 48,100	\$ (6,807)

CITY OF STILLWATER, OKLAHOMA
 OTHER SUPPLEMENTARY INFORMATION
 June 30, 2025

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2025

	Special Revenue Fund Tax Increment District #5			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ 149,120	\$ 149,120
Intergovernmental	-	-	-	-
Investment income	-	-	-	-
Other miscellaneous revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>149,120</u>	<u>149,120</u>
EXPENDITURES				
General government:				
Contract services	-	-	79,853	(79,853)
Debt service:	-	-	-	-
Principal retirements	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>79,853</u>	<u>(79,853)</u>
Capital Outlay:				
General government	-	-	-	-
Recreation and culture	-	-	-	-
Streets and highway	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>79,853</u>	<u>(79,853)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>69,267</u>	<u>69,267</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>69,267</u>	<u>69,267</u>
FUND BALANCE, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,267</u>	<u>\$ 69,267</u>

(Continued)

CITY OF STILLWATER, OKLAHOMA
 OTHER SUPPLEMENTARY INFORMATION
 June 30, 2025

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2025

	Capital Project Fund G.O. Bond Fund				Debt Service Fund Sinking Fund			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,046,000	\$ 1,046,000	\$ 1,013,151	\$ (32,849)
Intergovernmental	-	-	-	-	-	-	-	-
Investment income	-	-	218,438	218,438	-	-	33,311	33,311
Other miscellaneous revenue	-	-	-	-	-	-	-	-
Total revenues	-	-	218,438	218,438	1,046,000	1,046,000	1,046,462	462
EXPENDITURES								
General government								
Contract services	-	-	230,738	(230,738)	-	-	-	-
Debt service:								
General government	-	-	-	-	858,700	858,700	858,700	-
Capital Outlay:								
Public safety	-	6,816,942	6,386,650	430,292	-	-	-	-
Total expenditures	-	6,816,942	6,617,388	199,554	858,700	858,700	858,700	-
Excess (deficiency) of revenues over (under) expenditures	-	(6,816,942)	(6,398,950)	417,992	187,300	187,300	187,762	462
OTHER FINANCING SOURCES (USES)								
Proceeds from long-term debt	-	-	9,201,012	9,201,012	-	-	-	-
Transfers in	-	-	-	-	-	-	377,112	377,112
Transfers out	-	-	(377,112)	(377,112)	(165,692)	(165,692)	(165,692)	-
Total other financing sources (uses)	-	-	8,823,900	8,823,900	(165,692)	(165,692)	211,420	377,112
Net change in fund balance	-	(6,816,942)	2,424,950	9,241,892	21,608	21,608	399,182	377,574
FUND BALANCE, beginning of year	195,351	6,724,787	6,724,787	-	198,665	772,489	772,489	-
FUND BALANCE, end of year	\$ 195,351	\$ (92,155)	\$ 9,149,737	\$ 9,241,892	\$ 220,273	\$ 794,097	\$ 1,171,671	\$ 377,574

(Continued)

CITY OF STILLWATER, OKLAHOMA
 OTHER SUPPLEMENTARY INFORMATION
 June 30, 2025

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - NONMAJOR GOVERNMENTAL FUNDS
 For the fiscal year ended June 30, 2025

	Permanent Fund Mabel King Trust				Stillwater Public Library Trust			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL AMOUNT	Variance from Final Budget
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Investment income	-	-	2,036	2,036	-	-	98,722	98,722
Other miscellaneous revenue	-	-	-	-	-	-	9,504	9,504
Total revenues	-	-	2,036	2,036	-	-	108,226	108,226
EXPENDITURES								
Recreation and culture:								
Materials and supplies	-	5,880	5,880	-	-	-	-	-
Contract services	-	-	-	-	-	11,645	7,496	4,149
Debt service:	-	-	-	-	-	-	-	-
Principal retirements	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Total general government	-	5,880	5,880	-	-	11,645	7,496	4,149
Capital Outlay:								
Recreation and culture	-	-	-	-	-	-	-	-
Total capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	5,880	5,880	-	-	11,645	7,496	4,149
Excess (deficiency) of revenues over (under) expenditures	-	(5,880)	(3,844)	2,036	-	(11,645)	100,730	112,375
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net change in fund balance	-	(5,880)	(3,844)	2,036	-	(11,645)	100,730	112,375
FUND BALANCE, beginning of year	-	57,966	57,966	-	-	870,909	870,909	-
FUND BALANCE, end of year	\$ -	\$ 52,086	\$ 54,122	\$ 2,036	\$ -	\$ 859,264	\$ 971,639	\$ 112,375

STATISTICAL SECTION

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Statistical Section

This section of the City's ACFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

- **Financial Trends** – These schedules contain trend information to help the reader understand how the City's financial performance and well-being changed over time. *See pages 99-103.*
- **Revenue Capacity** – These schedules contain information to help the reader assess the City's significant local revenue sources, the sales tax and the property tax, as well as other revenue sources. *See pages 104-111.*
- **Debt Capacity** – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. *See pages 112-115.*
- **Operating Information** – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. *See pages 116-119.*
- **Economic and Demographic Information** – These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. *See pages 120-121.*

Sources: Unless otherwise noted, the information in these schedules is derived from the City's comprehensive annual financial reports for the relevant year.

CITY OF STILLWATER, OKLAHOMA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 85,669,817	\$ 86,929,623	\$ 82,592,444	\$ 80,699,900	\$ 81,356,779	\$ 80,806,176	\$ 78,737,372	\$ 81,470,006	\$ 88,633,403	\$ 100,598,696
Restricted for capital projects	62,633	62,415	323,382	374,262	331,935	243,410	9,034	208,351	222,499	51,817
Restricted for pensions	7,706,462	7,834,767	8,374,505	9,478,658	10,056,817	0	-	1,309,975	-	-
Restricted for debt service	209,523	188,857	139,552	152,309	162,401	306,175	673,299	671,370	772,489	1,171,671
Restricted for street improvements	341,711	5,099,248	9,168,945	10,841,975	11,773,957	13,665,321	14,451,872	21,492,626	25,682,739	29,782,101
Restricted for specific operating activities	2,497,975	2,392,909	651,332	673,213	1,124,923	1,694,392	1,338,666	3,120,181	4,024,162	4,471,356
Restricted for permanent fund - nonexpendable	-	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000
Unrestricted	(16,308,980)	(19,618,348)	(18,555,667)	(7,805,126)	(5,014,097)	3,992,326	6,875,700	6,847,929	9,508,738	(2,397,087)
Total governmental activities net position	\$ 80,179,141	\$ 82,889,471	\$ 82,694,493	\$ 94,415,191	\$ 99,842,715	\$ 100,757,800	\$ 102,135,943	\$ 115,170,438	\$ 128,894,030	\$ 133,728,554
Business-type activities:										
Net investment in capital assets	\$ 126,387,848	\$ 125,458,599	\$ 129,490,943	\$ 129,044,368	\$ 136,958,864	\$ 144,901,186	\$ 145,490,174	\$ 150,289,969	\$ 156,344,114	\$ 180,901,785
Restricted for capital projects	1,655,304	808,415	862,552	886,016	908,232	944,789	985,783	1,017,844	2,451,545	1,078,710
Restricted for debt service	1,057,398	1,542,846	2,055,472	1,932,356	1,945,838	1,978,202	2,019,266	2,079,163	1,050,361	1,911,993
Restricted for specific operating activities	2,712	2,460	-	-	-	-	-	-	-	-
Unrestricted	70,145,589	85,816,412	95,413,569	99,550,852	99,291,393	111,390,692	116,673,727	130,564,214	149,419,428	150,337,239
Total business-type activities net position	\$ 199,248,851	\$ 213,628,732	\$ 227,822,536	\$ 231,413,592	\$ 239,104,327	\$ 259,214,869	\$ 265,168,950	\$ 283,951,190	\$ 309,265,448	\$ 334,229,727
Primary government:										
Net investment in capital assets	\$ 212,057,665	\$ 212,388,222	\$ 212,083,387	\$ 209,744,268	\$ 218,315,643	\$ 225,707,362	\$ 224,227,546	\$ 231,759,975	\$ 244,977,517	\$ 281,500,481
Restricted for capital projects	1,717,937	870,830	1,185,934	1,260,278	1,240,167	1,188,199	994,817	1,226,195	2,674,044	1,130,527
Restricted for pensions	7,706,462	7,834,767	8,374,505	9,478,658	10,056,817	-	-	1,309,975	-	-
Restricted for debt service	1,266,921	1,731,703	2,195,024	2,084,665	2,108,239	2,284,377	2,692,565	2,750,533	1,822,850	3,083,664
Restricted for street improvements	341,711	5,099,248	9,168,945	10,841,975	11,773,957	13,665,321	14,451,872	21,492,626	25,682,739	29,782,101
Restricted for specific operating activities	2,500,687	2,395,369	651,332	673,213	1,124,923	1,694,392	1,338,666	3,120,181	4,024,162	4,471,356
Restricted for permanent fund - nonexpendable	-	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000
Unrestricted	53,836,609	66,198,064	76,857,902	91,745,726	94,277,296	115,383,018	123,549,427	137,412,143	158,928,166	147,940,152
Total primary government net position	\$ 279,427,992	\$ 296,518,203	\$ 310,517,029	\$ 325,828,783	\$ 338,947,042	\$ 359,972,669	\$ 367,304,893	\$ 399,121,628	\$ 438,159,478	\$ 467,958,281

CITY OF STILLWATER, OKLAHOMA
CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
Public Safety	\$ 20,487,015	\$ 22,567,312	\$ 23,165,578	\$ 20,283,955	\$ 25,232,995	\$ 27,887,768	\$ 24,276,320	\$ 26,982,491	\$ 29,875,906	\$ 38,178,206
Cultural, parks and recreation	4,642,710	4,461,890	4,209,854	3,594,568	3,735,748	3,226,164	4,544,400	3,945,000	3,628,270	3,187,704
General government	4,446,150	5,328,156	5,545,663	6,051,174	5,633,505	6,263,176	6,965,822	7,424,719	7,767,001	10,358,950
Financial administration	732,799	747,028	621,538	480,187	614,702	627,071	737,819	860,711	1,070,490	1,037,478
Streets and highways	15,088,869	12,932,517	10,246,691	9,937,457	11,192,640	10,766,813	10,598,146	8,727,689	11,370,075	9,907,772
Engineering and public works administration	0	-	-	-	-	-	-	-	-	-
Economic development	27,903	13,316	25,381	24,562	7,805	5,127	-	-	-	-
Health and welfare	1,157,110	960,396	1,023,771	1,028,832	1,074,399	919,985	1,339,667	1,126,175	1,264,783	1,610,956
Interest on long-term debt	108,120	76,111	44,113	12,129	(19,671)	(50,163)	(30,311)	616,833	490,695	614,860
Total governmental activities expenses	46,690,676	47,086,726	44,882,589	41,412,864	47,472,123	49,645,941	48,431,863	49,683,618	55,467,220	64,895,926
Business-type activities:										
Electric, water, wastewater, and sanitation operations	53,378,815	61,965,058	63,234,363	65,532,689	62,740,400	80,879,025	88,079,435	85,101,682	81,805,024	84,243,194
Stillwater Public Golf Authority	-	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	15,000	0	1,686,158	-	-	-	-
Business area development	1,979,446	1,909,145	1,831,101	1,467,073	1,549,034	3,277,158	1,780,870	2,011,569	2,490,453	2,927,178
Airport operations	2,625,889	2,875,967	3,572,997	3,620,279	6,527,106	-	5,454,546	6,692,989	5,995,734	5,892,171
Total business-type activities expenses	57,984,150	66,750,170	68,638,461	70,635,041	70,816,540	85,842,341	95,314,851	93,806,240	90,291,211	93,062,543
Total primary government expenses	\$ 104,674,826	\$ 113,836,896	\$ 113,521,050	\$ 112,047,905	\$ 118,288,663	\$ 135,488,282	\$ 143,746,714	\$ 143,489,858	\$ 145,758,431	\$ 157,958,469
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	\$ 2,622,099	\$ 2,679,216	\$ 2,619,775	\$ 2,743,417	\$ 2,841,723	\$ 3,170,639	2,117,493	3,223,829	577,932	549,951
Cultural, parks and recreation	1,064,755	914,995	712,549	274,101	166,543	194,895	131,783	266,084	288,125	300,823
General government	554,497	1,362,082	1,296,850	1,099,376	1,119,503	519,323	1,100,510	489,614	626,950	912,232
Financial administration	1,132,852	1,036,065	1,131,545	1,136,937	801,154	571,347	815,144	818,870	897,572	846,899
Streets and highways	555,381	1,107,030	405,717	392,285	407,476	452,487	466,625	413,708	768,303	1,416,177
Health and welfare	302,888	430,744	262,807	426,387	270,528	258,701	304,682	264,184	262,633	308,345
Operating grants and contributions	526,732	79,813	198,989	524,836	3,000,657	1,943,963	1,528,637	1,017,972	4,146,302	3,770,158
Capital grants and contributions	2,327,602	5,599,043	1,232,531	1,149,352	1,353,885	1,374,572	263,356	2,878,312	6,379,901	10,362,443
Total governmental activities program revenues	9,086,806	13,208,988	7,860,763	7,746,691	9,961,469	8,485,927	6,728,230	9,372,573	13,947,718	18,467,028

CITY OF STILLWATER, OKLAHOMA
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS (1)
 (accrual basis of accounting)
 (continued)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities:										
Charges for services:										
Electric, water, wastewater, and sanitation operations	\$ 73,148,660	\$ 80,475,384	\$ 81,778,637	\$ 79,224,262	\$ 76,947,432	\$ 94,254,430	\$ 93,934,928	\$ 99,801,644	\$ 95,870,635	\$ 98,000,021
Stillwater Public Golf Authority	-	-	-	-	-	-	-	-	-	-
Business area development	169,335	204,548	14,783	848	1,512	935	1,048	605	-	-
Airport operations	1,132,097	1,363,750	1,657,585	1,641,714	1,443,053	1,539,353	2,519,307	3,379,483	3,195,047	2,897,866
Operating grant and contributions	-	-	-	61,392	323,914	801,946	1,260,327	1,213,934	472,383	55,259
Capital grants and contributions	1,115,450	1,845,117	2,246,048	2,403,555	6,383,537	11,656,049	4,901,172	6,174,278	8,605,861	7,795,292
Total business-type activities program revenues	75,565,542	83,888,799	85,697,053	83,331,771	85,099,448	108,252,713	102,616,782	110,569,944	108,143,926	108,748,438
Total primary government program revenues	\$ 84,652,348	\$ 97,097,787	\$ 93,557,816	\$ 91,078,462	\$ 95,060,917	\$ 116,738,640	\$ 109,345,012	\$ 119,942,517	\$ 122,091,644	\$ 127,215,466
Net (Expense)/Revenue										
Governmental activities	\$ (37,603,870)	\$ (33,877,738)	\$ (37,021,826)	\$ (33,666,173)	\$ (37,510,654)	\$ (41,160,014)	\$ (41,703,633)	\$ (40,311,045)	\$ (41,519,502)	\$ (46,428,898)
Business-type activities	17,581,392	17,138,629	17,058,592	12,696,730	14,282,908	22,410,372	7,301,931	16,763,704	17,852,715	15,685,895
Total primary government net expense	\$ (20,022,478)	\$ (16,739,109)	\$ (19,963,234)	\$ (20,969,443)	\$ (23,227,746)	\$ (18,749,642)	\$ (34,401,702)	\$ (23,547,341)	\$ (23,666,787)	\$ (30,743,003)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Sales and use taxes	\$ 30,250,927	\$ 29,800,331	\$ 31,288,009	\$ 30,791,644	\$ 31,005,552	\$ 33,118,168	\$ 37,423,088	\$ 44,867,281	\$ 45,331,788	\$ 47,524,370
Property taxes	1,170,237	987,082	978,693	927,799	1,205,509	1,465,530	733,849	1,805,264	2,835,513	2,949,652
Franchise and public service taxes	1,663,781	1,719,692	1,728,885	2,049,701	1,999,500	2,078,756	2,239,293	2,261,842	2,035,790	2,059,196
E911 taxes	76,503	48,274	65,245	62,591	61,217	59,566	60,375	54,951	41,751	38,000
Hotel/motel taxes	736,485	819,592	842,623	777,659	641,945	624,718	874,248	1,721,177	1,678,361	2,612,796
Investment income	186,077	58,500	103,431	234,296	345,279	269,882	(485,727)	775,781	1,964,079	2,596,102
Miscellaneous	-	-	-	-	44,334	11,250	102,611	943,452	1,906,833	289,338
Transfers-internal activity	2,480,341	3,154,597	2,218,075	10,543,181	7,601,376	2,234,771	1,033,941	915,792	(551,021)	(3,378,074)
Special item - close out of retirement fund	-	-	-	-	-	1,766,951	-	-	-	-
Total governmental activities	36,564,351	36,588,068	37,224,961	45,386,871	42,904,712	41,629,592	41,981,678	53,345,540	55,243,094	54,691,380
Business-type activities:										
Investment income	715,402	171,150	334,844	1,385,880	1,508,512	476,365	(538,677)	3,352,242	7,040,702	7,198,940
Miscellaneous	3,500	224,699	(631,707)	51,627	(499,308)	(541,424)	224,768	(417,914)	(130,180)	71,802
Transfers-internal activity	(2,480,341)	(3,154,597)	(2,218,075)	(10,543,181)	(7,601,376)	(2,234,771)	(1,033,941)	(915,792)	551,021	3,378,074
Total business-type activities	(1,761,439)	(2,758,748)	(2,514,938)	(9,105,674)	(6,592,172)	(2,299,830)	(1,347,850)	2,018,536	7,461,543	10,648,816
Total primary government	\$ 34,802,912	\$ 33,829,320	\$ 34,710,023	\$ 36,281,197	\$ 36,312,540	\$ 39,329,762	\$ 40,633,828	\$ 55,364,076	\$ 62,704,637	\$ 65,340,196
Change in Net Position										
Governmental activities	\$ (1,039,519)	\$ 2,710,330	\$ 203,135	\$ 11,720,698	\$ 5,394,058	\$ 469,578	\$ 278,045	\$ 13,034,495	\$ 13,723,592	\$ 8,262,482
Business-type activities	15,819,953	14,379,881	14,543,654	3,591,056	7,690,736	20,110,542	5,954,081	18,782,240	25,314,258	26,334,711
Total primary government	\$ 14,780,434	\$ 17,090,211	\$ 14,746,789	\$ 15,311,754	\$ 13,084,794	\$ 20,580,120	\$ 6,232,126	\$ 31,816,735	\$ 39,037,850	\$ 34,597,193

CITY OF STILLWATER, OKLAHOMA
FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Non-spendable	\$ 110,496	\$ 116,940	\$ 61,077	\$ 38,909	\$ 45,440	\$ 31,363	\$ 39,725	\$ 38,792	\$ 104,660	\$ 109,712
Restricted for public safety	95,790	72,571	95,185	92,613	99,805	98,535	87,231	145,507	138,718	134,349
Restricted for economic development	360,813	299,183	556,147	580,600	500,929	-	-	-	-	-
Restricted for sales tax transfer	2,041,372	1,955,910	-	-	-	-	-	-	-	-
Restricted for capital improvements	-	65,245	65,245	241,369	241,369	241,369	8,151	-	-	-
Restricted for visitor and event recruitment	-	-	-	-	-	392,502	548,241	1,307,618	552,929	454,619
Restricted for opioid settlement	-	-	-	-	-	-	-	197,280	738,882	943,765
Committed to public safety	567,333	612,968	-	-	-	-	-	-	-	727,027
Committed to capital improvements	-	-	-	486,577	587,131	722,006	878,905	284,231	436,268	799,635
Committed to stormwater	-	-	-	477,583	505,643	615,373	684,256	799,245	1,069,849	1,755,987
Assigned to self insurance	1,679,512	1,790,911	1,177,988	758,544	1,319,885	1,082,694	278,069	1,386,693	2,180,056	1,628,371
Assigned to recreation and culture	144,517	118,186	64,567	66,039	65,425	13,294	27,397	67,810	29,447	9,609
Assigned to special event	-	-	-	128,533	43,253	31,832	32,292	12,757	6,398	-
Assigned to public safety	-	-	-	517,621	618,376	406,954	466,035	476,323	562,648	-
Assigned to community rehab	-	-	-	17,893	18,932	23,397	42,202	72,357	56,019	35,307
Assigned to Stillwater utilities (1)	-	-	-	2,918,978	5,029,679	-	207,655	-	-	-
Assigned to budget appropriation	-	-	-	6,866,627	5,561,419	8,474,640	7,744,242	6,045,636	4,247,447	3,148,664
Unassigned	6,442,469	2,478,143	5,663,427	-	-	12,433,775	11,927,800	11,744,428	11,474,512	12,241,237
Total general fund	\$ 11,442,302	\$ 7,510,057	\$ 7,683,636	\$ 13,191,886	\$ 14,637,286	\$ 24,567,734	\$ 22,972,201	\$ 22,578,677	\$ 21,597,833	\$ 21,988,282
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Restricted for debt service	209,523	188,857	139,552	152,309	162,401	306,175	673,299	671,370	772,489	1,171,671
Restricted for capital improvements	404,344	5,161,663	9,427,082	10,974,868	11,864,523	13,667,362	23,327,205	30,632,682	32,630,025	38,983,655
Restricted for TIF projects	-	-	-	-	-	556,775	77,856	29,856	4,907	117,367
Restricted for library books	-	-	-	-	4,232	4,568	4,846	6,030	7,966	4,122
Restricted for library purposes	-	-	-	-	519,957	642,012	620,492	725,543	870,909	971,639
Assigned for capital improvements	-	-	-	2,979,724	5,026,307	6,097,082	6,199,479	7,703,412	7,545,865	3,853,706
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 613,867	\$ 5,350,520	\$ 9,566,634	\$ 14,106,901	\$ 17,627,420	\$ 21,323,974	\$ 30,953,177	\$ 39,818,893	\$ 41,882,161	\$ 45,152,160

(1) Per the SUA Transfer Policy, transfers from the SUA not needed to balance the City's General Fund shall be returned to the SUA.

CITY OF STILLWATER, OKLAHOMA
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 33,867,464	\$ 33,417,379	\$ 34,864,045	\$ 34,641,363	\$ 34,713,615	\$ 37,454,183	\$ 41,404,107	50,682,315	51,346,509	54,704,235
Intergovernmental	524,126	541,595	439,114	636,609	2,988,724	1,882,763	1,514,605	4,958,535	8,203,208	6,917,278
Charges for service	671,485	799,313	566,985	529,946	578,575	578,124	625,213	550,262	885,514	1,725,942
Fines and forfeits	1,162,590	1,045,956	1,123,676	1,084,493	715,114	489,762	725,291	686,027	762,971	798,859
Fees and rentals	1,087,411	1,051,225	806,716	497,038	452,428	500,159	401,218	482,400	415,961	418,746
Investment income	186,025	58,378	102,982	233,772	344,899	269,872	(485,760)	668,027	1,958,710	2,595,943
Licenses and permits	377,683	383,629	243,017	278,769	328,791	291,463	357,396	319,506	363,628	364,685
Other miscellaneous revenues	692,754	1,743,092	1,499,104	1,345,334	1,258,572	625,832	1,430,116	1,387,588	2,881,995	7,392,498
Total revenues	38,569,538	39,040,567	39,645,639	39,247,324	41,380,718	42,092,158	45,972,186	59,734,660	66,818,496	74,918,186
Expenditures										
Current:										
Public safety	19,387,415	19,848,498	19,932,996	20,174,962	21,218,588	21,847,026	24,828,297	27,489,681	29,166,917	31,409,142
Recreation and culture	4,062,328	3,878,892	3,498,288	2,968,130	3,026,598	2,817,057	3,064,432	3,135,834	3,229,723	3,546,623
General government	4,001,412	4,509,539	5,268,836	5,976,425	5,259,527	5,702,891	5,838,901	5,700,402	6,460,378	8,010,675
Financial administration	844,480	688,490	641,620	473,228	612,456	638,336	713,241	868,380	1,043,848	1,049,971
Streets and highways	4,507,411	3,889,539	3,723,263	3,773,407	4,207,694	3,921,156	3,949,101	4,056,978	4,574,073	5,259,072
Operations	-	-	-	-	-	-	-	-	-	-
Economic development	27,903	13,316	25,381	24,562	9,316	6,062	1,048	-	-	-
Health and welfare	1,118,418	966,336	1,014,849	1,020,186	1,089,365	933,975	1,048,112	1,074,222	1,081,027	1,399,150
Debt service:										
Principal retirements	805,000	800,000	800,000	795,000	795,000	350,000	33,579	1,627,987	2,336,455	2,551,114
Interest and fiscal charges	174,200	142,000	110,000	78,000	46,200	14,400	528	550,317	587,504	613,780
Capital outlay	11,182,912	5,713,051	1,445,208	3,744,972	8,230,398	6,919,872	8,890,749	14,304,616	18,893,368	27,672,757
Total expenditures	46,111,479	40,449,661	36,460,441	39,028,872	44,495,142	43,150,775	48,367,988	58,808,417	67,373,293	81,512,284
Excess of revenues over (under) expenditures	(7,541,941)	(1,409,094)	3,185,198	218,452	(3,114,424)	(1,058,617)	(2,395,802)	926,243	(554,797)	(6,594,098)
Other Financing Sources (Uses)										
Issuance of debt	-	-	-	-	-	-	9,395,532	6,630,157	2,387,483	10,044,924
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	451,012
Proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	162,853
Transfers in	18,999,377	19,339,107	19,316,085	23,948,610	25,483,216	20,273,998	22,115,500	29,089,103	26,823,104	21,331,348
Transfers out	(17,655,091)	(17,125,605)	(18,111,590)	(14,118,545)	(17,881,839)	(18,039,227)	(21,081,560)	(28,173,311)	(27,573,366)	(21,735,591)
Total other financing sources (uses)	1,344,286	2,213,502	1,204,495	9,830,065	7,601,377	2,234,771	10,429,472	7,545,949	1,637,221	10,254,546
Special Item - proceeds from close out of retirement plan										
	-	-	-	-	-	12,450,842	-	-	-	-
Net change in fund balances	\$ (6,197,655)	\$ 804,408	\$ 4,389,693	\$ 10,048,517	\$ 4,486,953	\$ 13,626,996	\$ 8,033,670	\$ 8,472,192	\$ 1,082,424	\$ 3,660,448
Debt service as a percentage of noncapital expenditures	2.44%	2.48%	2.56%	2.40%	2.06%	0.91%	0.08%	4.67%	5.13%	5.88%

CITY OF STILLWATER, OKLAHOMA
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Sales & Use Taxes	Property Taxes	Franchise and Public			Total Taxes	Sales Tax as Percentage of
			Service Taxes	E911 Taxes	Lodging Tax		Total Taxes
2016	30,250,927	1,170,237	1,663,781	76,503	736,485	33,897,933	89.24%
2017	29,800,331	987,082	1,719,692	48,274	819,592	33,374,971	89.29%
2018	31,288,009	978,693	1,728,885	65,245	842,623	34,903,455	89.64%
2019	30,791,644	927,799	2,049,701	62,591	777,659	34,609,394	88.97%
2020	31,271,335	1,205,509	1,722,916	61,217	641,945	34,902,922	89.60%
2021	33,118,169	1,465,530	2,078,756	59,566	624,718	37,346,739	88.68%
2022	37,423,088	733,849	2,239,293	60,375	874,248	41,330,853	90.55%
2023	44,867,281	1,805,264	2,261,842	54,951	1,721,177	50,710,515	88.48%
2024	45,331,788	2,835,513	2,035,700	41,751	1,678,361	51,923,113	87.31%
2025	47,524,370	2,949,652	2,059,195	38,000	2,612,797	55,184,014	86.12%

CITY OF STILLWATER, OKLAHOMA

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (1)

LAST TEN FISCAL YEARS

(in thousands)

Fiscal Year	Real Property	Personal Property	Public Service Property	Total Valuation	Homestead Exemption	Other Exemptions (2)	Net Total Valuation	Total Direct Tax Rate	Total Estimated Actual Value	Ratio of Total Assessed to Actual Value
2016	271,254	31,739	7,588	310,581	4,838	1,288	304,455	3.78	2,724,395	11.18%
2017	286,207	32,288	7,158	325,653	4,777	1,287	319,589	3.25	2,856,605	11.19%
2018	304,725	33,681	7,326	345,732	4,719	1,223	339,790	2.75	3,032,737	11.20%
2019	318,548	33,965	7,626	360,139	4,686	1,450	354,003	2.72	3,159,114	11.21%
2020	339,463	34,915	7,470	381,848	4,574	1,710	375,564	2.73	3,349,544	11.21%
2021	345,443	35,155	8,641	389,239	4,539	1,893	382,807	1.83	3,414,377	11.21%
2022	366,696	34,323	8,935	409,954	4,392	2,125	403,437	0.30	3,596,088	11.22%
2023	386,436	36,028	8,513	430,977	4,351	2,507	424,119	1.34	3,780,500	11.22%
2024	398,231	35,342	8,242	441,815	4,373	2,676	434,766	2.47	3,875,570	11.22%
2025	419,912	32,360	8,082	460,354	4,368	3,142	452,844	2.11	4,038,193	11.21%

The assessed value of the taxable property as certified by the Payne County Assessor to be used for the 2026 fiscal year is as follows:

	Real Property	Personal Property	Public Service Property	Total Valuation	Homestead Exemption	Other Exemptions	Net Total Valuation	Total Direct Tax Rate	Total Estimated Actual Value
2026	\$ 466,243	\$ 35,697	\$ 8,080	\$ 510,020	\$ 4,279	\$ 3,606	\$ 502,135	3.17	\$ 4,473,860

(1) Source: Payne County Assessor

CITY OF STILLWATER, OKLAHOMA
DIRECT AND OVERLAPPING PROPERTY TAX RATES (1)
 LAST TEN FISCAL YEARS
(rate per \$1,000 of assessed value)

<u>Fiscal Year</u>	<u>City of Stillwater Debt Service Fund</u>	<u>Independent School District No. 16</u>	<u>Meridian Technology Center</u>	<u>Payne County</u>	<u>Total</u>
2016	3.78	68.95	15.47	16.43	104.63
2017	3.25	68.01	15.47	16.43	103.16
2018	2.75	66.37	15.47	16.43	101.02
2019	2.72	66.55	15.47	16.43	101.17
2020	2.73	66.69	15.47	16.43	101.32
2021	1.83	65.46	15.47	16.43	99.19
2022	0.30	66.99	15.47	16.43	99.19
2023	1.34	67.99	15.47	16.43	101.23
2024	2.47	67.10	15.47	16.43	101.47
2025	2.11	67.67	15.47	16.43	101.68

The direct and overlapping tax rates for FY 2026 are as follows:

<u>Fiscal Year</u>	<u>City of Stillwater Debt Service Fund</u>	<u>Independent School District No. 16</u>	<u>Meridian Technology Center</u>	<u>Payne County</u>	<u>Total</u>
2026	3.17	66.20	15.47	16.43	101.27

(1) Source: Payne County Assessor

CITY OF STILLWATER, OKLAHOMA
PRINCIPAL PROPERTY TAX PAYERS (1)
 CURRENT YEAR AND NINE YEARS AGO

Taxpayer	Type of Business	2025			2016		
		Assessed Valuation	Percentage of Total Assessed Valuation	Rank	Assessed Valuation	Percentage of Total Assessed Valuation	Rank
Stillwater Ranch Holdings, LLC	Retirement community development	\$ 7,029,283	1.28%	1			
Plato II OK I, PropCo, LP	Apartments	6,260,388	1.14%	2			
One On 4th St, LLC	Apartments	4,898,078	0.89%	3			
Monument Square Investments Group, LLC	Real estate developer	4,895,133	0.89%	4			
Tradan Heights Stillwater, LLC	Apartments	4,503,628	0.82%	5			
Links at Stillwater	Apartments/golf/fitness development	4,311,933	0.78%	6	3,005,534	0.99%	4
213 W Elm, LLC	Apartments	4,161,215	0.75%	7			
BA Quarters Oks Owner, LLC	Apartments	3,167,095	0.57%	8			
Wal-Mart Real Estate	Discount supercenter	3,021,000	0.55%	9	2,695,101	0.89%	6
Oklahoma Natural Gas/OneGas Inc	Utility	3,028,964	0.55%	10			
Lakeview Pointe Shopping Center, LLC	Shopping center				2,770,798	0.91%	5
ASCO Aerospace USA	Manufacturer of aerospace components				7,326,330	2.41%	1
Breckenridge Group Stillwater OK LLC	Off campus student housing				3,249,056	1.07%	2
Sifty One at Tradan Heights	Apartments				2,222,478	0.73%	8
Avenue East Apartments, LLC	Apartments				2,654,903	0.87%	7
National Standard Co.	Manufacturer of steel cords for radial tires				2,142,250	0.70%	9
Prime Place	Apartments				3,167,307	1.04%	3
Lowes Home Center, Inc.	Home improvement store				1,756,587	0.58%	10
		<u>\$ 45,276,717</u>	<u>8.20%</u>		<u>\$ 30,990,344</u>	<u>10.19%</u>	

(1) Source: Payne County Assessor

CITY OF STILLWATER, OKLAHOMA
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN FISCAL YEARS
(in thousands of dollars)

Fiscal Year	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy		Collected on Prior
		Amount	Percentage of Levy	Years' Levies (1)
		Amount	Percentage of Levy	Amount
2016	1,150	1,078	94%	62
2017	1,013	992	98%	38
2018	934	895	96%	44
2019	962	922	96%	38
2020	1,008	976	97%	29
2021	699	639	91%	96
2022	121	159	131%	22
2023	569	565	99%	21
2024	1,074	1,102	103%	9
2025	955	990	104%	23

(1) Collections of property taxes in Oklahoma are made at the County level. Information received from Payne County for collected delinquent amounts does not include the original levy year.

