

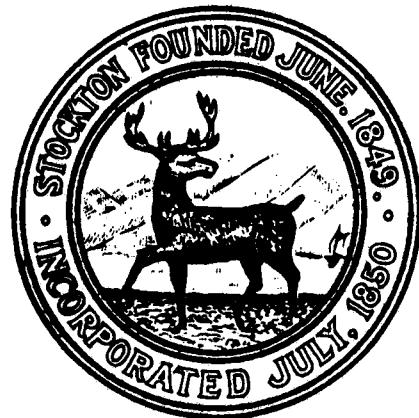
ANNUAL FINANCIAL REPORT
FISCAL YEAR 1978 - 1979



CITY OF STOCKTON, CALIFORNIA

COVER: Stockton's City Hall celebrates its 52nd birthday on December 3, 1979. It was on that day, in 1927, that the City's residents joined in a special dedication ceremony for the then new \$600,000 structure, designed to meet the needs of Stockton until it reaches the population of 150,000, it was stated at the time. The City's voters, expressing their confidence in the City of 45,000, approved a bond issue in 1920. City Hall construction followed the building of Civic Memorial Auditorium as part of what now is our Civic Center. The Central Library was envisioned, but was many years later before actually being built. Mayor Raymond J. Wheeler described the new City Hall as 'One of the City's greatest assets.' Charles E. Ashburner, first Stockton City Manager, said, 'It will greatly facilitate the functions of City Government.' It has and continues to serve its original purpose.

Stockton, originally called 'Tuleburg' for the many Tule red berms along the Delta Channels, originally was a trapper's paradise. As the community developed and became the port of embarkation for the miners traveling to the Mother Lode, it prospered. The Tule Elk was found in abundance along the many levee banks, and the Tule Elk now is seen in the official City of Stockton Seal.



ANNUAL FINANCIAL REPORT
of
CITY OF STOCKTON

FISCAL YEAR ENDED JUNE 30, 1979

GARY C. INGRAHAM
DIRECTOR OF FINANCE

CITY OF STOCKTON
ANNUAL FINANCIAL REPORT
FISCAL YEAR 1978-79

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CITY OF STOCKTON
ANNUAL FINANCIAL REPORT
FISCAL YEAR 1978-79

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CITY HALL
STOCKTON, CA 95202
FINANCE DEPARTMENT

November 27, 1979

Honorable Mayor, City Council
and City Manager
City of Stockton
Stockton, California

Gentlemen:

The Finance Department is pleased to report that fiscal year 1978-79 was a year in which the General Fund's unreserved fund balance increased from \$3,021,180 to \$5,645,457.

The Municipal Finance Officers Association of the United States and Canada (MFOA) awarded a Certificate of Conformance in Financial Reporting to the City of Stockton for our Annual Financial Report for the fiscal year ended June 30, 1978.

In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive Annual Financial Report, whose contents conform to industry standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Conformance is valid for a period of three years subject to two Annual Reviews. We believe our current report continues to conform to Certificate of Conformance program requirements, and we are submitting it to MFOA for the required Annual Review.

This year's financial statements were presented in a different format, in accordance with the restated (NCGA Statements 1 and 2) Governmental Accounting and Financial Reporting Principles. Although its effectiveness starts after fiscal year ending June 30, 1980, its earlier application has been encouraged.

GENERAL FUND

Revenues exceeded expenditures by \$2,961 million. Compared to fiscal year 1977-78, this year's excess of revenues over expenditures was \$650 thousand or 28.1 per cent higher. The increase in revenues was due mainly to the remarkable rise in investment earnings (from last year's \$837 thousand to this year's \$1,621 million), and the recovery of governmental overhead (from last year's \$8 thousand to this year's \$1,983 million) from other City intrafund accounts.

A comparison of the results of operation is presented below:

	1979 is Fav. (Unfav.)	1978	Amount $\frac{1}{4}$
	(000 Omitted)	1979	1978
Revenues			
Taxes	\$19,719	\$23,251	(\$3,532) (15.2)
License and Permits	2,872	2,511	361 14.4
Intergovernmental Revenues	4,564	2,533	2,031 80.2
Charges for Services	3,481	3,102	379 12.2
Fines and Forfeitures	614	656	(42) (6.4)
Use of Money and Property	1,697	889	808 90.9
Miscellaneous	1,545	184	1,361 739.7
	<hr/>	<hr/>	<hr/>
	34,492	33,126	1,366 4.1
Expenditures and Encumbrances			
General Government	4,693	4,804	111 2.3
Public Safety	16,254	14,881	(1,373) (9.2)
Public Works	4,856	4,950	94 1.9
Library	2,273	2,611	338 12.9
Parks and Recreation	3,455	3,569	114 3.2
	<hr/>	<hr/>	<hr/>
Excess of Revenues over Expenditures and Encumbrances	31,531	30,815	(716) (2.3)
	<hr/>	<hr/>	<hr/>
	\$ 2,961	\$ 2,311	\$ 650 28.1

Assessed value of properties increased 17.9 per cent to \$597 million from \$506 million a year ago. On account of Proposition 13 which became effective July 1, 1978, taxing authorities in California were limited to one per cent of full cash value, or four per cent of assessed values on the 1975-76 assessments. As a result, property taxes this year dropped by \$4.87 million. As a replacement for loss in revenue (property taxes), the City received \$1.983 million from State surplus - 40.6 per cent of revenue lost.

CASH MANAGEMENT

The City has adopted the pooled cash concept. It simplified the investment operation, and maximized the amount of money invested.

The crucial ingredients of investments were used as guide; namely, security, liquidity, and yield. Funds were invested in time deposits, repurchase agreements, bankers acceptance, and federal agency securities.

Interest earned jumped to a record high of \$3,236 million, 78 per cent greater than last year's \$1,823 million. \$1,621 million was allocated to General Fund, \$286 thousand to Revenue Sharing Fund, \$262 thousand to Gas Tax Fund, \$459 thousand to Enterprise Funds, and \$497 thousand to Capital Improvement and Special Assessment Funds.

DEBT ADMINISTRATION

Outstanding General Obligation Bonds at June 30, 1979, totaled \$9,750 million, of which \$980 thousand matures in 1979-80. \$940 thousand bonds were redeemed this year. Please note that Pollution Control General Obligation Bonds worth \$7,600 million were authorized and issued in 1971, for the construction and modernization of the Wastewater Plant. Debt service for these series were paid by Sewer Utility Fund.

Special Assessment Bonds outstanding at June 30, 1979 amounted to \$33,667 million. It included those bonds issued for Water Service Facilities, Wastewater Service Facilities, and Central Parking District. \$1,312 million matures in 1979-80. Additional \$183 thousand worth of Special Assessment Bonds were issued this year for subdivision improvement.

CAPITAL PROJECTS

The cost of completed capital projects totaled \$2,210 million. Completed projects costing over \$100,000 are listed below:

Midtown Parkway	\$134,500
Eighth Street Reconstruction	400,000
Scribley Park Expansion	120,809
Channel and I-5 Park	321,077
E1 Dorado-Calaveras Signal Mod.	119,883
Hammer Lane Signals	120,950
Pershing Avenue-Calaveras North	181,294
French Camp-Charter-Howard	306,400

A substantial portion of the funds used to finance these projects came from Revenue Sharing and Gas Tax Funds.

ENTERPRISE FUNDS

Effective fiscal year 1978-79, Sewer Utility Fund was reclassified as an Enterprise Fund, the reason being a self-supporting entity whose users charges exceeded operating expenses. Net income for the year was \$2,555 million. This figure included \$1,761 million in capital grants, and \$261 thousand representing depreciation of fixed assets acquired through grants in aid for construction which was added back to income to arrive at net income transferred to retained earnings. Bonds redeemed and interest coupons paid totaled \$1,072 million.

Water Utility Fund registered a net income of \$173 thousand. Bonds redeemed and interest coupons paid amounted to \$207 thousand.

INTERNAL SERVICE FUND

Net Income for various services provided to other funds amounted to \$1,054 million, \$261 thousand over last year. Details of net income are shown below:

	1979 is (\$000 Omitted)		1978 (\$000 Omitted)	
	1979	1978	Amount	1978 (\$000 Omitted)
Central Garage	\$ 26	\$ 75	\$ (49)	(65.3)
Radio Service	34	27	7	25.9
Office Equipment	25	8	17	212.5
Self-Insurance	969	683	286	41.9
	\$1,054	\$793	\$ 261	32.9

MISCELLANEOUS

	1979 is (\$000 Omitted)		1978 (\$000 Omitted)	
	1979	1978	Amount	1978 (\$000 Omitted)
City Contribution to PERS	\$ 4,234	\$ 3,792	\$ 442	11.2
Deferred Compensation	378	22	356	1,618.2
Gross Payroll	24,498	23,686	812	3.4

INDEPENDENT AUDITOR'S OPINION

In accordance with the provisions of Article XXII, Section 11, of the City Charter, an audit has been made on the City's financial statements by Bowman, Fong, McKnight, Wiley and Horst, CPAs.

Sincerely yours,

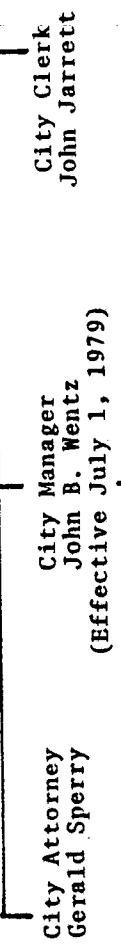
Gary C. Ingram
GARY C. INGRAM
DIRECTOR OF FINANCE

ORGANIZATION CHART
CITY OF STOCKTON, CA
JUNE 30, 1979

PEOPLE OF STOCKTON

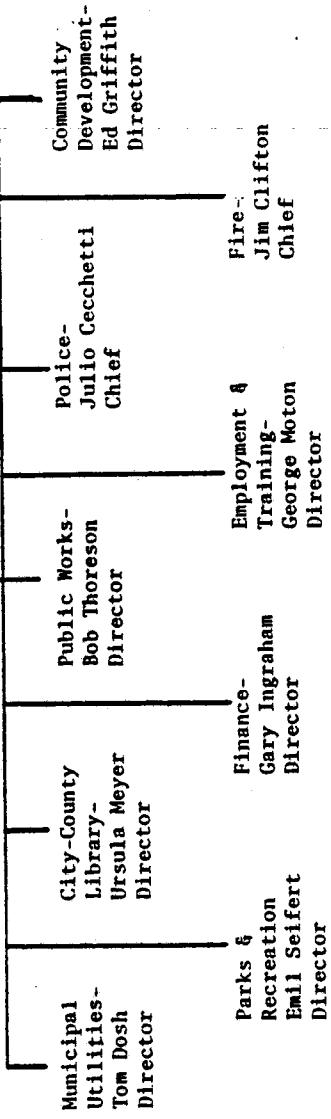
CITY COUNCIL

	<u>Dis-trict</u>	<u>Term Expires</u>
Arnold I. Rue, Mayor	2	10-31-79
Jesse L. Nabors, Vice Mayor	6	10-31-79
Jim Paige	1	10-31-81
Ennis Ramos	3	10-31-79
Daniel A. O'Brien	4	10-31-81
William Sousa	5	10-31-81
Tom Madden	7	10-31-81
Jack E. Clayton	8	10-31-79
Ralph L. White	9	10-31-79



Personnel Services-
Don Muller
Director

Assistant City Manager
Ray Cezar



**Certificate
of
Conformance
in Financial
Reporting**

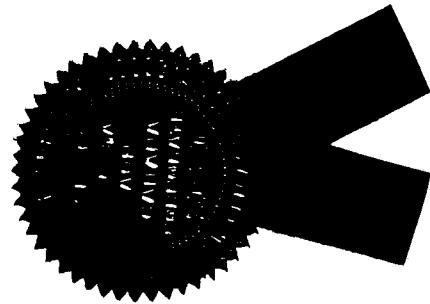
Presented to

City of Stockton, California

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 1978

A Certificate of Conformance in Financial Reporting is presented
by the Municipal Finance Officers Association of the United States and Canada
to governmental units whose annual financial reports are judged to
substantially conform to the financial reporting principles and
standards promulgated by the National Council on Governmental Accounting.



Ed Shadley Jr.
President
Barbara Keay
Executive Director

Date July 30, 1979

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**AUDITED
FINANCIAL
STATEMENTS**



HERBERT H. BOWMAN
THOMAS Y. FONG
GENE C. MCKNIGHT
RAYMOND E. WILEY
WILBERT T. HORST
LARRY H. ANDERSON
DONALD C. HUBBARD
JEREMIAH T. MURPHY, JR.

BOWMAN, FONG, MCKNIGHT
WILEY & HORST
CERTIFIED PUBLIC ACCOUNTANTS
SUITE 103
807 NORTH SAN JOAQUIN STREET
STOCKTON, CALIFORNIA 95202
(209) 946-0418

The Honorable City Council
City of Stockton, California

We have examined the financial statements of the various funds and account groups of the City of Stockton for the year ended June 30, 1979, listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements mentioned in the first paragraph present fairly the financial position of the City of Stockton at June 30, 1979, and the results of its operations and the changes in financial position of the enterprise funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the adjustments and changes in the method of accounting, with which we concur, referred to in Note 2 of the Notes to Financial Statements.

The accompanying supplementary information and the column on the accompanying combined statements captioned "Total (memorandum only)" is not necessary for a fair presentation of the financial statements, but is presented as additional analytical data. The supplementary information has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned in the first paragraph and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The statistical information listed in the foregoing table of contents was not examined by us and, accordingly, we do not express an opinion thereon.

