

2012 City of Stillwater, Oklahoma Historical Financial Data Analysis

Detailed Timeline

Pre-1891

Prior to 1891: The land area of what would become the City of Stillwater is 28 square miles.

1891

1891: The City of Stillwater is organized as a municipal corporation under applicable laws of the State of Oklahoma.

1960

1960: The City of Stillwater adopts its current charter, establishing a council-manager form of government.

1971

December 14, 1971: The Stillwater Medical Center Authority (the "Hospital") is created by a trust indenture to construct, maintain, and operate health care facilities.

1979

1979: An additional 1% sales tax is levied by the City for use by the Stillwater Utilities Authority (SUA), a Public Trust operating the water, sewer, and electric utilities.

April 1, 1979: The Stillwater Utilities Authority (SUA) is established as a public trust under a Trust Indenture created by a City ordinance.

1981

1981 (Oklahoma Statutes, Title 60, Sections 176-180.4 and Title 11, Sections 40-101 through 40-115): These statutes (Public Trust Act and Central Business District Redevelopment Act) are referenced in the establishment of the Stillwater Industrial and Redevelopment Authority.

1990

February 19, 1990: The Stillwater Industrial and Redevelopment Authority (SIRA) is established by resolution of the City Council as a public trust, with the primary purpose of improving the economic climate of Stillwater.

2001

September 2001: Voters approve a ½ cent sales tax to be transferred to the Transportation Fund for street and other transportation projects.

2002

February 28, 2002: Stillwater Utilities Authority (SUA) incurs a 2002 Oklahoma Water Resources Board (OWRB) SRF Note Payable for an original amount of \$3,413,483, with semiannual principal installments commencing March 15, 2002, through September 2021.

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December 2002: Stillwater Utilities Authority (SUA) incurs another 2002 OWRB SRF Note for an original amount of \$4,876,086, with semiannual principal installments commencing September 2021, through September 2022.

2003

November 13, 2003: The Stillwater Medical Center Authority issues Series 2003 Hospital Revenue Bonds for \$7,000,000, bearing interest semi-annually at 5.625%. Principal payments are scheduled to begin May 15, 2018.

2005

March 1, 2005: The Stillwater Medical Center Authority issues Series 2005 Hospital Revenue Bonds for \$12,715,000, bearing interest semi-annually at 4.50% to 5.25%. Annual principal installments are through May 15, 2019.

May 11, 2005: Stillwater Utilities Authority (SUA) issues 2005 Refunding Series Bonds for an original amount of \$12,965,000, with semiannual interest installments commencing October 1, 2005, and annual principal installments through October 1, 2012.

June 2005: Stillwater Utilities Authority (SUA) incurs a 2005 OWRB Fixed Rate Note for an original amount of \$7,620,000, with maturity in March 2025.

2006

July 2006: Stillwater Utilities Authority (SUA) and Rural Water Corporation No. 3 enter into a purchase agreement for SUA to consolidate the two water distribution systems.

2007

December 2007: Stillwater's first Business Improvement District is created.

May 2007: Voters approve the use of the ½ cent sales tax for debt service related to transportation projects, in addition to existing transportation projects.

December 2007: Stillwater Utilities Authority (SUA) issues 2007 Revenue Bonds for an original amount of \$6,010,000, with maturity in December 2016.

2009

December 2009: Stillwater Utilities Authority (SUA) incurs a 2009 OWRB DWSRF Note for an original amount of \$3,505,000, with maturity in December 2029.

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2010

September 2010: The Rural Water Advisory Board, the Rural Water Corporation No. 3 Board, and the SUA Trustees approve an amendment to the July 2006 purchase agreement, identifying specific improvements and upgrades to the water system and a timeframe for completion, subject to funding availability.

December 2010: Stillwater Utilities Authority (SUA) issues 2010 Revenue Bonds for an original amount of \$6,075,000, with maturity in December 2016.

2010: Stillwater Public Golf Authority is dissolved by ordinance; golf employees are subsequently included with recreation and culture.

2011

Calendar Year 2011: 119 commercial building permits and 53 single-family residential permits are issued in Stillwater.

August 2011: Standard and Poor's (S&P) downgrades the U.S. government's debt rating to AA. Concurrently, S&P downgrades debt securities issued by the Federal Home Loan Mortgage Corporation (FHLMC) to AA due to its reliance on the U.S. government. Moody's and Fitch reaffirm their highest credit ratings for these securities.