Note: Total collections for July through October 2025 are \$412 in current taxes and \$6,258 in delinquent taxes.

CITY OF STILLWATER, OKLAHOMA
TAXABLE SALES BY CATEGORY (1)
 LAST TEN FISCAL YEARS
 (in thousands of dollars)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Retail trade	\$ 480,512	\$ 459,539	\$ 469,452	\$ 467,503	\$ 507,064	\$ 536,154	\$ 579,134	589,883	\$ 593,616	\$ 623,201
Accommodation and food services	154,198	154,052	161,040	161,562	150,159	155,762	197,648	200,441	208,288	221,360
Wholesale	42,187	38,811	44,628	38,728	34,891	35,898	45,024	49,228	49,222	49,921
Utilities	41,983	43,885	45,169	46,255	42,656	44,177	52,142	59,768	54,679	56,794
Information	25,041	24,427	23,039	22,658	22,728	22,471	24,706	23,677	22,049	22,404
Education services	4,801	11,449	27,145	23,582	81	90	109	155	174	180
Manufacturing	17,096	15,074	15,060	11,880	5,503	12,466	15,429	17,567	18,427	18,901
Unclassified	26,363	15,627	3,107	2,229	3,368	2,546	2,528	4,338	6,127	(4,718)
Other services (except Public Administration)	7,847	7,692	7,966	8,661	8,513	8,913	10,194	11,033	12,861	13,576
Real estate, rental, and leasing	11,966	14,289	13,262	14,454	11,351	10,191	11,501	14,574	14,316	15,482
Arts, entertainment, and recreation	3,898	4,349	4,061	4,267	6,364	6,244	8,305	8,053	8,006	8,081
Professional, scientific, and technical services	2,670	2,789	3,034	3,169	3,519	4,520	5,180	4,572	5,548	4,920
Transportation and warehousing	2,630	2,935	2,887	2,740	2,647	3,517	3,419	3,906	3,767	4,703
Finance and insurance	252	356	468	583	584	697	548	542	648	626
Construction	1,172	2,123	1,469	1,584	1,817	1,734	2,422	2,498	2,298	3,198
Mining, quarrying, and oil and gas extraction	127	46	3	104	20	72	140	186	209	805
Administrative, support, waste management, and rem	306	382	635	523	380	433	404	1,214	1,836	622
Agriculture, forestry, fishing, and hunting	64	72	82	103	173	154	153	258	343	416
Health care and social assistance	20	337	615	372	241	858	515	370	535	551
Public administration	(8)	(2)	0	32	4	175	6	65	2	215
All other outlets	-	-	-	-	-	-	-	-	1	-
Total	\$823,125	\$798,232	\$823,122	\$810,989	\$802,063	\$847,074	\$959,507	\$992,328	\$1,002,952	\$1,041,238
City general sales tax rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Transferable to SUA	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
Dedicated sales tax - transportation projects (2)	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	1.0%	1.0%	1.0%
Total tax rate	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	4.0%	4.0%	4.0%

(1) Source: Oklahoma Tax Commission

(2) Dedicated sales tax of 1.0% was effective July 1, 2022. This additional tax was to expire September 30, 2026 but was extended until June 30, 2032.

Note: The State of Oklahoma retains 0.5% of the sales tax collected as an administrative fee.

CITY OF STILLWATER, OKLAHOMA
DIRECT AND OVERLAPPING SALES TAX RATES (1)
 LAST TEN CALENDAR YEARS

Fiscal Year	City of Stillwater (2)	State of Oklahoma	Payne County (3)
2016	3.50%	4.50%	0.813%
2017	3.50%	4.50%	0.813%
2018	3.50%	4.50%	0.813%
2019	3.50%	4.50%	0.813%
2020	3.50%	4.50%	0.813%
2021	3.50%	4.50%	0.813%
2022	3.50%	4.50%	0.813%
2023	4.00%	4.50%	0.813%
2024	4.00%	4.50%	0.813%
2025	4.00%	4.50%	0.813%

(1) Sales tax is a major revenue source of the General Fund for the City of Stillwater. Sales tax is collected by local merchants and remitted to the State of Oklahoma Tax Commission by the 15th of the month following its receipt. The Tax Commission returns the City's portion of the sales tax to the City by the 15th of the following month. Beginning in 1979, an additional 1% sales tax was levied by the City for use by the Stillwater Utilities Authority (SUA) (i.e., a Public Trust which operates the water, sewer, waste management and electric utilities of the City). The sales tax dedicated for the SUA is received by the City's General Fund and is immediately transferred to SUA.

(2) The City portion of sales tax increased to 4.00% effective July 1, 2022. The additional 0.50% is dedicated to fund transportation (street) projects. This additional tax will expire June 30, 2032.

(3) Stillwater is located in Payne County which initiated a 0.5% sales tax effective January 1, 1994. The 0.5% sales tax expired and was replaced with a 0.375% sales tax effective January 1, 1999. The Payne County sales tax was increased to 0.5% effective April 1, 2000. The Payne County sales tax was increased to 0.75% effective April 1, 2006. The Payne County sales tax was increased to 0.813% effective April 1, 2013.

CITY OF STILLWATER, OKLAHOMA
ELECTRIC UTILITY CUSTOMERS AND SALES BY TYPE
 LAST TEN FISCAL YEARS

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Commercial:	Average monthly customers	2,387	2,430	2,448	2,466	2,483	2,484	2,529	2,540	2,545	2,531
	Annual sales	\$ 17,426,665	\$ 18,255,860	\$ 18,531,334	\$ 18,413,545	\$ 17,029,618	\$ 17,036,886	\$ 20,098,237	\$ 23,373,889	\$ 22,518,085	\$ 21,349,159
	Percentage of total annual sales	39%	40%	40%	39%	39%	38%	39%	40%	41%	40%
Residential:	Average monthly customers	18,576	18,526	18,619	18,853	18,981	19,195	19,407	19,599	19,612	19,643
	Annual sales	\$ 21,431,632	\$ 22,043,277	\$ 22,787,588	\$ 22,873,131	\$ 21,963,322	\$ 22,543,574	\$ 25,630,084	\$ 29,781,644	\$ 28,245,309	\$ 28,607,870
	Percentage of total annual sales	48%	48%	49%	49%	50%	51%	50%	51%	51%	53%
Industrial/Institutional:	Average monthly customers	5	5	5	5	5	5	5	5	5	5
	Annual sales	\$ 5,587,646	\$ 5,435,577	\$ 5,547,897	\$ 5,432,937	\$ 4,958,654	\$ 4,852,467	\$ 5,564,744	\$ 5,190,362	\$ 4,322,844	\$ 4,083,898
	Percentage of total annual sales	13%	12%	12%	12%	11%	11%	11%	9%	8%	8%

CITY OF STILLWATER, OKLAHOMA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1) (2)
AS OF JUNE 30, 2025
(in thousands of dollars)

<u>Governmental Unit:</u>	<u>Bonds Outstanding</u>	<u>Percentage Applicable to City of Stillwater Property Owners / Patrons</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Stillwater Independent School District #16 (3)	\$ 61,735	82.86%	\$ 51,154
City of Stillwater GO Bond	\$ 17,559	100.00%	\$ 17,559
Debt repaid with other governmental revenues:			
Notes Payable	\$ 4,991	100.00%	\$ 4,991
Lease & SBITA Obligations	\$ 520	100.00%	\$ 520
Total direct and overlapping debt			<u>\$ 74,224</u>

(1) Stillwater School District and Payne County include all of the City of Stillwater and extend beyond the physical boundaries of the City. This schedule estimates the portion of governmental debt that is borne by the property owners (via property taxes) and patrons (via sales tax) of the City of Stillwater.

(2) Computation assumptions: For debt repaid with property taxes, the percentage of assessed property within the City of Stillwater in relation to the assessed value of the school district (which extends beyond the city limits) was used.

(3) Sources: assessed value data, school and county amounts - Payne County Assessor's Office

CITY OF STILLWATER, OKLAHOMA
RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary Government	Personal Income (in thousands of dollars)	Debt as Percentage of Personal Income	Population	Total Debt Per Capita
	General	Lease and SBITA	Direct Borrowing	Revenue Bonds	Notes Payable	Direct Borrowing - Notes Payable	Lease and SBITA Obligations (1)					
	Obligation Bonds	Obligations (1)	Notes Payable									
2016	3,856,281	-	-	67,977,127	17,540,437	3,121,682	-	92,495,527	2,854,057	3.2%	49,504	1,868.45
2017	2,993,059	-	-	67,743,165	26,534,027	3,106,081	-	100,376,332	2,882,278	3.5%	49,829	2,014.42
2018	2,129,838	-	-	66,214,202	30,109,922	3,212,738	-	101,666,700	2,987,591	3.4%	50,391	2,017.56
2019	1,271,617	-	-	64,650,240	35,531,350	2,356,079	-	103,809,286	3,067,772	3.4%	50,299	2,063.84
2020	413,396	-	-	63,031,277	38,226,074	2,650,462	-	104,321,209	3,243,810	3.2%	48,394	2,155.66
2021	-	-	-	61,357,314	39,947,530	3,152,707	-	104,457,551	3,531,531	3.0%	48,134	2,170.14
2022	9,351,254	63,254	-	59,613,352	37,452,467	2,682,795	21,724	109,184,846	3,684,949	3.0%	49,160	2,221.01
2023	9,333,588	608,964	-	57,789,389	40,803,897	10,320,905	60,557	118,917,300	3,871,954	3.1%	49,525	2,401.16
2024	8,845,969	375,482	5,921,651	55,890,427	41,842,696	12,032,020	34,855	124,943,100	**	**	**	**
2025	17,559,364	519,571	4,991,370	48,818,502	48,737,431	11,015,316	621,689	132,263,244	**	**	**	**

** Data not available at time of publication

(1) Amounts were recognized with the implementation of GASB statement 87 in FY22 and GASB statement 96 in FY23.

CITY OF STILLWATER, OKLAHOMA
RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUES
AND PER CAPITA BONDED DEBT
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities	Total Primary Government	Accumulated Resources Restricted to Repayment of General Bonded Debt	Net General Bonded Debt	Population	Net Bonded Debt Per Capita (1)	Total Estimated Actual Value (in thousands)	Net Bonded Debt per \$1,000 of Assessed Value
2016	3,856,281	3,856,281	209,523	3,646,758	49,504	73.67	2,724,395	1.34
2017	2,993,059	2,993,059	188,857	2,804,202	49,829	56.28	2,856,605	0.98
2018	2,129,838	2,129,838	139,552	1,990,286	50,391	39.50	3,032,737	0.66
2019	1,271,617	1,271,617	152,309	1,119,308	50,299	22.25	3,159,123	0.35
2020	413,396	413,396	162,401	250,995	48,394	5.19	3,349,544	0.07
2021	-	-	-	-	48,134	-	3,414,377	-
2022	9,351,254	9,351,254	673,299	8,677,955	49,160	176.52	3,596,088	2.41
2023	9,333,588	9,333,588	671,370	8,662,218	49,525	174.91	3,780,500	2.29
2024	8,845,969	8,845,969	772,489	8,073,480	**	**	3,875,570	2.08
2025	17,559,364	17,559,364	1,171,671	16,387,693	**	**	4,038,193	4.06

** Data not available at time of publication

CITY OF STILLWATER, OKLAHOMA
PLEDGED REVENUE COVERAGE (1)

LAST TEN FISCAL YEARS

(dollars in thousands)

Fiscal Year	Oklahoma Water Resources Board Notes and 2014 and 2025 Revenue Bonds						2007 and 2010 Revenue Notes (2)			
	Utility Operating Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service			Pledged Transportation Sales Tax	Debt Service		
				Principal	Interest	Coverage		Principal	Interest	Coverage
2016	77,026	43,485	33,541	1,214	3,289	7.45	2,051	1,880	69	1.05
2017	83,843	47,075	36,768	1,759	3,303	7.26	874	960	14	0.90
2018	85,941	47,599	38,342	3,598	3,458	5.43	-	-	-	-
2019	83,389	48,522	34,867	3,661	3,549	4.84	-	-	-	-
2020	80,975	44,822	36,153	3,743	3,564	4.95	-	-	-	-
2021	97,230	62,172	35,058	4,249	3,572	4.48	-	-	-	-
2022	95,925	68,252	27,673	4,264	3,528	3.55	-	-	-	-
2023	105,778	65,070	40,708	5,178	3,376	4.76	-	-	-	-
2024	104,833	60,811	44,022	4,037	3,447	5.88	-	-	-	-
2025	114,397	67,312	47,085	5,338	3,358	5.41	-	-	-	-

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) The revenue note is payable solely from sales tax revenue equal to one half of the one-half cent transportation sales tax collected by the City.

CITY OF STILLWATER, OKLAHOMA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities:										
Public safety	202.0	203.8	196.5	200.5	193.0	206.0	206.0	203.5	200.0	204.0
Recreation and culture (1) (2)	51.5	60.0	35.0	33.5	32.0	32.0	32.0	33.5	36.5	35.5
General government	55.3	51.3	53.5	54.0	56.0	53.5	50.5	52.0	51.0	46.5
Financial administration	17.0	17.0	15.0	15.0	14.0	13.5	14.5	15.5	14.5	16.5
Streets and highways	42.0	37.0	35.0	34.0	34.0	37.0	40.0	37.0	38.0	35.0
Engineering and public works administration	7.0	6.0	5.0	5.5	6.5	6.5	6.5	7.0	8.0	12.0
Health and welfare	18.0	13.0	13.5	13.5	12.0	12.0	13.0	12.5	12.0	15.0
Business-type activities:										
Electric, water, and wastewater operations	156.8	157.3	145.5	159.5	153.5	137.0	146.5	151.5	149.0	158.5
Sanitation operations	31.0	28.0	27.0	28.0	29.0	28.0	28.0	30.0	29.0	27.0
Airport operations	10.8	11.5	10.5	15.5	17.0	16.0	18.5	19.0	19.0	21.0
Total	591.4	584.9	536.5	559.0	547.0	541.5	555.5	561.5	557.0	571.0

Source: City Payroll Division

- (1) In March 2018 Henderson Golf assumed management of Lakeside Golf Course.
 (2) In April 2018 Stillwater YMCA Center assumed management of the municipal pool.

CITY OF STILLWATER, OKLAHOMA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities:										
Public safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fire stations	4	4	4	4	4	4	4	4	4	4
Recreation and culture										
Athletic fields	23	23	23	23	23	23	23	23	23	23
Tennis courts	8	8	8	8	8	8	8	8	8	8
Neighborhood/community parks	22	22	22	22	22	22	22	22	22	22
Lakeside Golf Course - acreage	160	160	160	160	160	160	160	160	160	160
Streets and highways										
Streets (miles)	234	234	234	234	235	236	237	212	212	212
Traffic signals	65	67	67	67	67	67	67	67	67	67
Business-type activities:										
Electric										
Power plants	1	1	1	1	1	1	1	1	1	1
Substations	8	8	8	8	8	8	8	8	8	8
Miles of 69KV line	21.3	21.3	24.1	25.7	24.3	24.3	24.3	24.3	23.9	23.9
Water										
Water plant	1	1	1	1	1	1	1	1	1	1
Water storage towers (away from plant)	13	13	14	13	13	13	13	13	13	13
Wastewater										
Wastewater plant	1	1	1	1	1	1	1	1	1	1
Lift stations	15	16	16	16	16	16	16	17	17	17

Sources: Various City departments

CITY OF STILLWATER, OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities:										
Public safety										
Traffic citations	4,719	5,980	5,511	5,668	5,782	2,339	3,172	2,818	4,284	5,256
Parking tickets	12,243	10,565	13,110	9,531	8,160	4,242	9,714	9,099	8,687	7,635
Police calls for service	39,508	38,496	40,573	38,999	33,232	27,597	62,017	34,924	42,822	50,733
Animals handled by Animal Welfare	1,977	2,161	2,088	2,076	2,062	1,237	1,544	1,635	1,512	1,289
Fire calls for service	4,678	5,362	5,859	4,721	3,588	3,530	4,132	4,100	4,303	4,825
Recreation and culture										
Acres mowed (1)	4,829	16,524	18,103	13,970	16,016	13,821	9,864	9,351	7,334	4,912
Program participants (2)	2,368	2,469	2,048	2,065	1,849	0	87	326	687	2,395
Senior Center daily average attendance (2)	65	53	56	50	47	31	40	45	50	59
Multi Arts participants (3)	-	-	-	-	-	-	-	-	-	-
Swimming pool admissions (4)	10,723	10,751	-	-	-	-	-	-	-	-
Lakeside Golf Course - rounds of golf (5)	27,103	26,952	18,824	-	-	-	-	-	-	-
Volumes in library (6)	98,312	92,134	87,916	100,035	72,071	83,487	79,274	79,366	80,272	86,623
Total circulation of library materials (6)	373,257	368,164	352,953	374,176	331,493	322,190	345,025	357,006	422,364	425,108
Community Center admissions (2)	123,538	125,715	136,735	183,689	81,510	23,670	62,900	59,165	80,210	86,319
General government										
Supported micro-computers by IT	450	450	450	475	475	477	482	520	560	565
Helpdesk/trouble calls by IT	2,800	2,500	2,800	3,200	3,325	3,300	3,300	3,450	3,770	3,575
Ordinances drafted	36	26	31	31	15	22	21	26	16	27
Financial administration										
Computer generated accounts payable checks	2,414	2,876	2,721	2,249	2,229	2,643	4,360	4,732	5,090	5,314
Budget revisions/amendments processed	281	404	361	449	527	752	873	744	832	794
Requisitions reviewed	1,295	1,390	1,119	1,018	1,979	4,190	4,062	4,265	4,730	4,619
Municipal court cases	8,009	6,957	7,346	8,375	7,703	3,530	4,100	3,785	3,767	3,934
Streets and highways										
Feet of striping (7)	106,305	15,750	30,320	12,364	15,284	21,329	18,658	24,824	34,123	15,409
Signs made	451	541	1,095	1,115	1,116	1,118	1,492	903	1,105	939
Crack sealant (blocks) (8)	9,090	88	76	16	147	6	0	81	9,090	1,785
Slurry sealant (blocks)	-	-	-	-	-	-	-	-	-	-
Concrete replacement (cu. yds.)	516	974	923	1,006	727	700	720	593	514	579
Health and welfare										
Developments reviewed	65	67	74	103	120	120	129	100	101	196
Permits issued	2,760	3,040	2,181	2,064	2,728	2,961	2,790	2,688	2,898	3,253
Code enforcement inspections (9)	5,204	811	2,230	3,334	1,040	1,260	1,616	508	2,114	810
High grass and weed cases (9)	699	101	143	279	121	315	254	279	512	564
Trees and shrubs planted	-	501	450	10	8	-	-	550	8	0

CITY OF STILLWATER, OKLAHOMA
OPERATING INDICATORS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS
 (continued)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Business-type activities:										
Electric, water, and wastewater operations										
Electric connections	20,476	20,921	21,071	21,324	21,470	21,684	21,941	22,143	22,162	22,179
Water connections	17,077	18,695	18,779	18,783	18,856	18,980	19,230	19,366	19,563	18,880
Waterline repairs (10)	189	216	225	225	191	278	376	382	311	341
Water treated (million gallons)	4,472	2,586	2,209	1,849	1,877	2,402	2,437	2,434	2,724	2,575
Sewage treated (million gallons)	1,776	1,671	1,596	1,746	1,728	1,655	1,851	1,483	1,963	1,700
Sanitation operations										
Landfill usage (tons)	19,076	20,200	21,072	21,041	21,079	22,107	22,147	22,650	22,894	25,131
Yard waste hauled (tons)	1,233	992	1,121	1,185	1,185	838	616	1,102	1,163	1,830
Fleet operations										
Vehicles maintained	575	580	495	507	522	522	533	568	552	577
Fleet job orders completed	3,886	2,256	2,166	2,223	2,199	2,300	2,215	2,117	1,991	19,007
Airport operations										
Air traffic operations (avg month)	5,765	5,899	6,520	6,154	5,096	6,314	6,601	6,448	6,045	6,178

- (1) Acres mowed times number of times mowed.
- (2) In March 2020, the Mayor issued a proclamation declaring a state of emergency to combat COVID-19; the proclamation specified that City Hall and City-owned facilities shall close and all programming and/or events be postponed until expiration of the declaration. In May 2020, the Mayor issued an amendment effective June 2020 reopening City Hall, the Stillwater Community Center, the Stillwater Public Library, and City Park facilities; however, the Senior Activity Center, the Swimming Pool at Couch Park, and City programs remained closed. On February 26, 2021, the Mayor issued a proclamation reopening the Senior Activity Center and the Swimming Pool.
- (3) Operation of the Multi Arts programming was assumed by The Friends of the Multi Arts Center, Inc from May 1, 2012 to July 1, 2017; Oklahoma State University was granted operation of Multi Arts on July 1, 2017.
- (4) Stillwater YMCA Center assumed management of the municipal pool in April 2018
- (5) 2018 data is for the period of July 1, 2017 through February 28, 2018; Henderson Golf assumed management of golf course on March 1, 2018.
- (6) In 2020, the Library began doing a physical inventory count of volumes rather than using a calculation that accounts for changes in volumes since 1990.
- (7) 2016 measurement includes contracted longline striping
- (8) Measured in lbs. in 2014-2016.
- (9) Measured based on number of contacts in 2014-2016 & 2018; 2017 & 2019-2024 measured per case.
- (10) Includes water main and service line repairs.

Sources: Various City departments

CITY OF STILLWATER, OKLAHOMA
PRINCIPAL EMPLOYERS (1)
 CURRENT YEAR AND NINE YEARS AGO

<u>Employer</u>	<u>Current Year</u>			<u>Nine Years Ago</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Oklahoma State University	5,738	1	24%	4,850	1	20%
Stillwater Medical Center	1,012	2	4%	951	2	4%
Stillwater Public Schools	839	3	3%	755	3	3%
City of Stillwater	591	4	2%	602	4	2%
Wal-Mart (2)	502	5	2%	457	5	2%
Stan Clark Companies	255	6	1%	138		
Oncue Marketing	233	7	1%	164	10	1%
OK State Dept. of Career Tech	220	8	1%	220	6	1%
Stillwater Designs/Kicker Audio	187	9	1%	187	7	1%
ASCO Aerospace USA	167	10	1%	180	8	1%
National Standard	160			180	9	1%
Others:						
Meridian Technology Center	151			126		
Frontier Electronics	135			113		
Simmons Bank (3)	38			129		

(1) Sources: human resource departments of various local employers

(2) Current year excludes Wal-Mart location on 6th street as information was not able to be obtained

(3) In May 2018, BankSNB converted to Simmons Bank

CITY OF STILLWATER, OKLAHOMA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (in thousands of dollars)	Per Capita Personal Income (2)	Median Age (3)	Education Level in Years of Schooling (3)			K-12 School Enrollment (4)	Post-Secondary Enrollment (4)	Unemployment Rate (5)
					Percentage High- School Graduate or Higher	Percentage Bachelor's Degree or Higher				
2016	49,504	2,854,057	29,093	23.6	95.1%	48.4%	6,137	27,842	4.2%	
2017	49,829	2,882,278	29,450	23.8	95.2%	48.4%	6,742	28,119	3.5%	
2018	50,391	2,987,591	37,195	25.5	94.4%	47.7%	6,524	27,557	3.9%	
2019	50,299	3,067,772	38,276	25.5	93.6%	43.7%	6,512	30,765	2.9%	
2020	48,394	3,243,810	40,487	25.6	93.3%	44.7%	6,029	26,252	4.4%	
2021	48,134	3,531,531	43,952	25.6	93.1%	45.5%	6,259	26,589	2.6%	
2022	49,160	3,684,949	45,416	25.2	95.1%	51.0%	6,486	26,624	3.4%	
2023	49,525	3,871,954	47,401	**	**	**	6,278	27,077	3.0%	
2024	**	**	**	**	**	**	6,303	27,826	3.0%	
2025	**	**	**	**	**	**	6,150	28,314	3.6%	

** Data not available at time of publication

(1) Population estimates provided by the City of Stillwater Department of Community Development and the U.S. Census Bureau.

(2) Personal Income estimates and Per Capita Personal Income provided by U.S. Department of Commerce.




(3) Median age and educational attainment provided by U.S. Census Bureau. Education attainment refers to those persons 25 years or older.

(4) Enrollment figures are for the Fall Semester immediately following the fiscal year indicated and include pre-k full-time students. Post-secondary enrollment includes enrollment at Oklahoma State University-Stillwater, Northern Oklahoma College-Stillwater, and full/half-time students at Meridian Technology Center.

(5) Unemployment rate provided by Bureau of Labor Statistics and is for Payne County.

Stillwater Emergency Management

The Stillwater Emergency Management Agency proactively plans for all hazards, works to reduce threats and prepares Stillwater residents and organizations to respond and recover from emergencies.