Bowman, Fong, McKnight, Wiley & Horst

Stockton, California
October 19, 1979

CITY OF STOCKTON

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1979

ASSETS	Governmental Fund Types					Proprietary Fund Types					Fiduciary Fund Type			Account Group			Total (Memorandum Only)
	General Revenue		Special Revenue	Debt Service	Capital Project	Special Assessments	Enterprise Assessments	Internal Service	Trust and Agency	General Fixed Assets	Long-term Debt	General	General	Long-term Debt	General	General	
	General	Special	General	Service	Project	Assessments	Enterprise	Service	Agency	Assets	Debt	General	General	Debt	General	General	
Cash and Investments	\$10,285,164	\$ 7,903,566	\$ -	\$ 2,831,690	\$ 4,249,470	\$ 5,884,010	\$ 6,472,954	\$ 2,817,112	\$ -	\$ -	\$ -	\$40,443,966					
Interest receivable on investments	373,613	-	-	-	-	-	-	-	-	-	-						373,613
Taxes and accounts receivable - net	548,412	6,383	-	58,875	-	728,004	25,261	2,443	-	-	-						1,369,378
Due from Federal, State and local governments	246,416	6,528,732	-	1,124,559	12,283	4,911,060	-	279,650	-	-	-						13,102,700
Inventory of supplies	324,948	-	-	-	-	217,248	-	-	-	-	-						542,196
Prepaid expenses	16,705	-	-	-	-	-	5,340	-	-	-	-						22,045
Restricted cash and investments	-	-	2,878	-	130,432	10,621	-	-	-	-	-						143,931
Advances to governmental agencies	54,316	-	-	278,348	-	-	-	805,208	-	-	-						332,664
Advances to property owner	-	-	-	-	-	-	-	-	-	-	-						805,208
Property, plant and equipment - net	-	-	-	-	-	74,585,406	3,411,410	-	35,513,892	-	-						
Deferred assessments receivable	-	-	-	-	-	21,257,805	-	-	-	-	-						21,257,805
Amount to be provided for retirement of long-term debt	-	-	-	-	-	-	-	-	-	-	-						
Other assets	<u>\$11,849,574</u>	<u>\$14,438,681</u>	<u>\$ 2,878</u>	<u>\$ 4,293,472</u>	<u>\$ 25,649,990</u>	<u>\$ 386,336,349</u>	<u>\$ 10,084,610</u>	<u>\$ 169,645</u>	<u>\$ 120,350</u>	<u>\$ 4,024,763</u>	<u>\$ 35,513,892</u>	<u>\$ 4,078,137</u>	<u>4,078,137</u>	<u>\$ 289,995</u>	<u>\$ 196,277,346</u>	<u>\$ 4,078,137</u>	<u>\$ 196,277,346</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1979

	Governmental Fund Types						Proprietary Fund Types			Fiduciary Fund Type			Account Groups			
	General	Special Revenue	Debt Service	Capital Project	Special Assessments	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-term Debt		General	Long-term Debt	General	Long-term Debt	
										\$	-					
LIABILITIES																
Cash over draft	\$ 253,889	\$ 260,426	\$ 1,251,232	\$ 356,167	\$ 321,940	\$ 1,037,080	\$ 280,214	\$ 120,350	\$ -	\$ -	\$ -	\$ 260,426	\$ 3,620,872			
Accounts payable																
Accrued payroll, unclaimed wages, and other	1,397,522	-	-	-	-	107,574	-	353,837	-	-	-	1,858,933				
Due to other governmental agencies/funds	8,417	388,584	2,040	6,658	-	-	22,300	142,568	-	-	-	546,227				
Deposits and other liabilities								2,014,832	-	-	-	2,039,172				
Current maturities of long-term debt	-	-	-	-	-	738,878	15,287	-	-	-	-	754,165				
Liabilities payable from restricted assets	-	-	-	2,878	-	130,432	10,621	-	-	-	-	143,931				
General obligation bonds payable - being repaid by Enterprise Fund	-	-	-	-	-	6,525,000	-	-	-	-	-	6,525,000				
Advances from governmental agency, and other funds	-	-	-	-	-	1,508,213	-	122,696	-	-	-	1,630,909				
Water extension agreements	-	-	-	-	-	121,035	-	-	-	-	-	121,035				
Bonds payable and other long-term debt	\$ 1,659,828	\$ 1,902,282	\$ 2,878	\$ 362,825	\$ 23,019,427	\$ 6,449,284	\$ 50,736	\$ 2,756,283	\$ -	\$ 4,078,137	\$ 33,597,584	\$ 551,098,254				
FUND EQUITY																
Contributed capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,967,722	\$ 3,698,829	\$ -	\$ -	\$ 35,513,892	\$ -	\$ 64,666,551				
Investment in fixed assets												35,513,892				
Retained earnings:																
Reserved for self-insurance																
Reserved for bond retirement																
Reserved for authorized expenditures																
Reserved for vacation and sick leave																
Unreserved																
Fund balance:																
Reserved for encumbrances and sick leave	321,699	2,389,180	-	1,529,537	306,944	-	-	-	-	-	-	4,547,360				
Reserved for inventory of supplies	324,948	-	-	-	-	-	-	-	-	-	-	3,431,468				
Reserved for authorized expenditures	-	7,731,179	94,741	652,812	-	-	-	-	-	-	-	324,948				
Reserved for other items	466,174	-	-	1,079,229	49,051	-	-	-	-	-	-	8,383,991				
Unreserved:																
Designated for specific purposes	5,665,457	2,321,299	\$ 12,536,399	\$ 669,069	\$ 697,660	\$ 2,118,191	\$ 69,816,364	\$ 9,738,373	\$ 44,307	\$ 1,270,480	\$ 35,513,892	\$ -	1,063,545			
Undesignated	\$ 10,189,746			\$ 3,930,647								\$ 145,174,092				
	\$ 11,849,574	\$ 14,438,681		\$ 2,878	\$ 4,293,472	\$ 25,649,990	\$ 86,336,349	\$ 10,084,610	\$ 4,024,763	\$ 35,513,892	\$ 4,078,137	\$ 196,272,346				

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

**COMBINED STATEMENT OF REVENUE, EXPENDITURES AND ENCUMBRANCES,
TRANSFERS, AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
For Fiscal Year Ended June 30, 1979**

	Governmental Fund Types					Fiduciary Fund Type	Total
	General	Special Revenue	Debt Service	Capital Projects	Special Assessment	Expendable Trust	(Memorandum Only)
REVENUE							
Taxes	\$ 19,719,264	\$ -	\$ -	\$ 31,008	\$ -	\$ -	\$ 19,750,272
Licenses and permits	2,871,812	-	-	-	-	-	2,871,812
Intergovernmental revenue	4,564,175	30,902,634	-	627,078	-	-	36,093,887
Charges for services	3,480,652	-	-	585,155	91,203	-	4,157,008
Fines and forfeitures	614,346	-	-	-	-	-	614,346
Use of money and property	1,697,355	549,145	-	245,043	264,868	-	2,756,411
Miscellaneous revenue	1,544,590	21,343	-	59,592	10,279	-	1,635,804
Total revenue	\$24,492,192	\$31,473,122	\$ -	\$ 1,547,876	\$ 366,350	\$ -	\$67,879,540
EXPENDITURES AND ENCUMBRANCES							
General government	\$ 4,692,964	\$23,619,758	\$ -	\$ 1,454,435	\$ -	\$ -	\$ 29,767,157
Public safety	16,253,971	662,478	\$ 637,674	-	-	-	17,554,123
Public works	4,856,362	6,305,944	456,747	5,102,926	-	-	16,721,979
Sanitation and waste removal	-	-	419,589	-	-	-	419,589
Library	2,272,960	211,683	994,387	-	-	1,106	3,480,136
Parks and recreation	3,454,824	29,564	2,137,184	-	-	21	5,621,593
Debt service:	-	-	610,000	-	-	-	610,000
Principal retirement	-	-	124,088	-	-	-	124,088
Interest and fiscal charges	-	-	-	-	6,553	-	6,553
Total expenditures and encumbrances	\$31,531,081	\$30,829,427	\$ 734,088	\$ 6,100,016	\$ 5,109,479	\$ 1,127	\$74,305,218
Excess (Deficiency) of Revenues over Expenditures and Encumbrances	\$ 2,961,111	\$ 643,695	\$ (734,088)	\$ (4,552,140)	\$ (4,743,129)	\$ (1,127)	\$ (6,425,678)
OTHER FINANCING SOURCES (USES)							
Proceeds of special assessment bonds	\$ -	\$ -	\$ -	\$ 2,489,297	-	\$ 184,102	\$ 184,102
Operating transfers in	592,708	454,565	734,088	(40,699)	3,476	4,893	4,275,551
Operating transfers out	(1,034,390)	(3,246,448)	(2,791,883)	\$ 2,449,598	\$ 187,578	\$ 4,893	(4,318,061)
Total other financing source (uses)	\$ (441,682)	\$ 734,088	\$ 2,449,598	\$ 187,578	\$ 4,893	\$ 4,893	\$ 141,592
DIRECT (CHARGES) CREDIT TO FUND BALANCE							
Inventory adjustment	\$ 4,645	\$ -	\$ -	\$ (52,708)	\$ -	\$ -	\$ 4,645
Uncollectible accounts adjustment	20,345	\$ (79,237)	\$ -	\$ (52,708)	\$ -	\$ -	\$ (111,600)
Total direct (charges) credits to fund balance	\$ 24,990	\$ (79,237)	\$ -	\$ (2,156,250)	\$ (4,555,551)	\$ 3,766	\$ (106,955)
Net increase (decrease) in fund balance during year	\$ 2,544,419	\$ (2,221,425)	\$ -	507,136	343,313	40,541	\$ (6,391,041)
Fund balance - unreserved at beginning of year	2,801,180	556,920	-	-	-	-	4,249,150
Prior period adjustment (Note 2)	220,000	-	-	-	-	-	220,000
Fund balance - unreserved at beginning of year - as restated	\$ 3,021,180	\$ 556,920	\$ -	\$ 507,136	\$ 343,373	\$ 40,541	\$ 4,469,150
(Increase) decrease in reserves	\$ 297,274	\$ 3,991,804	\$ -	\$ 2,332,330	\$ 4,909,838	\$ -	\$ 11,531,246
Equity fund transfer	(217,416)	-	-	(14,147)	-	-	(231,563)
Fund balance - unreserved at end of year	\$ 5,665,457	\$ 2,321,299	\$ -	\$ 669,069	\$ 697,660	\$ 44,307	\$ 9,377,792

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUE, EXPENSES AND CHANGES IN RETAINED EARNINGS/FUND BALANCES
 ALL PROPRIETARY AND SIMILAR TRUST FUND TYPES
 For Fiscal Year Ended June 30, 1979

	Proprietary Fund Types	Fiduciary Fund Type	Total (Memorandum Only)
	Internal Service	Non-Expendable Trust	
OPERATING REVENUE			
Charges for services	\$ 7,834,383	\$ 5,753,051	\$13,587,434
Miscellaneous revenue	60,738	25,548	111,426
Total Operating Revenue	\$ 7,895,121	\$ 5,778,599	\$13,698,860
 OPERATING EXPENSES			
Purchased water	\$ 66,536	\$ -	\$ 66,536
Operating and maintenance	3,790,347	3,622,688	7,413,035
General and administrative	1,414,242	460,775	1,875,017
Depreciation	1,029,978	637,533	1,667,511
Total Operating Expenses	\$ 6,301,103	\$ 4,720,996	\$11,022,099
 Operating Income	\$ 1,594,018	\$ 1,057,603	\$ 2,676,761
 NONOPERATING REVENUE (EXPENSES)			
Capital grants	\$ 1,447,321	\$ -	\$ 1,447,321
Investment earnings	459,488	-	459,488
Gain (loss) from disposal of property	2,193	(3,321)	(1,128)
Interest expense and fiscal charges	(894,874)	-	(895,635)
Miscellaneous	(176,870)	-	(176,870)
Total Nonoperating Revenue (Expenses)	\$ 837,258	\$ (3,321)	\$ 833,176
 Income before Operating Transfers	\$ 2,431,276	\$ 1,054,282	\$ 3,509,937
 OPERATING TRANSFERS IN			
Net Income	\$ 2,467,723	\$ 1,054,282	\$ 3,521,005
 DEPRECIATION ON CONTRIBUTED FIXED ASSETS			
Net Income	\$ 260,899	-	279,599
 RETAINED EARNINGS/FUND BALANCE - UNRESERVED AT BEGINNING OF YEAR			
As previously reported	\$ 6,078,106	\$ 5,508,883	\$12,383,094
Prior period adjustments (Note 2)		(3,278,221)	(3,278,221)
As restated	\$ 6,078,106	\$ 2,230,662	\$ 9,104,873
 (INCREASE) DECREASE IN RESERVES	(2,118,821)	(970,087)	(3,088,999)
 EQUITY FUND TRANSFER OUT	(70,953)	-	(70,953)
 RETAINED EARNINGS/FUND BALANCE - UNRESERVED AT END OF YEAR			
	\$ 6,616,354	\$ 2,314,857	\$ 9,995,356
	\$ 1,063,545	\$ 1,063,545	\$ 9,995,356

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

**COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES AND NON-EXPENDABLE TRUST FUNDS
For Fiscal Year Ended June 30, 1979**

	Proprietary Fund Types	Fiduciary Fund Type Internal Service	Non-Expendable Trust	Total (Memorandum Only)
SOURCES OF WORKING CAPITAL				
Operations:				
Net income	\$ 2,467,723	\$ 1,054,282	\$ 267,531	\$ 3,789,536
Items not affecting working capital				
Depreciation	1,029,978	637,533	-	1,667,511
Amortization of bond discount	4,536	-	-	4,536
Reduction in capital grants	409,825	-	-	409,825
Loss on the disposal of property	-	3,321	-	3,321
Loans receivable collected				
Working capital provided by operations	\$ 3,912,062	\$ 1,695,136	\$ 305,350	\$ 5,912,548
Loan from federal government - EDA	308,835	-	-	308,835
Increase in lease obligation	-	50,736	-	50,736
Group health insurance reserve transferred by insurer	-	516,220	-	516,220
Proceeds from sale of fixed assets	-	43,984	-	43,984
Total Sources of Working Capital	\$ 4,220,897	\$ 2,306,076	\$ 305,350	\$ 6,832,323
APPLICATIONS OF WORKING CAPITAL				
Retirement of long-term debt	\$ 656,514	\$ -	\$ -	\$ 656,514
Acquisition of property, plant and equipment	6,167,037	381,508	-	6,545,545
Increase in deposits	-	169,645	-	169,645
Equity fund transfer	70,953	-	-	70,953
Reduction of contribution in aid of construction	4,380	-	-	4,380
Redevelopment loans to property owners	-	-	390,000	390,000
Total Applications of Working Capital	\$ 6,898,884	\$ 557,153	\$ 390,000	\$ 7,846,037
Net Increase (Decrease) in Working Capital	\$ (2,677,987)	\$ 1,748,923	\$ (84,650)	\$ (1,013,714)
ELEMENTS OF NET INCREASE (DECREASE) IN WORKING CAPITAL				
Cash and investments	\$ 2,198,596	\$ 2,001,695	\$ (2,578)	\$ 4,197,713
Accounts receivable	30,129	18,960	-	49,089
Due from governmental agencies	(5,248,180)	-	(78,000)	(5,326,180)
Inventory of supplies	78,301	-	-	78,301
Prepaid expenses	-	(1,539)	-	(1,539)
Accounts payable	621,606	(270,193)	89	351,502
Deposits/accrued expense	(115,962)	-	(4,161)	(120,123)
Current maturities of long-term debt	(242,477)	-	-	(242,477)
Net Increase (Decrease) in Working Capital	\$ (2,677,987)	\$ 1,748,923	\$ (84,650)	\$ (1,013,714)