2012

June 30, 2012 (Fiscal Year End for City of Stillwater): The City of Stillwater's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012, is submitted.

The City of Stillwater reports positive balances in net assets for governmental activities, business-type activities, and for the city as a whole.

The City has \$38.7 million in long-term debt.

Governmental activities increased the City's net assets by \$2,325,285, contributing to a 1.02% increase in the City's total net assets.

The Stillwater Utilities Authority Board of Trustees has internally designated \$19,279,729 in cash and cash equivalents for future potential operating cost increases and/or substantial capital expenditure requirements.

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The City complies with Oklahoma Constitution Article 10, Sections 26 and 27 regarding the limit on general obligation bonded debt.

No indebtedness requiring payment beyond the current fiscal year revenue was incurred by the City (excluding public trusts) without voter approval.

The Stillwater Utilities Authority (SUA) has restricted cash and cash equivalents of \$1,366,601 for debt service, \$54,756 for acquiring easements related to water line upgrades, \$235,793 for system upgrades from Rural Water Corporation No. 3, \$451,150 for future water distribution system extensions/improvements, and \$73,930 for Western Payne County Ambulance Trust Authority (WPCATA) subscription fees.

Customer utility deposits total \$1,186,766.

The City's defined benefit plan invests in domestic common stocks and foreign stocks with varying credit ratings, and its government/treasury market mutual fund is rated AAA by S&P.

The City prepared and adopted a legal annual budget for all funds.

September 30, 2012 (Fiscal Year End for Housing Authority of the City of Stillwater): The Housing Authority's total assets decreased by \$416,332 or 6% compared to the previous year.

Total net assets decreased by \$6,837,209 to \$6,439,299, a decrease of \$397,910 or 6%.

Unrestricted net assets decreased by \$142,552 from the previous year, primarily due to a reduction in operating subsidy received by the Low Rent Program.

Total revenues decreased by \$357,687 (8%) from the previous year, mainly due to decreased HUD operating grants and capital grants.

Total expenses increased by \$115,199 (3%) from the previous year.

The Housing Authority's investment in capital assets was \$3,554,666.

The Authority did not receive any operating income from HUD due to HUD budget cuts in FY 2012, causing it to use reserves to stay operational.

The Housing Authority's long-term liabilities decreased by \$20,408, primarily in FSS escrow balances in the Housing Choice Voucher Program.

Restricted net assets decreased by \$80,216 due to a reduction in HAP funding and an increase in HAP expenditures.

Fraud recovery increased by \$7,810 due to tenant fraud.

The Authority's accrued compensated absences were estimated at \$17,208.

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The Authority's total federal financial assistance expended was \$3,873,224.

August 2012: Total Energy purchases the former Quad/Graphics facility in Stillwater and announces plans to create 200 jobs, with a fabricating facility projected to be operational by April 1, 2013.

Calendar Year 2012 (as of report date): 98 commercial building permits and 71 single-family residential permits are issued in Stillwater.

2013

April 1, 2013 (projected): Total Energy's fabricating facility in Stillwater is expected to be operational.

June 23, 2013: John A. Blakeway, CPA, issues an Independent Auditor's Report on the financial statements of the Housing Authority of the City of Stillwater for the year ended September 30, 2012.

Fiscal Cliff Problem (anticipated): The fiscal cliff in 2013 is expected to delete an additional 8% from the Housing Authority's operating income.

2018

May 15, 2018: Annual principal installments for the Stillwater Medical Center Authority Series 2003 Revenue Bonds are scheduled to begin.

2019

May 15, 2019: Annual principal installments for the Stillwater Medical Center Authority Series 2005 Revenue Bonds are scheduled to end.

2021

September 2021: Semiannual principal installments for the SUA 2002 OWRB SRF Note (original amount \$3,413,483) are scheduled to end.

September 2021: Semiannual principal installments for the SUA 2002 OWRB SRF Note (original amount \$4,876,086) are scheduled to begin.

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2022

September 2022: Semiannual principal installments for the SUA 2002 OWRB SRF Note (original amount \$4,876,086) are scheduled to end.

2023

October 31, 2023: The final installment for the Refundable Grant Obligation from the Oklahoma Department of Commerce is due.

May 15, 2023: Annual principal installments for the Stillwater Medical Center Authority Series 2003 Revenue Bonds are scheduled to end.

2025

March 2025: Maturity date for the SUA 2005 OWRB Fixed Rate Note.