-  Facebook - @StwSema
-  Instagram - @StwSema
-  X - @Stillwaterokgov



CITY OF STILLWATER, OKLAHOMA

**SINGLE AUDIT REPORTS
AND SUPPLEMENTARY SCHEDULES**

Year Ended June 30, 2025



CITY OF STILLWATER, OKLAHOMA

**SINGLE AUDIT REPORTS
AND SUPPLEMENTARY SCHEDULES
Year Ended June 30, 2025**

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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 Honorable Mayor and Members of the City Council
City of Stillwater, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Stillwater, Oklahoma (the “City”) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated December 15, 2025. Our report includes a reference to other auditors who audited the financial statements of the Stillwater Medical Center Authority (the “Medical Center”) as described in our report on the City’s financial statements. The financial statements of the Medical Center were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Medical Center or that are reported on separately by those auditors who audited the financial statements of the Medical Center.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’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 a 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 a 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 of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

HSPG & ASSOCIATES, PC

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are 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 statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

HSPG & Associates, P.C.

December 15, 2025



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
City of Stillwater, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Stillwater, Oklahoma's (the City'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 each of the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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; 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 the City 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 the City'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 the City'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 the City'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 generally accepted auditing standards, *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 the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 the City'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 the City'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 the City'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.

Report on Internal Control over Compliance

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 a 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 a 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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basis financial statements. We issued our report thereon dated December 15, 2025, which contained unmodified opinions on those financial statements. Our audit report includes a reference to other auditors. Our audit was performed for the purpose of forming opinions on those financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

HSPG & Associates, P.C.

December 15, 2025

CITY OF STILLWATER, OKLAHOMA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor / Pass-Through Grantor / Program Title	Grant Number	Assistance Listing Number	Expenditures
<u>U.S. Department of Housing and Urban Development:</u>			
Community Development Block Grants:			
Passed through Oklahoma Department of Commerce:			
Community Development Block Grant	19168 CDBG 23	14.228	\$ 154,292
Total U.S. Department of Housing and Urban Development			<u>154,292</u>
<u>U.S. Department of Justice:</u>			
Bulletproof Vest Partnership Program		16.607	37,707
Internet Crimes Against Children Grant:			
Passed through Oklahoma State Bureau of Investigation:			
Oklahoma Internet Crimes Against Children	FY25 ICAC Grant	16.800	7,706
Total U.S. Department of Justice			<u>45,413</u>
<u>U.S. Department of Transportation</u>			
Airport Improvement Programs:			
Airport Improvement Program - Master Plan Update	3-40-0090-033-2021	20.106	2,830
Airport Improvement Program - BIL Grant #1	3-40-0090-038-2022	20.106	35,516
Terminal Construction Grant	3-40-0090-041-2024	20.106	4,534,290
Terminal Construction Grant	3-40-0090-044-2025	20.106	188,304
Terminal Construction Grant	3-40-0090-039-2023	20.106	3,299
Terminal Construction Grant	3-40-0090-040-2023	20.106	3,299
Sub-total			<u>4,767,538</u>
Passed through Oklahoma Highway Safety Office			
State and Community Highway Safety	PT-24-03-42-02	20.600	18,120
State and Community Highway Safety	PT-24-03-42-01	20.600	5,671
Sub-total			<u>23,791</u>
Total U.S. Department of Transportation			<u>4,791,329</u>
<u>U.S. Department of Treasury</u>			
Coronavirus State and Local Fiscal Recovery Funds:			
Passed through Oklahoma Water Resources Board			
COVID-19 - ARP-23-0135-G	-	21.027	616,920
Passed through State of Oklahoma:			
COVID-19 - American Rescue Plan Act	-	21.027	2,950,910
Total U.S. Department of Treasury			<u>3,567,830</u>
<u>National Endowment for the Humanities:</u>			
Grants to States:			
Passed through Oklahoma Department of Libraries:			
Adult Online HS	F-23-179	45.310	637
eRate	eRate F-25-06	45.310	825
eMedia	eMedia F-25-74	45.310	100,000
LTSA Emedia Grant	F-24-93	45.310	30,000
ODL Lucky Day Collection	-	45.310	7,500
OLA Conference Grant	-	45.310	1,316
Total National Endowment for the Humanities			<u>140,278</u>
<u>Environmental Protection Agency</u>			
Passed through Oklahoma Water Resources Board			
Congressionally Mandated Projects	GG-02F76401-0	66.202	353,780
Total U.S. Department of Energy			<u>353,780</u>
<u>U.S. Department of Homeland Security:</u>			
Public Assistance - Disaster Grant:			
Passed through Oklahoma Department of Emergency Management:			
June 2023 Storms	DR-4721	97.036	33,929
Emergency Management Performance Grants:			
Emergency Management Performance Grant	EMPG-24	97.042	25,000
Emergency Management Performance Grant	EMPG-25	97.042	25,000
Sub-total			<u>50,000</u>
Assistance to Firefighters Grant:			
Fire Assistance Grant	EMW-2021-FG-02169	97.044	1,203
Passed through Oklahoma Department of Homeland Security:			
State and Local Cybersecurity Grant	1599.329	97.137	48,414
Hazard Mitigation Grant	DR-4706	97.047	71,088
Total U.S. Department of Homeland Security			<u>204,634</u>
Total expenditures of federal awards			<u>\$ 9,257,556</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF STILLWATER, OKLAHOMA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Stillwater, Oklahoma (the City) under programs of the federal government for the year ended June 30, 2025. The City's reporting entity is defined in Note 1 to the City's basic financial statements. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or, where applicable, cash flows of the City.

2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 of the City's basic financial statements. The expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3) Subrecipients

The City did not provide federal awards to subrecipients during the year ended June 30, 2025.

**CITY OF STILLWATER, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:
 Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:
 Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor’s report issued on noncompliance
 for major federal programs: Unmodified

Any audit findings disclosed that are required to be
 reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major federal programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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? X yes _____ no

**CITY OF STILLWATER, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)**

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

City of Stillwater
Prior Year Finding Follow-up
2025

Reference Number: 2024-001

Fund Type: Proprietary Fund: Enterprise Fund

Status: Corrected

CITY OF STILLWATER, OKLAHOMA
PASSENGER FACILITY CHARGE PROGRAM AUDIT
Year Ended June 30, 2025



CITY OF STILLWATER, OKLAHOMA

**PASSENGER FACILITY CHARGE PROGRAM AUDIT
Year Ended June 30, 2025**

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The City of Stillwater, Oklahoma financial statements and related notes for the year ended June 30, 2025 were audited by HSPG & Associates, PC and issued under a separate cover.

The 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 was issued by HSPG under a separate cover.

Independent Auditor's Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance; and Report on Schedule of Passenger Facility Charges Collected and Expended.	1-3
Schedule of Passenger Facility Charges Collected and Expended.	4
Notes to Schedule of Passenger Facility Charges Collected and Expended.	5
Summary of Auditor's Results.	6



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR THE PASSENGER
FACILITY CHARGE PROGRAM; REPORT ON INTERNAL CONTROL OVER
COMPLIANCE; AND REPORT ON SCHEDULE OF PASSENGER FACILITY CHARGES
COLLECTED AND EXPENDED**

To the Honorable Mayor and Members of the City Council
City of Stillwater, Oklahoma

Opinion on Compliance for the Passenger Facility Charge Program

We have audited the City of Stillwater, Oklahoma’s (the “City’s”) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the “Guide”) issued by the Federal Aviation Administration (“FAA”) that could have a direct and material effect on the City’s passenger facility charge program for the year ended June 30, 2025.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended June 30, 2025.

Basis for Opinion on the Passenger Facility Charge 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 Guide. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the passenger facility charge program. Our audit does not provide a legal determination of the City’s 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 the City’s passenger facility charge program.

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 to express an opinion on the City’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 Guide will always detect a material misstatement when it exists. The risk of not detecting material noncompliance 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.

HSPG & ASSOCIATES, PC

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 judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 the City'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 the City'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of the City'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.

Report on Internal Control Over Compliance

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 the passenger facility charge program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of the passenger facility charge 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the passenger facility charge 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.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as described above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Passenger Facility Charges Collected and Expended

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 15, 2025, which contained unmodified opinions on those financial statements. Our audit report includes a reference to other auditors. Our audit was conducted for the purpose of forming opinions on the basic financial statements as a whole. The accompanying schedule of passenger facility charges collected and expended is presented for purposes of additional analysis as specified in the Guide and is not a required part of the basic financial statements. 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charges collected and expended is fairly stated in all material respects in relation to the basic financial statements as a whole.

HSPG & Associates, P.C.

December 15, 2025

CITY OF STILLWATER, OKLAHOMA
 STILLWATER REGIONAL AIRPORT
 SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED AND EXPENDED
 For the Year Ended June 30, 2025

	Cumulative Program Total June 30, 2024	For the Quarter Ended				For the Year Ended June 30, 2025	Cumulative Program Total June 30, 2025
		September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025		
Revenues:							
Passenger facility charges	\$ 428,475	\$ 33,716	\$ 33,627	\$ 32,981	\$ 28,666	\$ 128,990	\$ 557,465
Interest	4,382	1,216	1,216	1,216	1,219	4,867	9,249
Total revenues	<u>432,857</u>	<u>34,932</u>	<u>34,843</u>	<u>34,197</u>	<u>29,885</u>	<u>133,857</u>	<u>566,714</u>
Expenses:							
Application # 2020-01-C-00-SWO:							
001 - Reconstruct north portion of apron (design and construction)	73,830	-	-	-	185,000	185,000	258,830
002 - Acquire aircraft rescue and firefighting vehicle	212,560	-	-	-	-	-	212,560
003 - PFC application preparation expenses	18,537	-	-	-	-	-	18,537
Total expenses	<u>304,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>185,000</u>	<u>185,000</u>	<u>489,927</u>
Net passenger facility charges revenue	<u>\$ 127,930</u>	<u>\$ 34,932</u>	<u>\$ 34,843</u>	<u>\$ 34,197</u>	<u>\$ (155,115)</u>	<u>\$ (51,143)</u>	<u>\$ 76,787</u>

See accompanying independent auditors' report and notes to schedule of passenger facility charges collected and expended.

CITY OF STILLWATER, OKLAHOMA
NOTES TO THE SCHEDULE OF PASSENGER
FACILITY CHARGES COLLECTED AND EXPENDED
For the Year Ended June 30, 2025

Note 1 – General

The Aviation Safety and Capacity Expansion Act of 1990 (Public Law 101-508, Title II, Subtitle B) authorized the local imposition of passenger facility charges (PFC) and use of PFC revenues on Federal Aviation Administration (FAA) approved projects.

On August 14, 2020, the FAA approved a \$4.50 PFC collection at Stillwater Regional Airport (SWO) beginning on October 1, 2020 and concluding on August 1, 2026 (PFC Application Number: 2020-01-C-00-SWO). The total approved amount of PFC revenue that SWO can collect is \$751,098.

Note 2 – Basis of Accounting

The accompanying schedule of passenger facility charges collected and expended presents the revenues received from PFC and expenses on approved projects on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

CITY OF STILLWATER, OKLAHOMA

**PASSENGER FACILITY CHARGE PROGRAM AUDIT
SUMMARY OF AUDITOR'S RESULTS
For the Year Ended June 30, 2025**

Summary of Auditor's Results

- | | |
|--|------------|
| 1. Type of report issued on schedule of passenger facility charges (PFC) collected and expended. | Unmodified |
| 2. Type of report on PFC compliance. | Unmodified |

Findings Required to be Reported by the Guide

None.



December 15, 2025

To the Honorable Mayor and Members of the City Council
City of Stillwater, Oklahoma

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Stillwater, Oklahoma (the “City”) for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 7, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. Effective July 1, 2024, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*. As discussed in Note XII to the financial statements, beginning net position for the City’s governmental activities decreased by \$3,428,000 and business-type activities decreased by \$1,370,000 as a result of implementing GASB 101. The implementation of GASB 102 had no material effect on the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City’s financial statements were:

Reported liabilities and related amounts and disclosures for the City’s pension and other post-employment benefits, which are derived from actuary studies and employ numerous estimates.

Estimated provisions for the allowance for doubtful accounts, primarily related to utility receivables and court fines, which are based on applying historical percentages and current economic conditions.

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Estimated losses relating to workers compensation claims, which are based on actuarially determined amounts.

Estimated losses relating to health insurance claims, which are based on a study prepared by the City's third-party administrator calculating the lag time between claims incurred and claims paid.

Estimated fair value of investments which is determined using quoted prices in active markets, benchmark curves, benchmarking of like securities, sector groupings, or matrix pricing.

Estimated useful lives of depreciable capital assets which are determined based on the expected nature and use of each asset.

Discount rate and term of leases and subscription-based information technology arrangements (SBITA) used to measure lease liabilities, lease receivables, and SBITA liabilities which are based on the interest rate implicit in the agreement and the contractual term adjusted for any renewal, termination, or purchase options that are expected to be exercised.

We evaluated the methods, assumptions, and data used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Uncorrected adjustments in the government wide governmental activities consist of an over accrual of year-end compensated liabilities related to the implementation of GASB 101 of \$138,000 and an over accrual of beginning of year compensated liabilities totaling approximately \$142,000. Collectively, these amounts would reduce payroll expense by \$4,000. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 15, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. The City uses Crawford & Associates, P.C. to assist the City with drafting its annual financial statements. To our knowledge, no consultation took place that involved unusual or new applications of accounting principles.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the City’s budgetary comparison schedules, pension plan and other post-employment benefit funding schedules, and management’s discussion and analysis, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the City’s other supplementary information which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

HSPG & Associates, P.C.



December 15, 2025

The Honorable Mayor and Members of the City Council and Management
City of Stillwater, Oklahoma

In planning and performing our audit of the financial statements of the City of Stillwater, Oklahoma (the City”) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the City’s internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. Our comments regarding these matters are discussed below. This letter does not affect our report dated December 15, 2025, on the financial statements of the City.

Investments

State statutes broadly restrict applicable securities to direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the Government of the United States is pledged, or obligations to the payment of which the full faith and credit of the state is pledged, or revenue bonds issued by county, municipal, or school districts within the state. At June 30, 2025, The Stillwater Library Trust held investments which are not allowable under state statutes. It is our understanding that the City has begun steps to resolve this issue, and we encourage the City to continue its efforts and resolve the matter in a timely manner.

We will review the status of internal controls during our next audit engagement. We have already discussed these comments with various personnel, and we will be pleased to discuss them in further detail at your convenience.

This communication is intended solely for the information and use of management and members of the City Council, and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

HSPG & Associates, P.C.

HSPG & ASSOCIATES, PC

5400 N Grand Blvd, Suite 330 • Oklahoma City, Oklahoma 73112 • Phone: 405.844.9995 • Fax: 405.844.9975

**SPECIAL MEETING MINUTES
CITY OF STILLWATER AUDIT COMMITTEE
DECEMBER 15, 2025
2:00 PM**

**Norman McNickle Municipal Complex, Room 1112
723 S Lewis Street
Stillwater, OK 74074**

1. Call Meeting to Order

Meeting was called to order by Chair Kelly Cox at 2:00 p.m.

2. Introduction of Members, External Auditors and City Staff

Members Present: Chair Kelly Cox, Austin Pollard, Rachel Domnick, Randy Murray, Skyler Rodenberg.

Members Absent: None

Ex-officio members present: City Manager Brady Moore, Assistant City Manager and Chief Financial Officer Christy Cluck, Councilor Kevin Clark

City Staff Present: Assistant City Attorney Ashlyn Garis, Deputy Chief Financial Officer Jared Thulin, City Clerk Teresa Kadavy

HSPG Auditors Present: Andy Cromer and Bailey Stover

3. Public Comment

No public comment.

4. General Orders

The Audit Committee will discuss and take action at this meeting (including a vote or series of votes) on each item listed under General Orders unless the agenda entry specifically states that no action will be taken.

- | | |
|----|--|
| a. | Approval of minutes of the October 29, 2025 special meeting. |
|----|--|

	Motion by Pollard, second by Rodenburg to approve the minutes from the October 29, 2025 special meeting.
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	Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea. Motion carried with five yea votes.
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- b. Receive auditor communication and consider recommendation to the City Council to accept the Annual Comprehensive Financial Report for the City of Stillwater for the fiscal year ended June 30, 2025.

Auditor Andy Cromer stated that there are five documents and all reports are currently stamped "draft." Once accepted by the committee, final signatures will be collected. The auditor highlighted that the City participates in the voluntary Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program. The report will be submitted to GFOA experts for review to ensure compliance with program requirements. The City has received 43 consecutive awards for excellence in financial reporting, which requires both accuracy and timely submission. It was noted that Crawford & Associates assisted in drafting the report. Finance staff clarified that while external help was used due to previous staff turnover, the City is working to bring the process back in-house. Deputy Chief Financial Officer Jared Thulin completed the fund-level statements this year. Mr. Cromer reported that the City received a clean/unmodified opinion from HSPG, which is the highest level of assurance. He stated that the report includes the hospital as a component unit, though it is audited by a separate firm. Mr. Cromer reported that a new accounting standard, GASB 101 regarding compensated absences (specifically sick leave) was implemented. This change required the City to accrue for sick leave that employees might use before separation. This accounting adjustment had a material effect of approximately \$5 million. Mr. Cromer reviewed and discussed the required Audit Communication Letter with the governing body. He reported that there was only one uncorrected misstatement noted regarding compensated absences overstatement of \$140,000, which was deemed immaterial relative to the total financial statements. The auditor noted there were no significant difficulties or disagreements with management during the process. Mr. Cromer reported that a specific comment was raised regarding the Library Trust, which holds approximately \$750,000 in investments through Vanguard. Assistant City Manager and Chief Financial Officer Christy Cluck stated that these investments are currently not in compliance with state statutes, which require public funds to be held in very conservative, government-backed securities. The Library Trust has been using a more aggressive investment strategy to achieve higher returns from donations. To resolve this, the Library Trust is seeking to restructure as a 501(c)(3) nonprofit organization. This would allow them to operate independently of state investment statutes. The application for 501(c)(3) status is expected to take approximately 12 months. In the future, the Trust will likely be reported as a "discretely presented component unit," similar to the hospital, and will be responsible for its own bookkeeping and audits.

HSPG Auditor Andy Cromer, Assistant City Manager and Chief Financial Officer Christy Cluck and Deputy Chief Financial Officer Jared Thulin answered the committee's questions.

Motion by Murray, second by Pollard to recommend to the City Council to accept the Annual Comprehensive Financial Report for the City of Stillwater for the fiscal year ended June 30, 2025.

Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea.
Motion carried with five yea votes.

c. Receive auditor communication and consider recommendation to the City Council to accept the Single Audit Report for the fiscal year ended June 30, 2025.

The auditor introduced the Single Audit Report, which is required because the City spent over \$750,000 in federal funds. He stated that this report includes sections on internal control and compliance city-wide. The auditor explained that they do not audit internal controls to provide a formal opinion (unlike public companies) but rather review them to plan the audit and identify any glaring weaknesses or "not up to snuff" procedures. He stated that the compliance section is required only for federal grants. Mr. Cromer reported that they did not have any findings or comments on either section of this report. He stated that the one finding last year on inventory has been fixed.

HSPG Auditor Andy Cromer, Assistant City Manager and Chief Financial Officer Christy Cluck and Deputy Chief Financial Officer Jared Thulin answered the committee's questions.

Motion by Murray, second by Rodenburg to recommend to the City Council to accept the Single Audit Report for the fiscal year ended June 30, 2025.

Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea.
Motion carried with five yea votes.

d. Receive auditor communication and consider recommendation to the City Council to accept the Passenger Facility Charge Program Audit for fiscal year ended June 30, 2025.

Mr. Cromer reported that the Airport Passenger Facility Charge Program (PFC) Audit is a separate document and is required by the Federal Aviation Administration (FAA). The report does not go to the State but only to the FAA. There were no findings or issues so the FAA will be pleased with the report.

HSPG Auditor Andy Cromer answered the committee's questions.

Motion by Pollard, second by Domnick to recommend to the City Council to accept the Passenger Facility Charge Program Audit for the fiscal year ended June 30, 2025.

**Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea.
Motion carried with five yea votes.**

e. Consider recommendation to the City Council to select a firm for the external audit of the City of Stillwater and related trusts for the fiscal year ending June 30, 2026.

Assistant City Manager and Chief Financial Officer Christy Cluck reported that it is the City's practice to go out for proposals every three years for audit services. This item was put on the agenda to get direction from the committee on whether or not the City should put this out for proposal in the spring. Staff needs to know that so if proposals are going out in the spring, the process can be started very quickly after the first of the year. Cluck stated that there will be implementation of GASB 103, Financial Reporting Model Improvements, for FY26. She stated that this is one of the biggest standards that has come out in a number of years so the City hopes to retain Crawford and Associates to help with this implementation. Ms. Cluck stated that she has some concerns about changing audit firms at the same time as rolling out a big change in standards. She also reported that the City is evaluating financial software systems. Demos will be taking place in January and a selection for software will be made shortly after that with a 12-24 month implementation process depending on the phasing approach taken. Ms. Cluck stated that changing accounting systems is a big impact to staff and the audit. She stated that she wanted to put before the committee a consideration to extend the City's engagement with HSPG for a period of up to two one-year extensions.

Discussion was held amongst the committee and staff.

Motion by Murray, second by Rodenburg to recommend to City Council to continue audit services with HSPG for up to two one-year extensions.

**Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea.
Motion carried with five yea votes.**

f. Discuss spring meeting date to provide a pre-audit update and to recommend audit firm selection to City Council, if necessary. (no action will be taken on this item)

Discussion was held regarding the plan to have a spring meeting. At that point staff can update the committee on the Library Trust Board and status of the GASB 103 implementation.

Assistant City Manager and Chief Financial Officer Christy Cluck announced that Kelly Cox is stepping down from the Audit Committee so this would be his last meeting. She thanked him for his 18 years of service.

5. Adjourn

Motion by Pollard, second by Domnick to adjourn the December 15, 2025 Audit Committee Special Meeting.

**Cox-Yea, Pollard-Yea, Domnick-Yea, Murray-Yea, Rodenberg-Yea.
Motion carried with five yea votes.**

Meeting adjourned at 2:55 p.m.

Kelly Cox, Chair

Christy Cluck, Asst City Manager & Chief Financial Officer

DRAFT

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.i. CC-26-05
Previous/Related Action:	CC-2023-38
Background/Issue:	City Council approved the assignment of the Hangar 2 lease to Stillwater Flight Center (SFC) from Stillwater Aircraft Services on October 16, 2023 via Resolution CC-2023-38. In accordance with the addendum completing the lease assignment, the lease may be extended an additional ten years (through June 30, 2035) upon mutual consent in writing by both the City and the lessee (Stillwater Flight Center). Approval and execution of the attached "Agreement to Extend Building Lease Agreement" is necessary to complete the lease extension with Stillwater Flight Center.
Proposal/Solution:	Airport staff recommends approval of the Stillwater Flight Center lease extension to allow Stillwater Flight Center to continue leasing Hangar 2 through June 30, 2035.
Financial Source/Impact:	
Related Strategic Priority:	#1 EFFECTIVE SERVICES & ACCOUNTABLE GOVERNMENT
Recommended Action/Motion:	Motion to approve Agreement to Extend Building Lease Agreement with Stillwater Flight Center, Inc. at Stillwater Regional Airport for an additional 10-year term.
Prepared By:	Kellie Reed, Airport Director
Reviewed By:	Kellie Reed Christy Cluck Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Agreement to Extend Building Lease Agreement (SFCI)
2. Resolution CC-2023-38 Signed
3. SRA Building Lease Addendum signed
4. 2023-38 ATTACHMENT II SAS Agreement thru 6-30-2025-EXECUTED (002)

AGREEMENT TO EXTEND BUILDING LEASE AGREEMENT

Lease No. SRA Building Lease Agreement dated July 1, 2020
Lessee: Stillwater Flight Center, Inc.

THIS AGREEMENT is made and entered into on this ___ day of December, 2025 by and between CITY OF STILLWATER, OKLAHOMA, a municipal corporation as owner and operator of Stillwater Regional Airport, and STILLWATER FLIGHT CENTER, INC., an Oklahoma Corporation.

WITNESSETH

WHEREAS, on October 16, 2023, the City of Stillwater (“Stillwater”) approved the assignment of a certain Building Lease Agreement dated July 1, 2020 to Stillwater Flight Center, Inc. pursuant to Resolution CC-2023-38; and

WHEREAS, the parties intend to exercise the Extension Term established under said Agreement through the execution of this agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING AND THE MUTUAL COVENANTS AND AGREEMENTS HEREINAFTER SET FORTH, THE PARTIES AGREE:

1. **Extension Term.** The Building Lease Agreement dated July 1, 2020 shall be extended for a period of ten (10) years beginning July 1, 2025 and ending June 30, 2035.
2. **Effect of Contract Provisions.** All provisions contained within the Building Lease Agreement dated July 1, 2020 including rental rates, fees and charges shall remain in full force and effect and shall be binding on the parties hereto.

IN WITNESS WHEREOF, the parties hereto acting under authority of their respective governing bodies have caused this agreement to be fully executed.

CITY OF STILLWATER, OKLAHOMA
A Municipal Corporation

William H. Joyce, Mayor

(seal)
ATTEST:

Teresa Kadavy, City Clerk

STILLWATER FLIGHT CENTER, INC.

President
Print Name:

RESOLUTION NO. CC-2023-38

“A RESOLUTION AUTHORIZING THE ASSIGNMENT OF THE STILLWATER REGIONAL AIRPORT BUILDING LEASE AGREEMENT BETWEEN THE CITY OF STILLWATER AND STILLWATER AIRCRAFT SERVICES, INC. TO STILLWATER FLIGHT CENTER, INC.; AND AUTHORIZING THE CITY MANAGER TO SIGN RELATED DOCUMENTS NECESSARY FOR SUCH PURPOSE”

WHEREAS, pursuant to the Stillwater Regional Airport Building Lease Agreement dated July 1, 2020, Stillwater Aircraft Services, Inc. is the Lessee of a certain building at Stillwater Regional Airport known as “Hangar #2” and as more particularly described therein; and

WHEREAS, Section 12.2 of the Agreement requires prior written consent by Stillwater Regional Airport prior to assignment of the Building Lease; and

WHEREAS, Stillwater Aircraft Services, Inc. has requested written consent to assign the Building Lease Agreement to Stillwater Flight Center, Inc.; and

WHEREAS, SRA finds it appropriate and desirable to provide consent to assign the Building Lease Agreement in order to address hangar relocation needs in anticipation of construction of the new airport terminal and to best serve the airport and its users;

NOW THEREFORE, BE IT RESOLVED, by the Mayor and the City Council the City of Stillwater:

Section 1. The City of Stillwater, as owner and operator of Stillwater Regional Airport, hereby consents to Lessee assigning the Building Lease Agreement dated July 1, 2020 to Stillwater Flight Center, Inc., and authorizes the City Manager to sign any related documents, including any addendums to the lease, that are necessary and appropriate for such purpose.

PASSED AND APPROVED by the City Council of Stillwater, Oklahoma, and signed this 16th day of October, 2023.

CITY OF STILLWATER, OKLAHOMA
a Municipal Corporation



WILLIAM H. JOYCE, MAYOR




(SEAL)
ATTEST:



TERESA KADAVY, CITY CLERK

APPROVED AS TO FORM AND LEGALITY THIS 16th DAY OF OCTOBER, 2023.



KIMBERLY CARNLEY, CITY ATTORNEY

ADDENDUM

STILLWATER REGIONAL AIRPORT BUILDING LEASE AGREEMENT

Lease No: SRA Building Lease Agreement dated July 1, 2020
Lessee: Stillwater Flight Center, Inc.

This Addendum to the Building Lease Agreement hereby amends and modifies the Lease Agreement as follows:

- I. **Assignment.** Pursuant to Resolution 2023-38, the assignment of this Lease Agreement was authorized by the City of Stillwater, as owner and operator of Stillwater Regional Airport.
- II. **Acceptance of Lease Agreement Terms.** Stillwater Flight Center, Inc. hereby agrees to assume the duties, obligations, and liabilities of Stillwater Aircraft Services, Inc. as set forth in the Building Lease Agreement attached hereto as Exhibit A, and as amended herein, for the duration of the term of said lease agreement and any authorized extension.
- III. **Term.** Article II, Term, Section 2.3, Option to Extend, is hereby replaced with the following:

During the period commencing one (1) year prior to the expiration date of this Agreement and ending one hundred twenty (120) days prior to the expiration date of this Agreement ("option period"), the parties shall have the option to extend the Term of this Agreement, for one (1) extended period of ten (10) years (Extension Term: July 1, 2025 – June 30, 2035), subject to the following terms and conditions:

- a. Extension Term requires mutual consent confirmed in writing by both the City of Stillwater, as owner and operator of Stillwater Regional Airport, and the Lessee;
- b. Lessee shall not be in default of this Agreement;
- c. Lessee shall deliver timely written notice of its desire to extend the term for the extension period to SRA;
- d. All terms and conditions including rental rates, fees and charges then applicable to this Agreement shall remain in full force and effect during the Extension Term.

Effective Date. This agreement shall become effective October 16, 2023.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date first above written.

LESSEE



Stillwater Flight Center Hangar, LLC

STILLWATER REGIONAL AIRPORT
CITY OF STILLWATER, OKLAHOMA



Brady Moore, Interim City Manager

STILLWATER REGIONAL AIRPORT BUILDING LEASE AGREEMENT

This agreement is entered into between the City of Stillwater, Oklahoma, a municipal Corporation ("City"), acting through Stillwater Regional Airport Authority, ("SRA"), and Stillwater Aircraft Services Inc. 2020-7 West Airport Road, Stillwater, Oklahoma 74075 ("Lessee").