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

COMBINED SCHEDULE OF LONG-TERM DEBT
June 30, 1979

TYPE OF DEBT	Series No.	Effective Interest Rate - %	Date of Issue	Date of Final Maturity	Amount Authorized and Issued	Paid Prior Years	Paid 1978 - 1979	Outstanding 06-30-79	Maturing
									1979 - 1980
General Obligation Bonds:									
Streets	1958B	3.36	02-01-59	02-01-79	\$ 1,350,000	\$ 1,240,000	\$ 110,000	\$ -	\$ -
Streets	1958C	3.54	02-01-60	02-01-80	4,563,000	3,513,000	325,000	725,000	350,000
Library	1962	3.09	09-01-62	09-01-82	1,740,000	1,050,000	120,000	570,000	135,000
Police facility	1968	4.23	09-01-68	09-01-93	1,850,000	300,000	55,000	1,495,000	60,000
Pollution control (sewer utility)	1971	4.686	04-12-71	02-01-91	7,600,000	310,000	330,000	6,960,000	435,000
Total General Obligation Bonds					\$17,103,000	\$ 6,413,000	\$ 940,000	\$ 9,750,000	\$ 980,000
Capitalized Leases Payable:									
Recreation facilities	-	6.12	1970	1991	\$ 1,590,000	\$ 280,468	\$ 45,547	\$ 1,263,985	\$ 48,377
Equipment (general fixed assets)	-	5.5	11-10-78	1981	28,598	-	4,446	24,152	9,265
Equipment (internal service fund)	-	5.5	11-10-78	1981	73,360	-	7,336	66,024	15,287
Total Capitalized Leases Payable					\$ 1,691,958	\$ 280,468	\$ 57,329	\$ 1,354,161	\$ 72,929
Special Assessment Bonds:									
Sanitary sewers - Thornton Road	131	3.94	01-02-63	07-02-78	\$ 17,157	\$ 16,013	\$ 1,144	\$ -	\$ -
Sanitary sewers - Pilgrim & Union	133	3.98	02-02-64	07-02-79	32,09	28,109	2,000	2,000	2,000
Sanitary sewers - North Stockton & Orchardview	134	4.17	02-02-64	07-02-79	11,222	9,722	750	750	750
Water system - Hammer Lane	135	3.88	04-15-64	07-02-79	16,091	14,091	1,000	1,000	1,000
Subdivision improvements - Carson Ranch	137	3.94	12-07-65	07-02-81	646,050	499,050	22,000	125,000	38,000
Streets, curbs and walks - Brookside	138	4.00	01-20-65	07-02-80	33,432	24,432	3,000	6,000	3,000
Traffic channelization - Weber Avenue	139	3.70	06-02-65	07-02-80	12,732	10,182	849	1,637	849
Storm sewers - West Lane	140	3.99	12-02-65	07-02-81	59,023	47,023	-	12,000	4,000
Sanitary sewers - Watts Addition and Mountainview	141	4.27	02-15-66	07-02-81	37,706	25,706	3,000	9,000	3,000
Sanitary sewers - Riverview Terrace	142	4.12	02-15-66	07-02-81	119,336	87,336	8,000	24,000	8,000
Sanitary sewers - Burkett Villas & Burkett Acres	143	5.03	01-03-67	07-02-80	62,565	41,565	4,000	17,000	4,000
Subdivision improvements - Lincoln Village West	144	5.24	11-02-66	07-02-87	812,800	353,800	65,000	394,000	30,000
Sanitary sewers - El Ricardo	145	4.28	02-15-67	07-02-82	86,104	60,104	4,000	22,000	5,000
Sanitary sewers - Northern Stockton #2	146	4.90	02-15-67	07-02-82	28,726	20,726	1,000	7,000	1,000
Streets, curbs and walks - Sherwood Plaza	147	4.78	07-25-67	07-02-92	423,690	199,490	17,000	207,000	27,000
Off street parking - Central Parking District:									
Division 1	148-A	4.93	09-02-67	07-02-92	2,000,000	290,000	35,000	1,675,000	40,000
Division 2	148-B	5.35	02-02-68	07-02-92	1,000,000	165,000	20,000	815,000	20,000
Division 3	148-C	5.47	11-02-68	07-02-95	1,000,000	150,000	20,000	830,000	20,000
Division 4	148-D	7.00	04-02-70	07-02-95	583,000	-	583,000	-	-
Curb, gutters and sidewalks - West Jackson Subdivision No. 6 and Little Court	150	5.62	03-15-68	07-02-83	9,915	6,610	661	2,644	-
Curb, gutters and sidewalks - North Wilson Way	151	5.50	08-15-68	07-02-83	18,545	8,545	1,000	9,000	1,000
Sanitary sewers - Burkett Acres and Burkett Villas	152	5.58	07-02-68	07-02-83	95,280	59,280	5,000	31,000	6,000

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

COMBINED SCHEDULE OF LONG-TERM DEBT
June 30, 1979

Series No.	Effective Interest Rate - %	Date of Issue	Date of Final Maturity	Amount Authorized and Issued	Paid Prior Years	1978 - 1979	Outstanding 06-30-79	Maturing 1979 - 1980
						Paid 1978	Paid 1979	Outstanding 06-30-79
Special Assessment Bonds (Continued):								
Curbs, gutters and sidewalks - Accis and Willow	153	6.00%	07-10-68	\$ 14,720	\$ 10,720	\$ 1,000	\$ 3,000	\$ 1,000
Subdivision improvements - Lincoln Village								
West No. 2	154	5.50	09-03-68	662,000	212,000	31,000	419,000	36,000
Sanitary sewers - Sharps Lane Villas	155	5.64	10-29-68	172,499	59,499	8,000	105,000	7,000
Curbs, gutters and sidewalks - Watts Addition								
and Mountainview Terrace	156	5.65	06-10-69	106,464	62,464	8,000	36,000	7,000
Water reservoir - Holiday Park	157	5.50	10-31-68	33,055	23,055	1,000	9,000	-
Subdivision improvements - Lincoln Village								
West No. 3	158	5.90	07-02-69	553,000	195,000	25,000	333,000	25,000
Stockton Water Service Facilities District	159-A	6.20	07-02-69	850,000	100,000	20,000	730,000	20,000
Stockton Water Service Facilities District	159-B	7.32	07-02-74	1,650,000	90,000	35,000	1,525,000	40,000
Sanitary sewers - McKinley Assessment District	160	6.17	07-02-71	793,792	137,792	35,000	621,000	30,000
Subdivision improvements - Lincoln Village								
West No. 4	161	6.50	09-02-69	267,000	107,000	64,000	96,000	10,000
Subdivision improvements - Lincoln Village								
West No. 11	162	7.00	09-02-70	343,650	69,650	40,000	234,000	17,000
Subdivision improvements - Lincoln Village								
West No. 10	163	7.00	09-02-70	439,450	81,450	37,000	321,000	20,000
Streets, curbs, and gutters - Stockton								
Unified Assessment District	164	6.84	12-22-70	38,859	17,859	2,000	19,000	2,000
Subdivision improvements - Hacienda Village	165	5.16	04-12-71	170,000	134,000	7,000	29,000	-
Subdivision improvements - Lincoln Village								
West No. 16	166	6.09	07-02-71	303,000	59,000	21,000	223,000	10,000
Subdivision improvements - Monte Diablo	167	6.75	10-12-71	41,048	11,048	2,000	28,000	3,000
Curbs, gutters and sidewalks - Scotts-Taylor	168	6.00	02-02-72	16,690	4,690	1,000	11,000	1,000
Subdivision improvements - Lincoln Village								
West No. 18	169	6.00	07-02-72	548,000	61,000	23,000	464,000	20,000
Subdivision improvements - Lincoln Village								
West No. 23	170	6.00	07-02-73	690,000	57,000	26,000	607,000	31,000
Subdivision improvements - Lincoln Village								
West No. 28	171	5.91	07-02-74	390,000	15,000	10,000	365,000	10,000
Subdivision improvements - Stockton Triangle								
Industrial Park	172	7.55	10-01-74	1,165,000	85,000	50,000	1,030,000	55,000
Subdivision improvements - Quail Lakes	173	7.81	11-15-74	2,700,000	20,000	240,000	2,440,000	85,000
Subdivision improvements - Porter Avenue	174	7.33	12-17-74	192,788	17,788	10,000	165,000	10,000
Subdivision improvements - Oregon Avenue	175	6.79	04-02-75	168,950	23,950	10,000	135,000	10,000
Subdivision improvements - Quail Lakes No. 4	176	7.15	05-02-75	580,000	18,000	18,000	542,000	19,000
Subdivision improvements - River Terrace No. 2	177	6.97	05-02-75	160,650	58,650	14,000	88,000	10,000
Subdivision improvements - Quail Lakes No. 1	178	7.25	05-02-75	570,000	33,000	30,000	507,000	36,000
Subdivision improvements - Venetian Gardens								
No. 1	179	7.41	05-02-75	1,850,000	75,000	15,000	1,455,000	40,000
Subdivision improvements - Stockton Unified	180	7.00	07-02-75	643,640	28,640	15,000	600,000	45,000

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

COMBINED SCHEDULE OF LONG-TERM DEBT
June 30, 1979

Series No.	Effective Interest Rate - %	Date of Issue	Date of Final Maturity	Amount Authorized and Issued	Paid Prior Years	Paid 1978 - 1979	Outstanding 06-30-79	Maturing 1979 - 1980
						Paid 1978 - 1979		
Special Assessment Bonds (Continued):								
Stockcon Wastewater Services Facility District	181	7.19	07-02-75	\$ 4,700,000	\$ 135,000	\$ 75,000	\$ 4,490,000	\$ 80,000
Subdivision Improvements - North Lake	182	7.25	05-02-76	433,000	3,000	10,000	420,000	10,000
Subdivision Improvements - Venetian Gardens No. 2	183	7.25	07-02-76	730,000	105,000	10,000	615,000	15,000
Subdivision Improvements - Quail Lakes No. 6	184	6.62	07-02-76	427,000	2,000	5,000	420,000	10,000
Subdivision Improvements - Lincoln Village West No. 40	185	6.62	07-02-76	244,000	4,000	10,000	230,000	10,000
Subdivision Improvements - Quail Lakes No. 5	186	6.62	07-02-76	256,000	6,000	10,000	240,000	10,000
Subdivision Improvements - El Pinal Industrial Park	187	6.68	10-12-76	1,460,000	-	5,000	1,455,000	35,000
Subdivision Improvements - Quail Lakes No. 7 and No. 8	188	6.73	07-12-76	552,000	-	26,000	526,000	10,000
Subdivision Improvements - Venetian Gardens No. 3	189	6.25	05-02-77	450,000	-	105,000	345,000	5,000
Subdivision Improvements - Quail Lakes No. 10	190	5.75	06-21-77	415,000	-	-	415,000	10,000
* Sanitary sewer - Country Club Sanitary Sewer	191	5.75	09-22-77	92,350	-	1,000	91,350	1,350
* Subdivision Improvements - Coronado Commercial Complex	192	6.00	06-12-77	93,000	-	34,000	59,000	3,000
Subdivision Improvements - Quail Lakes No. 9 and 11	193	5.60	08-17-77	938,000	-	-	938,000	42,000
* Sanitary sewer - East Main - Burkett Community Assessment	194	7.50	07-11-78	310,716	-	5,000	305,716	5,716
* Subdivision Improvements - March Brookside	195	5.25	02-15-78	1,620,270	-	-	1,620,270	5,270
* Subdivision Improvements - Venetian Bridges No. 1	196	6.75	06-02-78	3,400,000	-	-	3,400,000	245,000
* Subdivision Improvements - March Lane Da Vinci Drive	197	7.5	02-09-79	183,000	-	-	183,000	-
Total Special Assessment Bonds				\$39,523,874	\$ 4,486,043	\$ 1,372,404	\$33,667,427	\$ 1,311,935
Total Long-Term Debt				\$58,318,832	\$11,177,511	\$ 2,369,733	\$44,771,588	\$ 2,364,864

* Authorized and awarded in Fiscal Year 1978-79

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 GENERAL FUND
 BALANCE SHEET
 June 30, 1979

ASSETS		LIABILITIES AND FUND BALANCE	
Cash and investments		Liabilities	
Interest receivable on investments		Accounts payable	
Accounts receivable (net of allowance for uncollectibles of \$109,255)		Accrued Payroll and fringe benefits	
Due from federal, state, and local governments		Unclaimed wages	
Inventory of supplies		Due to other governmental agencies/other funds	
Prepaid expenses		Total Liabilities	
Advances to governmental agencies		Fund Balance	
Total Assets		Reserved for encumbrance	\$ 321,699
		Reserved for inventory of supplies	324,948
		Reserved for Metro and Lincoln recreation	155,858
		Reserved for CETA-PERS	250,000
		Reserved for vacation and sick leave	3,431,468
		Reserved for miscellaneous items	60,316
		Unreserved	5,645,457
		Total Fund Balance	\$10,189,746
		Total Liabilities and Fund Balance	\$11,849,574

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND ENCUMBRANCES,
TRANSFERS, AND CHANGES IN FUND BALANCE
For Fiscal Year Ended June 30, 1979

	1979		Over (Under) Budget
	Final Budget	Actual	
Revenue			
Taxes	\$19,269,913	\$19,719,264	\$ 449,351
Licenses and Permits	2,459,270	2,871,812	412,542
Intergovernmental revenue	4,344,374	4,564,175	219,801
Charges for services	3,030,576	3,480,650	450,074
Fines and forfeitures	635,000	614,346	(20,654)
Use of money and property	878,000	1,697,355	819,355
Miscellaneous revenue	1,038,000	1,544,590	506,590
Total Revenue	<u>\$31,655,133</u>	<u>\$34,492,192</u>	<u>\$ 2,837,059</u>
Expenditures and Encumbrances			
General government	\$ 5,953,476	\$ 4,692,964	(1,260,512)
Public safety	16,809,727	16,253,971	(555,756)
Public works	5,057,662	4,856,362	(201,300)
Library	2,345,417	2,272,960	(72,457)
Parks and recreation	3,930,515	3,454,824	(475,691)
Total Expenditures and Encumbrances	<u>\$34,096,797</u>	<u>\$31,531,081</u>	<u>\$(2,565,716)</u>
Excess (Deficiency) of Revenue over Expenditures and Encumbrances	<u>\$12,441,664)</u>	<u>\$ 2,961,111</u>	<u>\$ 5,402,775</u>
Other Financing Sources (Uses)			
Operating transfers in		\$ 592,708	
Operating transfers out		(1,034,390)	
Total Other Financing Sources (Uses)		<u>\$ (441,682)</u>	
Direct (Charges) Credits to Fund Balance			
Inventory adjustment		\$ 4,645	
Uncollectible accounts adjustment		20,345	
Total Direct (Charges) Credits to Fund Balance		<u>\$ 24,990</u>	
Net Increase in Fund Balance During Year		<u>\$ 2,544,419</u>	
Fund Balance - unreserved at beginning of year		\$ 2,801,180	
Prior period adjustment (Note 2)		(\$ 220,000)	
Fund Balance - unreserved at beginning of year - as restated		<u>\$ 3,021,180</u>	
(Increase) Decrease in reserves		<u>\$ 297,274</u>	
Equity fund transfer		(217,416)	
Fund Balance - unreserved at end of year		<u>\$ 5,645,457</u>	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 SPECIAL REVENUE FUNDS
 COMBINING BALANCE SHEET
 June 30, 1979

ASSETS	<u>Special Grants</u>	<u>Revenue Sharing</u>	<u>Cooperative Library</u>	<u>Gas Tax</u>	<u>Community Development Block Grant</u>	<u>CETA</u>	Total (Memorandum Only)
Cash and investments	\$ 406,640	\$ 2,866,670	\$ 97,024	\$ 4,074,309	\$ -	\$ 458,923	\$ 7,903,566
Accounts receivable	-	-	-	6,033	-	350	6,383
Due from federal, state and local governments	219,138	1,136,111	-	2,017,358	2,059,403	1,096,722	6,528,732
Total Assets	\$ 625,778	\$ 4,002,781	\$ 97,024	\$ 6,097,700	\$ 2,059,403	\$ 1,555,995	\$14,438,681