2029

December 2029: Maturity date for the SUA 2009 OWRB DWSRF Note.

Cast of Characters

Mayor John Bartley: The Honorable Mayor of the City of Stillwater as of December 12, 2012. He is elected at-large by the citizenry for a staggered three-year term and is a member of the five-member City Council. He, or one other City Councilor, is also a member of the seven-member Board of Trustees for the Stillwater Medical Center Authority.

City Council (Stillwater): A five-member governing body responsible for policymaking and legislative authority in Stillwater. Councilors, including the Mayor, are elected at-large on a non-partisan basis for staggered three-year terms. They hold regular meetings on the first and third Monday evenings each month. They are designated as trustees for the Stillwater Industrial and Redevelopment Authority (SIRA).

City's Department of Finance (Stillwater): The department responsible for preparing the comprehensive annual financial report of the City of Stillwater. They can be contacted for financial information.

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Stillwater Utilities Authority (SUA) Board of Trustees: The governing body for the Stillwater Utilities Authority, a public trust that operates the electric, water, sewer, and sanitation systems of the City. They have the discretion to use internally designated assets.

Stillwater Medical Center Authority Board of Trustees: A seven-member board responsible for administering the Stillwater Medical Center. It consists of the Mayor (or another City Councilor) and six other individuals appointed by the City Council. This board hires hospital management, monitors hospital activities, and establishes rates and charges.

Chief Financial Officer, Stillwater Medical Center: The individual to contact for separate financial statements of the Stillwater Medical Center Authority. (Address: 1323 West Sixth Street, Stillwater, Oklahoma 74074).

Rural Water Advisory Board: A board involved in approving amendments to the purchase agreement between SUA and Rural Water Corporation No. 3.

Rural Water Corporation No. 3 Board: A board involved in approving amendments to the purchase agreement between SUA and Rural Water Corporation No. 3.

Oklahoma Tax Commission: The state agency responsible for collecting sales tax and remitting the City's portion to Stillwater.

Oklahoma Department of Commerce: The grantor of a refundable grant obligation to the Stillwater Public Works Authority, an original amount of \$400,000. Also a source of personal income estimates for Oklahoma counties.

Oklahoma Municipal Retirement Fund: The entity that administers fixed income investments for the City's defined benefit plan.

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Standard and Poor's (S&P): A credit rating agency mentioned in the context of the U.S. government's debt rating downgrade in August 2011, and for rating various investments held by the Stillwater Medical Center Authority and the City's defined benefit plan.

Moody's: A credit rating agency mentioned in the context of reaffirming the highest credit ratings for certain securities after S&P's downgrade in August 2011, and for rating investments held by the Stillwater Medical Center Authority.

Fitch: A credit rating agency mentioned in the context of reaffirming the highest credit ratings for certain securities after S&P's downgrade in August 2011.

Total Energy: A company that purchased the former Quad/Graphics facility in Stillwater in August 2012, planning to open a fabricating facility and bring 200 jobs.

Quad/Graphics: The former owner of a facility in Stillwater purchased by Total Energy in August 2012.

Nomadics, Inc.: A company involved in a lease agreement with SIRA, which collateralizes a refundable grant obligation.

City Manager (Stillwater): Recommends budget amendments or supplements to the City Council for approval.

Housing Authority of the City of Stillwater Board of Commissioners: Appointed by the Mayor of Starr County, they are responsible for approving budgets for all HUD programs and oversee the Executive Director.

Glen Redding: The Executive Director of the Stillwater Housing Authority as of September 30, 2012. He is the only participant in the deferred compensation plan.

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U.S. Department of Housing & Urban Development (HUD): Provides funding for various housing programs administered by the Housing Authority, including the Low Rent Housing Program, Capital Fund Program, and Housing Choice Voucher Program. Also provides income estimates for counties and MSAs.

John A. Blakeway, CPA: The Certified Public Accountant who performed the audit and prepared the report on the financial statements of the Housing Authority of the City of Stillwater for the fiscal year ended September 30, 2012.

Comptroller General of the United States: Standards issued by this office are used for financial audits of governmental organizations.

U.S. Office of Management and Budget: Issued Circular OMB A-133, which provides guidance for audits of states, local governments, and non-profit organizations concerning federal awards.

Linus Torvalds: The registered trademark of Linux is attributed to him. (Mentioned in the PDF viewer compatibility note).

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