RECITALS:

1. The City of Stillwater is a municipal corporation established under the laws of the State of Oklahoma.
2. The City of Stillwater owns and operates through the Stillwater Airport Authority, land and certain aviation facilities known as "Stillwater Regional Airport."
3. SRA desires to lease a certain building at Stillwater Regional Airport known as "Hangar #2" and more specifically described herein on Exhibit "1" for aviation purposes as hereinafter defined, and Lessee desires to lease from SRA for a term of years hereinafter defined premises, specifically to maintain offices and/or storage and aircraft servicing operations.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained to be kept and performed by the parties hereto and upon the provisions and conditions hereinafter set forth, SRA and Lessee do hereby agree as follows:

ARTICLE I Definitions

Section 1.1 Definitions. Throughout this Agreement, these words shall have the following meanings, respectively, unless the context clearly shall indicate some other meaning:

- a. *Agreement* means this lease Agreement between SRA and Lessee;
- b. *Airport* means Stillwater Regional Airport;
- c. *Airport Improvements* means those improvements identified on an approved Airport Layout Plan;
- d. *EPA* means the United States Environmental Protection Agency and all federal, state or local agency, or governmental entity, succeeding to, or being delegated with its jurisdiction, functions, or responsibilities;
- e. *FAA* means the Federal Aviation Administration of the United States, or any federal agency succeeding to its jurisdiction or function;
- f. *FAR* means Federal Aviation Regulations and shall include, but not be limited to, all regulations, policies, statements and directives promulgated or issued by the FAA;
- g. *Governmental Requirements* means all federal, state and local laws, ordinances, rules, regulations, policies and procedures, security plans, standards, and rulings, including, but not limited to, all additions and amendments now in effect, or hereinafter enacted, as may be imposed by the FAA, TSA or any other governmental entity succeeding to the jurisdiction, functions, or responsibilities of

either, Stillwater Regional Airport Authority; the City of Stillwater; the State of Oklahoma, or other governmental entities to Lessee's use of the Airport and operation/utilization of the Leased Premises and improvements thereon.

- h. *Leased Premises* means the land area or facility described and illustrated on Exhibit "1"
- i. *Leasehold Improvements* means all improvements made by the Lessee(s) to the Leased Premises, except for "trade fixtures" as described herein.
- j. *Term* means the period of time that this Agreement shall be in effect, as set forth in Sections 2.1 and 2.2;
- k. *TSA* means the Transportation Security Administration of the United States, or any federal agency succeeding to its jurisdiction or function.

ARTICLE II

Term

Section 2.1 Term of Agreement. The Term of this Agreement shall commence on July 1, 2020, and expires on June 30, 2025, unless otherwise terminated or canceled as provided herein.

Section 2.2 Survival of Obligations. All obligations under this Agreement which have been incurred by Lessee, or with respect to which Lessee shall be in default, shall survive any termination or cancellation of this Agreement, unless waived or released in writing by SRA.

Section 2.3 Option to Extend. During the period commencing one (1) year prior to the expiration date of this Agreement and ending one hundred twenty (120) days prior to the expiration date of this Agreement ("option period"), Lessee shall have the option to extend the Term of this Agreement, for one (1) extended period of five (5) years, subject to the following terms and conditions:

- a. Lessee shall not be in default of this Agreement;
- b. Lessee shall deliver timely written notice of its exercise of the option to SRA;
- c. All terms and conditions including rental rates, fees and charges then applicable to this Agreement shall remain in full force during the extended term period.

Section 2.4 Surrender of Possession. Except as otherwise expressly provided in this Agreement, at the expiration or sooner termination of the Agreement, or any extension hereof, Lessee agrees to surrender possession of Leased Premises peacefully and promptly to SRA subject to the terms of Article VI, Section 6.3(b).

Section 2.5 Holding Over. If Lessee shall hold over after the termination of this Agreement, SRA, at its sole discretion, may allow Lessee to remain on the Leased Premises on a month-to-month basis as a tenant at will. During such tenancy, Lessee shall pay to SRA rentals, fees and charges at a rate set by SRA at the time the election to hold over is exercised by Lessee. Lessee shall be bound by all of the remaining provisions of this Agreement during any hold over tenancy.

Section 2.6 Lease Expiration. At the end of the Term, Lessee shall immediately and peaceably vacate the leased premises. Any and all Leasehold Improvements and/or constructed and/or attached by Lessee on the Leased Premises shall become the property of SRA, unless removed in accordance with Section 6.3 herein. Lessee agrees to execute any and all documents necessary to convey title to any such improvement/fixture to SRA at said time.

ARTICLE III Rentals, Fees and Charges

Section 3.1 Initial Rental Rate. From the commencement date of this Agreement, Lessee shall pay, in advance to SRA, the annual base rental rate of Fifteen Thousand One Hundred Fifty-Nine Dollars and Eighteen Cents (\$15,159.18). The leased premises contain 11,832 square feet square feet as identified in Exhibit "1" for an initial annual rental of One Thousand Two Hundred Sixty-Three Dollars and Twenty Seven Cents per month (\$1,263.27/month) or Fifteen Thousand One Hundred Fifty-Nine Dollars and Eighteen Cents per year (\$15,159.18/year). Lessee shall pay a pro rata amount for any possession of the Leased Premises for less than one (1) year. The first rental payment shall be made by Lessee on or before the commencement date hereof and all subsequent annual rentals shall be paid in advance on or before the 1st day of July of each year of the Term.

Section 3.2 Subsequent Rental Rate--CPI; Improvement Cost Adjustment. Effective on each July 1st during the Term of this Agreement, the base rental rate shall be increased based upon the percentage increase in the National Consumer Price Index ("CPI") as published by the United States Department of Labor, Bureau of Labor Statistics, or successor agency or entity. The annual base ground rental rate shall be adjusted to the nearest penny (\$0.01). Additionally, the cost of any structural improvement(s) to the building paid for by SRA shall be added to the rental rate. The total amount of such increase shall equal the actual cost of the improvement(s) and shall be payable by Lessee in equal installments during the initial term of this Agreement. Said rate adjustment shall become effective upon payment for said improvement by SRA and written notice to Lessee of such rate adjustment. Lessee may cancel this Agreement upon one hundred twenty (120) days written notice to SRA if Lessee objects to such a rate increase.

Section 3.3 Rate Adjustment--Limitation. In any event, the rental rate for any succeeding rental period shall not be less than the rental rate established for the preceding rental period.

Section 3.4 Fees and Charges. Lessee shall pay to SRA as the same are or may be applicable to Lessee, the following fees and charges, for the use of services, privileges and facilities at the Airport:

- a. Fuel Flow Fee. Lessee shall pay to SRA an Aviation Fuel Flowage Fee in the manner and amount established by ordinance and/or regulations.

- b. Other. Lessee shall pay to SRA such other fees and charges as reasonably may be assessed for all other services, privileges or facilities used by Lessee at the Airport as established by SRA and published in the Schedule of Rates, Fees and Charges, including any amendments.

Section 3.5 License Contingent Upon Payment. The grant of the rights, licenses, facilities, services and privileges to Lessee under this Agreement, in each case, shall be subject to the full and timely payment of the rentals, fees and charges required to be paid by Lessee hereunder.

Section 3.6 Landlord's Lien. SRA shall have the first lien, paramount to all others, on every right and interest of Lessee in this Agreement, on all improvements, equipment and fixtures to the Leased Premises. The lien is granted for the purpose of securing the payment of rentals, fees, charges, taxes, assessments, liens, penalties and damages herein covenanted to be paid by Lessee, and for the purpose of securing the performance, all and singular, of the covenants, conditions and obligations of this Agreement to be performed and observed by Lessee. This lien shall be in addition to all rights of a landlord given under the laws of the State of Oklahoma. Aircraft stored on the Leased Premises are specifically excluded from this lien.

Section 3.7 Place of Payments. All sums payable by Lessee hereunder shall be delivered to:

Stillwater Regional Airport
2020-1 West Airport Road
Stillwater, Oklahoma 74075

Section 3.8 Delinquencies. In addition to any remedy available to it hereunder, SRA may impose as additional rent a delinquency charge on all overdue payments, at the rate of eighteen percent (18%) per annum or the then maximum rate allowed by law, if greater.

Section 3.9 Security Assurances. Concurrently with execution of this Agreement, Lessee shall obtain and deliver to SRA, unless specifically waived in writing by SRA a security assurance in a form acceptable under the Minimum Standards for Commercial Activities at Stillwater Regional Airport, renewable for the term thereof. Said Security Assurance shall serve the purpose of securing payment of all sums payable by Lessee to SRA hereunder and will be forfeited in whole or in part to satisfy a Lessee liability in the event of Lessee's failure to pay any rates, rentals, fees or charges of whatsoever nature due SRA and conditioned to ensure the faithful and full performance by Lessee of all its covenants, terms, conditions and obligations of this Agreement. Upon request of SRA, Lessee shall restore the Security Assurance to its original Amount. The Security Assurance shall be in the amount of fifty percent (50%) of the annual rental rates, fees and charges to be paid by Lessee pursuant to Section 3.1 hereof. The form, provisions and nature of the Security Assurance, and the identity of the surety, insurer or other obligor, shall be subject to the approval of SRA. In the event that SRA and Lessee hereafter agree to any amendment or modification of this Agreement, Lessee shall, if required by the terms of the Security Assurance, obtain the consent of the surety, insurer or other obligor hereunder, as the case may be, and shall adjust the amount of the Security Assurance to reflect any increase in the rentals, fees or charges payable by Lessee hereunder. The failure of Lessee to furnish (and keep in full force and effect) the Security Assurance, to renew the same,

to adjust the amount thereof, or to obtain the consent of surety, insurer or obligor as heretofore set forth, shall constitute an event of default under this Agreement.

Section 3.10 Accord and Satisfaction. No payment by Lessee or receipt by SRA of a lesser amount than the rentals, percentage fees and/or charges or payment(s) due to be made by Lessee hereunder shall be deemed to be other than a payment on "account" of the rent, percentage fees and/or charges due, and no endorsement or statement on any check or in any letter accompanying any check or payment as rent fees and/or charges shall be deemed in accord and satisfaction, and SRA may accept such check or payment without prejudice to SRA's right to recover the balance of such rent percentage fees and/or charges or to pursue any other remedy provided in this Agreement.

Section 3.11 Utility Service/Cost. Lessee, at its own expense, shall be responsible for the cost of all utility services on the Leased Premises. Lessee shall pay as the same becomes due, all utilities and other charges incurred in the operations, maintenance, use, occupancy, of the Leased Premises and the improvements located thereon.

ARTICLE IV Lessor's Grants; Reservations

Section 4.1 Lease. SRA hereby offers and leases to Lessee, and Lessee hereby accepts and leases from SRA, the Leased Premises for the aviation purposes set forth in Section 5.1 hereof for the Term of this Agreement, subject to the provisions set forth herein. Lessee accepts the Leased Premises in the condition existing at the commencement of this Agreement.

Section 4.2 Avigation Easement. SRA also reserves for itself, and the City and its licensees, an avigation easement in, over and across the air space above the Leased Premises and the unrestricted right to subject the Leased Premises to such Airport noise and vibration as may result from the flight of aircraft, warm up of engines, testing of engines or motors and other aviation related activities. SRA reserves the right to take such action as may be necessary to protect the aerial approaches of the Airport against obstruction in accordance with 14 C.F.R. Part 77 and other applicable standards or Governmental Requirements, together with the right to prevent Lessee or any other person from erecting or permitting to be erected any antenna, equipment, building or other facility or structure on the Airport (other than any buildings to be constructed in compliance with the plans and specifications approved pursuant to Article VI hereof), which would conflict with such standards and Governmental Requirements.

LESSEE SHALL WAIVE, REMISE AND RELEASE ANY RIGHT OR CAUSE OF ACTION WHICH LESSEE MAY NOW HAVE OR MAY HAVE IN THE FUTURE AGAINST SRA OR CITY ON ACCOUNT OF OR ARISING OUT OF NOISE, VIBRATIONS, FUMES, DUST, FUEL, PARTICLES AND OTHER EFFECTS THAT MAY BE CAUSED OR MAY HAVE BEEN CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT OR TAKING OFF FROM OR OPERATING AT OR ON THE AIRPORT OR IN AND NEAR THE AIRSPACE ABOVE THE LEASED PREMISES.

Lessee shall (a) not allow any tree or other vegetation to remain on the Leased Premises which encroaches upon or extends into the prohibited airspace or rights-of-way of the Airport; (b) use, permit or suffer the use of the Leased Premises in such a manner as to create electrical interferences with radio communication to or from any aircraft or between any airport installation and any aircraft, or as to make it difficult for aircraft pilots to distinguish between airport lights or as to impair visibility in the vicinity of the Airport, or to otherwise endanger the landing, taking off or maneuvering of aircraft; (c) not permit the construction of any facility or improvement which attracts or results in the concentration of birds which would interfere with the safe operation of aircraft in the airspace above the Leased Premises and at the Airport; and (d) not cause or permit any change in authorized land use hereunder that will reduce the compatibility of the noise compatibility program measures upon which Federal funds have been expended.

“Airspace” means for the purposes of this Section, any space above the ground level of the Leased Premises. “Aircraft” means for the purposes of this Section, any contrivance now known or hereafter invented, used or designed for navigation of or flight in the air or space, regardless of the form of propulsion, which powers said aircraft in flight. It is understood and agreed that the covenants and agreements in this section shall run with the land.

Section 4.3 Reservation of Mineral Rights. SRA reserves all right, title and interest in and to all minerals in, on or under the Leased Premises. Lessee shall not engage in any mining or drilling activities in, on or under the Leased Premises during the Term of this agreement. “Minerals” as used herein shall mean all mineral substances and deposits whether solid, gaseous, or liquid.

Section 4.4 Quiet Enjoyment. Unless Lessee shall have defaulted in his obligations hereunder, he shall have quiet enjoyment of the Leased Premises. Provided, however, SRA makes no representations or warranties, either express or implied, as to the condition of the Leased Premises or that they will be suitable for Lessee’s purposes and needs. SRA reserves the right to further develop, improve, rehabilitate, repair, reconstruct, alter and expand the Airport and all roadways, parking areas, terminal facilities, runways, taxiways and other aircraft operating areas as it may reasonably see fit, free from any and all liability to Lessee for damages of any nature whatsoever to Lessee occasioned during the making of improvements, repairs, alterations, reconstructions and additions to the Airport.

Section 4.5 No Joint Venture or Partnership. This Agreement shall not be deemed or construed (a) to create any relationship of joint venture or partnership between SRA and Lessee; (b) to give SRA any interest in the business of Lessee; or (c) to grant to Lessee any powers as an agent or representative of SRA or the City, for any purpose or to bind SRA or the City.

Section 4.6 Right of Relocation. SRA shall have the right to relocate Lessee’s Leased Premises including any improvements located thereon when necessary to accommodate the overall growth and development of the Airport. The need for such relocation shall be determined by SRA.

In the event such a relocation becomes necessary, Lessee shall be assigned a replacement area, if available, which is equivalent in size and amenities. Should Lessee

disagree with the replacement location, Lessee shall have the right, within fifteen (15) calendar days of receipt of the written notice by the Airports Director of impending relocation, to provide written notice to the Airport Director that Lessee disagrees with the replacement location. Upon such written notice by Lessee, the parties shall, for a period not to exceed thirty (30) days from the date of such notice, negotiate in good faith an attempt to resolve the matter to the satisfaction of both parties; however, if for any reason this issue is not resolved within thirty (30) days, SRA shall have the right to unilaterally decide the matter, and Lessee agrees to and shall abide by SRA's decision.

Should the Airports Director serve written notice on Lessee that Lessee is to be relocated, Lessee agrees it shall take or cause to be taken any and all actions as may be required to vacate its Leased Premises and surrender the same to SRA and begin serving the public from replacement location or remainder space upon written notice by the Airports Director that said replacement premises are available for beneficial occupancy by Lessee. Lessee shall be responsible for moving its trade fixtures. If SRA requires Lessee to relocate its Leased Premises during the Term of this Agreement, the cost of the replacement service center site and improvements located thereon shall be borne by SRA.

Section 4.7 Termination of Agreement for Airport Purposes. Lessee agrees and understands that, by reason of the broad public interest in the efficient maintenance, operation and development of the Airport, SRA hereby expressly reserves the right to terminate this Agreement upon a determination by SRA that the Leased Premises are needed for permanent Airport construction, or development, or improvements. Such construction, development or improvements shall be for airport and or aviation purposes only.

In the event that permanent Airport construction, development or improvement necessitates termination of this Agreement and the acquisition of Lessee's Leasehold Improvements and interest in the Leased Premises, Lessee shall surrender the Leased Premises to SRA within ninety (90) days from receipt of SRA's written notice of its intent to terminate the Agreement and acquire Lessee's Leasehold Improvements and interest in the Leased Premises. SRA shall use its best efforts to provide Lessee with replacement premises at the Airport at the rates not to exceed those provided in this Agreement and under the same terms and conditions as this Agreement or the then current lease agreement in use by SRA subject to the same periods of duration and renewal options of this Agreement. Relocation benefits shall be paid by SRA to Lessee in the manner required by applicable law.

ARTICLE V

Use

Section 5.1 Use of Leased Premises. Lessee shall use the Leased Premises for the express and limited purpose of maintaining offices and/or storage for its fueling and aircraft servicing operations located on the Airport. Provided, that should SRA authorize the subletting of all or any portion of the Leased Premises by Lessee during the term of this Agreement for another aviation purpose, then such purpose shall also be an authorized use of the Leased Premises. Lessee shall have a *non-exclusive* license to use, in common with others, the access roads or designated taxiways or taxi lanes as aircraft operations will safely permit for

purposes of ingress and egress to the Leased Premises and the public facilities of the Airport to carry on its fueling and/or aircraft servicing operations as authorized by this agreement and Stillwater Regional Airport Authority Building Lease Agreement or any successor agreement. SRA reserves the right to close any means of ingress and egress, so long as other reasonable means of ingress and egress to the Leased Premises are available to Lessee.

Section 5.2 General Use of the Airport. Subject to terms, conditions and covenants hereof, and provided that Lessee is not in default of this Agreement, Lessee shall be entitled to use, on a *non-exclusive* basis, public areas of the Airport including runways, taxiways, taxi lanes, aprons, lighting, navigation aids, and other facilities necessary for the operation of the aircraft.

Section 5.3 Fueling Operations. Lessee shall be entitled to fuel and service aircraft as a fixed base operator on Airport property during the term of this Agreement. In addition to any other requirements set forth in this Agreement, Lessee shall comply with all Governmental Requirements, including without limitation, those of the Environmental Protection Agency, for fuel tanks, fuel storage, the transportation of fuel and fuel pumping facilities.

Section 5.4 Safety and Security Plan. Lessee, at its sole cost and expense, shall comply with any airport safety and security plan established by SRA. Lessee shall require all invitees entering the Leased Premises to comply with any such plan and all applicable Governmental Requirements pertaining to security and safety.

Section 5.5 Limitations on Signage. Lessee shall not erect, maintain or display signs or advertising or graphics at or on the exterior parts of the Leased Premises, or inside the Leased Premises, so as to be visible outside the Leased Premises, without the prior, written approval of SRA. Exterior signs affecting public safety and security shall be erected, maintained and/or displayed in accordance with applicable Governmental Regulations. If SRA has not granted approval for said signage, Lessee shall within five (5) days of receipt of written notice by SRA, remove, obliterate, or paint out any and all advertising signs, posters, graphics and similar devices placed by Lessee on the Leased Premises. Should Lessee fail to so remove, obliterate or paint out each and every sign, poster, graphic or piece of advertising designated by SRA in said written notice and restore the Leased Premises to its prior condition, SRA may effect such removal and Lessee shall pay the entire cost thereof to SRA on demand.

ARTICLE VI Improvements to the Premises

Section 6.1 Title to Existing Improvements. Title to all improvements (except the building and any other improvements owned by SRA or City) currently located on the Leased Premises and Leasehold Improvements constructed by the Lessee during the Term of this Agreement as hereinafter set forth, shall be and remain in Lessee during the Term of this Agreement and any extended period. Title to any such Leasehold Improvements shall vest with SRA upon expiration of this Agreement as set forth in Section 2.6 herein. Lessee shall not sell, convey, mortgage, gift, or devise the Leasehold Improvements without SRA consent.

Section 6.2 Removal or Alteration of Airport Structures on Leased Premises.

Lessee shall not remove or otherwise permanently alter any improvement to the Leased Premises that is owned by SRA or the City without prior written consent of SRA. Lessee shall request permission in writing to remove or alter such improvements during the term of this Agreement, or at the termination or expiration thereof.

Section 6.3 Removal or Alteration of Improvements on Leased Premises.

Removal of any building, hangar, or other structure constructed on the Leased Premises by Lessee during the term of this Agreement shall require the additional consent of the Stillwater City Council. The entire cost of any removal, storage, maintenance, transportation and/or disposal of any Leasehold Improvement shall be paid by Lessee. Upon termination or expiration of this Agreement, SRA may require Lessee to remove Lessee's Improvements. In such event, Lessee shall restore the Leased Premises to an unimproved condition and shall pay the entire cost of such removal and/or restoration. If Lessee fails to so remove any such improvement, SRA may, at its sole discretion, cause such improvement(s) to be removed from the Leased Premises and the entire cost of removal and/or restoring said Leased Premises shall be paid by Lessee. Provided, that this requirement shall not apply to any trade fixture that is not permanently attached to the Leased Premises.

Section 6.4 Construction of New Improvements.

Lessee shall have the right to construct new improvements on the Leased Premises in accordance with the terms and conditions of this Agreement. Lessee shall not construct any improvements to the Leased Premises without submittal to, and approval of, all plans and specifications by SRA as hereinafter set forth. All plans and specifications for new improvements on the Leased Premises shall be prepared by Lessee in compliance with applicable Governmental Requirements. Lessee shall furnish to SRA copies of permits and licenses needed for construction. A construction application, in a form prepared by Authority, together with plans and specifications, shall be submitted by Lessee to SRA for approval. Thereafter, SRA shall have thirty (30) days after receipt within which to approve the plans and specifications, or to notify Lessee of any objections thereto. Each objection and the ground therefor, shall be stated separately. Lessee shall have a reasonable time thereafter within which to make any revisions to remove SRA's objections. Upon SRA's receipt of the final plans and specifications, SRA shall have thirty (30) days within which to approve or reject Lessee's revised proposal. After SRA's approval of the final plans and specifications, Lessee may proceed with construction. Construction shall be substantially in accordance with the approved plans and specifications. Upon completion of construction, Lessee shall furnish to SRA one (1) complete set of reproducible "as built" plans and specifications in digital format.

Section 6.5 Adverse Effect of New Improvements.

New improvements on the Leased Premises shall not be constructed in a manner which may adversely affect existing improvements, other Airport tenants, Airport property, or other property contiguous to the Airport.

Section 6.6 Inspection.

SRA and/or the City, or the authorized representative of SRA or City, shall have the right to inspect the Leased Premises during all reasonable hours, or in case of emergency, at any time.

Section 6.7 Weight Limitations. Lessee hereby specifically acknowledges that the roadways, taxi lanes, taxiways, ramps and aprons located on the Airport wherein the Leased Premises are located are stressed for designated maximum gross weights. Lessee shall be responsible for all damage or destruction caused by utilization of said Airport roadways, taxi lanes, taxiways, ramps and aprons by aircraft or vehicles operated by Lessee or invitees in excess of the maximum gross weights.

Section 6.8 Fences and Gates. If any part of the Leased Premises, or the improvements thereon, are enclosed within the secure area of the Airport, Lessee shall provide all materials and labor, at its sole cost, necessary to comply with the Airport Security Plan and TSA Section 49 CFR Part 1542 (Airport Security). Lessee shall pay the cost of all additional gates or doors required for access by Lessee and its employees, business invitees, or others from the landside of the Airport to the air side of the Airport into the secure area. Lessee shall install an entry card system approved by the SRA pursuant to the Airport Security Plan submitted to and approved by the FAA at all security gates or doors on the Leased Premises. Any alteration of the communication devices or entry card system, which may be necessitated by a change in Governmental Requirements shall be paid for by Lessee.

Section 6.9 Minimum Hangar Standards.

- a. *Lawn Maintenance.* Lessee is responsible for mowing lawn and trimming weeds and grass in the immediate vicinity of the building (See Exhibit "1"). Grass should be kept to a height not greater than six inches. SRA is responsible to mow grass and lawn from the apron area to the taxiway. Any trees or shrubbery planted must not limit the visibility for vehicular or aircraft movement.
- b. *Outside Storage.* Lessee shall not store any items on the exterior of the hangar structure, except as may be specifically permitted by this agreement or with the prior written permission of the Stillwater Regional Airport Director. Aircraft in an unairworthy condition or disabled, disassembled, or partially assembled aircraft, parts, or other aircraft components thereof, shall not be parked, stored or left standing for a period of excess of thirty (30) days on the exterior areas or portions of the Leased Premises. Approval of the Airport Director is required if the thirty (30) day period allowed will be exceeded.
- c. *Exterior Improvement Appearance.* SRA shall maintain the exterior appearance of the Facility on the Leased Premises in a proper state of repair Lessee shall be deemed in conformity with this maintenance standard as outlined in a, b, and c of this section, if Lessee has consulted, and complied, with reasonable directives from SRA. Compliance with this maintenance standard is a prerequisite for SRA approval of (i) Lessee's option to extend, and/or (ii) a new sublease agreement for the Leased Premises.

Section 6.10 No Liens or Encumbrances. Lessee shall well, truly and promptly pay or satisfy the just and equitable claims of all persons who have performed labor or furnished material for construction of any improvement required or authorized under this Agreement, and all bills, costs or claims of whatever kind, which may at law or equity become a lien upon said work, or a claim against the Leased Premises. Provided, however, that Lessee may contest the

amount or validity of any claim without being in default of this Agreement upon furnishing security satisfactory to SRA guaranteeing such claim will be properly discharged forthwith if any such contest is finally determined against Lessee.

ARTICLE VII Maintenance and Care of Leased Premises

Section 7.1 Lessee's Obligations. Lessee, at all times, shall keep in a clean and orderly condition and appearance all the Leased Premises and all of Lessee's fixtures, equipment and personal property which are located thereon. Lessee shall be responsible for the minor maintenance required to occupy the lease premises. Lessee shall not store aircraft service vehicles, tugs, fuel trucks, fork lifts, mobile equipment, cargo, or other personal property on the Leased Premises unless the same are in common use in Lessee's aviation related operations. The Leased Premises shall not be used for the storage of motor vehicles, recreational vehicles or boats. Lessee shall not commit or suffer to be committed any nuisance on the Leased Premises. Lessee shall conduct Lessee's operations in an orderly and proper manner so as not to annoy, disturb, or be offensive to others at the Airport. Lessee shall take all reasonable measures to keep the sound level of Lessee's operations as low as reasonably possible. Lessee shall not permit the accumulation of any rubbish, trash or other waste material on or about the Leased Premises. Lessee shall not store any gasoline or other material likely to give off fumes or gases or any material likely to constitute a fire, safety or security hazard on the Leased Premises, except in tanks and in the manner approved by appropriate governmental authorities. Lessee shall not cause or permit any hazardous or flammable substance to be used, stored, generated or disposed of on the Airport or Leased Premises, except as otherwise provided herein.

ARTICLE VIII Indemnity and Insurance

Section 8.1 Indemnity-General. Lessee shall indemnify, protect, defend and hold completely harmless, SRA, the City, and its officers, agents and employees from and against all liability, losses, suits, claims, judgments, fines or demands arising from injury or death of any person or damage to any property, including all reasonable costs for investigation and defense thereof (including attorney fees, court costs, and expert fees), of any nature whatsoever arising out of or incident to this Agreement, Lessee's use or occupancy of the Leased Premises, Lessee's fueling and/or aircraft servicing operations, the Airport, or the rights, licenses, or privileges granted Lessee herein, or the acts or omissions of Lessee's officers, agents, employees, contractors, subcontractors, licensees, or invitees, regarding of where the injury, death or damage may occur, unless such injury, death or damages is caused by the sole negligence of SRA. SRA shall give notice to Lessee of any such liability, loss, suit, claim or demand, and Lessee shall defend the same using counsel reasonably acceptable to SRA. The provisions of this section shall survive the early termination or expiration of this Agreement.

Section 8.2 Insurance.

- a. Lessee shall maintain in force during the Term, and any extended Term, public liability and insurance in comprehensive form including but not limited to airport premises liability and aircraft liability with such coverage and limits as reasonably may be required and approved by SRA from time to time, but in no event for less than in minimum amounts equal to the liability limits applicable to municipalities under the Oklahoma Governmental Tort Claims Act, 51 O.S. §151, *et seq.*, which are presently \$125,000.00 per person for personal injury; \$25,000.00 per person for property damage; and \$1,000,000.00 total liability per occurrence. SRA, the City of Stillwater, and the officers, employees, and/or agents of said entities shall be named as additional insured on said policy up to, but not exceeding, the statutory liability limits. This requirement should not be construed as limiting the ability of Lessee to obtain additional liability insurance in excess of the statutory liability amounts, provided that SRA, the City of Stillwater, and their officers, employees, and/or agents are not named as additional insured to the extent any liability coverage in excess of the statutory liability limits is procured by Lessee. Lessee shall additionally maintain insurance for its fueling and/or aircraft servicing operations in accordance with the applicable Governmental Requirements.
- b. Concurrent with the execution of this Agreement, Lessee shall provide proof of insurance by providing a certificate of Lessee's insurance coverage. The certificate(s) of insurance shall provide that (1) the insurance coverage shall not be canceled, changed in coverage, or reduced in limits without at least thirty (30) days prior written notice to SRA; (2) the policy shall be considered primary as regard any other insurance coverage SRA or the City may possess, including any self-insured retention or deductible SRA or the City may have, and any other insurance coverage SRA or the City may possess shall be considered excess insurance only; and (3) deductibles shall not exceed five thousand dollars (\$5,000.00).
- c. If the insurance coverage required herein is canceled, changed in coverage or reduced in limits, Lessee shall, within thirty (30) days, but in no event later than the effective date of cancellation, change or reduction, provide to SRA a certificate showing that insurance coverage has been reinstated or provided through another insurance company. Upon failure to provide such certificate, and Lessee's failure to respond to a written notice from SRA, SRA may, in addition to all its other remedies exercise SRA's rights as provided in the default provisions of this Agreement.