LIABILITIES AND FUND BALANCE

Liabilities	<u>Cash overdraft</u>	<u>Accounts payable</u>	<u>Due to other governmental agencies</u>	<u>Deposits</u>	<u>Total Liabilities</u>	<u>Fund Balance</u>	<u>Reserved for encumbrances</u>	<u>Reserved for loan repayment</u>	<u>Reserved for authorized expenditures</u>	<u>Unreserved</u>	<u>Total Fund Balance</u>	<u>Total Liabilities and Fund Balance</u>	
Cash overdraft	\$ 16,248	\$ 6,501	-	-	\$ 22,749	\$ -	\$ 134,535	\$ -	\$ 602	\$ 1,820,183	\$ 432,450	\$ 1,410	
Accounts payable	-	-	-	-	-	\$ 263,777	-	-	-	94,741	-	94,741	
Due to other governmental agencies	-	-	-	-	-	-	2,813,804	72,436	2,881,418	1,496,437	(1,410)	7,731,179	
Deposits	-	-	-	-	-	-	1,188,977	-	1,132,322	-	-	2,321,299	
Total Liabilities	\$ 22,749	\$ -	\$ 23,986	\$ 263,777	\$ 35,775	\$ 1,555,995	\$ 1,902,282	\$ -	\$ -	\$ -	\$ -	\$12,536,399	
Fund Balance	\$ 603,029	\$ 4,002,781	\$ 73,038	\$ 5,833,923	\$ 2,023,628	\$ -	\$ 625,778	\$ 4,002,781	\$ 97,024	\$ 6,097,700	\$ 2,059,403	\$ 1,555,995	
Reserved for encumbrances	-	-	-	-	-	\$ -	-	-	-	-	-	\$14,438,681	
Reserved for loan repayment	-	-	-	-	-	-	-	-	-	-	-	-	
Reserved for authorized expenditures	-	-	-	-	-	-	-	-	-	-	-	-	
Unreserved	-	-	-	-	-	-	-	-	-	-	-	-	
Total Fund Balance	\$ 603,029	\$ 4,002,781	\$ 73,038	\$ 5,833,923	\$ 2,023,628	\$ -	\$ 625,778	\$ 4,002,781	\$ 97,024	\$ 6,097,700	\$ 2,059,403	\$ 1,555,995	\$14,438,681

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
ENCUMBRANCES, TRANSFERS, AND CHANGES IN FUND BALANCE
For Fiscal Year Ended June 30, 1979

	Final Budget Entire Entitlement	Beginning- To-Date	Actual Prior Year	1979	Over (Under) Entire Entitlement Budget
Revenue					
Intergovernmental revenues					
Special grants	\$ 1,073,686	\$ 660,284	\$ -	\$ 660,284	\$ (413,402)
Revenue sharing	2,272,219	2,272,219	-	2,272,219	-
Cooperative library system	799,504	799,504	560,095	2,239,409	-
Gas tax	2,667,474	2,719,222	-	2,719,222	51,748
Community development block grant	7,333,053	7,333,053	3,728,094	3,604,959	-
CETA	54,065,979	43,870,322	22,463,781	21,406,541	(10,195,657)
Use of money and property					
Revenue sharing	60,000	285,677	-	285,677	225,677
Gas tax	90,000	262,496	-	262,496	172,496
Community development block grant	39,200	23,469	22,497	972	(15,731)
Miscellaneous revenue					
Community development block grant					
Total Revenue	<u>\$68,623,240</u>	<u>\$58,464,102</u>	<u>237,856</u>	<u>216,513</u>	<u>-\$15,731</u>
Expenditures and Encumbrances					
General government					
Special grants	\$ 116,397	\$ 82,380	\$ -	\$ 82,380	\$ (34,017)
Community development block grant	6,768,504	5,272,066	3,141,229	2,130,837	(1,496,438)
CETA	54,065,979	43,870,322	22,463,781	21,406,541	(10,195,657)
Public safety					
Special grants	1,041,806	662,478	-	662,478	(379,328)
Public works	1,024,239	555,986	-	555,986	(468,253)
Special grants	12,337,249	9,455,831	3,705,873	5,749,958	(2,881,418)
Gas tax					
Library					
Cooperative library system	799,504	727,068	515,385	211,683	(72,436)
Parks and recreation					
Special grants	29,862	29,564	-	29,564	(298)
Total Expenditures and Encumbrances	<u>\$76,183,540</u>	<u>\$60,655,695</u>	<u>\$29,826,268</u>	<u>\$30,829,427</u>	<u>\$(15,527,845)</u>

(Continued)

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 ENCUMBRANCES, TRANSFERS, AND CHANGES IN FUND BALANCE
 For Fiscal Year Ended June 30, 1979

(Continued)

	<u>1979</u>
Excess of Revenue over Expenditures and Encumbrances	\$ 643,695
Other Financing Sources (uses)	\$ 454,565
Operating transfers in	\$(3,246,448)
Operating transfers out	\$(2,791,883)
Total Other Financing Use	
Direct (Charges) to Fund Balance	
Accounts receivable cancelled	(79,237)
Total Direct (Charges) Credits to Fund Balance	(79,237)
Net Increase (Decrease) in Fund Balance During Year	(2,227,425)
Fund Balance - unreserved at beginning of year	556,920
(Increase) Decrease in reserves	3,991,804
Fund Balance - unreserved at end of year	<u>\$ 2,321,299</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
DEBT SERVICE FUND
BALANCE SHEET
June 30, 1979

ASSETS	\$ <u>2,878</u>
Cash with fiscal agent	
LIABILITIES	\$ <u>2,878</u>
Matured bonds and interest payable	
Expenditures	
Debt service	\$ 610,000
Principal retirement	\$ 124,088
Interest and fiscal charges	
Total Expenditures	\$ <u>734,088</u>
(Deficiency) of revenue over expenditures	\$ (734,088)
Other financing source	
Operating transfers in	\$ <u>734,088</u>
Decrease in fund balance during year	\$ <u>-</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 CAPITAL PROJECT FUND
 BALANCE SHEET
 June 30, 1979

ASSETS

Cash and investments	\$ 2,831,690
Accounts receivable	58,875
Due from federal, state and local governments	1,124,559
Advances to governmental agencies	278,348
Total Assets	<u>\$ 4,293,472</u>

LIABILITIES AND FUND BALANCE

Liabilities	\$ 356,167
Accounts payable	6,658
Due to other funds	
Total Liabilities	<u>\$ 362,825</u>

Fund Balance	\$ 1,529,537
Reserved for encumbrances	800,881
Reserved for port property sale	278,348
Reserved for advances to governmental agency	652,812
Reserved for authorized expenditures	669,069
Unreserved	
Total Fund Balance	<u>\$ 3,930,647</u>

Total Liabilities and Fund Balance

\$ 4,293,472

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 CAPITAL PROJECT FUND
 STATEMENT OF REVENUE, EXPENDITURES AND
 ENCUMBRANCES, TRANSFERS, AND CHANGES IN FUND BALANCE
 For Fiscal Year Ended June 30, 1979

	Final Budget Entire Entitlement	Beginning To-Date	Actual Prior Year	1979	Over (Under) Entire Entitlement Budget
Revenue					
Taxes	\$ 25,000	\$ 31,008	\$ -	\$ 31,008	\$ 6,008
Intergovernmental revenues	627,078	627,078	-	627,078	-
Charges for services	601,884	585,155	-	585,155	(16,729)
Use of money and property	60,000	245,043	-	245,043	185,043
Miscellaneous revenue	10,000	59,592	-	59,592	49,592
Total Revenue	<u>\$ 1,323,962</u>	<u>\$ 1,547,876</u>		<u>\$ 1,547,876</u>	<u>\$ 223,914</u>
Expenditures and Encumbrances					
General government	\$ 5,153,771	\$ 4,194,649	\$ 2,740,214	\$ 1,454,435	\$ 959,122
Public safety	1,285,401	1,034,513	396,839	637,674	250,888
Public works	636,099	483,195	26,448	456,747	152,904
Sanitation and waste removal	2,893,871	1,828,232	1,408,643	419,589	1,065,639
Library	1,278,180	1,209,155	214,768	994,387	69,025
Parks and recreation	5,888,368	5,147,841	3,010,657	2,137,184	740,527
Total Expenditures and Encumbrances	<u>\$17,135,690</u>	<u>\$13,897,585</u>	<u>\$ 7,797,569</u>	<u>\$ 6,100,016</u>	<u>\$ (3,238,105)</u>
Excess (Deficiency) of Revenue over Expenditures and Encumbrances				<u>\$ (4,552,140)</u>	
Other Financing Sources (Uses)					
Operating transfers in				2,489,297	
Operating transfers out				(40,699)	
Total Other Financing Sources				<u>\$ 2,448,598</u>	
Direct (Charges) to Fund Balance					
Accounts receivable cancelled				(52,708)	
Refund of subdivision fee					<u>\$ (52,708)</u>
Total Direct Charges to Fund Balance					<u>\$ (2,156,250)</u>
Net Decrease in Fund Balance During Year					
Fund Balance - unreserved at beginning of year				507,136	
Decrease in reserves				2,332,330	
Equity fund transfer				(14,147)	
Fund Balance - unreserved at end of year				<u>\$ 669,069</u>	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SPECIAL ASSESSMENT FUNDS
COMBINING BALANCE SHEET
June 30, 1979

	Special Assessment Construction	Bond & Interest Redemption	Lighting Maintenance	Total (Memorandum Only)
ASSETS				
Cash and investments				
Cash with fiscal agent				
Assessments receivable (net of allowance for uncollectibles of \$2967)	\$ 1,984,462	\$ 2,239,663	\$ 25,345	\$ 4,249,470
Delinquent	-	130,432	-	130,432
Deferred	-	150,751	1,816	152,567
Due from state and local governments	12,283	21,105,238	-	21,105,238
Total Assets	\$ 1,996,745	\$23,626,084	\$ 27,161	\$25,649,990

LIABILITIES AND FUND BALANCE

Liabilities				
Accounts payable	\$ 316,189	\$ -	\$ 5,751	\$ 321,940
Matured bonds, interest and premium	-	130,432	-	130,432
Bonds payable	-	23,019,427	-	23,019,427
Total Liabilities	\$ 316,189	\$23,149,859	\$ 5,751	\$23,471,799
 Fund Balance				
Reserved for encumbrances				\$ 306,944
Reserved for cost of bond calls				49,051
Reserved for authorized expenditures				1,124,536
Unreserved				
Designated for debt service	249,076	427,174	21,410	697,660
Undesignated				
Total Fund Balance	\$ 1,680,556	\$ 476,225	\$ 21,410	\$ 2,178,191
Total Liabilities and Fund Balance	\$ 1,996,745	\$23,626,084	\$ 27,161	\$25,649,990

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SPECIAL ASSESSMENT FUNDS
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND
ENCUMBRANCES, TRANSFERS, AND CHANGES IN FUND BALANCE
For Fiscal Year Ended June 30, 1979

	Special Assessments Construction	Bond & Interest Redemption	Lighting Maintenance	Total (Memorandum Only)
Revenue				
Charges for service	\$ 21,173	\$ 129,275	\$ 70,030	\$ 91,203
Use of money and property	135,593	10,279	-	264,868
Miscellaneous revenue	-		-	10,279
Total Revenue	\$ 156,766	\$ 139,554	\$ 70,030	\$ 366,350
Expenditures and Encumbrances				
Public works	\$ 5,035,605	\$ -	\$ 67,321	\$ 5,102,926
Debt service	-	6,553	-	6,553
Fiscal charges				
Total Expenditures and Encumbrances	\$ 5,035,605	\$ 6,553	\$ 67,321	\$ 5,109,479
Excess (Deficiency) of Revenue Over Expenditures and Encumbrances				
Other Financing Sources (Uses)				
Proceeds of special assessment bonds	\$ 183,000	\$ 1,102	\$ -	\$ 184,102
Operating transfers in (out)	40,476	(37,000)	-	3,476
Total Other Financing Sources (Uses)	\$ 223,476	\$ (35,898)	\$ -	\$ 187,578
Net Increase (Decrease) in Fund Balance During Year				
Fund Balance - unreserved at beginning of year				
(Increase) Decrease in reserves				
Fund Balance - unreserved at end of year				

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
ENTERPRISE FUNDS
COMBINING BALANCE SHEET
June 30, 1979

	Water Utility	Sewer Utility	Total (Memorandum Only)
ASSETS			
Current Assets			
Cash and investments	\$ 1,877,571	\$ 4,006,439	\$ 5,884,010
Cash with fiscal agent	5,175	5,446	10,621
Accounts receivable (net of uncollectible account of \$162,113)	253,113	474,891	728,004
Due from federal, state and local governments	-	4,911,060	4,911,060
Inventory of supplies	-	217,248	217,248
Total Current Assets	\$ 2,135,859	\$ 9,615,084	\$11,750,943
Property, Plant and Equipment (Note 2)			
Land	\$ 51,151	\$ 744,921	\$ 796,072
Buildings and improvements	12,568,772	20,332,160	32,900,932
Machinery and equipment	1,545,776	3,090,700	4,636,476
Construction in progress	62,780	44,397,430	44,460,210
Less accumulated depreciation	\$14,228,479	\$68,565,211	\$82,793,690
Net Property, Plant and Equipment	1,413,646	6,794,638	8,208,284
Total Assets	\$12,814,833	\$61,770,573	\$74,585,406
	\$14,950,692	\$71,385,657	\$86,336,349
LIABILITIES AND FUND EQUITY			
Current Liabilities			
Accounts Payable	\$ 22,754	\$ 1,014,326	\$ 1,037,080
Customers' deposits	22,300	-	22,300
Accrued expense	-	107,574	107,574
Matured bonds and interest payable	5,175	5,446	10,621
Current maturities of long-term debt	223,878	515,000	738,878
Total Current Liabilities	\$ 274,107	\$ 1,642,346	\$ 1,916,453
General obligation bonds (see Note 2)	\$ -	\$ 6,525,000	\$ 6,525,000
Advances from federal agency (Note 4)	1,508,213	-	1,508,213
Water extension agreements	121,035	-	121,035
Special assessment bonds payable	2,039,284	4,410,000	6,449,284
Total Long-Term Debt	\$ 3,668,532	\$10,935,000	\$14,603,532
Total Liabilities	\$ 3,942,639	\$12,577,346	\$16,519,985
Fund Equity			
Contribution from municipality	\$ 1,151,089	\$12,500,513	\$13,651,602
Contribution from subdividers	4,689,697	-	4,689,697
Contribution from grants	1,620,517	41,005,906	42,626,423
Retained earnings			
Reserved for vacation and sick leave	23,811	223,577	247,388
Reserved for equipment replacement and construction	227,813	1,116,487	1,344,300
Reserved for bond retirement	125,000	515,000	640,000
Unreserved	3,170,126	3,446,828	6,616,954
Total Fund Equity	\$11,008,053	\$38,808,311	\$69,816,364
Total Liabilities and Equity	\$14,950,692	\$71,385,657	\$86,336,349