ARTICLE IX Regulated Substances

Section 9.1 Compliance and Indemnity. Lessee shall not cause or permit any "Regulated Substance" as hereinafter defined, to be brought upon, generated, stored, or used in or about the Leased Premises by Lessee, its agents, employees, contractors, or invitees, except for such Regulated Substance of the type and quantity as is necessary to Lessee's business and with prior written notice to SRA. Any Regulated Substance permitted on the

Leased Premises as provided herein, and all containers therefor, shall be used, kept, stored, and disposed of in a manner that complies with all federal, state and local laws or regulations applicable to this Regulated Substance, including but not limited to the Governmental Requirements.

Lessee shall not cause or permit, release, discharge, leak, or emit, nor permit to be discharged, leaked, released, or emitted, any Regulated Substance into the atmosphere, ground, storm or sewer system, or any body of water, ditch, stream, if that Regulated Substance (as is reasonably determined by SRA, or any governmental authority) does or may pollute or contaminate the same, or may adversely affect (a) the health, welfare, or safety of persons, whether located on the Leased Premises or elsewhere, or (b) the condition, use or enjoyment of the building, facilities or any other real or personal property. Lessee shall fully and timely comply with all applicable federal, state and local statutes, ordinances and regulations relating to protection of the environment, including, without limitation, 42 U.S.C. §6991-6991i.

Disclosure. At the commencement of each year of the term hereof, Lessee shall disclose to SRA the name(s) and approximate amount(s) of any Regulated Substance that Lessee intends to store, use, or dispose of on the Leased Premises in the first year of the Term hereof. In addition, at the commencement of each additional year of the Term hereof, beginning with the second year, Lessee shall disclose to SRA the name(s) and amount(s) of all Regulated Substances that were actually used, stored, or disposed of on the Leased Premises if those materials were not previously identified to SRA at the commencement of the previous lease year.

Compliance Action. Lessee shall, at Lessee's sole expense, clean-up, remove, and remediate (1) any Regulated Substance in, on, or under the Leased Premises in excess of allowable levels established by all applicable federal, state and local laws and regulations, and (2) all contaminants and pollutants, in, on, or under the Leased Premises that create or threaten to create a substantial threat to human health or the environment and that are required to be moved, cleaned up, or remediated by any applicable federal, state, or local law, regulation, standard or order. This obligation does not apply to a release of Regulated Substances, pollutants, contaminants, or petroleum products that existed on the Leased Premises prior to the execution of the agreement caused solely by the act or omission of SRA or a third party for whom the operator is not responsible (e.g. not a customer, invitee, employee, agent, or person having any contractual or business relationship with Lessee).

Definition of Regulated Substances. Regulated Substances: As used herein, the term "Regulated Substances" means and includes any and all substances, chemicals, waste, sewage or other materials, which are now or hereafter regulated, controlled or prohibited by any local, state, or federal law or regulation requiring removal, warning or restrictions on the use, generation, disposal or transportation thereof, including, without limitation (a) any substance defined as a "hazardous substance", "hazardous material", "hazardous waste", "toxic substance", or "air pollutant" in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. §9601 *et seq.*, The Hazardous Materials Transportation Act (HMTA), 49 U.S.C. §1801 *et seq.*, The Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6901 *et seq.*, Federal Water Pollution Control Act (FWPC), 33 U.S. §1251 *et seq.*, or the Clean Air Act (CAA), 42 U.S.C. §7401 *et seq.*, all as amended and amended hereafter; (b) any substance defined as a "hazardous substance", "hazardous waste", "toxic substance",

"extremely hazardous waste", "RCRA hazardous waste", "waste", "hazardous material" or "controlled industrial waste", as defined in the Oklahoma Industrial Waste Disposal Act, 63 O.S. §1-2000 *et seq.*; (c) any Regulated Substance, hazardous substance, hazardous waste, toxic substance, toxic waste, hazardous material, waste, chemical, or compound described in any other federal, state, or local statute, ordinance, code, rule, regulation, order, decree, or other law now or at any time hereafter in effect, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous substance, chemical, material, compound or waste. As used herein, the term Regulated Substance or "hazardous substances" also means and includes, without limitation, asbestos, flammable, explosive or radioactive materials; gasoline; oil; motor oil; waste oil; petroleum (including without limitation, crude oil, or any fraction thereof); petroleum based products; paints and solvents; leads; cyanide; DDT; printing inks; acids; pesticides; ammonium compounds; polychlorobiphenyls; and other regulated chemical products.

Indemnity Noncompliance/Notice of Violation. Lessee hereby fully agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Regulated Substances kept on the Leased Premises by Lessee, and the Lessee shall give immediate notice to SRA of any violation or potential violation of the provisions hereof. Without limiting any provisions of this Agreement, Lessee shall defend, indemnify, and hold harmless SRA, the City, and any councilors, board members, officers, agents, and employees for said entities from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses (including, without limitation, attorneys' and consultants' fees, court costs, and litigation expenses) of whatever kind or nature, known or unknown, contingent or otherwise, arising out of or in any way related to (a) any liabilities, damages, suits, penalties, judgments and environmental cleanup, removal, response, assessment, or remediation costs, arising from actual, threatened or alleged contamination of the Leased Premises; (b) the presence, disposal, release, or threatened release of any such Regulated Substance that is on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (c) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to that Regulated Substance; (d) any lawsuit brought or threatened, settlement reached, or government order relating to that Regulated Substance; or (e) any violation of any laws applicable thereto. The provisions hereof shall be in addition to any other obligations and liabilities Lessee may have to SRA at law or equity and shall survive the transactions contemplated herein and shall survive the termination or expiration of this Agreement.

ARTICLE X Governmental Requirements

Section 10.1 Governmental Requirements – General. Lessee shall comply with all Governmental Requirements applicable to Lessee's use of the Airport and operation/utilization of the Leased Premises and improvements thereon. Lessee shall also require its guests, invitees, and those doing business with it at the Airport to comply with all applicable Governmental Requirements.

Section 10.2. No Liability for Exercise of Powers. Neither SRA nor the City shall be liable to Lessee for any diminution or deprivation of Lessee's rights which may result from the

proper exercise of any power to preserve SRA or the City under this Agreement. Lessee shall not be entitled to terminate this Agreement by reason thereof, unless the exercise of such power shall substantially interfere with Lessee's rights hereunder so as to constitute a termination of this Agreement by operation of law.

Section 10.3 Non-discrimination. Lessee, Lessee's successors in interest and assigns, as a part of the consideration hereof, do covenant and agree hereby, as a covenant running with the land, and as a condition of any license and/or right granted herein or by Airport, that in the event facilities are constructed, maintained and/or otherwise operated on property described in this Agreement for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provisions of similar services or benefits, Lessee shall remain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49 CFR Part 21, (Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964), Part 26 (Participation by Minority Business Enterprises and DOT Programs) and Part 27 (Nondiscrimination on Basis of Handicap and Programs and Activities Receiving or Benefiting from Federal Assistance) and the regulations promulgated thereunder or may hereafter be amended.

Section 10.4 Taxes and Other Governmental Charges. Lessee shall pay, as the same become due, all taxes and governmental charges of any kind whatsoever that any time may be lawfully assessed or levied against or with respect to Lessee's Leasehold Improvements, including any ad valorem or personal property tax that may be assessed against any leasehold interest or estate created or authorized by this Agreement. Lessee may contest any such taxes or governmental charges in good faith and with due diligence, as permitted by law.

Section 10.6 Open Records Act. Lessee understands and acknowledges that SRA is a public body and obligated to comply with the Oklahoma Open Records Act (51 O.S. §24A.1. *et seq.*). Lessee understands and acknowledges that persons or entities that submit information to public bodies have no right to keep such information from public access or dissemination, nor a reasonable expectation that the information will be kept from public access. SRA has no duty to notify Lessee whenever a request for such information is received by SRA in accordance with the Act.

Section 10.7 Domestication. If Lessee is a foreign corporation, Lessee shall domesticate corporate status within the State of Oklahoma. Lessee shall obtain a certificate of good standing from the Secretary of the State of Oklahoma and provide to SRA such evidence of good standing as SRA from time to time reasonably may require.

ARTICLE XI

Default

Section 11.1 Events of Default Defined/Cure. The following shall be "events of default" under this Agreement, and the terms "events of default" or "default" shall mean, whenever they are used herein, any one or more of the following:

- a. Lessee shall fail to pay when due and owing any rentals, fees, or charges payable hereunder and such nonpayment shall continue for thirty (30) days after written notice thereof by SRA;
- b. Lessee shall (1) mortgage, pledge or encumber, any portion of its interest in this Agreement; (2) subject the Leased Premises to any lien of whatsoever nature, or (3) transfer, sublease or assign, either voluntarily or by operation of law, any portion of its interest in the Leased Premises, the Leasehold Improvements, or in this Agreement, except in accordance with the provisions hereof;
- c. Lessee shall terminate Lessee's corporate structure, except as permitted herein;
- d. Lessee shall substantially breach any term, provision, condition, obligation or covenant under this Agreement;
- e. Lessee shall abandon, desert, or vacate the Leased Premises voluntarily for a continuous period of ninety (90) days or more after a written notice served on Lessee. Abandonment shall be presumed by evidence of non-payment of rentals for a continuous period of ninety (90) days after due, plus non-occupancy of the Leased Premises.
- f. Lessee shall fail to comply with insurance requirements imposed in Section 8.2 hereof.

If Lessee commits an event of default as set forth in Subsections 10.1(a) through (f) hereof, and such failure shall continue unremedied for thirty (30) days after SRA shall have given to the Lessee written notice specifying such default, then SRA may proceed in accordance with Section 10.2 of this Agreement; provided, SRA may grant Lessee (in writing) such additional time as reasonably is required to correct any such default if Lessee has instituted corrective action as is diligently pursuing the same.

Section 11.2 Remedies upon Lessee's Default and Failure to Cure. Whenever an event of default of Lessee shall occur, and upon Lessee's failure to cure after notice of default is given as provided in Section 11.1 above, SRA may pursue any available right or remedy at law or equity, including:

- a. *Termination.* SRA may deliver to Lessee written notice of termination, specifying the date (which must be at least thirty (30) days after the date of mailing of the notice) upon which the Agreement will terminate. In the event of termination, Lessee's right to possession of the Leased Premises immediately shall cease. SRA may then reenter and take possession of the Leased Premises and Lessee forthwith shall surrender possession of the Leased Premises. Upon termination of this Agreement, Lessee shall be liable for payment of:
 - 1.) All sums accrued through the date of termination;
 - 2.) The balance of all rentals required to be paid to Lessee;

- 3.) The reasonable costs incurred by SRA in terminating this Agreement, recovering possession of, and re-letting the Leased Premises, or any portion thereof; and
- 4.) The reasonable cost incurred by SRA to restore the Leased Premises or any portion thereof to the condition in which they originally were leased, ordinary wear and tear excepted.

All rentals received by SRA from re-letting the Leased Premises after the termination of this Agreement shall be credited against the Outstanding Rental Balance. The acceptance by SRA of any rentals from Lessee after the termination of this Agreement shall not reinstate this Agreement.

- b. *Possession of Leased Property; Storage.* If SRA takes possession of the Leased Premises upon Lessee's default, SRA may expel Lessee and those claiming through or under Lessee and remove their property. SRA may remove all of Lessee's property in or upon the Leased Premises and place such property in storage for the account, and at the sole expense, of Lessee.
- c. *Cumulative Remedies.* Each remedy available to SRA under this Section shall be cumulative and shall be in addition to every other remedy of SRA under this Agreement or existing at law or in equity.

Section 11.3 Nonwaiver. Neither the waiver by SRA of any breach by Lessee of any provision hereof, nor any forbearance by SRA to seek a remedy for any such breach, shall operate as a waiver of any other breach by Lessee.

Section 11.4 Event of Default by SRA, Lessee's Remedies. SRA shall not be in default in the performance of any of its obligation hereunder until SRA shall have failed to perform such obligations for thirty (30) days or such additional time as is reasonably required to correct any such nonperformance, after notice by Lessee to SRA specifying wherein SRA has failed to perform any such obligations. Neither the occurrence nor existence of any default by SRA shall relieve Lessee of Lessee's obligation hereunder to pay rentals, fees and charges. However, Lessee may institute such action against SRA as Lessee may deem necessary to compel performance or recover Lessee's damages for nonperformance.

Section 11.5 Condemnation. If, at any time during the Term and any extended term, the Leased Premises or the Leasehold Improvements located thereon or any portion thereof shall be taken by exercise of the power of eminent domain by a governmental entity other than SRA or the City, the proceeds and awards in the condemnation proceedings shall be divided, and rentals required hereunder shall be adjusted in such manner as shall be just and equitable. If SRA and Lessee are unable to agree upon a just and equitable division of proceeds and adjustment of rentals within thirty (30) days after rendition of any condemnation award, the matters then in dispute shall be submitted for determination by a court of competent jurisdiction. If the Leased Premises are taken wholly by condemnation, this Agreement shall terminate. Provided, valuation of Lessee's interest in the Leased Premises and any Leasehold Improvements thereon shall be determined in the manner set forth in Section 4.7 entitled *Termination of Agreement for Airport Purposes*.

ARTICLE XII

Transfer of Interest

Section 12.1 Assignments by SRA and the City. SRA and the City may transfer or assign this Agreement to any successor in interest to whom the Airport may be sold or assigned without consent of Lessee; however, the successor in interest shall execute and deliver to SRA, with a copy to Lessee, an instrument assuming the obligations of SRA and the City under this Agreement.

Section 12.2 Assigning, Subletting and Encumbering. Lessee shall not assign, sublet or encumber the Leased Premises, or any Leasehold Improvements thereon, without SRA's prior written consent. If Lessee shall be other than an individual, for purposes of this section, the transfer of the majority of the shares of the Lessee (including any combination of shares that are equivalent to a majority interest) or any other evidence of majority ownership interest or control in the Lessee's enterprise, shall be deemed an "assignment."

ARTICLE XIII

Miscellaneous

Section 13.1 Rules of Construction. Throughout this Agreement, unless the context clearly shall require otherwise:

- a. The singular includes the plural and vice versa;
- b. The words "and" and "or" shall be both conjunctive and disjunctive;
- c. The words "all" and "any" mean "any and all";
- d. The word "including" means "including without limitation";
- e. Reference to any exhibits shall mean exhibits attached to this Agreement which shall be deemed incorporated by reference; and
- f. Reference to articles or sections respectively shall mean articles or sections of this Agreement.

Section 13.2 Existence of Lessee Entity. All references in this Agreement to "corporations" and "corporate" shall include limited liability companies and limited partnerships, as appropriate. If Lessee is a corporation, Lessee shall maintain its corporate existence and shall not dispose of all or substantially all of its assets and shall not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it. However, Lessee may, without violating the prohibition contained in this section, consolidate with or merge into another corporation, or permit one or more other corporations to consolidate with or merge into it, or sell or otherwise transfer to another corporation all of substantially all of its assets as an entity and thereafter dissolve. If the surviving or transferee corporation (a) assumes in writing all of the obligations of Lessee herein; (b) has net assets and capital (both paid in and surplus) at least equal to the net assets and capital of Lessee immediately prior to such consolidation, merger, sale or transfer; and (c) is qualified to do business in Oklahoma.

Section 13.3 Notice. All notices, certificates, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments, designations or other communication which may be or are required to be given by either party thereto to the other shall be deemed to have been given sufficiently on the fifth day following the day on which the same are mailed by registered or certified or priority mail, postage prepaid as follows, if to SRA or the City:

3304 N. Airport Industrial Access Road
Stillwater, Oklahoma 74075

and, if to Lessee:

2020-7 West Airport Road
Stillwater, Oklahoma 74075

SRA, the City, and Lessee, by written notice given hereunder, may designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent.

Section 13.4 Severability. In the event any provisions of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, unless such holding shall materially and adversely affect the rights of either party as set forth herein.

Section 13.5 Entire Agreement; Modification. This Agreement expresses the entire understanding of SRA and Lessee concerning the Leased Premises and all agreements of SRA and Lessee with each other concerning the subject matter hereof. Neither SRA nor Lessee has made or shall be bound by any agreement or any representation to the other concerning the Leased Premises or the subject matter hereof which is not set forth expressly in this Agreement. This Agreement may be modified only by a written agreement of subsequent date hereto signed by SRA and Lessee.

Section 13.6 Execution of Counterparts. This Agreement simultaneously 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 13.7 Effect of Saturdays, Sundays and Legal Holidays. Whenever this Agreement requires any action to be taken on a Saturday, Sunday or a legal holiday, such action shall be taken on the first business day occurring thereafter. Whenever in this Agreement, the time within which any action is required to be taken, or within which any right will lapse or expire, shall terminate on Saturday, Sunday or a legal holiday, such time shall continue to run until 11:59 p.m. on the next succeeding business day.

Section 13.8 Descriptive Headings; Table of Contents. The descriptive headings of the Sections of this Agreement and any Table of Contents annexed hereto are inserted or annexed for convenience of reference only and do not constitute a part of this Agreement, and shall not affect the meaning, construction, interpretation or effect of this Agreement.

Section 13.9 Choice of Law; Enforcement. This Agreement shall be construed and enforced in accordance with the laws of the State of Oklahoma. Whenever in this Agreement it is provided that either party shall make any payment or perform, or refrain from performing, any act or obligation, each such provision, even though not so expressed, shall be construed as an express covenant to make such payment or to perform, as the case may be, such act or obligation.

Section 13.10 Force Majeure. Neither SRA nor Lessee shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations hereunder by reason of embargoes, shortage of material, acts of God, acts of the public enemy, acts of superior governmental authority, weather conditions, floods, riots, rebellions, sabotage, or any other circumstances for which it is not responsible or which are not within its control, and the time for performance automatically shall be extended by the period the party is prevented from performing its obligations hereunder; however, these provisions shall not apply to the failure of Lessee to pay the rentals and other charges required hereunder.


Section 13.11 Recovery of Attorney's Fees and Costs. If either party shall bring any legal or equitable action against the other, the non-prevailing party shall pay the prevailing party's reasonable attorney's fees and costs incurred in such action and any appeal therefrom. For purposes of this section, "costs" shall include expert witness fees, court reporter fees, and court costs.

Section 13.12 Binding Effect. This Agreement shall inure to the benefit of, and shall be binding upon, SRA and its successors and assigns, and upon Lessee and Lessee's respective heirs, devisees, personal representatives, successors, and assigns, if such assignment shall have been made in conformity with the provisions of this Agreement.

Section 13.13 Nonwaiver of Rights. No waiver of default by either party of any of the terms, covenants, and conditions hereof to be performed, kept and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained, to be performed, kept and observed by the other party.

IN WITNESS WHEREOF, SRA and Lessee have entered into this Agreement at Stillwater, Oklahoma, on the 1 day of July, 2020.

STILLWATER AIRCRAFT SERVICES, INC.
an Oklahoma Corporation




Bryan Smith, President

STATE OF OKLAHOMA)
) ss:
COUNTY OF PAYNE)

On this 17th day of June, 2020, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared Bryan Smith, to me known to be the identical person who signed the name of the maker thereof to the within and foregoing instrument as its SEA and acknowledged to me that he executed the same as his free and voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.



Notary Public

My Commission Expires: _____
My Commission No.: _____



STILLWATER REGIONAL AIRPORT AUTHORITY

SRAA NOT ABLE TO CONVENE.
WENT DIRECTLY TO COUNCIL TT

Marc Tower, Chairman

CITY COUNCIL ENDORSEMENT

The Stillwater City Council hereby authorizes the Stillwater Regional Airport Authority to enter into the above lease agreement dated the 6 day of July, 2020, between Stillwater Regional Airport, lessor, and Stillwater Aircraft Services, Inc.

CITY OF STILLWATER, OKLAHOMA
A Municipal Corporation

William H. Joyce
WILLIAM H. JOYCE, MAYOR



Teresa Kadavy
Teresa Kadavy, City Clerk

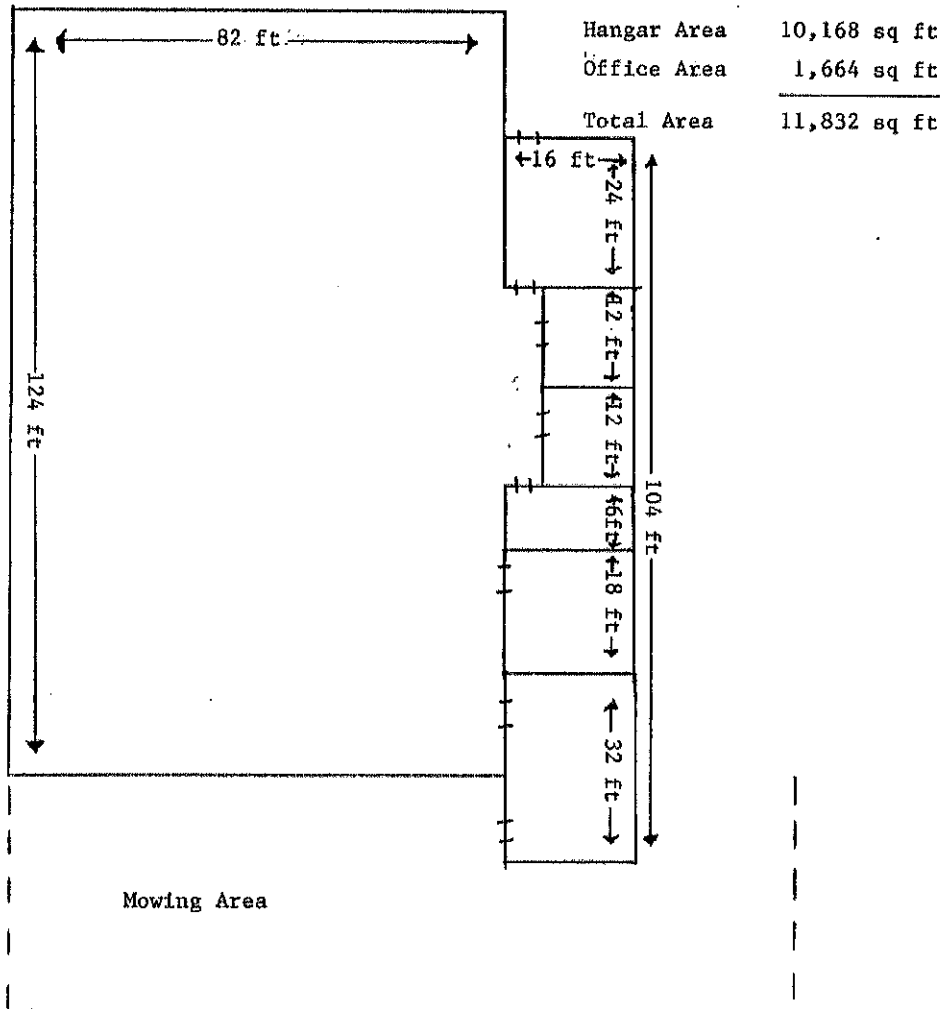
Approved as to form and legality this 6 day of July, 2020.

John E. Dorman
John E. Dorman, City Attorney

EXHIBIT #1



Hangar #2



REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.j. CC-26-06
Previous/Related Action:	
Background/Issue:	The City of Stillwater currently has 51 of our 67 signalized traffic intersections supported by Alpha Technologies Uninterruptible Power Supplies (UPS)/Battery Backup Systems (BBS) in our traffic cabinets. Some of the 51 BBS have exceeded the 5-year warranty provided by Alpha Technologies and are in need of replacement batteries and/or inverters. Our current infrastructure is set up for Alpha BBS, which means no changes are necessary at a structural level to repair or replace these components. Additionally, we need to purchase 16 more Alpha BBS so that we have all intersections in the City of Stillwater protected with backup power in the event of a power outage.
Proposal/Solution:	Staff is requesting sole source approval for the purchase of Alpha Technologies Uninterruptible Power Supply parts and services from Paradigm Traffic Systems. This sole source purchase will allow Paradigm Traffic Systems to repair, replace, and install new Alpha components as identified and needed at signalized intersections throughout the City of Stillwater.
Financial Source/Impact:	Funds are available in the amount of \$204,546 from the Transportation Sales Tax Fund as part of the FY26 Pavement Management Plan, which was approved by City Council on August 18, 2025. The budget amendment is attached for approval.
Related Strategic Priority:	#1 EFFECTIVE SERVICES & ACCOUNTABLE GOVERNMENT #3 SAFE COMMUNITY
Recommended Action/Motion:	Motion to approve the sole source purchase from Paradigm Traffic Systems for the Alpha Technologies Uninterruptible Power Supply parts and services in the amount of \$204,546 and approve the attached budget amendment.
Prepared By:	Mark White, Public Works Dir.
Reviewed By:	Mark White Brady Moore Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Battery Backup Sole Source Approved
2. Budget Amendment



Authorization for Sole Source Purchase

attach approved form to requisition

City Department: Public Works

Select the most appropriate reason for the sole source request:

- Request for a specific make, model or brand
Authorization for a singular vendor of supplies or services
Proprietary supplier for parts or assemblies for a specific make and model of equipment
The acquisition of supplies or services pursuant to a lawful agreement
The purchase of brand name products for resale

Provide details that justify the sole source purchase along with product or service descriptions:

The City of Stillwater currently has 51 Alpha Technologies Uninterruptable Power Supplies (UPS)/Battery Backup Systems (BBS) in traffic cabinets throughout the City of Stillwater. Some of these 51 BBS have exceeded the 5-year warranty and are in need of replacement inverters and batteries. Our current infrastructure is setup for Alpha BBS which means no changes are necessary at a structural level to repair these components. Additionally, we need 16 more Alpha BBS so all intersections in Stillwater would have backup power in the event of a power outage.

Describe the research methods used to determine that alternative vendors or products are not available in the open market:

The Alpha Technologies Uninterruptable Power Supply (UPS)/Battery Backup System (BBS) guarantees a 5-year warranty when purchased and used as a complete system. Using other manufacturer's inverters or batteries voids the Alpha warranty. The Alpha BBS communicates directly with the Applied Information Field Monitoring Unit. This allows technicians to monitor the health and status of the BBS remotely, which makes maintenance more proactive. With 51 existing Alpha BBS, it makes financial sense to continue to purchase Alpha BBS from Paradigm Traffic Systems for backup power at Stillwater traffic intersections.

Vendor's Name: Paradigm Traffic Systems

Submitted By: Mark White
Printed Name

Signature

Date: 12-12-2025

Director Review: Mark White
Printed Name

Signature

Date: 12-12-2025

Procurement Specialist Review: Confirmed Declined

Signature: John McClenny

Date: 12/12/2025

Review Comments:

Sole Source approval avoids the need for structural changes to the existing system.

City Council Approval Date (for purchases of \$100,000 or more):

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	3.k. CC-26-07
Previous/Related Action:	
Background/Issue:	<p>The City of Stillwater currently has a 15-year-old outdoor wireless network that is no longer supported by the vendor. This network allows connectivity to some of the 67 signalized intersections but not all of them. The Stillwater IT Department has spent the past 2–3 years moving equipment around to keep important intersections operational. This allows emergency services to preempt intersections as needed. It also allows traffic control technicians to remotely access various pieces of equipment in the traffic cabinet and to control or adjust the intersection. We currently have 38 Applied Information field monitoring units (FMU) in traffic cabinets throughout the City of Stillwater. Stillwater has 67 signalized intersections with traffic cabinets. We need to purchase 29 more FMUs and the Glance remote communication software to have 4G/LTE and a 900hz backup radio connectivity and communications at all 67 intersections.</p>
Proposal/Solution:	<p>The Applied Information field monitoring unit and Glance software are both manufactured and supported exclusively by Applied Information, Inc. and are protected by proprietary technology. Utilizing any other cellular hardware modem with this system will void the manufacturer's warranty. With 38 existing Applied Information FMUs, it makes financial sense to purchase the 29 additional FMUs with Glance software so we can have cellular connectivity at all 67 signalized intersections. Paradigm Traffic Systems is the sole provider of Applied Information traffic products and has been authorized for product training, technical support, warranty, and overall support of the products. Approval of the sole source purchase will allow Paradigm Traffic Systems to install the equipment and software at all signalized intersections in the City of Stillwater.</p>
Financial Source/Impact:	<p>Funds are available in the amount of \$340,280 from the Transportation Sales Tax Fund as part of the FY26 Pavement Management Plan, which was approved by City Council on August 18, 2025. The budget amendment is attached for approval.</p>
Related Strategic Priority:	<p>#1 EFFECTIVE SERVICES & ACCOUNTABLE GOVERNMENT #3 SAFE COMMUNITY</p>
Recommended Action/Motion:	<p>Motion to approve the sole source purchase from Paradigm</p>

Traffic Systems for the Applied Information field monitoring units, Glance software and services in the amount of \$340,280 and approve the attached budget amendment.

Prepared By:	Mark White, Public Works Dir.
Reviewed By:	Mark White Brady Moore Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Cellular Connectivity Sole Source Authorization Approved
2. Budget Amendment

Select the most appropriate reason for the sole source request:

- Request for a specific make, model or brand
- Authorization for a singular vendor of supplies or services
- Proprietary supplier for parts or assemblies for a specific make and model of equipment
- The acquisition of supplies or services pursuant to a lawful agreement
- The purchase of brand name products for resale

Provide details that justify the sole source purchase along with product or service descriptions:

The City of Stillwater currently has a 15-year-old outdoor wireless network that is no longer supported by the vendor. This network allows connectivity to some of the 67 intersections and Stillwater IT has spent the last 2-3 years moving equipment around to keep important intersections running. This allows Emergency Services to pre-empt intersections and for technicians to remotely access various pieces of equipment in the cabinet and control or adjust the intersection. We currently have 38 Applied Information (AI) field monitoring units (FMU) in traffic cabinets throughout the City of Stillwater. Stillwater has a total of 67 signaled intersections with traffic cabinets. With the addition of 29 more AI FMU's and Glance remote communication software, we would have 4G/LTE/(900hz Radio) communications at every intersection.

Describe the research methods used to determine that alternative vendors or products are not available in the open market:

The Applied Information FMU is manufactured and supported exclusively by Applied Information, Inc. and is protected by proprietary technology. Utilizing any other cellular hardware modem with this system will void the manufacturer's warranty. With 38 existing AI FMU's, it makes financial sense to continue to purchase AI FMU's for connectivity with our existing equipment. Paradigm Traffic Systems is the sole provider of AI traffic products and has been authorized for product training, technical support, warranty, and overall support of the products.

Vendor's Name: Paradigm Traffic Systems

Submitted By:
 Mark White Mark White Mark White 12-9-2025
 Printed Name Signature Date

Director Review:
 Mark White Mark White 12-9-2025
 Printed Name Signature Date

Procurement Specialist Review:
 Confirmed Declined John McClenny 12/10/2025
 Signature Date

Review Comments:
Sole source approval avoids voiding existing warranties on our equipment.

City Council Approval Date (for purchases of \$100,000 or more): _____



<p>Agenda Item:</p>	<p>3.I. CC-26-08</p>
<p>Previous/Related Action:</p>	<p>CC-2024-27</p>
<p>Background/Issue:</p>	<p>October 2, 2023: Council Approved the selection of Lippert Brothers, Inc. as Construction Manager at Risk (CMAR) to provide services for the remaining design, bidding, and construction of the new terminal building, parking, and parking access development at Stillwater Regional Airport.</p> <p>July 15, 2024: Council Approved the award of contracts by CMAR, Lippert Brothers, Inc. for Bid Package 1 (Phase 1) for Stillwater Regional Airport terminal project for a total of \$18,592,300.</p> <p>February 24, 2025 Council approved the award of contracts by CMAR, Lippert Brothers, Inc. for Project Work Package 3 (Phase 2) for Stillwater Regional Airport terminal project for a total of \$3,124,479.</p> <p>The Stillwater Regional Airport (SWO) terminal project Phase 1 (terminal) is ongoing and has surpassed 75% completion. Phase 2 (Access Road) is ongoing and has surpassed 50% completion. On September 9, 2024, Council approved resolution CC-2024-27 for the FAA discretionary grant to fund Phase 2 Airport Industrial Access Road with 90% FAA funding and 10% City match. This change order #1 for PWP 3 of the CMAR agreement includes additional soil needed and removal and haul-off of additional encountered trash/debris for the Phase 2 Access Road PWP 3.</p>
<p>Proposal/Solution:</p>	<p>Approve the City Manager to sign and include change order #1 to the CMAR PWP 3 for the Stillwater Regional Airport terminal to add the change order #1 cost of \$333,099, bringing the PWP3 GMP total with this approval to \$3,457,578. Approve associated budget amendments.</p>
<p>Financial Source/Impact:</p>	<p>Resolution CC-2024-27 approved the FAA discretionary grant to fund Phase 2 Airport Industrial Access Road with 90% FAA funding and 10% City match. The change order is eligible for submission to the FAA for 90% reimbursement at the time of grant close-out. Until grant reimbursement is approved and received from the FAA, the 90% reimbursable amount is being funded from General Fund reserves. The 10% City match is being funded from the fund balance of the Airport Fund.</p>
<p>Related Strategic Priority:</p>	<p>#1 EFFECTIVE SERVICES & ACCOUNTABLE GOVERNMENT</p>

Recommended Action/Motion:	Motion to approve a Change Order to the CMAR contract with Lippert Brothers, Inc. for the Stillwater Regional Airport Terminal Building and Improvements Project in the amount of \$333,099 for additional needed soil and trash/debris removal and haul off for Project Work Package #3 (Partial Phase 2 Access Road work); authorize the City Manager to sign the Change Order; and approve the associated budget amendments.
Prepared By:	Kellie Reed, Airport Director
Reviewed By:	Kellie Reed Christy Cluck Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. Stillwater Airport Phase 2 - Import Soil & Trash Soil Haul-Off - Work Package #03 - Amendment
2. Change Order #01 - Stilwater Regional Airport New Terminal Building - Work Package 3_airport highlights
3. Budget Amendment for Airport Work Package 3

December 19, 2025

City of Stillwater
723 S. Lewis Street
Stillwater, OK 74074

ATTN: Kellie Reed



Project: Stillwater Airport – Phase 2 – Roads
Work Package #03

RE: Request Amendment for Additional Soil and Trash/Debris Haul-Off

Ms. Reed,

Per your request Lippert Bros., Inc. is providing a quantity assumptions estimate for the additional soil needed and removal and haul-off of the encountered trash/debris for the Phase 2 – Roads Work Package #03.

This is an approximate and actual estimate. The approximate portion of the estimate is referencing the estimated amount of import soil of 2,400 cy and estimated 140 cy of trash/debris soil that has not yet been excavated. The portion of the estimate that is actual costs is the already hauled-off trash/debris soil of 1,360 cy and the soil import soil of 400 cy that was left on-site for re-use from the Phase 1 contractor. Please note that to help save the City of Stillwater costs, we notified the Phase 2 contractor (Lopp) that the Phase 1 contractor (Rudy) left 400 cy of soil near the site for future use and Lippert Bros., Inc. confirmed that Rudy they did not need this soil. Lopp used this soil and the unit rate for equipment and trucks load and place this soil was \$16.25 per cubic yard in lieu of their contract unit price to bring soil from off-site of \$42.00 per cubic yard. Please reference the attached preliminary estimate that totals \$333,099. This amount will be added to the project's contingency amount under Work Package #03.

Upon completion of the portion of work that is completed, and actual quantities are totaled, then an official proposal will be issued with these agreed upon unit cost rates. All proposals will go against the contingency.

Please note if it is determined that the actual total costs of this work are less than this approximate estimate, then 100% of the cost savings will go back to the Owner at the conclusion of the project. If it is determined that the actual total cost goes above this approximate estimate, then another Amendment will need to be issued to make the project's contingency whole.



GENERAL CONTRACTORS SINCE 1920 ■ E-MAIL: lippert@lippertbros.com

2211 E. I-44 SERVICE ROAD ■ P.O. BOX 17450 OKLAHOMA CITY, OK 73136-1450 ■ 405-478-3580 ■ FAX 405-478-3301

SKILL ■ RESPONSIBILITY ■ INTEGRITY

If you should have any questions regarding this matter, then please contact via email at svanoosten@lippertbros.com or by phone at 405-478-3580.

Thank you,

A handwritten signature in blue ink, appearing to read 'Shane VanOosten', is written over a light blue horizontal striped background.

Shane VanOosten
Project Manager
Lippert Bros., Inc.

Enclosures: Preliminary Estimate

STILLWATER AIRPORT - PHASE 2 - WP3 - ROADS AND SODDING
ESTIMATES ADDITIONAL SOIL AND HAUL-OFF OF TRASH / DEBRIS

Note: This proposal is being provided for estimated additional costs to bring in soil for the access road project and haul-off trash and debris. The project's original soil import for estimated quantity on the contract drawings, accounted for the use of on-site soils that are now needed to be hauled-off.

Lopp's Estimated Quantities and Unit Cost Rates for Soil Import

Description	Approx. Qty	Unit	Unit Price	Total
Soil Import	2400	CY	\$42.00	\$100,800
SUBTOTAL				\$100,800

Lopp's Quantities and Unit Cost Rates for Soil Import of Left Over Spoils Near Site from Phase 1

Description	Approx. Qty	Unit	Unit Price	Total
Soil Import Near Site	400	CY	\$16.25	\$6,500
SUBTOTAL				\$6,500

Lopp's Quantities and Unit Cost Rates for Trash/Debris Haul-Off

Description	Approx. Qty	Unit	Unit Price	Total
Trash/Debris - Already Hauled	1360	CY	\$120.00	\$163,200
Trash/Debris - Estimated Future	140	CY	\$120.00	\$16,800
SUBTOTAL				\$180,000

Lippert Bros., Inc.'s - Rates and Fees

Description	Approx. Qty	Unit	Unit Price	Total
LBI's - Direct Project Support	0	hours	\$0.00	\$0
LBI's Insurance (0.6214%)	\$287,300.00	%	0.62%	\$1,785
LBI's CMAR Fee (4.75%)	\$289,085.28	%	4.75%	\$13,732
CMAR Bond (1%)		%		\$0
Contingency	\$302,816.83	%	10.00%	\$30,282
SUBTOTAL				\$45,799

GRAND TOTAL \$333,099

Change Order

PROJECT: <i>(Name and address)</i> Stillwater Regional Airport New Terminal Building Project - Work Package 3 3304 N. Airport Industrial Access Rd. Stillwater, OK 74075	CONTRACT INFORMATION: Contract For: General Construction Date: June 17, 2024	CHANGE ORDER INFORMATION: Change Order Number: 001 Date: 01-06-2026
OWNER: <i>(Name and address)</i> City of Stillwater 723 S. Lewis, P.O. Box 1449 Stillwater, OK 74076-1449	ARCHITECT: <i>(Name and address)</i> Olsson Associates 11600 Broadway Extension, Suite 300 Oklahoma City, OK 73114	CONTRACTOR: <i>(Name and address)</i> Lippert Bros., Inc. PO Box 17450 Oklahoma City, OK 73136-1450

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Additional contingency for haul off/debris.

The original <u>Guaranteed Maximum Price</u> was	\$ 3,124,479.00
The net change by previously authorized Change Orders	\$ 0.00
The <u>Guaranteed Maximum Price</u> prior to this Change Order was	\$ 3,124,479.00
The <u>Guaranteed Maximum Price</u> will be increased by this Change Order in the amount of	\$ 333,099.00
The new <u>Guaranteed Maximum Price</u> including this Change Order will be	\$ 3,457,578.00

The Contract Time will be unchanged by (0) days.
The new date of Substantial Completion will be May 03, 2026

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

		
_____ ARCHITECT <i>(Signature)</i>	_____ CONTRACTOR <i>(Signature)</i>	_____ OWNER <i>(Signature)</i>
_____ <i>(Printed name, title, and license number if required)</i>	BY: T. M. Lippert, President _____ <i>(Printed name and title)</i>	_____ <i>(Printed name and title)</i>
_____ Date	1-16-26 _____ Date	_____ Date

Budget Amendment Request
For Budget Year 2026

Department of Finance
723 S. Lewis Street/P.O. Box 1449
Stillwater, OK 74076-1449

Office: 405.372.0025
Web: stillwater.org

Date: 01/05/2026

Department: Airport

Requested by: Kellie Reed

Explanation: Expenditure:
Appropriate funds for Work Package #3 to the CMAR agreement for roadway construction related to the new terminal at the Airport. Funding is provided by transfer from General Fund Reserve Fund and Airport Fund.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount	
Increase:	Terminal 44-24/Construction Contrc	8207010 - 54009	26AP02820	\$ 2,811,696	\$ 333,099	\$ 3,144,795
		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0
Decrease:		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0
		-				\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 333,099

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/7/2026

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--

Budget Amendment Request
 For Budget Year 2026

Department of Finance
 723 S. Lewis Street/P.O. Box 1449
 Stillwater, OK 74076-1449

Office: 405.372.0025
 Web: stillwater.org

Date: 01/05/2026

Department: Finance

Requested by: Jared Thulin

Explanation:

Revenue:
 Transfer in from the Airport Fund and General Fund Reserve for Work Package #3 to the CMAR agreement for roadway construction related to the new terminal at the Airport.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount
Increase:					
Transfer In	8207010 - 61000		\$ 547,201	\$ 305,123	\$ 852,324
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
Decrease:					
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 305,123

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/7/2026

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--

Budget Amendment Request
 For Budget Year 2026

Department of Finance
 723 S. Lewis Street/P.O. Box 1449
 Stillwater, OK 74076-1449

Office: 405.372.0025
 Web: stillwater.org

Date: 01/05/2026

Department: Finance

Requested by: Jared Thulin

Explanation:

Revenue:
 Transfer out from the General Fund Reserve for Work Package #3 to the CMAR agreement for roadway construction related to the new terminal at the Airport.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount
Increase:	Transfer Out	1060000 - 71000	\$ 0	\$ 299,789	\$ 299,789
		-			\$ 0
		-			\$ 0
		-			\$ 0
		-			\$ 0
Decrease:		-			\$ 0
		-			\$ 0
		-			\$ 0
		-			\$ 0
		-			\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 299,789

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/7/2024

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--

Budget Amendment Request
For Budget Year 2026

Department of Finance
723 S. Lewis Street/P.O. Box 1449
Stillwater, OK 74076-1449

Office: 405.372.0025
Web: stillwater.org

Date: 01/05/2026

Department: Finance

Requested by: Jared Thulin

Explanation:

Revenue:
Transfer out from the Airport Fund for Work Package #3 to the CMAR agreement for roadway construction related to the new terminal at the Airport.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount
Increase:					
Transfer Out	8100000 - 71000		\$ 0	\$ 5,334	\$ 5,334
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
Decrease:					
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 5,334

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/7/2026

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--



Agenda Item:	3.m. CC-26-09
Previous/Related Action:	<ul style="list-style-type: none"> • CC 24-54; Task Order Agreement with Black and Veatch for Engineering Services for FY25 Water and Sewer Capital Projects. • SUA-2025-5, CC-2025-21, SUA-2025-6 - authorizing a FAP loan from the Oklahoma Water Resources board (OWRB) • SUA – 25-36 – SUA authorizing easement acquisition expenditure
Background/Issue:	<p>Project 25WL03 FY25 includes replacement of the Woodland Trails lift station along Sangre Road adjacent to Outlet D of Woodland Trails Homeowners Association, Inc. The construction of new lift station requires additional permanent and temporary construction easements from Woodland Trails Homeowners Association, Inc. Staff have completed landowner negotiations for the two attached easements with the Association.</p> <ul style="list-style-type: none"> • The proposed permanent easement is approximately 13 feet by 67 feet, containing approximately 871 square feet. • The proposed temporary construction easement is 20 feet by 38 feet, containing approximately 760 square feet. <p>Funding and expenditures for the real estate acquisition for 25WL03 FY25 CIP Projects was authorized by SUA on 11/17/2025 Meeting.</p>
Proposal/Solution:	The above-mentioned easements are necessary for the project.
Financial Source/Impact:	No additional appropriations are necessary for this action.
Related Strategic Priority:	#4 CONNECTED SPACES
Recommended Action/Motion:	Accept the permanent and temporary easements and authorize the Mayor to execute the easement documents for Parcel 1A and Parcel 1.1 – Woodland Trails Lift Station Project with Woodland Trails Homeowners Association, Inc.
Prepared By:	Bill Millis, Director of Engineering
Reviewed By:	Bill Millis

Brady Moore

Teresa Kadavy

Submitted By:

Brady Moore, City Manager

Attachments

1. Woodland Trails Homeowners Associations Easement Docs

SANITARY SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Woodland Trails Homeowners Association, Inc., an Oklahoma not for profit corporation, certifies that it owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

OUTLOT A, WOODLAND TRAILS, FIRST SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof,

And

A portion of OUTLOT B, WOODLAND TRAILS, FIRST SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof, more particularly described as follows: Beginning at the Northwest Corner of said OUTLOT B; thence, South 69 degrees 09 minutes 40 seconds East, along the North line of said OUTLOT B, a distance of 412.88 feet, to the Northeast Corner of said OUTLOT B; thence, South 00 degrees 05 minutes 24 seconds West, along the East line of said OUTLOT B, a distance of 413.12 feet to the South line of said Woodland Trails, First Section; thence, North 89 degrees 28 minutes 22 seconds West, along said South line, a distance of 67.38 feet to the Southeast Corner of Lot 20, Block 5 of said WOODLAND TRAILS, FIRST SECTION; thence, North 00 degrees 33 minutes 39 seconds East, along the East line of said Lot 20, a distance of 120.32 feet; thence, North 61 degrees 18 minutes 16 seconds West, along the Northerly line of said Lot 20 a distance of 44.88 feet to a point on the right-of-way line of Forest Trail Court; thence, on a non tangent curve to the left, along said right-of-way line, the radius of which is 50.00 feet, having a chord bearing of North 56 degrees 56 minutes 13 seconds West, a chord distance of 99.71 feet and an arc distance of 149.46 feet; thence, North 89 degrees 26 minutes 21 seconds West, along the North right-of-way line of said Forest Trail Court, a distance of 294.91 feet; thence, North 07 degrees 50 minutes 39 seconds East, a distance of 114.75 feet; thence, North 69 degrees 09 minutes 40 seconds West, a distance of 10.00 feet to the West line of said OUTLOT B; thence, North 20 degrees 50 minutes 20 seconds East, along said West line, a distance of 260.00 feet to the point of beginning, said tract of land containing 3.40 acres more or less and subject to all easements of record.

And

Stillwater - Woodland Trails Lift Station Parcel 1A
--

A portion of OUTLOT C, WOODLAND TRAILS, SECOND SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof, more particularly described as follows: Beginning at the Northwest Corner of said OUTLOT C; thence, South 89 degrees 32 minutes 52 seconds East, along the North line of said OUTLOT C, a distance of 433.28 feet; thence, on a curve to the left, the radius of which is 300.00 feet, the chord distance of which is 122.12, the chord bearing being North 78 degrees 42 minutes 32 seconds East, and an arc distance of 122.98 feet; thence, North 66 degrees 57 minutes 55 seconds East, along the northerly line of said OUTLOT C, a distance of 141.16 feet to the Northeast corner of said OUTLOT C; thence, South 20 degrees 50 minutes 20 seconds West, along the East line of said OUTLOT C, a distance of 428.13 feet; thence, North 69 degrees 09 minutes 40 seconds West, a distance of 25.00 feet; thence, South 20 degrees 50 minutes 20 seconds West, a distance of 196.90 feet, to the southerly line of said OUTLOT C; thence, North 51 degrees 12 minutes 15 seconds West, along the southerly line of said OUTLOT C, a distance of 112.09 feet; thence, North 89 degrees 32 minutes 52 seconds West, along said southerly line of OUTLOT C, a distance of 133.59 feet; thence, North 30 degrees 51 minutes 38 seconds West, along the Westerly line of said OUTLOT C, a distance of 422.63 feet; thence, North 00 degrees 27 minutes 08 seconds East, along said Westerly line of OUTLOT C, a distance of 65.44 feet to the point of beginning, said tract of land containing 4.87 acres more or less and subject to all easements of record.

OUTLOT D, WOODLAND TRAILS, THIRD SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof,

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns do hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, a permanent sanitary sewer easement and right-of-way through, over, under, and across the portions of the above-described property dedicated on said recorded plat or instrument, for the purpose heretofore stated as follows:

PARCEL 1A

A PART OF OUTLOT B DETENTION & COMMON AREA, WOODLAND TRAILS FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF OUTLOT B DETENTION & COMMON AREA OF WOODLAND TRAILS FIRST SECTION; THENCE N0°40'41"W ALONG THE EAST LINE OF SAID OUTLOT B A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING; THENCE S89°48'19"W A DISTANCE OF 67.16 FEET TO THE WEST LINE OF SAID OUTLOT B; THENCE N0°09'40"W ALONG SAID WEST LINE A DISTANCE OF 13.00 FEET; THENCE N89°48'19"E A DISTANCE OF 67.04 FEET TO A POINT ON SAID EAST LINE OUTLOT B; THENCE S0°40'41"E ALONG SAID EAST LINE A DISTANCE OF 13.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.02 ACRES OR 872 SQUARE FEET MORE OR LESS.

The above-described easement is subject to all recorded easements and rights of way thereof.

with the right of ingress and egress to and from same, for the purpose of permitting Stillwater to construct and maintain a sanitary sewer pipeline facility through, over, under, and across said property, together with all necessary and convenient appurtenances on the premises; and to use and maintain the same and of affording, its officers, agents, employees, and all persons under contract with it, the right to enter upon the premises and strip of land for the purpose of surveying, excavating for, laying, constructing, operating, repairing, relaying and maintaining said utilities, and for the further purpose of enabling Stillwater to do any and all convenient things incident to the construction, operation, repairing, and maintaining of said utilities.

Except as herein granted, the Grantor shall continue to have the full use and enjoyment of the property herein granted or described for appropriate purposes. At no time shall the Grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the Grantor, their successors or assigns, nor shall the Grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said sanitary sewer pipeline and tributary connections at any and all times.

Robert Haddock
BY: Robert Haddock, Treasurer
Christopher Puckett
BY: Christopher Puckett, President

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

Before me, a Notary Public in and for said County and State on this 12 day of December, 2025, personally appeared, Robert Haddock and Christopher Puckett to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its treasurer/president and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed and as the free and voluntary act and deed of such corporation/partnership/LLC, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Lacie Jones
NOTARY PUBLIC

My Commission Expires: 03/24/26
My Commission Number: 14002605
(SEAL)



Stillwater - Woodland Trails Lift Station
Parcel 1A

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered water line easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

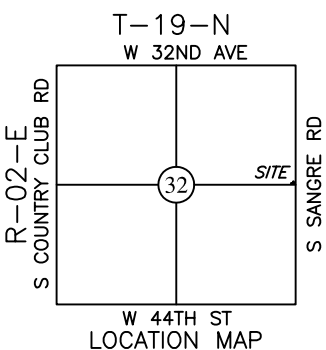
ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

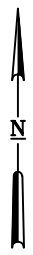
KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Woodland Trails Lift Station
Parcel 1A

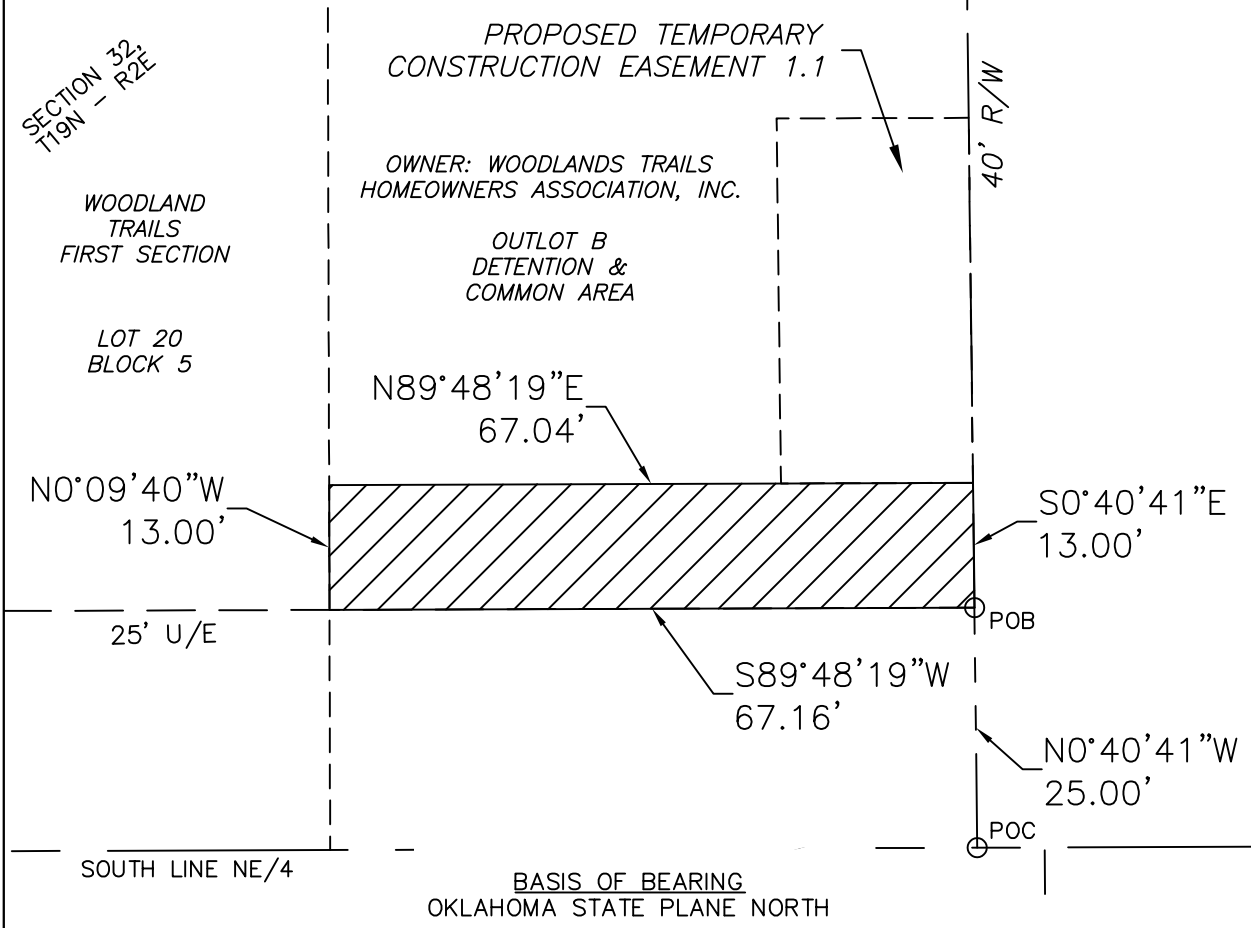


**PERMANENT EASEMENT EXHIBIT
PARCEL 1A**

SURVEYOR
WSB
 1437 South Boulder Ave. Ste. 1550
 Tulsa, Oklahoma 74119
 Certificate of Authorization No. 1478
 Expires June 30, 2027



SCALE: 1"=20'



BASIS OF BEARING
OKLAHOMA STATE PLANE NORTH

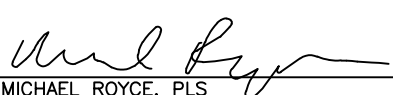
LEGAL DESCRIPTION

A PART OF OUTLOT B DETENTION & COMMON AREA, WOODLAND TRAILS FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

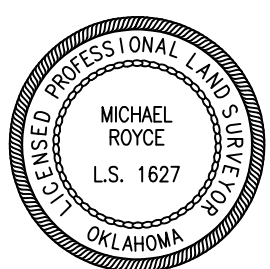
COMMENCING AT THE SOUTHEAST CORNER OF OUTLOT B DETENTION & COMMON AREA OF WOODLAND TRAILS FIRST SECTION; THENCE N0°40'41"W ALONG THE EAST LINE OF SAID OUTLOT B A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING; THENCE S89°48'19"W A DISTANCE OF 67.16 FEET TO THE WEST LINE OF SAID OUTLOT B; THENCE N0°09'40"W ALONG SAID WEST LINE A DISTANCE OF 13.00 FEET; THENCE N89°48'19"E A DISTANCE OF 67.04 FEET TO A POINT ON SAID EAST LINE OUTLOT B; THENCE S0°40'41"E ALONG SAID EAST LINE A DISTANCE OF 13.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.02 ACRES OR 872 SQUARE FEET MORE OR LESS.

SURVEYOR'S CERTIFICATION

I, MICHAEL ROYCE, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OKLAHOMA, DO HEREBY STATE THAT THE BELOW MAP REPRESENTS A SURVEY PERFORMED IN THE FIELD AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS OF THIS DATE. THIS EXHIBIT MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF LICENSURE FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS


 MICHAEL ROYCE, PLS
 CA NO. 1487
 EXP. 06/30/2027

12/29/2025
 DATE OF SIGNATURE



TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Woodland Trails Homeowners Association, Inc., an Oklahoma not for profit corporation, certifies that it owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

OUTLOT A, WOODLAND TRAILS, FIRST SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof,

And

A portion of OUTLOT B, WOODLAND TRAILS, FIRST SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof, more particularly described as follows: Beginning at the Northwest Corner of said OUTLOT B; thence, South 69 degrees 09 minutes 40 seconds East, along the North line of said OUTLOT B, a distance of 412.88 feet, to the Northeast Corner of said OUTLOT B; thence, South 00 degrees 05 minutes 24 seconds West, along the East line of said OUTLOT B, a distance of 413.12 feet to the South line of said Woodland Trails, First Section; thence, North 89 degrees 28 minutes 22 seconds West, along said South line, a distance of 67.38 feet to the Southeast Corner of Lot 20, Block 5 of said WOODLAND TRAILS, FIRST SECTION; thence, North 00 degrees 33 minutes 39 seconds East, along the East line of said Lot 20, a distance of 120.32 feet; thence, North 61 degrees 18 minutes 16 seconds West, along the Northerly line of said Lot 20 a distance of 44.88 feet to a point on the right-of-way line of Forest Trail Court; thence, on a non tangent curve to the left, along said right-of-way line, the radius of which is 50.00 feet, having a chord bearing of North 56 degrees 56 minutes 13 seconds West, a chord distance of 99.71 feet and an arc distance of 149.46 feet; thence, North 89 degrees 26 minutes 21 seconds West, along the North right-of-way line of said Forest Trail Court, a distance of 294.91 feet; thence, North 07 degrees 50 minutes 39 seconds East, a distance of 114.75 feet; thence, North 69 degrees 09 minutes 40 seconds West, a distance of 10.00 feet to the West line of said OUTLOT B; thence, North 20 degrees 50 minutes 20 seconds East, along said West line, a distance of 260.00 feet to the point of beginning, said tract of land containing 3.40 acres more or less and subject to all easements of record.