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
ENTERPRISE FUNDS
**COMBINING STATEMENT OF REVENUE, EXPENSES
 AND CHANGES IN RETAINED EARNINGS**
For Fiscal Year Ended June 30, 1979

	Water Utility	Sewer Utility	Total (Memorandum Only)
Operating Revenue			
Users service charge	\$ 1,689,663	\$ 4,664,689	\$ 6,354,352
Connection fees	180,552	1,299,479	1,480,031
Miscellaneous revenue	-	60,738	60,738
Total Operating Revenue	\$ 1,870,215	\$ 6,024,906	\$ 7,895,121
 Operating Expenses			
Purchased water	\$ 66,536	\$ 66,536	
Operation and maintenance	571,776	3,218,571	3,790,347
General and administrative	368,013	1,046,229	1,414,242
Depreciation	273,770	756,208	1,029,978
Total Operating Expenses	\$ 1,280,095	\$ 5,021,008	\$ 6,301,103
 Operating Income			
	\$ 590,120	\$ 1,003,898	\$ 1,594,018
 Non-operating Revenue (Expenses)			
Capital grants	\$ (313,483)	\$ 1,760,804	\$ 1,447,321
Investment earnings	123,633	335,855	459,488
Gain from disposal of property	657	1,536	2,193
Interest expenses and fiscal charges	(228,112)	(666,762)	(894,874)
Miscellaneous	324	(177,194)	(176,870)
Total Non-operating Revenue (Expenses)	\$ (416,981)	\$ 1,254,239	\$ 837,258
 Income before operating transfers			
 Operating transfers in			
Net income	\$ 173,139	\$ 2,258,137	\$ 2,431,276
 Depreciation on contributed fixed assets			
Net income - to retained earnings	-	36,447	36,447
 Retained earnings - unreserved at beginning of year			
(Increase) Decrease in reserves	-	260,899	260,899
Equity fund transfers	173,139	2,555,483	2,728,622
 Retained earnings - unreserved at end of year			
	2,850,830	3,227,276	6,078,106
	159,097	(2,277,918)	(2,118,821)
	(12,940)	(58,013)	(70,953)
	\$ 3,170,126	\$ 3,446,828	\$ 6,616,954

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

ENTERPRISE FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
For Fiscal Year Ended June 30, 1979

	Water Utility	Sewer Utility	Total (Memorandum Only)
Sources of Working Capital			
Operations	\$ 173,139	\$ 2,294,584	\$ 2,467,723
Net Income	273,770	756,208	1,029,978
Items not affecting working capital			
Depreciation	4,536	4,536	4,536
Amortization of bond discount	426,642	(16,817)	409,825
Reduction (increase) in capital grants			
Working Capital Provided by Operations	\$ 878,087	\$ 3,033,975	\$ 3,912,062
Advances from federal agency (Note 4)	<u>308,835</u>	<u>—</u>	<u>308,835</u>
Total Sources of Working Capital	<u>\$ 1,186,922</u>	<u>\$ 3,033,975</u>	<u>\$ 4,220,897</u>
Applications of Working Capital			
Retirement of long-term debt	\$ 141,514	\$ 515,000	\$ 656,514
Acquisition of property, plant and equipment	347,999	5,819,038	6,167,037
Equity fund transfer	12,940	58,013	70,953
Reduction of contribution in aid of construction	—	4,380	4,380
Total Applications of Working Capital	<u>\$ 502,453</u>	<u>\$ 6,396,431</u>	<u>\$ 6,898,884</u>
Net Increase (Decrease) in Working Capital	<u>\$ 684,469</u>	<u><u>\$ (3,362,456)</u></u>	<u><u>\$ (2,677,987)</u></u>
Elements of Net Increase (Decrease) in Working Capital			
Cash and investments	\$ 1,478,985	\$ 719,611	\$ 2,198,596
Cash with fiscal agents	2,800	2,942	5,742
Accounts receivable	3,186	26,943	30,129
Due from federal, state and local governments	(795,685)	(4,452,495)	(5,248,180)
Inventory of supplies	—	78,301	78,301
Accounts Payable	193,848	427,758	621,606
Customers' deposits/accrued expense	(8,388)	(107,574)	(115,962)
Matured bonds and interest payable	(2,800)	(2,942)	(5,742)
Current maturities of long-term debt	(187,477)	(55,000)	(242,477)
Net Increase (Decrease) in Working Capital	<u>\$ 684,469</u>	<u><u>\$ (3,362,456)</u></u>	<u><u>\$ (2,677,987)</u></u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CHANGES IN CONTRIBUTED CAPITAL
 For Fiscal Year Ended June 30, 1979

	<u>Municipality</u>	<u>Subdividers</u>	<u>Grants</u>	<u>Total</u>
Water Utility				
Balance at beginning of year	\$ 1,151,088	\$ 3,407,809	\$ 1,934,000	\$ 6,492,897
Contributions	-	1,281,888	(313,483)	968,405
Balance at end of year	<u>\$ 1,151,088</u>	<u>\$ 4,689,697</u>	<u>\$ 1,620,517</u>	<u>\$ 7,461,302</u>
Sewer Utility				
Balance at beginning of year	\$ 7,788,261	\$ -	\$ 39,510,382	\$ 47,298,643
Contributions	4,712,253	-	1,756,423	6,468,676
Depreciation	-	-	(260,899)	(260,899)
Balance at end of year	<u>\$12,500,514</u>	<u>\$ -</u>	<u>\$41,005,906</u>	<u>\$53,506,420</u>
Combined - Water and Sewer				
Balance at beginning of year	\$ 8,939,349	\$ 3,407,809	\$41,444,382	\$ 53,791,540
Contributions	4,712,253	1,281,888	1,442,940	7,437,081
Depreciation	-	-	(260,899)	(260,899)
Balance at end of year	<u>\$13,651,602</u>	<u>\$ 4,689,697</u>	<u>\$42,626,423</u>	<u>\$60,967,722</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 INTERNAL SERVICE FUND
 BALANCE SHEET
 June 30, 1979

ASSETS

Current Assets	\$ 6,472,954
Cash and investments	
Accounts receivable (net of allowance for uncollectibles of \$18,410)	25,261
Prepaid expenses	5,340
Total Current Assets	<u>\$ 6,503,555</u>
Property, Plant and Equipment	
Improvements other than building	\$ 8,494
Machinery and equipment	6,427,870
Less accumulated depreciation	<u>\$ 6,436,364</u>
Net Property, Plant and Equipment	3,024,954
Deposit	3,411,410
	169,645
Total Assets	<u>\$10,084,610</u>

LIABILITIES AND FUND EQUITY

Current Liabilities	\$ 280,214
Accounts payable	15,287
Lease obligation - current portion	
Total Current Liabilities	<u>\$ 295,501</u>
Long Term Debt	<u>50,736</u>
Lease obligation	
Total Liabilities	<u>\$ 346,237</u>
Fund Equity	\$ 3,679,364
Contribution from municipalities (Note 2)	19,465
Contribution from grants	
Retained earnings	41,135
Reserved for vacation and sick leave	3,683,552
Reserved for self insurance	2,314,857
Unreserved	<u>\$ 9,738,373</u>
Total Fund Equity	
Total Liabilities and Fund Equity	<u>\$10,084,610</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

INTERNAL SERVICE FUND
 STATEMENT OF REVENUE, EXPENSES AND
 CHANGES IN RETAINED EARNINGS
 For Fiscal Year Ended June 30, 1979

Operating Revenue	
Charges for services	\$ 5,753,051
Miscellaneous revenues	25,548
Total Operating Revenue	<u>\$ 5,778,599</u>
Operating Expenses	
Materials and supplies	819,132
Salaries and fringe benefits	550,497
Professional and special services	406,998
Insurance expense	2,117,444
Equipment rental	42,036
Utilities	138,677
Other expenses	8,679
Depreciation	637,533
Total Operating Expenses	<u>\$ 4,720,996</u>
Operating Income	1,057,603
Non-Operating Expense	(3,321)
(Loss) from disposal of property	
Net Income - To Retained Earnings	<u>\$ 1,054,282</u>
Retained earnings - unreserved at beginning of year	
as previously reported	5,508,883
Deduct prior period adjustments (Note 2)	(3,278,221)
As re-stated	<u>\$ 2,230,662</u>
(Increase) in reserves/contributed capital	(970,087)
Retained earnings - unreserved at end of year	<u>\$ 2,314,857</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

INTERNAL SERVICE FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION
For Fiscal Year Ended June 30, 1979

Sources of Working Capital	
Operations	\$ 1,054,282
Net income	637,533
Items not affecting working capital	<u>3,321</u>
Depreciation	
(Gain) Loss from sale of fixed assets	
Working capital provided by operations	1,695,136
Other sources	43,984
Proceeds from sale of fixed assets	
Group Health Insurance reserve transferred	516,220
by previous insurer	<u>50,736</u>
Increase in lease obligations	
Total sources of working capital	\$ 2,306,076
Applications of working capital	\$ 387,508
Purchase of fixed assets	<u>169,645</u>
Increase in deposits	
Total applications of working capital	\$ 557,153
Net increase in working capital	\$ 1,748,923
Elements of net increase in working capital	\$ 2,001,695
Cash and investments	18,960
Accounts receivable	(1,539)
Prepaid expenses	(270,193)
Accounts payable	
	\$ 1,748,923

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
TRUST AND AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 1979

	<u>City As Agent</u>	<u>Deferred Comp. Plan</u>	<u>Misc. Trust</u>	<u>Holiday Park</u>	<u>Com. Dev. Loan</u>	<u>FACE Rehab. Loan</u>	Total (Memorandum Only)
Cash and investments	\$ 625,144	\$ 1,869,957	\$ 106,935	\$ 4,396	\$ 145,294	\$ 65,386	\$ 2,817,112
Accounts receivable	2,312	-	-	131	-	-	2,443
Advances to property owners	-	-	-	-	762,942	42,266	805,208
Due from federal government	-	-	-	-	279,650	-	279,650
Unreimbursed development costs	-	-	-	-	120,350	-	120,350
Total Assets	\$ 627,456	\$ 1,869,957	\$ 106,935	\$ 4,527	\$ 1,308,236	\$ 107,652	\$ 4,024,763
LIABILITIES AND FUND BALANCE							
Liabilities							
Accounts payable	\$ 344,540	\$ -	\$ -	\$ -	\$ 120,350	\$ -	\$ 120,350
Deposits	142,568	-	-	-	9,297	-	353,837
Due to governmental agencies	-	-	-	-	-	-	142,568
Advances from other funds	140,348	\$ 1,869,957	-	\$ 4,527	122,696	-	122,696
Other liabilities	-	-	-	-	-	-	2,014,832
Total Liabilities	\$ 627,456	\$ 1,869,957	\$ -	\$ 4,527	\$ 252,343	\$ -	\$ 2,754,283
Fund Balance							
Reserve for loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Reserved for endowment							62,628
Unreserved							
Designated for redevelopment loans	-	-	-	-	1,055,893	-	1,063,545
Undesignated	-	-	-	-	-	-	44,307
Total Fund Balance	\$ -	\$ -	\$ 106,935	\$ -	\$ 1,055,893	\$ 107,652	\$ 1,270,480
Total Liabilities and Fund Balance	\$ 627,456	\$ 1,869,957	\$ 106,935	\$ 4,527	\$ 1,308,236	\$ 107,652	\$ 4,024,763

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

TRUST AND AGENCY FUNDS
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 For Fiscal Year Ended June 30, 1979

	Non-Expendable Trusts			Expendable	Total
	Com. Dev.	FACE	Trust	Misc.	(Memorandum Only)
	Loan	Rehab.	Loan	Misc.	
Revenue					
Use of money and property					
Expenditures					
Library	-	-	-		1,106
Parks and recreation	-	-	-		21
Fiscal charges	-	761	-		761
	\$ -	\$ 761	\$ -	\$ 1,127	\$ 1,888
	\$ 18,263	\$ 1,893	\$ 4,984	\$ (1,127)	\$ 23,252
Excess (Deficiency) of Revenues over Expenditures					
Other Financing Sources (Uses)					
Operating transfers in					
Operating transfers out					
	\$ 312,000	\$ -	\$ -	\$ 4,893	\$ 316,893
	<u>(63,955)</u>	<u>-</u>	<u>\$ (4,893)</u>	<u>-</u>	<u>(68,848)</u>
	\$ 248,045	\$ -	\$ (4,893)	\$ 4,893	\$ 248,045
Total Other Financing Sources (Uses)					
Net Increase in Fund Balance During Year					
Fund Balance - unreserved at beginning of year					
(Increase) in reserves					
Fund Balance - unreserved at end of year					
	\$ 1,055,893	\$ 7,652	\$ -	\$ 44,307	\$ 1,107,852

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

NON-EXPENDABLE TRUST
 COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
 For Fiscal Year Ended June 30, 1979

	Com Dev. Loan	FACE Rehab. Loan	Misc.	Total (Memorandum Only)
Source of Working Capital				
Operations	\$ 266,308	\$ 1,132	\$ 91	\$ 267,531
Net income	<u>\$ 28,025</u>	<u>\$ 9,794</u>	<u>-</u>	<u>\$ 37,819</u>
Loans receivable collected				
Total Sources of Working Capital	\$ 294,333	\$ 10,926	\$ 91	\$ 305,350
Application of Working Capital				
Redevelopment loans to property owners	<u>\$ 390,000</u>	<u>-</u>	<u>-</u>	<u>\$ 390,000</u>
Net increase (decrease) in working capital	<u>\$ (95,667)</u>	<u>\$ 10,926</u>	<u>\$ 91</u>	<u>\$ (84,650)</u>
Elements of Net Increase (Decrease) in Working Capital				
Cash and investments	\$ (13,595)	\$ 10,926	\$ 91	\$ (2,578)
Due from federal government	<u>(78,000)</u>	<u>-</u>	<u>-</u>	<u>(78,000)</u>
Accounts payable	89	-	-	89
Deposits	<u>(4,161)</u>	<u>-</u>	<u>-</u>	<u>(4,161)</u>
	<u>\$ (95,667)</u>	<u>\$ 10,926</u>	<u>\$ 91</u>	<u>\$ (84,650)</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
STATEMENT OF GENERAL FIXED ASSETS
June 30, 1979

General Fixed Assets (Note 2)

Land	\$ 5,672,499
Buildings and improvements	23,012,647
Equipment	963,060
Construction in progress	<u>4,701,902</u>
	<u>\$34,350,108</u>

Capitalized leases

Recreation facilities

Office equipment

	\$ 1,128,035
	<u>35,749</u>
	<u>\$ 1,163,784</u>
	<u>\$35,513,892</u>
	<u>\$35,513,892</u>

Investment in general fixed assets

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 STATEMENT OF GENERAL LONG-TERM DEBT
 June 30, 1979

AMOUNT TO BE PROVIDED FOR PAYMENT
 OF GENERAL LONG-TERM DEBT

General obligation bonds Amount to be provided	\$ 2,790,000
Lease obligations Amount to be provided	<u>1,288,137</u>
Total amount to be provided	<u>\$ 4,078,137</u>

GENERAL LONG-TERM DEBT PAYABLE

General obligation bonds payable (Note 4) 1958 Municipal improvement bonds 1962 Library bonds 1968 Police facility bonds	\$ 725,000 570,000 <u>1,495,000</u>
Total general obligation bonds payable	<u>\$ 2,790,000</u>
Lease obligations payable (Note 2) Capitalized recreation facilities Capitalized office equipment	\$ 1,263,985 <u>24,152</u>
Total lease obligations payable	<u>\$ 1,288,137</u>
Total long-term debt payable	<u>\$ 4,078,137</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF FUNDS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of funds

General Fund - The General Fund is used to account for all the unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for a specified purpose.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt.