And

A portion of OUTLOT C, WOODLAND TRAILS, SECOND SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof, more particularly described as follows: Beginning at the Northwest Corner of said OUTLOT C; thence, South 89 degrees 32 minutes 52 seconds East, along the North line of said OUTLOT C, a distance of 433.28 feet; thence, on a curve to the left, the radius of which is 300.00 feet, the chord distance of which is 122.12, the chord bearing being North 78 degrees 42 minutes 32 seconds East, and an arc distance of 122.98 feet; thence, North 66 degrees 57 minutes 55 seconds East, along the northerly line of said OUTLOT C, a distance of 141.16 feet to the Northeast corner of said OUTLOT C; thence, South 20 degrees 50 minutes 20 seconds West, along the East line of said OUTLOT C, a distance of 428.13 feet; thence, North 69 degrees 09 minutes 40 seconds West, a distance of 25.00 feet; thence, South 20 degrees 50 minutes 20 seconds West, a distance of 196.90 feet, to the southerly line of said OUTLOT C; thence, North 51 degrees 12 minutes 15 seconds West, along the southerly line of said OUTLOT C, a distance of 112.09 feet; thence, North 89 degrees 32 minutes 52 seconds West, along said southerly line of OUTLOT C, a distance of 133.59 feet; thence, North 30 degrees 51 minutes 38 seconds West, along the Westerly line of said OUTLOT C, a distance of 422.63 feet; thence, North 00 degrees 27 minutes 08 seconds East, along said Westerly line of OUTLOT C, a distance of 65.44 feet to the point of beginning, said tract of land containing 4.87 acres more or less and subject to all easements of record.

OUTLOT D, WOODLAND TRAILS, THIRD SECTION, an addition to the City of Stillwater, Payne County, Oklahoma, according to the recorded plat thereof,

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, a temporary construction easement for the installation of utilities through, over, under, and across the portions of the above-described property, together with the right of ingress and egress to and from same, for the purpose heretofore stated to wit:

PARCEL 1.1

A PART OF OUTLOT B DETENTION & COMMON AREA, WOODLAND TRAILS FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF OUTLOT B DETENTION & COMMON AREA OF WOODLAND TRAILS FIRST SECTION; THENCE N0°40'41"W ALONG THE EAST LINE OF SAID OUTLOT B A DISTANCE OF 38.00 FEET TO THE POINT OF BEGINNING; THENCE S89°48'19"W A DISTANCE OF 20.00 FEET; THENCE N0°40'41"W A DISTANCE OF 38.00 FEET; THENCE N89°48'19"E A DISTANCE OF 20.00 FEET TO A POINT ON SAID EAST LINE OUTLOT B; THENCE S0°40'41"E ALONG SAID EAST LINE A DISTANCE OF 38.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.02 ACRES OR 760 SQUARE FEET MORE OR LESS.

The above-described temporary construction easement is subject to all recorded easements and rights of way thereof.

Except as herein granted, the grantor shall continue to have the full use and enjoyment of the properties herein granted or described for appropriate purposes. At no time shall the grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no

building, structure or obstruction shall be located or constructed on said easement by the grantor, his/her/their successors or assigns, nor shall the grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said utilities during construction.

This instrument shall terminate at completion of the project.

IN WITNESS WHEREOF, I have hereunto set my hand this 12 day of December, 2025.

Robert Haddock
BY: Robert Haddock, Treasurer

Christopher Puckett
BY: Christopher Puckett, President

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

Before me, a Notary Public in and for said County and State on this 12 day of December, 2025, personally appeared, Robert Haddock and Christopher Puckett to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its treasurer/president and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed and as the free and voluntary act and deed of such corporation/partnership/LLC, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Lacie Jones
NOTARY PUBLIC

My Commission Expires: 03/24/26
My Commission Number: 14002605
(SEAL)



Stillwater - Woodland Trails Lift Station
Parcel 1.1

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

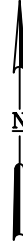
KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Woodland Trails Lift Station
Parcel 1.1

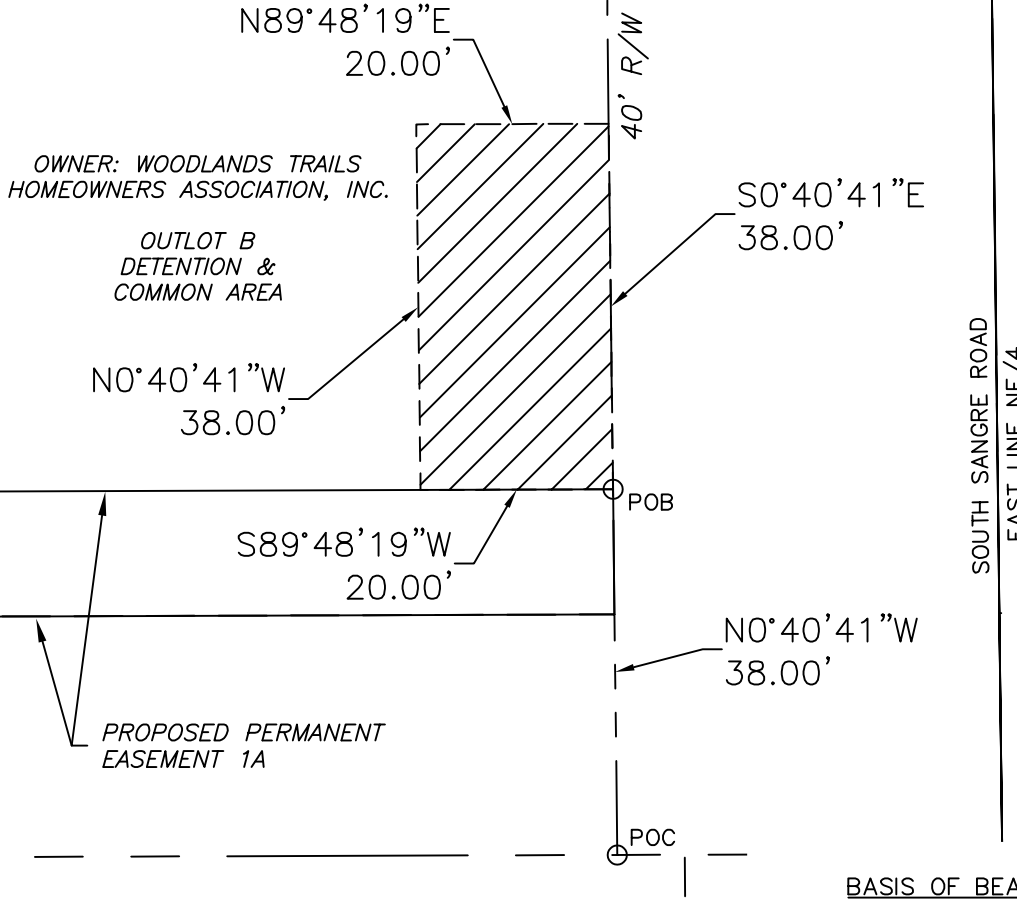
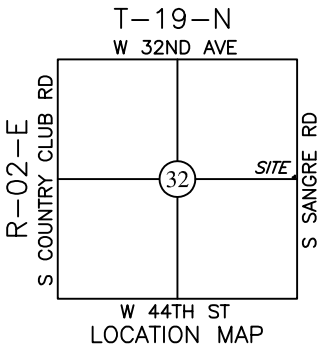
TEMPORARY CONSTRUCTION
EASEMENT EXHIBIT PARCEL 1.1

SURVEYOR

WSB
1437 South Boulder Ave. Ste. 1550
Tulsa, Oklahoma 74119
Certificate of Authorization No. 1478
Expires June 30, 2027



SCALE: 1"=20'



BASIS OF BEARING
OKLAHOMA STATE PLANE NORTH


LEGAL DESCRIPTION

A PART OF OUTLOT B DETENTION & COMMON AREA, WOODLAND TRAILS FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

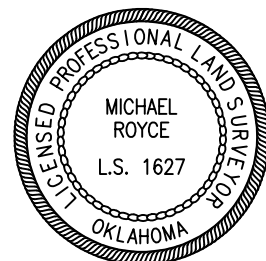
COMMENCING AT THE SOUTHEAST CORNER OF OUTLOT B DETENTION & COMMON AREA OF WOODLAND TRAILS FIRST SECTION; THENCE N0°40'41"W ALONG THE EAST LINE OF SAID OUTLOT B A DISTANCE OF 38.00 FEET TO THE POINT OF BEGINNING; THENCE S89°48'19"W A DISTANCE OF 20.00 FEET; THENCE N0°40'41"W A DISTANCE OF 38.00 FEET; THENCE N89°48'19"E A DISTANCE OF 20.00 FEET TO A POINT ON SAID EAST LINE OUTLOT B; THENCE S0°40'41"E ALONG SAID EAST LINE A DISTANCE OF 38.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.02 ACRES OR 760 SQUARE FEET MORE OR LESS.

SURVEYOR'S CERTIFICATION

I, MICHAEL ROYCE, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OKLAHOMA, DO HEREBY STATE THAT THE BELOW MAP REPRESENTS A SURVEY PERFORMED IN THE FIELD AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS OF THIS DATE. THIS EXHIBIT MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF LICENSURE FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS


MICHAEL ROYCE, PLS
CA NO. 1487
EXP. 06/30/2027

12/29/2025
DATE OF SIGNATURE



Woodland Trails Homeowners Association, Inc.
Board Resolution Number 1

WHEREAS, the Woodland Trails Homeowners Association, Inc. ("Association") is governed by certain Bylaws, dated November 14, 2006, which provide at Article III, Section 3, that the Association "shall have such rights, powers, and duties as set forth in this Declaration, the Certificate, and By-Laws, as same may be amended from time to time, which shall be necessary to handle the affairs of the Association, including, but not limited to the purchase of property, liability or other insurance policies, payment of taxes of property owned by the Association, enter into contracts to achieve the goals of the Association."; and

WHEREAS, the City of Stillwater, Oklahoma (the "City") is in the process of replacing the sanitary sewer lift station located on Association common property (City Project Woodland Trails Lift Station Improvements) (the "Project"); and

WHEREAS, to complete the Project, the City must acquire an additional permanent easement measuring 872sf and a temporary construction easement north of the City's existing sanitary sewer easement area; and

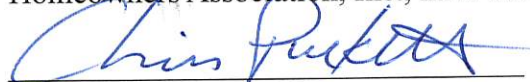
WHEREAS, the City has submitted an Offer Letter to the Association to acquire the necessary easements and, in consideration for the Association granting the easements, the City has offered the fair market value of \$1,066.66. A copy of the Offer Letter is attached hereto as Exhibit A; and

WHEREAS, the City has provided a Sanitary Sewer Easement and Temporary Construction Easement for execution by Association officers. Copies of said easement documents are attached hereto as Exhibit B; and

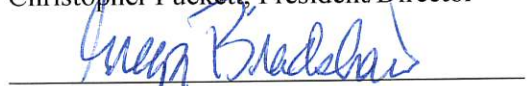
WHEREAS, the Board of Directors has determined it is in the best interest of the Association and its members to accept the offer of the City.

NOW, THEREFORE, IT IS RESOLVED that Christopher Puckett, President, Robert Haddock, Treasurer are hereby authorized and directed in the name and on behalf of the Woodland Trails Homeowners Association, Inc. to accept the City's offer, convey a Sanitary Sewer Easement and a Temporary Construction Easement to the City, and sign any and all documents related to the transaction.

IN WITNESS WHEREOF, the undersigned, being all of the directors of Woodland Trails Homeowners Association, Inc., have hereunto set our hands this 21 day of Nov, 2025.



Christopher Puckett, President/Director



Gregg Bradshaw, Member/Director

Sheri Carter

Sheri Carter, Secretary/Director

Marshall Walker

Marshall Walker, Member/Director

Robert Haddock

Robert Haddock, Treasurer/Director

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of Woodland Trails Homeowners Association, Inc., an Oklahoma nonprofit corporation, and

That the foregoing Resolution Number 1 constitute the original Resolution Number 1 of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 21st day of Nov., 2025.

IN WITNESS WHEREOF, I have hereunto subscribed by name and affixed the seal, if any, of said Association this 21st day of Nov., 2025.

Sheri Carter

(Name), Secretary



Agenda Item:	3.n. CC-26-10
Previous/Related Action:	<ul style="list-style-type: none">• CC 24-54; Task Order Agreement with Black and Veatch for Engineering Services for FY25 Water and Sewer Capital Projects.• SUA-2025-5, CC-2025-21, SUA-2025-6 - authorizing a FAP loan from the Oklahoma Water Resources board (OWRB)• SUA – 25-36 – SUA authorizing easement acquisition expenditure
Background/Issue:	<p>Project 25WL03 FY25 includes replacement of water lines along N Airport Industrial Access Road, W. Airport Road, Land Run Drive, and Wright Drive in the vicinity of Stillwater Regional Airport. The new waterlines are proposed outside existing Right-of-Way on City’s and some other private properties in this area. Staff have completed landowner negotiations for the three properties below:</p> <ol style="list-style-type: none">1. Parcels 6A and 6.1 with State of Oklahoma as Trustee for the Oklahoma National Guard<ul style="list-style-type: none">• The proposed permanent easement is approximately 36 feet by 403 feet, containing approximately 13,664 square feet.• The proposed temporary construction easement is 35 feet by 30 feet, containing approximately 1,050 square feet.2. Parcel 3A with CJN Properties, LLC<ul style="list-style-type: none">• The proposed permanent easement is approximately 15 feet by 260 feet, containing approximately 3,900 square feet.3. Parcels 12A and 12.1 with Diana Lightfood

	<ul style="list-style-type: none"> ○ The proposed permanent easement is approximately 10 feet by 10 feet, containing approximately 100 square feet. ○ The proposed temporary construction easement is 10 feet by 20 feet, containing approximately 200 square feet.
	Funding and expenditures for the real estate acquisition for 25WL03 FY25 CIP Projects was authorized by SUA on 11/17/2025 Meeting.
Proposal/Solution:	The above-mentioned easements are necessary for the project.
Financial Source/Impact:	No additional appropriations are necessary for this action. However, it is worth mentioning that State of Oklahoma as Trustee for the Oklahoma National Guard has donated the easement to the City of Stillwater.
Related Strategic Priority:	#4 CONNECTED SPACES
Recommended Action/Motion:	Accept permanent and temporary easements and authorize the mayor to execute the easement documents for: <ul style="list-style-type: none"> ● Parcels 6A and 6.1- Airport Water line Project with State of Oklahoma as Trustee for the Oklahoma National Guard, ● Parcel 3A - Airport Water line Project with CNJ Properties, LLC and ● Parcels 12A and 12.1- Airport Water line Project with Dianna Lightfoot.
Prepared By:	Bill Millis, Director of Engineering
Reviewed By:	Bill Millis Brady Moore Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

1. State of Oklahoma - National Guards Easement Docs - no invoice - donated
2. CNJ Properties LLC Easement Docs Updated
3. Diana Lightfoot Parcel 12A Easement Docs Updated

WATER LINE EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, State of Oklahoma as Trustee for the Oklahoma National Guard, certifies that it owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

A tract of land located in Lot Two (2) of Section 3, Township 19N, Range 2E of the Indian Base and Meridian, Payne County, Oklahoma, more particularly described as follows: Beginning at a point 33.0 feet South of the NE corner of Lot 2, Section 3, Township 19N, Range 2E of the Indian Base and Meridian, Payne County, Oklahoma, thence South along the East line of said lot 2, 700 feet, thence West 410 feet, thence North 700 feet to a point 33 feet South of the North line of said Lot 2, thence East 410 feet to the point of beginning. Containing 6.59 acres, more or less.

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns do hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, an easement for the installation, operation and maintenance of water lines through, over, under, and across the portions of the above-described property dedicated on said recorded plat or instrument, for the purpose heretofore stated as follows:

PARCEL 6A

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, IB&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 35.79 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING S01°00'02"E A DISTANCE OF 36.11 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 86.31 FEET; THENCE N0°28'27"W A DISTANCE OF 30.83 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD; THENCE N89°31'33"E ALONG SAID RIGHT-OF-WAY A DISTANCE OF 403.59 FEET TO THE POINT OF BEGINNING, CONTAINING 0.31 ACRES OR 13,664 SQUARE FEET MORE OR LESS.

The above-described easement is subject to all recorded easements and rights of way thereof.

with the right of ingress and egress to and from same, for the purpose of permitting Stillwater to construct and maintain utilities through, over, under, and across said property, together with all necessary and convenient appurtenances on the premises; and to use and maintain the same and of affording, its officers, agents, employees, and all persons under contract with it, the right to enter upon the premises and strip of land for the purpose of surveying, excavating for, laying, constructing, operating, repairing, relaying and maintaining said utilities, and for the further purpose of enabling Stillwater to do any and all convenient things incident to the construction, operation, repairing, and maintaining of said utilities.

Except as herein granted, the Grantor shall continue to have the full use and enjoyment of the property herein granted or described for appropriate purposes. At no time shall the Grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the Grantor, their successors or assigns, nor shall the Grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said water line(s) at any and all times.

Stillwater - Airport Water Line
Parcel 6A

Angela R. Tackett
BY Angela R. Tackett
Executive Director, CFO
Oklahoma Military Department

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

Before me, a Notary Public in and for said County and State on this 6th day of November, 2025, personally appeared, Angie Tackett to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its present and acknowledged to me that he/she executed the same as his/her free and voluntary act and deed and as the free and voluntary act and deed of such corporation/partnership/LLC, for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Patsy D. Deweerd
NOTARY PUBLIC

My Commission Expires: _____
My Commission No. _____
(SEAL)


Stillwater - Airport Water Line
Parcel 6A

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered water line easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Airport Water Line
Parcel 6A

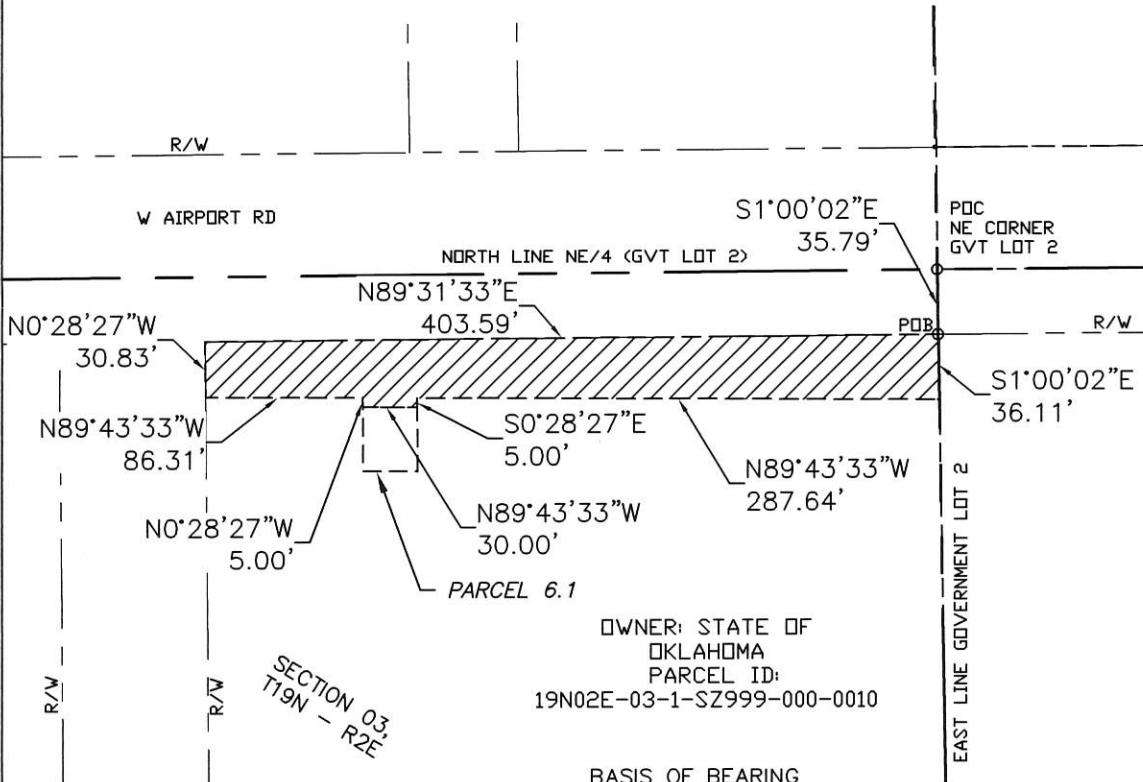
*Exhibit
Being updated
for margins*

LOCATION MAP

EASEMENT EXHIBIT PARCEL 6A

SCALE: 1"=80'

SURVEYOR
WSB
1437 South Boulder Ave. Ste. 1550
Tulsa, Oklahoma 74119
Certificate of Authorization No. 1478
Expires June 30, 2027



OWNER: STATE OF OKLAHOMA
PARCEL ID: 19N02E-03-1-SZ999-000-0010

BASIS OF BEARING
OKLAHOMA STATE PLANE NORTH

LEGAL DESCRIPTION

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, IB&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 35.79 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING S01°00'02"E A DISTANCE OF 36.11 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 86.31 FEET; THENCE N0°28'27"W A DISTANCE OF 30.83 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD; THENCE N89°31'33"E ALONG SAID RIGHT-OF-WAY A DISTANCE OF 403.59 FEET TO THE POINT OF BEGINNING, CONTAINING 0.31 ACRES OR 13,664 SQUARE FEET MORE OR LESS.

SURVEYOR'S CERTIFICATION

I, MICHAEL ROYCE, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OKLAHOMA, DO HEREBY STATE THAT THE BELOW MAP REPRESENTS A SURVEY PERFORMED IN THE FIELD AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS OF THIS DATE. THIS EXHIBIT MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF LICENSURE FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS

Michael Royce
MICHAEL ROYCE PLS# 1627
NO. CA 1487
EXP. 06/30/2027

08/18/25
DATE OF SIGNATURE



TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned State of Oklahoma as Trustee for the Oklahoma National Guard, certifies that it owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

A tract of land located in Lot Two (2) of Section 3, Township 19N, Range 2E of the Indian Base and Meridian, Payne County, Oklahoma, more particularly described as follows: Beginning at a point 33.0 feet South of the NE corner of Lot 2, Section 3, Township 19N, Range 2E of the Indian Base and Meridian, Payne County, Oklahoma, thence South along the East line of said lot 2, 700 feet, thence West 410 feet, thence North 700 feet to a point 33 feet South of the North line of said Lot 2, thence East 410 feet to the point of beginning. Containing 6.59 acres, more or less.

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, a temporary construction easement for the installation of utilities through, over, under, and across the portions of the above-described property, together with the right of ingress and egress to and from same, for the purpose heretofore stated to wit:

PARCEL 6.1

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, IB&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 71.90 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"E A DISTANCE OF 5.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S0°28'27"E A DISTANCE OF 35.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 35.00 FEET; THENCE S89°43'33"E A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING, CONTAINING 1050 SQUARE FEET MORE OR LESS.

The above-described temporary construction easement is subject to all recorded easements and rights of way thereof.

Except as herein granted, the grantor shall continue to have the full use and enjoyment of the properties herein granted or described for appropriate purposes. At no time shall the grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the grantor, his/her/their successors or assigns, nor shall the grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said utilities during construction.

This instrument shall terminate by Completion of project.

IN WITNESS WHEREOF, I have hereunto set my hand this 6 day of November, 2025.

(NAME OF GRANTOR)

Stillwater - Airport Water Line
Parcel 6.1

COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

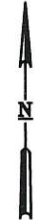
KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Airport Water Line
Parcel 6.1

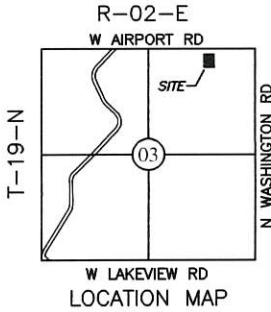
**EASEMENT EXHIBIT
PARCEL 6.1**

SURVEYOR

WSB
1437 South Boulder Ave. Ste. 1550
Tulsa, Oklahoma 74119
Certificate of Authorization No. 1478
Expires June 30, 2027



SCALE: 1"=40'

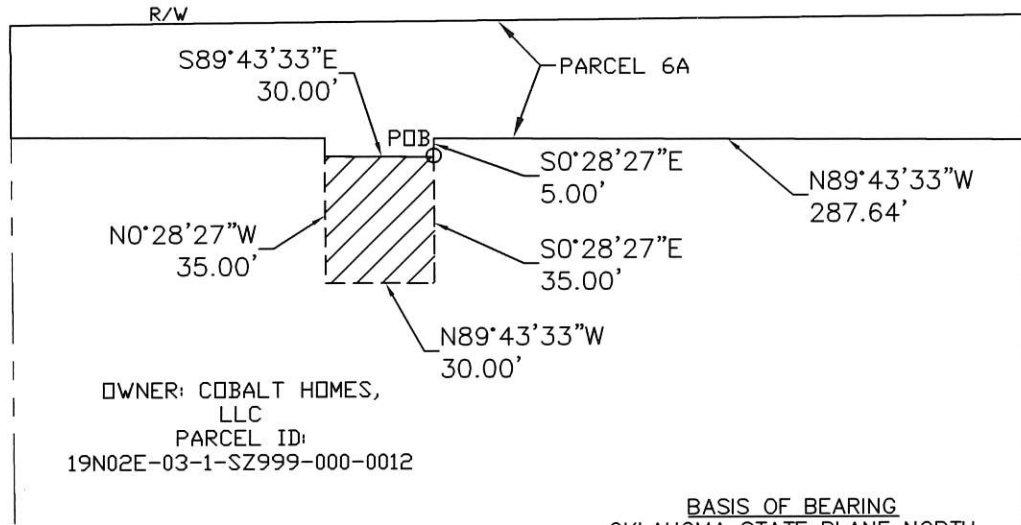


SECTION 03,
T19N - R2E

W AIRPORT RD

POC
NE CORNER
GVT LOT 2
(NOT SHOWN)

NORTH LINE NE/4 (GVMT LOT 2)




LEGAL DESCRIPTION

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, 1B&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 71.90 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"E A DISTANCE OF 5.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S0°28'27"E A DISTANCE OF 35.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 35.00 FEET; THENCE S89°43'33"E A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING, CONTAINING 1050 SQUARE FEET MORE OR LESS.

SURVEYOR'S CERTIFICATION

I, MICHAEL ROYCE, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OKLAHOMA, DO HEREBY STATE THAT THE BELOW MAP REPRESENTS A SURVEY PERFORMED IN THE FIELD AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS OF THIS DATE. THIS EXHIBIT MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF LICENSURE FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS


MICHAEL ROYCE PLS# 1627
NO. CA 1487
EXP. 06/30/2027

08/18/25
DATE OF SIGNATURE



Exhibit being updated for margins

Project: Stillwater - Airport Water Line
Parcel: 6A, 6.1
County: Payne

CONSENT OF OWNERS RIGHT OF ENTRY

The State of Oklahoma as Trustee for the Oklahoma
National Guard on this 6th day of November, 20 25

SEE ATTACHED LEGAL DESCRIPTIONS AS DEFINED BELOW

Exhibit A
Parcel(s) 6A, 6.1

The undersigned owner(s) of said land do/does hereby give permission to, The City of Stillwater
Whose address is, 723 S. Lewis, Stillwater, OK 74074

to enter upon said land(s) for the purpose of:

Surveying, tree, brush and grass removal, relocating and maintaining utilities, providing a safe work
for construction and all construction activities necessary to complete for the project.

Other terms or comments: This right-of-entry does not waive the owners' right to file a claim
for just compensation, either through negotiations or condemnation.

Authorized occupant / Owner(s):

[Signature]
Executive Director, CEO

Oklahoma Military Dept

SUBSCRIBED and sworn to before me Patsy D. Hubbard on this 6th day of November 2025
(Notary's Name)

[Signature]
Notary Public

My Commission Expires: 8-31-26
My Commission Number: 18008824



LEGAL DESCRIPTION PARCEL 6A

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, IB&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 35.79 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING S01°00'02"E A DISTANCE OF 36.11 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 5.00 FEET; THENCE N89°43'33"W A DISTANCE OF 86.31 FEET; THENCE N0°28'27"W A DISTANCE OF 30.83 FEET TO A POINT ON SAID SOUTHERLY RIGHT-OF-WAY OF WEST AIRPORT ROAD; THENCE N89°31'33"E ALONG SAID RIGHT-OF-WAY A DISTANCE OF 403.59 FEET TO THE POINT OF BEGINNING, CONTAINING 0.31 ACRES OR 13,664 SQUARE FEET MORE OR LESS.