Enterprise Funds - Enterprise Funds are established to account for operations that are financed from user charges and where the stated intent is that costs of providing that service be recovered through the user charge.

Internal Service Funds - The Internal Service Fund is established to account for financing and providing goods and services by one department to other departments of the City.

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the City as a trustee or agent for individuals, private organizations and other governmental units.

General Long-Term Debt - The General Long-Term Debt group of accounts is used to account for unmatured general long-term indebtedness of the City.

General Fixed Assets - The General Fixed Assets group of accounts is used to account for the cost of fixed assets acquired to perform general government functions.

Basis of accounting

The modified accrual basis of accounting is used for all funds except the proprietary and fiduciary type funds which use the accrual basis of accounting. Modifications in such method from the accrual basis are as follows:

- A. Revenues are recorded as received in cash, except for revenues susceptible to accrual and revenues of a material amount that are not received at their normal time of receipt.
- B. Disbursements for the purchase of materials and supplies are considered as expenditures. Inventories of such items are therefore not included on the balance sheet.
- C. Disbursements for the purchase of capital assets providing future benefits are considered as expenditures and are accounted for in the general fixed assets group of accounts.
- D. Commitments such as purchase orders and contracts are recorded as encumbrances. Outstanding encumbrances at year end are included with expenditures of the year.
- E. Interest on general obligation bonds is not accrued but is recorded as an expenditure when due.

Cash and investments

The City pools idle cash from all funds for the purpose of increasing income through investment activities. Investments are carried at cost. Interest income on investments is allocated on the basis of month end investment balances in the General Fund, Special Revenue Funds, Water Utility Fund, Sewer Utility Fund, Capital Project Funds, and Trust and Agency Funds. Interest earned on such pooled cash in 1979 amounted to \$3,226,015.

Interest income on investments has not been credited to the Internal Service Fund because the General Fund has contributed funds for its operations and capital. Property taxes are adequate to meet debt service requirements, accordingly, interest income on investments has not been credited to the Debt Service Fund. Investments are stated at cost.

Inventories

Inventories in the enterprise funds are stated at average cost.

Property, plant and equipment

Property, plant, and equipment are recorded at cost or, in the case of gifts, at fair value at the date of the gift, except that assets acquired prior to 1971 are recorded at appraised historical cost.

General fixed assets are recorded as expenditures in the General Fund, Special Revenue Funds and Capital Project Funds at time of purchase. Such assets are accounted for in the General Fixed Assets group of accounts except for certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks and drainage systems which are not capitalized. No depreciation is provided on general fixed assets.

Maintenance and repairs are charged to expense as incurred. Renewals and betterments are capitalized.

Depreciation on property, plant and equipment of the enterprise and internal service funds is provided on the straight-line method over their estimated useful lives.

Revenue recognition (utility funds)

Revenue is recorded as billed to customers on a cycle basis.

Pension plan

All full-time City employees are members of the State of California Public Employees' Retirement System. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually as of July 1 by the System's actuary.

Deferred compensation plan

The City has adopted a deferred compensation plan by which both the City and its employees contribute to the employees' retirement. The City's contribution to the deferred compensation plan is accrued with each payroll.

Vacation and sick leave

The City reserves for vacation and sick leave when earned and charges the reserve when vacation and sick leave are taken by the employees. The reserve approximates the liability the City would have if all employees were to claim their reserved vacation and sick leave.

Budget

The City adopts an annual budget to control expenditures. The City Council adjusts certain preliminary budget amounts after adoption of the final budget. The budget figures used in the financial statements are the final adjusted amounts.

For the Capital Projects Fund and the Special Revenue Fund, the budgets cover an entire project or program and are, therefore, carried forward until the project or program is completed. Variance from budget in the Capital Projects Fund and the Special Revenue Fund represent appropriations not yet used.

Encumbrances

Governmental type funds are encumbered when purchase orders, contracts and other commitments are signed or approved.

The total of encumbrances outstanding at June 30, 1979 are shown as reserves under fund balance.

NOTE 2 - PRIOR PERIOD ADJUSTMENTS

Accrued sales tax

In prior years the City did not accrue sales taxes collected by the state during the month of June but not remitted to the City until July. Generally accepted accounting principles require that these collections be accrued into the fiscal year ending June 30. Sales taxes of \$220,000 were accrued at June 30, 1978.

Debt service fund

Debt service receipts and disbursements for general obligation bonds were recorded in the General Fund for fiscal years ended June 30, 1978 and all prior years.

As required by generally accepted accounting principles, a separate debt service fund has been set up to record the servicing of the City's general obligation bonds not being repaid by an enterprise fund. Accordingly, the fiscal year ended June 30, 1979 financial statements reflect receipts and disbursements for servicing such debt in the Debt Service Fund and not in the General Fund.

Sewer utility fund

For the fiscal year ended June 30, 1978 the Sewer Fund was shown as a special revenue fund. Since it is the intent of management to recover the costs of providing sewage services by user charges, it is required by generally accepted accounting principles that the sewer utility be set up as an enterprise fund.

The City obtained a historical cost appraisal which included a physical inventory of all sewer related fixed assets from a professional appraisal firm. As a result, fixed assets were recorded into the Sewer Utility Fund at appraised historical cost for the fiscal year ended June 30, 1979. The net effect was to record \$68,565,211 of fixed assets into the Sewer Utility Fund and reduce the General Fixed Asset Group of Accounts by \$62,487,794.

Depreciation expense and accumulated depreciation for the fiscal year ended June 30, 1979 were recorded based on that appraisal.

General obligation bonds

Certain general obligation bonds which pertain to the construction of fixed assets which are included in the Sewer Utility Fund are being repaid by the Sewer Utility Fund. Therefore, these bonds which total \$6,960,000 for the fiscal year ended June 30, 1979 have been transferred from the General Long-Term Debt Group of Accounts to the Sewer Utility Fund as required by generally accepted accounting principles. The General Fund remains contingently liable for the repayment of these bonds.

Contributions from municipality

Items of property and equipment transferred from other funds to the Internal Service Fund were recorded as additions to retained earnings for fiscal years ended before June 30, 1978. Generally accepted accounting principles require that such transfers be recorded as contributions from municipality and not as additions to retained earnings.

As a result, a prior period adjustment has been made to fiscal year ended June 30, 1978 retained earnings balance in the Internal Service Fund in the amount of \$1,781,264, reflecting the total of such contributions over the fiscal years before 1978.

Reserve for self-insurance

Included in retained earnings on the financial statements of the Internal Service Fund for the fiscal year ended June 30, 1978 is \$1,496,957 that should have been classified as "Reserve for self-insurance".

Accordingly, a prior period adjustment has been made to the June 30, 1978 retained earnings balance of the Internal Service Fund to reclassify the \$1,496,957 to "Reserve for self-insurance".

Capitalized facility lease payable

The City entered into a noncancelable long-term lease as Lessee with a nonprofit corporation (City of Stockton Recreation Corporation) dated August 1, 1968 for financing the acquisition of facilities for ice skating and golf which were constructed by the nonprofit corporation. The lease provides for semi-annual debt service requirements on the revenue bonds issued by the nonprofit corporation. Since the leases are financing arrangements which transfer the ownership of the facilities to the City at the end of the lease term, and since the sole activity of the nonprofit corporation is providing financing for the City, the City has recorded the facility lease obligation and related assets in the appropriate funds in amounts equivalent to the facilities during the current fiscal year. Accordingly, the financial statements for the fiscal year ended June 30, 1979 reflect the facility lease obligation and related assets. The City is responsible for the payment of taxes, assessments and administrative costs of the nonprofit corporation.

In conjunction with the facilities lease, the City of Stockton entered into a noncancelable long-term site lease as Lessor with the City of Stockton Recreation Corporation dated August 1, 1968. The facilities described above are constructed upon this property. The lease term is the same as the lease term of the facilities lease and lease payments for the entire lease term total \$560,840 which were paid in advance.

The lease terms of both leases expire February 10, 1995.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT
Machinery and equipment included in the Internal Service Fund include \$93,047, representing capitalized equipment leases.

NOTE 4 - LONG-TERM DEBT

The "Combined Schedule of Long-Term Debt" included with the "Combined Financial Statements" provides certain details concerning the various types of long-term debt. To the extent reflected on that schedule, information concerning long-term debt is not repeated below.

General obligation bonds

General obligation bonds are all serial bonds, to be retired through the fiscal year ending June 30, 1994. The City levies a special property tax rate for the principal and interest payments due within a fiscal year and provides the amounts in the Debt Service Fund.

Advances from federal agencies

In August 1977 the City accepted a Federal Drought Relief Act grant of \$1,934,000 (which was later reduced by \$313,483) and a loan not to exceed \$1,834,000 for drought relief projects. As of June 30, 1979 advances total \$1,508,213. The loan will bear interest at 5% per annum and shall be for a term not to exceed 40 years.

NOTE 5 - PENSION AND DEFERRED COMPENSATION PLANS

Pension Plan

The City has contributory pension plans for its full-time employees under the State of California Public Employees Retirement System (PERS). The City's costs of benefits funded for 1979 based on the System's determination as of July 1, 1978 was approximately \$4,612,299. Based on the latest actuarial valuation made as of June 30, 1978, the City's unfunded prior service cost relating to the City's participation in PERS was \$605,926 which is being funded over 25 years ending June 30, 2000. No accrual for this prior service cost liability has been made in the accompanying financial statements. Information as to the actuarially computed value of vested benefits over the related pension fund assets is not available.

Deferred compensation plan

The City has adopted a deferred compensation plan by which both the City and its employees contribute to the employees' retirement. The City contribution ranges from 2.5% to 4.5% of the employees gross pay for management employees except for public safety management. The contribution for public safety management ranges from 1.0% to 2.0%. The City's contribution for blue collar and white collar employees,

except for public safety, is 2.5% of the gross pay for the fifth step of their position at July 1, 1978. All non-management public safety employees receive no contribution. The employee may contribute up to 25% of their gross pay not to exceed \$7,500 for each year.

NOTE 6 - RETROACTIVE PAY INCREASES

The City Council has granted retroactive pay increases to City employees for fiscal year ending June 30, 1979 to be paid in fiscal year 1980. The amount appropriated by the City Council for the retroactive pay increases was \$915,000.

NOTE 7 - SELF-INSURANCE PROGRAMS

Effective August 1, 1978 the City adopted a self-insured group health insurance program which is administered by a service agent. The City is also self-insured for workers' compensation insurance, unemployment insurance and for the first \$500,000 per claim of general liability insurance (for general liability insurance the maximum liability per year is limited to \$1,000,000). All these self-insurance plans are administered by a service agent.

The City believes that the self-insurance reserves recorded in the Internal Service Fund of \$3,683,552 at June 30, 1979 are adequate to cover losses for which the City may be liable.

NOTE 8 - CONTINGENT LIABILITIES

Channel Lands

On January 9, 1975, Channel Land Company filed a claim against the City of Stockton in the amount of \$45,000,000 for damages to Channel Land as a result of a breach by the City of an agreement to enter into a long-term ground lease with Channel Land for construction of certain improvements on Banner Island and the surrounding area. The City, on February 11, 1975, filed a complaint against Channel Land Company for declaratory relief and other causes of action for the purpose, among other things, of having the court declare any agreement between the City and Channel Land rescinded and/or terminated. Channel Land thereafter filed a cross-complaint against the City based upon this claim.

In the same legal action there has also been a claim filed against the City by a limited partnership known as

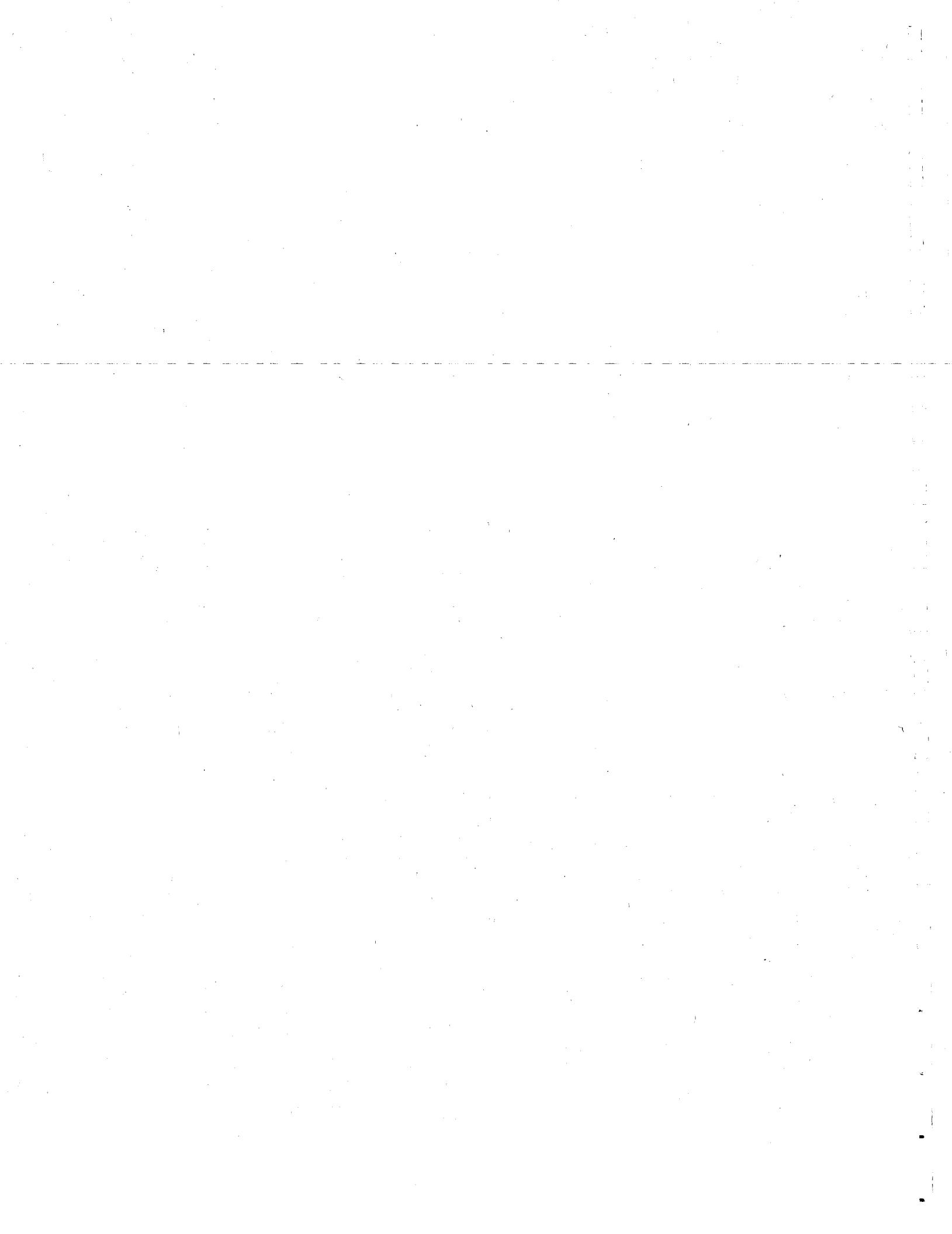
Channel Office Building, Ltd. Subsequent to the filing of that claim of Channel Office Building, Ltd., a complaint was filed by that entity against the City alleging damages as a third party beneficiary of the City and Channel Land agreement in the amount of \$2,380,000. The City has answered the complaint of Channel Office Building, Ltd. and denied any liability in connection therewith.

Prior to the trial, attempts were made by all of the parties in the litigation to reach some type of settlement. However, all attempts were unsuccessful.

Other

Numerous claims and suits have been filed against the City in the normal course of business. Based upon information received from the City Attorney, the estimated liability, if any, under such claims and suits will not be material.

SUPPLEMENTAL SCHEDULES



CITY OF STOCKTON
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
For the Year Ended June 30, 1979

	<u>GENERAL GOVERNMENT</u>	<u>BALANCE</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>TRANSFERS AND</u>	<u>BALANCE</u>
		<u>JULY 1, 1978</u>	<u>4,125</u>	<u>1,472</u>	<u>\$ -</u>	<u>JUNE 30, 1979</u>
<u>City Council</u>	\$ 6,554	\$ 4,125	\$ 412		\$ 2,162	\$ 5,597
City Clerk	14,698		-		5,516	\$ 6,966
City Manager	31,093		-		-	12,536
Finance	4,886		5,400		-	25,577
City Attorney	8,466		-		-	10,286
Planning	6,412		-		306	8,160
Personnel	1,444,341		91,929		-	6,412
City Hall and Storage	2,796		-		630	1,535,640
Community Development	422,377		-		255	2,541
City Hall Annex					-	422,377
<u>Total</u>	<u>\$ 1,945,748</u>	<u>\$ 99,213</u>	<u>\$ 8,869</u>	<u>\$ 8,869</u>	<u>\$ 2,036,092</u>	<u>\$ 2,036,092</u>
<u>PUBLIC SAFETY</u>						
Police	\$ 2,164,611	\$ 57,108	\$ 5,337	\$ 2,216,382		
Fire	1,748,381	47,501	850	1,795,032		
Building Safety	5,196	254	-	5,450		
Animal Regulations	154,357	4,488	-	158,845		
Traffic Engineering	20,728	597	-	21,325		
Parking	755,715	-	-	755,715		
<u>Total</u>	<u>\$ 4,848,988</u>	<u>\$ 109,948</u>	<u>\$ 6,187</u>	<u>\$ 4,932,749</u>	<u>\$ 4,932,749</u>	<u>\$ 4,932,749</u>
<u>PUBLIC WORKS</u>						
Engineering	\$ 45,091	\$ 8,257	\$ 2,585	\$ 50,763		
Corporation Yard	815,582	10,181	1,354	824,409		
Street Lighting	266,027	457	-	266,484		
Sewers	25,966,108	331,317	24,147,387	2,150,038		
Waste Disposal	106,251	-	-	106,251		
Water	1,931	-	-	1,931		
<u>Total</u>	<u>\$27,200,990</u>	<u>\$ 350,212</u>	<u>\$ 24,151,326</u>	<u>\$ 3,399,876</u>	<u>\$ 3,399,876</u>	<u>\$ 3,399,876</u>
<u>LIBRARIES</u>						
City Libraries	\$ 2,360,688	\$ 2,265	\$ 15,903	\$ 2,347,050		
<u>PARKS AND RECREATION</u>						
Administration	\$ 8,131	\$ -	\$ -	\$ 8,131		
Ice Rink	504,929	266	410	504,785		
Parks	13,032,541	911,336	498,284	13,445,593		
Auditorium	1,564,843	282	-	1,565,125		
<u>Total</u>	<u>\$15,110,447</u>	<u>\$ 911,884</u>	<u>\$ 498,694</u>	<u>\$15,523,637</u>	<u>\$15,523,637</u>	<u>\$15,523,637</u>
<u>OTHER PROPERTY</u>						
<u>CONSTRUCTION IN PROGRESS</u>						
Capitalized Leases	\$ 40,263,493	\$ 4,701,902	\$ 40,263,493	\$ 4,701,902		
Park and Recreation	\$ 1,128,035	\$ -	\$ -	\$ 1,128,035		
Public Safety	35,749	-	-	35,749		
<u>Total</u>	<u>\$ 1,163,784</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,163,784</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>\$94,875,571</u>	<u>\$ 6,296,288</u>	<u>\$ 65,657,967</u>	<u>\$35,513,892</u>		

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
SCHEDULE OF GENERAL FIXED ASSETS BY DEPARTMENT
June 30, 1979

	Total	Land	Buildings and Improvements	Equipment
GENERAL GOVERNMENT				
City Council	\$ 5,597	\$ -	\$ -	\$ 5,597
City Clerk	6,966	-	-	6,966
City Manager	12,536	-	-	12,536
Finance	25,577	-	-	25,577
City Attorney	10,286	-	-	10,286
Planning	8,160	-	-	8,160
Personnel	6,412	-	-	6,412
City Hall and Storage	1,535,640	156,700	1,358,656	20,284
Community Development	2,541	-	-	2,541
Administration	422,377	70,724	351,653	-
City Hall Annex				
Total	<u>\$ 2,036,092</u>	<u>\$ 227,424</u>	<u>\$ 1,710,309</u>	<u>\$ 98,359</u>
PUBLIC SAFETY				
Police	\$ 2,216,382	\$ 209,990	\$ 1,853,178	\$ 153,214
Fire	1,795,032	178,655	1,514,450	101,927
Building Safety	5,450	-	-	5,450
Animal Pound	158,845	-	152,310	6,535
Traffic Engineering	21,325	-	-	21,325
Parking	755,715	466,064	289,061	590
Total	<u>\$ 4,952,749</u>	<u>\$ 854,709</u>	<u>\$ 3,808,999</u>	<u>\$ 289,041</u>
PUBLIC WORKS				
Engineering	\$ 50,763	\$ -	\$ -	\$ 50,763
Corporation Yard	824,409	66,141	715,444	42,824
Street Lighting	266,484	-	265,352	1,132
Sewer Division	2,150,038	10,125	2,137,617	2,296
Waste Disposal	106,251	100,214	6,037	-
Water	1,931	-	-	1,931
Total	<u>\$ 3,399,876</u>	<u>\$ 176,480</u>	<u>\$ 3,124,450</u>	<u>\$ 98,946</u>
LIBRARIES				
City Libraries	\$ 2,347,050	\$ 417,386	\$ 1,814,851	\$ 114,813
PARKS AND RECREATION				
Administration	\$ 8,131	\$ -	\$ -	\$ 8,131
Ice Rink	504,785	-	495,783	9,002
Parks	13,445,593	2,769,718	10,577,516	98,359
Auditorium	1,565,125	118,600	1419,598	26,927
Total	<u>\$15,523,634</u>	<u>\$ 2,888,318</u>	<u>\$12,492,897</u>	<u>\$ 142,419</u>
OTHER PROPERTY				
CONSTRUCTION IN PROGRESS				
CAPITALIZED LEASES	\$ 1,128,035	\$ -	\$ 1,128,035	\$ -
Parks and Recreation	35,749	-	<u>\$ 1,128,035</u>	<u>\$ 35,749</u>
Public Safety	<u>\$ 1,163,784</u>	<u>\$ -</u>	<u>\$ 28,842,584</u>	<u>\$ 35,749</u>
Total	<u>\$35,513,892</u>	<u>\$ 5,672,499</u>	<u>\$ 998,809</u>	<u>\$ 998,809</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SCHEDULE OF INVESTMENTS
June 30, 1979

<u>Interest Rate - %</u>	<u>Type</u>	<u>Date Purchased</u>	<u>Date of Maturity</u>	<u>Principal</u>
7.250	Federal National Mortgage Association	5/31/78	7/10/85	\$ 964,646
11.222	Federal National Mortgage Association	1/16/79	12/21/79	633,095
9.000	GNMA - 26216 27183 22068 21638	10/19/78 10/19/78 10/19/78 10/24/78	2008 2008 2008 2008	999,675 977,440 1,001,522 986,489
10.575	Bankers Acceptance	5/15/79	8/14/79	1,947,928
8.600	GNMA - 22437	5/19/78	2008	956,535
8.850	FLB'S 901178004	10/19/78	7/21/80	500,000
10.050	Federal National Mortgage Association	1/19/79	12/21/79	453,100
10.630	Bankers Acceptance	4/02/79	7/19/79	969,100
10.580	Bankers Acceptance	4/18/79	7/31/79	970,331
10.790	Bankers Acceptance	3/16/79	7/27/79	961,670
10.430	Bankers Acceptance	5/09/79	8/23/79	969,289
10.242	Bankers Acceptance	6/18/79	11/05/79	961,694
10.235	Bankers Acceptance	6/20/79	12/12/79	666,823
10.314	Bankers Acceptance	6/08/79	8/21/79	979,239
9.250	Repurchase Agreement	6/29/79	7/02/79	3,500,000
9.125	Repurchase Agreement	6/29/79	7/02/79	2,800,000
10.000	Bankers Acceptance	6/29/79	10/02/79	973,611
				<u>\$23,172,187</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 TRUST FUND
 SCHEDULE OF INVESTMENTS
 June 30, 1979

<u>ARLO CROSS TRUST FUND</u>	<u>Interest Rate - %</u>	<u>Maturity Date</u>	<u>Amount</u>
<u>Bonds</u>			
Chicago, Milwaukee, St. Paul & Pacific RR	5.00	2055	\$ 800
General Mortgage "B"	4.50	2044	100
Metropolitan Water District of Southern California	3.50	1983 - 1985	3,000
St. Louis & San Francisco RR	4.50	1997 - 2022	700
Missouri Pacific RR Co.	4.25	1990 - 2005	3,000
Missouri Pacific RR Co.	4.75	2020 - 2030	7,400
U. S. Treasury Bonds	4.00	1993	4,000
Ohio Bell Telephone Co. Deb.	8.75	2010	12,423
Total Bonds			<u>31,423</u>
 Stocks			
El Paso Natural Gas Co.		3	
Washington Natural Gas Co.			<u>1,360</u>
Total Stocks			<u>1,363</u>
 <u>TOTAL ARLO CROSS TRUST FUND</u>			<u>32,786</u>
 <u>WAGNER TRUST FUND</u>			
<u>Bonds</u>			
Foremost Dairies	4.50	1980	<u>10,175</u>
 <u>DEFERRED INCOME PLAN</u>			
<u>Union Service Fund</u>			
The Hartford			<u>211,226</u>
			<u>19,397</u>
 <u>TOTAL DEFERRED INCOME PLAN</u>			<u>230,623</u>
 <u>GRAND TOTAL</u>			<u>\$273,584</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - ALL CITY FUNDS
 For Fiscal Year Ended June 30, 1979

<u>Fund</u>	<u>June 30, 1978</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Transfers In (Out)</u>	<u>June 30, 1979</u>
General Fund	\$ (5,082,607)	\$488,938,724	\$496,081,164	\$ (659,098)	\$ (12,884,145)
Special Revenue Fund	7,310,585	36,439,504	33,315,066	(2,791,883)	7,643,140
Debt Service Fund	-	-	734,088	734,088	-
Capital Improvement Fund	439,501	4,762,521	4,804,782	2,434,451	2,831,691
Special Assessment Funds	7,918,577	9,573,533	13,246,116	3,476	4,249,470
Enterprise Funds	2,185,416	18,500,504	14,767,404	(34,506)	5,884,010
Internal Service Fund	4,471,259	5,560,590	3,847,264	288,369	6,472,954
Trust and Agency Funds	<u>1,733,983</u>	<u>10,836,458</u>	<u>10,274,957</u>	<u>248,045</u>	<u>2,543,529</u>
Total	<u>\$ 18,976,714</u>	<u>\$574,611,834</u>	<u>\$577,070,841</u>	<u>\$ 222,942</u>	<u>\$ 16,740,649</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
SCHEDULE OF FUND TRANSFERS
For Fiscal Year Ended June 30, 1979

	<u>Governmental Fund Types</u>				<u>Proprietary Fund Types</u>		<u>Affiliated Agencies</u>	
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Special Assessment</u>	<u>Enterprise</u>	<u>Internal Service</u>	<u>Central Parking District</u>
TRANSFERS IN								
General Fund	\$ 592,708	\$ 454,565	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Fund	-	-	734,088	2,489,297	-	-	-	-
Debt Service Fund	-	-	-	-	-	-	-	-
Capital Project Fund	-	-	-	-	3,476	36,447	-	-
Special Assessments Funds	-	-	-	-	-	-	-	-
Enterprise Funds	-	-	-	-	-	-	-	-
Internal Service Funds	-	-	-	-	-	288,369	-	-
Trust and Agency Funds	-	-	-	-	-	-	-	-
Affiliated agencies:								
Central Parking District Fund	-	-	-	-	-	-	-	-
Redevelopment Agency of the City of Stockton	-	-	-	-	-	-	-	-
112,099								
TRANSFERS OUT								
General Fund	1,251,806	3,246,448	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	54,846	-	-	-
Enterprise Fund	-	-	-	-	-	-	-	-
Affiliated Agency, Central Parking District Fund	-	-	-	-	-	-	70,953	-
112,099								
Net Transfers In (Out)	\$ (659,098)	\$ (2,791,883)	\$ 734,088	\$ 2,434,451	\$ 3,476	\$ (34,506)	\$ 288,369	\$ 25,103

The Notes to Financial Statements are an integral part of these statements.