LEGAL DESCRIPTION PARCEL 6.1

A TRACT OF LAND IN GOVERNMENT LOT 2 OF THE NORTHEAST QUARTER (NE/4) OF SECTION 03, T-19-N, R-2-E, IB&M, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE U.S. GOVERNMENT SURVEY THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF GOVERNMENT LOT 2 OF SECTION 03, T-19-N, R-2-E; THENCE S01°00'02"E ALONG THE EAST LINE OF SAID GOVERNMENT LOT 2 A DISTANCE OF 71.90 FEET; THENCE N89°43'33"W A DISTANCE OF 287.64 FEET; THENCE S0°28'27"E A DISTANCE OF 5.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING S0°28'27"E A DISTANCE OF 35.00 FEET; THENCE N89°43'33"W A DISTANCE OF 30.00 FEET; THENCE N0°28'27"W A DISTANCE OF 35.00 FEET; THENCE S89°43'33"E A DISTANCE OF 30.00 FEET TO THE POINT OF BEGINNING, CONTAINING 1050 SQUARE FEET MORE OR LESS.

PROJECT: Stillwater - Airport Water Line
COUNTY: Payne
PARCEL: 6A, 6.1

DONATION CERTIFICATE

AGREE TO DONATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I have been fully informed of my rights to receive just compensation for the right-of-way upon my property, but have elected to donate the right-of-way to The City of Stillwater, OK for Airport Road Waterline Replacement Project.


Agent


Owner

11/24/25
Date

Nov 24 2025
Date

DECLINE TO DONATE

I, the undersigned, do hereby certify that I have been fully informed of my rights. I decline to donate said property for this project.

Agent

Owner

Date

Date

(Oklahoma Landowner's Bill of Rights Attached)

WATER LINE EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, CJN Properties, LLC, an Oklahoma Series Limited Liability Company, certifies that it owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

Lot Four (4), in Block Two (2) AIRPORT INDUSTRIAL/OFFICE PARK, FIRST SECTION an Addition to the City of Stillwater, Payne County, State of Oklahoma, according to the recorded plat thereof.

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns do hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, an easement for the installation, operation and maintenance of water lines through, over, under, and across the portions of the above-described property dedicated on said recorded plat or instrument, for the purpose heretofore stated as follows:

LEGAL DESCRIPTION PARCEL 3A

THE EAST 15 FEET OF LOT 3, BLOCK 2, AIRPORT INDUSTRIAL/OFFICE PARK FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 3, BLOCK 2, AIRPORT INDUSTRIAL/OFFICE PARK FIRST SECTION; THENCE S01°01'20"E A DISTANCE OF 260.00 FEET; THENCE S89°30'25"W A DISTANCE OF 15.00 FEET; THENCE N01°01'20"W A DISTANCE OF 260.00 FEET; THENCE N89°30'25"E A DISTANCE OF 15.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.09 ACRES OR 3900 SQUARE FEET MORE OR LESS.

The above-described easement is subject to all recorded easements and rights of way thereof.

Except as herein granted, the Grantor shall continue to have the full use and enjoyment of the property herein granted or described for appropriate purposes. At no time shall the Grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the Grantor, their successors or assigns, nor shall the Grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said water line(s) at any and all times.

CJN Properties, LLC


BY: Christopher Kevin Norris, Manager


BY: Julie Ann Norris, Manager

Stillwater - Airport Water Line
Parcel 3A

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered water line easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

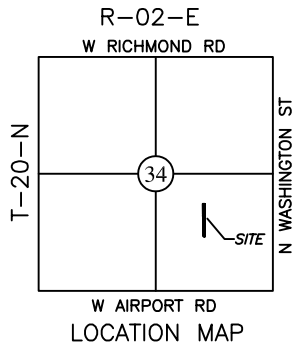
ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

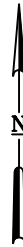
Stillwater - Airport Water Line
Parcel 3A



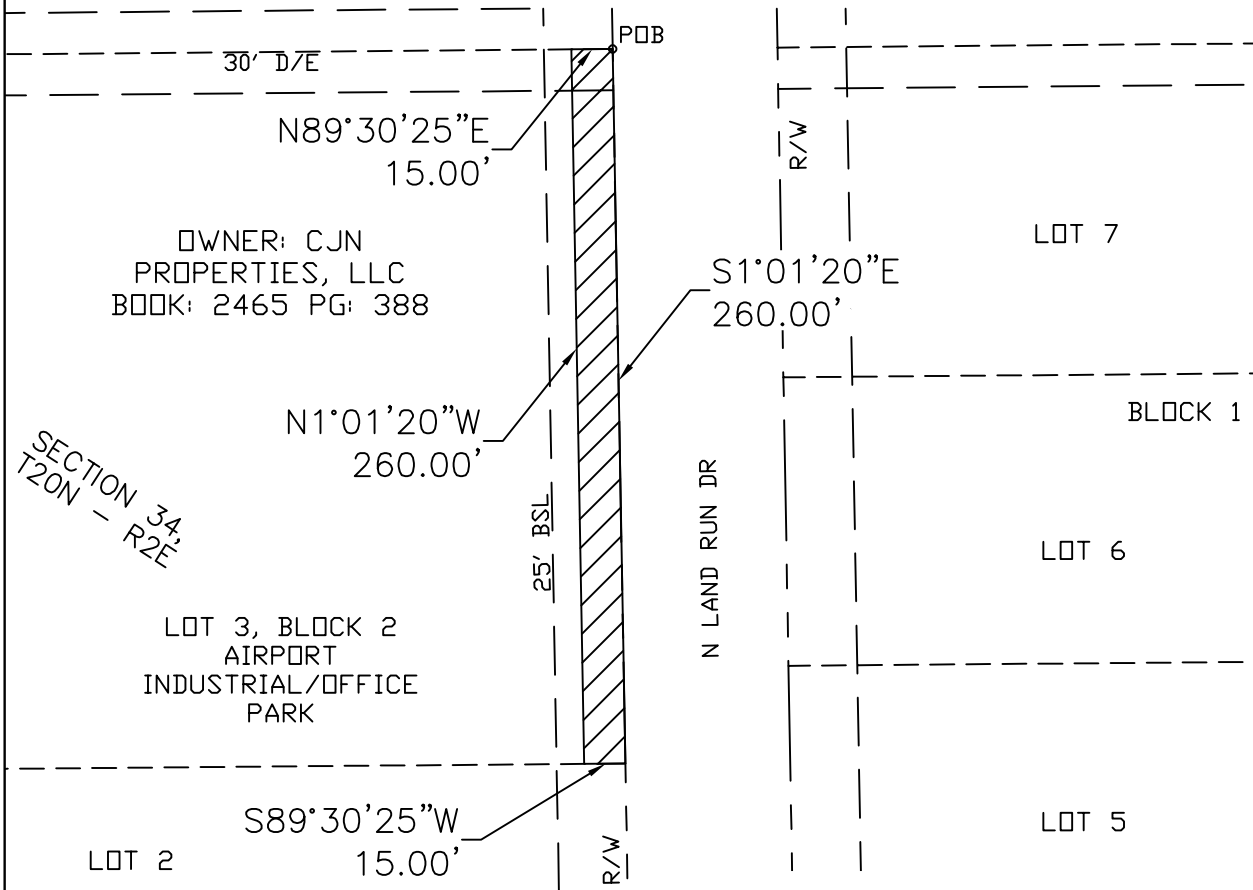
**EASEMENT EXHIBIT
PARCEL 3A**

SURVEYOR

WSB
1437 South Boulder Ave. Ste. 1550
Tulsa, Oklahoma 74119
Certificate of Authorization No. 1478
Expires June 30, 2027



SCALE: 1"=70'



BASIS OF BEARING
OKLAHOMA STATE PLANE NORTH

LEGAL DESCRIPTION

THE EAST 15 FEET OF LOT 3, BLOCK 2, AIRPORT INDUSTRIAL/OFFICE PARK FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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SURVEYOR'S CERTIFICATION

I, MICHAEL ROYCE, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OKLAHOMA, DO HEREBY STATE THAT THE BELOW MAP REPRESENTS A SURVEY PERFORMED IN THE FIELD AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF AS OF THIS DATE. THIS EXHIBIT MEETS THE OKLAHOMA MINIMUM STANDARDS FOR THE PRACTICE OF LAND SURVEYING AS ADOPTED BY THE OKLAHOMA STATE BOARD OF LICENSURE FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS

MICHAEL ROYCE PLS# 1627
NO. CA 1487
EXP. 06/30/2027

12/29/25
DATE OF SIGNATURE



SUMMARY OF ACQUISITION

PROJECT: Airport Waterline , COUNTY Payne , PARCEL(S) 3A

PROPERTY LOCATION: Section 34 , Township 20N , Range 2E , Payne County

BUYER: City of Stillwater

SELLER: PROPERTY OWNERS(S), NAME AND ADDRESS:

 CJN Properties, LLC &
 413 314 S. Westpark Ct.
 Stillwater, OK 74074

ASSIGNMENT: None

MORTGAGES AND LIENS: None

IMPROVEMENTS: None

DAMAGES: None

PROPERTY OWNER(S) WILL EXECUTE AND SUBMIT TO THE BUYER, ODOT, THE FOLLOWING DOCUMENTS:

 Waterline Easement for parcel 3A for 3900.00 Sq. Ft.

ACQUISITION AMOUNT FOR LAND, IMPROVEMENTS AND DAMAGES: \$6,500.00

BUYER AND SELLER AGREE:

 Contractor to repair or replace any disturbed concrete drives or curbs.

UPON RECEIPT OF SIGNED DOCUMENTS, BUYER, CITY, WILL PREPARE THE FOLLOWING:

State Warrant in the amount of	<u> \$6,500.00 </u>	to	<u> CJN Properties, LLC </u>
State Warrant in the amount of	<u> </u>	to	<u> </u>
State Warrant in the amount of	<u> </u>	to	<u> </u>
State Warrant in the amount of	<u> </u>	to	<u> </u>

 Christopher Kevin Norris
Christopher Kevin Norris, Manager
PROPERTY OWNER / SELLER

 11-19-25
DATE

 Julie Ann Norris
Julie Ann Norris, Manager
PROPERTY OWNER / SELLER

 11-19-25
DATE

 Lacie Jones
Lacie Jones
ACQUISITION AGENT

 11/19/25
DATE

Project: Stillwater - Airport Water Line
Parcel: 3A
County: Payne

CONSENT OF OWNERS RIGHT OF ENTRY

CJN Properties, LLC, an Oklahoma Series Limited Liability
Company on this 19 day of Nov, 20 25

SEE ATTACHED LEGAL DESCRIPTIONS AS DEFINED BELOW

Exhibit A
Parcel(s) 3A

The undersigned owner(s) of said land do/does hereby give permission to, The City of Stillwater
Whose address is, 723 S. Lewis, Stillwater, OK 74074

to enter upon said land(s) for the purpose of:

Surveying, tree, brush and grass removal, relocating and maintaining utilities, providing a safe work
for construction and all construction activities necessary to complete for the project.

Other terms or comments: This right-of-entry does not waive the owners' right to file a claim
for just compensation, either through negotiations or condemnation.

Authorized occupant / Owner(s):

Christopher K. News Julie J. Jones

SUBSCRIBED and sworn to before me Lacie Jones on this 19 day of Nov, 2025
(Notary's Name)

Lacie Jones
Notary Public

My Commission Expires: 03/24/26
My Commission Number: 14002605
(SEAL)



LEGAL DESCRIPTION PARCEL 3A

THE EAST 15 FEET OF LOT 3, BLOCK 2, AIRPORT INDUSTRIAL/OFFICE PARK FIRST SECTION, AN ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 3, BLOCK 2, AIRPORT INDUSTRIAL/OFFICE PARK FIRST SECTION; THENCE S01°01'20"E A DISTANCE OF 260.00 FEET; THENCE S89°30'25"W A DISTANCE OF 15.00 FEET; THENCE N01°01'20"W A DISTANCE OF 260.00 FEET; THENCE N89°30'25"E A DISTANCE OF 15.00 FEET TO THE POINT OF BEGINNING, CONTAINING 0.09 ACRES OR 3900 SQUARE FEET MORE OR LESS.

PROJECT: Stillwater - Airport Water Line
COUNTY: Payne
PARCEL: 3A

DONATION CERTIFICATE

AGREE TO DONATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I have been fully informed of my rights to receive just compensation for the right-of-way upon my property, but have elected to donate the right-of-way to The City of Stillwater, OK for Airport Road Waterline Replacement Project.

Agent

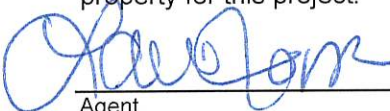
Owner

Date

Date

DECLINE TO DONATE

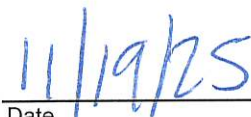
I, the undersigned, do hereby certify that I have been fully informed of my rights. I decline to donate said property for this project.



Agent



Owner



Date



Date

(Oklahoma Landowner's Bill of Rights Attached)

WATER LINE EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, Dianna Lightfoot, a single person, certifies that she owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

Lot One (1) O'Haver Addition, an Addition to the City of Stillwater, Payne County, State of Oklahoma, according to the recorded plat thereof.

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns do hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, an easement for the installation, operation and maintenance of a water line(s) through, over, under, and across the portions of the above-described property, together with the right of ingress and egress to and from same, for the purpose heretofore stated.

PARCEL 12A

THE SOUTH 10 FEET OF THE WEST 10 FEET OF LOT 1 OF O'HAVER ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 1 OF O'HAVER ADDITION TO THE CITY OF STILLWATER; THENCE N00°57'50"W A DISTANCE OF 10.00 FEET; THENCE N89°30'25"E A DISTANCE OF 10.00 FEET; THENCE S00°57'50"E A DISTANCE OF 10.00 FEET; THENCE S89°30'25"W A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING, CONTAINING 100 SQUARE FEET MORE OR LESS.

The above-described easement is subject to all recorded easements and rights of way thereof.

Except as herein granted, the grantors shall continue to have the full use and enjoyment of the properties herein granted or described for appropriate purposes. At no time shall the grantors commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the grantors, their successors or assigns, nor shall the grantors allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said water line(s) at any and all times.

IN WITNESS WHEREOF, I have hereunto set my hand this 18 day of December, 2025.



Dianna Lightfoot

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

Before me, a Notary Public in and for said County and State on this 18 day of December, 2025, personally appeared, Dianna Lightfoot, to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.



NOTARY PUBLIC

My Commission Expires: 03/24/26
My Commission Number: 14002605

(SEAL)



Stillwater - Airport Water Line
Parcel 12A

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 2025, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered water line easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Airport Water Line
Parcel 12A

TEMPORARY CONSTRUCTION EASEMENT

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned Dianna Lightfoot, a single person, certifies that she owns and possesses all rights, title, and interest to the following described real property situated in Payne County, State of Oklahoma, to-wit:

Lot One (1) O'Haver Addition, an Addition to the City of Stillwater, Payne County, State of Oklahoma, according to the recorded plat thereof.

and further that the undersigned, in consideration of the sum of One Dollar (\$1.00), in hand paid and other good and valuable consideration, for them, their heirs, successors, executors, administrators, and assigns hereby grant, bargain, sell, and convey unto the City of Stillwater, Oklahoma, a Municipal Corporation, its successors and assigns, a temporary construction easement for the installation of utilities through, over, under, and across the portions of the above-described property, together with the right of ingress and egress to and from same, for the purpose heretofore stated to wit:

PARCEL 12.1

A PART OF LOT 1 OF O'HAVER ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1 OF O'HAVER ADDITION TO THE CITY OF STILLWATER; THENCE N89°30'25"E A DISTANCE OF 10.00 FEET TO THE POINT OF BEGINNING; THENCE N0°57'50"W A DISTANCE OF 10.00 FEET; THENCE S89°30'25"W A DISTANCE OF 10.00 FEET; THENCE N0°57'50"W A DISTANCE OF 10.00 FEET; THENCE N89°30'25"E A DISTANCE OF 15.00 FEET; THENCE S0°57'50"E A DISTANCE OF 20.00 FEET; THENCE S89°30'25"W A DISTANCE OF 5.00 FEET TO THE POINT OF BEGINNING, CONTAINING 200 SQUARE FEET MORE OR LESS.

The above-described easement is subject to all recorded easements and rights of way thereof.

Except as herein granted, the grantor shall continue to have the full use and enjoyment of the properties herein granted or described for appropriate purposes. At no time shall the grantor commit a use, occupation or enjoyment thereof that might cause a hazardous condition and no building, structure or obstruction shall be located or constructed on said easement by the grantor, his/her/their successors or assigns, nor shall the grantor allow said easement to be encumbered in any way so that the City of Stillwater shall not be afforded access to said utilities during construction.

It is a condition of this temporary construction easement that it shall not be filed for record and that all rights conveyed to the City of Stillwater by this instrument shall terminate upon completion of the project.

Stillwater - Airport Water Line Parcel 12.1
--

IN WITNESS WHEREOF, I have hereunto set my hand this 18 day of December 2025.

Dianna Lightfoot
By: Dianna Lightfoot

STATE OF OK)
) ss.
COUNTY OF Payne)

Before me, a Notary Public in and for said County and State on this 18 day of December, 2025, personally appeared, Dianna Lightfoot to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument and acknowledged to me that she executed the same as her free and voluntary act and deed and as the free and voluntary act and deed of the corporation or limited liability company for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

Lacie Jones
NOTARY PUBLIC

My Commission Expires: 03/24/26
My Commission Number: 14002605

(SEAL)



Stillwater - Airport Water Line
Parcel 12.1

STATE OF OKLAHOMA)
) ss.
COUNTY OF PAYNE)

NOW, on this _____ day of _____, 20__, the City Council of the City of Stillwater, State of Oklahoma, a municipal corporation, acting for and in behalf of said municipal corporation, during regular session, does hereby approve and accept from the named Grantor this delivered easement and directs the Mayor and Clerk of said City of Stillwater to indicate the same by their signatures and seal of the City of Stillwater, State of Oklahoma.

WILLIAM H. JOYCE, MAYOR
CITY OF STILLWATER, OKLAHOMA

(SEAL)

ATTEST:

TERESA KADAVY, CITY CLERK
CITY OF STILLWATER, OKLAHOMA

Approved as to form and legality this _____ day of _____, 2025.

KIMBERLY CARNLEY, CITY ATTORNEY
CITY OF STILLWATER, OKLAHOMA

Stillwater - Airport Water Line
Parcel 12.1

Project: Stillwater - Airport Water Line
Parcel: 12A, 12.1
County: Payne

CONSENT OF OWNERS RIGHT OF ENTRY

Dianna Lightfoot, a single person on this 18 day of December, 20 25

SEE ATTACHED LEGAL DESCRIPTIONS AS DEFINED BELOW

Exhibit A
Parcel(s) 12A, 12.1

The undersigned owner(s) of said land do/does hereby give permission to, The City of Stillwater
Whose address is, 723 S. Lewis, Stillwater, OK 74074

to enter upon said land(s) for the purpose of:

Surveying, tree, brush and grass removal, relocating and maintaining utilities, providing a safe work
for construction and all construction activities necessary to complete for the project.

Other terms or comments: This right-of-entry does not waive the owners' right to file a claim
for just compensation, either through negotiations or condemnation.

Authorized occupant / Owner(s):
Dianna Lightfoot
Dianna Lightfoot

SUBSCRIBED and sworn to before me Lacie Jones on this 18 day of Dec, 2025
(Notary's Name)

Lacie Jones
Notary Public

My Commission Expires: 03/24/26
My Commission Number: 14002605
(SEAL)



Exhibit "A"

PARCEL 12A

THE SOUTH 10 FEET OF THE WEST 10 FEET OF LOT 1 OF O'HAYER ADDITION TO THE CITY OF STILLWATER, PAYNE COUNTY, OKLAHOMA, ACCORDING TO THE RECORDED PLAT THEREOF, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

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PARCEL 12.1

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PROJECT: Stillwater - Airport Water Line
COUNTY: Payne
PARCEL: 12A, 12.1

DONATION CERTIFICATE

AGREE TO DONATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I have been fully informed of my rights to receive just compensation for the right-of-way upon my property, but have elected to donate the right-of-way to The City of Stillwater, OK for Airport Road Waterline Replacement Project.

Agent: Lacie Jones

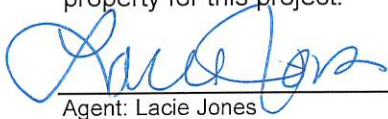
Owner: Dianna Lightfoot

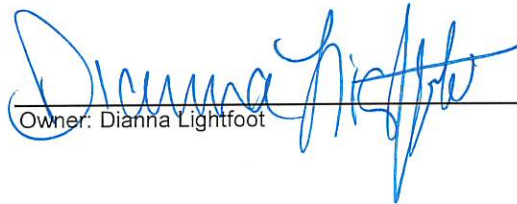
Date

Date

DECLINE TO DONATE

I, the undersigned, do hereby certify that I have been fully informed of my rights. I decline to donate said property for this project.


Agent: Lacie Jones


Owner: Dianna Lightfoot

12/18/25
Date

12/18/25
Date

(Oklahoma Landowner's Bill of Rights Attached)



<p>Agenda Item:</p>	<p>7.a. CC-26-11</p>
<p>Previous/Related Action:</p>	<p>12/15/2025 City Council 7. General Orders a. Presentation and discussion of proposed Downtown intersection improvements.</p>
<p>Background/Issue:</p>	<p>The intersections of South Main Street at 7th, 8th, and 9th Avenues are closely spaced within the downtown core and serve an area with frequent pedestrian crossings and on-street activity. In this context, signalized operation can influence driver behavior between intersections and may not always align with downtown traffic calming goals or the pedestrian-oriented nature of the area.</p>
<p>Proposal/Solution:</p>	<p>Staff proposes removing the existing traffic signals and converting the above intersections to four-way stop control. The proposed improvements include the following (see Attachment):</p> <ul style="list-style-type: none"> • Install decorative LED STOP signs to improve visibility • Refresh existing STOP bars and crosswalk striping • Add STOP pavement legends to reinforce the new traffic control • Install pedestrian-scale street lighting at former signal locations to improve illumination while enhancing the downtown streetscape <p>This approach improves pedestrian safety, reduces vehicle speeds, and reinforces a consistent downtown street environment while improving pedestrian and vehicle efficiency.</p> <p>Regarding replacement of the existing signals with light poles, Stillwater Electric Utility (SEU) has solicited quotes for materials and third-party costs for 10th Avenue and Main Street, as well as 7th, 8th, and 9th Streets at Main Street. It will be more cost-effective to purchase all light poles at one time, and both options for 10th and Main include four street lights. If neither option is selected, SEU staff will install the light poles through their normal light-pole installation and replacement program.</p> <p>SEU will provide in house labor and equipment to install the light poles.</p>

Estimated Project Costs

Pavement striping, markings, and removal:	\$24,000
Decorative solar LED STOP signs w/ materials	\$48,000
Installation of LED STOP signs	\$16,000
4-Way Stop conversion subtotal	\$88,000*
Light pole materials and 3rd party costs \$85,000**	
SEU In-house install labor and equipment	\$65,000
Light pole subtotal	\$150,000
Estimated total	\$238,000

*4-way stop conversion appropriation (Transportation Sales Tax Funds)

**Light pole appropriation (SUA RSF funds)

Financial Source/Impact:

- Sufficient funds are available in the Transportation Sales Tax Fund for the \$88,000 cost.
- Light pole costs will be addressed with a proposed appropriation on tonight’s SUA agenda.

Related Strategic Priority:

#3 SAFE COMMUNITY
#4 CONNECTED SPACES

Recommended Action/Motion:

Authorize staff to proceed with the conversion of the intersections of South Main Street and 7th, 8th, and 9th Avenues to four-way stop control; authorize expenditures of \$88,000; and, approve the associated budget amendment.

Prepared By:

Bill Millis, Director of Engineering

Reviewed By:

Bill Millis
Brady Moore
Teresa Kadavy

Submitted By:

Brady Moore, City Manager

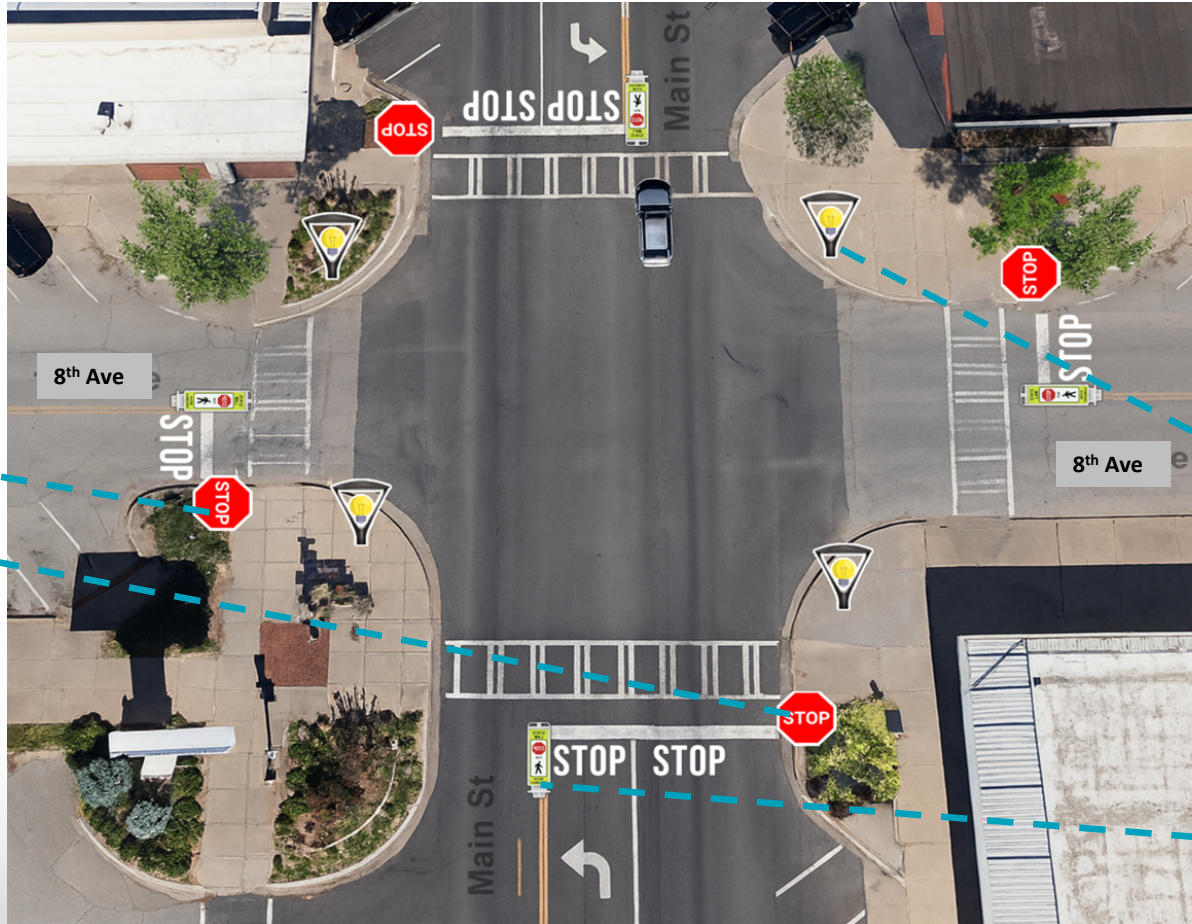
Attachments

1. BirdsEyeViewMainSt
2. Budget Amendment

Main Street and 7th, 8th, 9th Avenues



LED Stop Signs:
Signs with street names will be on the opposite, diagonal corners of regular stop signs without names.



Block 34
style
pedestrian
light at
former
signal
locations



Pedestrian
crossing signs

Budget Amendment Request
 For Budget Year 2026

Department of Finance
 723 S. Lewis Street/P.O. Box 1449
 Stillwater, OK 74076-1449

Office: 405.372.0025
 Web: stillwater.org

Date: 01/07/2026

Department: Transportation

Requested by: Bill Millis

Explanation: Expenditures:
 Appropriate funds for stop signs at the intersections of Main and 7th, 8th and 9th. Funding is from the Transportation Sales Tax Fund.

Account Name	Account Number (xxxxxxx-xxxxx)	Project Number	Current Budget Amount	Amount of Change	New Budget Amount
Increase:					
Downtown Stop Signs & Streetlights	2604035 - 54008	26TR14260	\$ 0	\$ 88,000	\$ 88,000
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
Decrease:					
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0
	-				\$ 0

Net Change: (will usually result in a total increase or decrease)

\$ 88,000

Reviewed by Department Manager: _____

Date: _____

Reviewed by Finance:  _____

Date: 1/7/2026

Approved by CMO: _____

Date: _____

Approved by City Council: Yes No

Date: _____

Processed by Finance: _____

Date: _____

Set ID: _____

Date Sent to SA&I: _____

--Print on Yellow Paper--

REPORT TO: CITY COUNCIL

MEETING DATE: JANUARY 12, 2026



Agenda Item:	9.a. CC-26-12
Previous/Related Action:	
Background/Issue:	<p>The Audit Committee provides independent review and oversight of the government's financial reporting processes, internal controls and independent auditors. The duties of the Audit Committee include but are not limited to the following:</p> <ul style="list-style-type: none">• recommendation of accounting firm to perform the annual audit;• maintenance of good communications with city staff and independent accountants;• review and evaluation of year end financial statements and independent accountants' audit reports;• review and evaluation of independent accountants' management letter;• review any reported deficiencies in internal controls; and• to report to the City Council as required.
Proposal/Solution:	Appoint to fill two vacancies on the committee with terms expiring in January 2029.
Financial Source/Impact:	
Related Strategic Priority:	#6 ENGAGED & INVESTED RESIDENTS
Recommended Action/Motion:	Recommend appointment of Daniel Thrasher to a 1st term and reappointment of Randy Murray to a 3rd term on the Audit Committee.
Prepared By:	
Reviewed By:	Teresa Kadavy
Submitted By:	Brady Moore, City Manager

Attachments

None