STATISTICAL DATA

CITY OF STOCKTON
OPERATING EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS

<u>Fiscal Period</u>	<u>Total</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Public Works (2)</u>	<u>Libraries (1)</u>	<u>Parks and Recreation</u>	<u>GO Bond Debt Service</u>
1969-70	14,718,320	1,471,405	6,649,492	3,052,403	1,010,488	1,645,215	889,317
1970-71	16,166,112	1,470,577	7,505,783	3,326,457	1,048,485	1,947,090	867,720
1971-72	17,688,779	1,623,270	7,931,624	3,676,257	1,122,825	2,090,634	1,244,169
1972-73	18,847,525	1,701,259	8,431,928	3,928,262	1,217,449	2,278,434	1,290,193
1973-74	21,307,722	2,046,882	9,629,235	4,438,058	1,408,875	2,467,014	1,317,658
1974-75	25,222,008	2,575,930	11,209,274	5,591,222	1,648,637	2,873,624	1,323,321
1975-76	29,407,783	2,988,172	13,014,221	6,941,546	1,942,314	3,168,894	1,352,636
1976-77	32,443,245	3,561,358	14,399,349	7,681,933	2,147,528	3,273,022	1,380,055
1977-78	36,229,023	4,243,917	15,614,562	8,990,310	2,488,344	3,483,159	1,408,731
1978-79	31,943,470	4,049,193	17,050,655	4,588,047(3)	2,136,862	3,384,625	734,088(4)

(1) Includes cost of operating County Library under contract for the County of San Joaquin

(2) Includes expenditures of sewer and water utilities from 1969 to 1978

(3) Excludes expenditures of sewer and water utilities fund starting fiscal year 1978-79

(4) Excludes bonded debt assumed by Sewer Utility Fund

CITY OF STOCKTON
REVENUES BY MAJOR SOURCE
LAST TEN FISCAL YEARS

<u>Period</u>	<u>Total(1)</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Fines, Forfeits and Penalties</u>	<u>Revenue From Use of Money and Property</u>	<u>Revenue From Other Agencies</u>	<u>Charges For Current Service</u>	<u>Other Revenue</u>
1969-70	19,719,523	9,530,271	810,640	465,533	677,288	2,717,782	3,856,149	1,661,360
1970-71	20,415,595	11,097,441	1,091,798	520,053	741,284	3,057,240	3,258,345	652,434
1971-72	22,606,396	11,927,580	1,279,361	526,326	931,428	4,167,396	3,498,628	275,677
1972-73	37,709,680	12,702,872	1,395,189	553,755	1,076,774	17,567,726	4,037,582	375,782
1973-74	37,362,360	14,057,079	1,585,642	724,885	1,511,344	14,635,858	4,744,882	102,670
1974-75	46,626,706	16,268,121	1,756,478	578,686	1,732,933	19,663,561	6,486,388	140,539
1975-76	63,045,949	18,171,932	2,053,278	579,028	1,626,309	33,196,061	7,172,212	247,129
1976-77	57,724,668	19,849,890	2,439,510	766,840	1,479,029	23,938,333	9,054,780	196,286
1977-78	76,176,015	23,185,568	2,772,782	656,139	1,851,949	36,586,285	10,605,593	517,699
1978-79	77,897,756(2)	19,750,272	2,871,812	614,346	2,951,567	38,044,555	12,042,845	1,622,359

(1) Includes all City Funds except Internal Service Fund and Trust and Agency Funds

(2) Excludes Central Parking District Fund (\$668,195) effective Fiscal Year 1978-79

CITY OF STOCKTON
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS

Fiscal Year	Property	Sales & Use	Sales Transient Occupancy	Franchise	Documentary Transfer	Utility	Motor Veh. in Lieu	Cigarette	Amusement	Business License	Total (1)
1969-70	5,063,917	2,920,407	88,256	356,948	23,213	845,497	765,325	392,803	16,296	393,256	10,865,918
1970-71	5,953,848	3,126,120	83,983	381,711	26,549	1,194,663	837,391	468,260	18,551	644,026	12,735,102
1971-72	6,051,573	3,641,274	90,000	430,357	32,127	1,361,352	860,565	496,914	19,592	729,542	13,713,296
1972-73	6,294,219	4,139,551	94,424	475,504	44,085	1,361,804	936,344	498,838	16,570	777,595	14,638,934
1973-74	6,726,699	4,714,624	96,365	517,115	40,187	1,688,963	1,080,290	506,562	17,921	868,385	16,257,111
1974-75	7,684,732	5,342,147	131,036	560,195	52,552	2,231,564	1,050,319	513,982	20,917	977,368	18,564,812
1975-76	8,175,366	5,917,311	168,424	652,572	61,773	2,927,853	1,140,199	548,361	22,248	1,065,028	20,679,135
1976-77	8,581,224	6,633,015	192,491	784,026	93,109	3,403,573	1,326,184	507,449	22,767	1,204,776	22,748,614
1977-78	9,440,886	7,781,547	211,858	889,713	161,960	4,007,708	1,600,100	537,392	29,322	1,411,722	26,072,208
1978-79	4,554,233	8,923,505	225,654	1,039,579	204,488	4,247,784	1,842,223	523,180	31,008	1,669,106	23,260,760

(1) Credited to General Fund except Amusement Tax which is credited to Capital Improvement Fund.

CITY OF STOCKTON
ASSESSED VALUE OF ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year	Secured Roll	Utility Roll	Unsecured Roll	Tax Roll		Less Exemptions	Net Assessed Value
				Total	Exemptions		
1969-70	\$199,746,095	\$ 19,574,360	\$ 21,435,310	\$ 240,755,765	\$ 31,554,835	\$209,200,930	\$209,200,930
1970-71	215,423,040	19,039,910	22,119,253	256,582,203	39,198,555	217,383,648	217,383,648
1971-72	223,772,895	18,819,440	24,340,776	266,933,111	40,120,824	226,812,287	226,812,287
1972-73	232,330,053	19,273,040	27,843,831	279,446,924	44,809,214	234,637,710	234,637,710
1973-74	243,213,478	19,643,900	27,709,469	290,566,847	68,835,921	221,730,926	221,730,926
1974-75	275,158,281	21,454,490	33,349,484	329,962,255	76,843,102	253,119,153	253,119,153
1975-76	315,706,675	22,251,000	46,752,953	384,710,628	90,847,121	293,863,507	293,863,507
1976-77	358,760,502	24,680,760	54,359,586	437,800,848	98,140,073	339,660,775	339,660,775
1977-78	421,023,765	28,525,900	61,042,952	510,592,617	103,609,908	406,982,709	406,982,709
1978-79	500,536,617	31,171,720	70,028,859	601,737,196	113,771,553	487,965,643	487,965,643
 <hr/>							
Fiscal Year	Land	Improvements	Personal Property	Total	Exemptions	Net Assessed Value	Net Assessed Value
1969-70	\$ 45,746,915	\$139,696,740	\$ 55,312,110	\$240,755,765	\$ 31,554,835	\$209,200,930	\$209,200,930
1970-71	49,680,020	150,824,340	56,077,843	256,582,203	39,198,555	217,383,648	217,383,648
1971-72	50,466,995	156,649,925	59,816,191	266,933,111	40,120,824	226,812,287	226,812,287
1972-73	53,433,420	165,990,209	60,023,295	279,446,924	44,809,214	234,637,710	234,637,710
1973-74	56,683,045	173,854,621	60,029,181	290,566,847	68,835,921	221,730,926	221,730,926
1974-75	66,745,425	190,688,609	72,528,221	329,962,255	76,843,102	253,119,153	253,119,153
1975-76	74,647,685	220,377,948	89,684,995	384,710,628	90,847,121	293,863,507	293,863,507
1976-77	80,574,210	252,663,696	104,562,942	437,800,848	98,140,073	339,660,775	339,660,775
1977-78	90,893,706	307,957,232	111,741,679	510,592,617	103,609,908	406,982,709	406,982,709
1978-79	108,138,335	377,379,316	116,219,545	601,737,196	113,771,553	487,965,643	487,965,643

CITY OF STOCKTON
TAX RATES
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>City</u>	<u>County (1)</u>	<u>School (2)</u>	<u>All Other</u>	<u>Total</u>
1969-70	2.3000	3.9640	5.8760	.2040	12.3440
1970-71	2.4900	4.1330	6.6786	.1980	13.4996
1971-72	2.4900	4.1300	6.6231	.1900	13.4331
1972-73	2.4900	4.1756	7.9270	.1900	14.7826
1973-74	2.4900	4.0654	6.5093	.1840	13.2487
1974-75	2.4900	4.2592	6.3507	.1840	13.2839
1975-76	2.2436	4.3338	6.1883	.1800	12.9457
1976-77	2.0500	3.9796	5.7899	.1750	11.9945
1977-78	1.9650	3.7854	5.6436	.1600	11.5540

1978-79 Proposition 13 (State Constitutional Amendment - Article XIII A) became effective July 1, 1978. It reduced the total property tax levy to one per cent of full cash value, or four per cent of assessed value in the 1975-76 assessments, adjusted upward two percent compounded for each succeeding year, except that property changing ownership subsequent to 1975-76, and improvements are reassessed at the time of the exchange or improvement, and adjusted each year thereafter at the rate of two per cent.

City's tax rate for G. O. Bonded Indebtedness for fiscal year 1978-79 is \$0.1553.

(1) Includes San Joaquin Local Health District

(2) Includes San Joaquin Delta Junior College

CITY OF STOCKTON

RATIO OF NET GENERAL BONDED DEBT
TO TAXABLE ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Gross Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capita</u>
1969-70	107,644 C	240,755,765	8,913,000	3.70	82.80
1970-71	113,300 S	256,582,203	15,948,000	6.21	140.76
1971-72	116,700 S	266,933,111	15,353,000	5.75	131.56
1972-73	117,900 S	279,446,924	14,693,000	5.25	124.62
1973-74	117,900 S	290,566,847	13,983,000	4.81	118.60
1974-75	117,900 S	329,962,255	13,243,000	4.01	112.32
1975-76	117,986 C	384,710,628	12,448,000	3.23	105.50
1976-77	122,000 S	437,800,848	11,598,000	2.65	95.07
1977-78	127,285 S	510,592,617	10,690,000	2.09	83.98
1978-79	131,487 S	601,737,196	9,750,000	1.62	74.15

C - Census

S - Population Estimate

CITY OF STOCKTON
SECURED TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Collection of Current Year's Taxes During Fiscal Period</u>	<u>Percentage of Levy Collected During Fiscal Period</u>	<u>Collection of Prior Year's Taxes During Fiscal Period</u>	<u>Total Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>	<u>Accumulated Delinquent Taxes</u>	<u>Ratio of Accumulated Delinquent Taxes to Current Year's Tax Levy</u>
				<u>Taxes During Fiscal Period</u>				
1969-70	\$4,579,983	\$4,505,046	98.3	\$82,278	\$4,587,324	100.1	\$179,993	3.9
1970-71	5,060,893	4,909,066	97.0	83,635	4,992,701	98.7	248,822	4.9
1971-72	5,096,817	5,015,268	98.4	127,541	5,142,809	100.9	202,830	3.9
1972-73	5,256,153	5,005,860	95.2	273,641	5,279,501	100.4	340,638	6.4
1973-74	5,080,125	4,940,071	97.2	252,522	5,192,593	100.2	252,522	5.0
1974-75	5,720,057	5,562,361	97.2	118,684	5,681,045	99.3	274,341	4.8
1975-76	5,861,841	5,700,236	97.2	228,987	5,929,223	101.2	206,959	3.5
1976-77	6,172,442	5,987,269	97.0	172,576	6,159,845	99.8	204,056	3.3
1977-78	7,131,216	6,917,280	97.0	262,295	7,179,575	100.7	107,319	1.5
1978-79	3,592,415	3,521,094	98.0	222,444	3,743,538	104.2	123,204	3.4

CITY OF STOCKTON
STATEMENT OF LEGAL DEBT MARGIN
JUNE 30, 1979

Assessed Value as of June 30, 1979 (1)

Debt Limit - 15 Per cent of Assessed Value (2)
Amount of Debt Applicable to Debt Limit
LEGAL DEBT MARGIN

\$ 596,580,612
\$ 89,487,092
9,750,000
\$ 79,737,092

(1) Assessed Value before exemptions
applicable to 1978-79 Tax Roll
less Redevelopment Area Credits

(2) Section 43605 California Government Code

CITY OF STOCKTON
 SCHEDULE OF INSURANCE IN FORCE
 JUNE 30, 1979

Type of Coverage	Coverage	Policy Number	Period	Details of Coverage	Limits of Liability	Premium
Hail Insurance	MOAC	XX027897	8/26/78-79	All Risk, Property Damage on City owned boats	\$ 22,226	\$ 755.00 Year
Worker's Compensation Excess	Employers Re-Insurance	C-21622	1/1/79-80	Covers employees for occupational injuries and illness above our Self-Insured Retention	\$1 Million Excess over \$250,000 Self-Insured Retention	\$32,500.00 Year
Comprehensive Automobile Excess	Industrial Indemnity	FC57-9502	4/11/79-80	Coverage for Fire, Explosion, Riot, Civil Commotion and Vandalism	\$2,001,630 Deductible \$10,000	\$ 3,900.00 Year
X.I.P. Travel & AD&D	American Home Assurance	GTP999 7381	1/24/79-80	Coverage for Accidental Death and Dismemberment while on City business	\$ 200,000 per employee \$ 600,000 Aggregate	\$ 3,000.00 Year
X.I.P. Life, AD&D Long-Term Disability	Standard Pacific	336620	Continuing	Life Insurance, Accidental Death and Dismemberment and Long-Term Disability	Various	Various
Dental Coverage	California Dental Service	Contract	10/1/78-79	Dental Care Services	80% of Basic Services 50% of Prosthodontic Services \$600 Maximum per person per year	\$ 19.23 per employee per month.
Dental Coverage	Pacific Dental	Contract	10/1/78-79	Dental Care Services	100% First \$300 80% Next \$300 60% Next \$400 \$780 Maximum per Family per year	\$ 19.23 per employee per month.

CITY OF STOCKTON
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1979

Type of Coverage	Coverage	Policy Number	Period	Details of Coverage	Limits of Liability	Premium
Medical Coverage (Cost Plus)	Blue Cross	GRP. #4-30691	8/1/78-79	Medical Care Services	Various	\$ 78.43 per employee per month.
Medical Coverage	Operating Eng.	GRP. #5-2589	8/1/78-79	Medical Care Services Dental Care Services Optical Care Services	Various	\$ 115.00 per employee per month
General Liability Excess	Columbia Casualty	SXP 358-39-29	4/1/79-80	General Liability Excess above \$500,000 Self-Insured Retention	\$ 500,000 Excess of \$500,000	\$94,944.00 Year
General Liability Excess	Granite State	6179-6024	4/1/79-80	General Liability Excess	\$4,000,000 Excess of \$500,000 and \$500,000 SIR	\$50,000.00 Year
General Liability Excess	Pinetop	MLP 10-16-41	4/1/79-80	General Liability Excess	\$5,500,000 Excess of \$4,500,000 plus \$500,000 SIR	\$20,975.00 Year
Aircraft Non-Ownership	Lloyds	GM3271	7/1/79-80	Covers leased or rented Aircraft/Bodily Injury or Property Damage	\$1,000,000 Single Limit	\$ 432.80 Year
Property Coverage Including Library Comprehensive Business Policy	Continental	CBP 905 871	1/1/79-80	Fire, Extended Coverage and Vandalism Property, Library and Contents Loss of Monies and Securities, Inside and Outside/Depositors Forgery/ Employees Blanket Bond/ Agricultural Equipment	Property: \$39,421,314 Library and Contents: \$11,942,220 Monies etc: Inside 65,000 Outside 25,000 Depositors Forgery 25,000 Blanket Bond 250,000 Agricultural Equipment 646,033 Deductible 10,000	\$55,843.00 Year

CITY OF STOCKTON

SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1979

Type of Coverage	Coverage	Policy Number	Period	Details of Coverage	Limits of Liability	Premium
Finance Directors Bond	United Pacific	V996107	2/1/77- 2/1/80	Bond	\$ 100,000	
Accident Travel Aid	American Home	GTP9997568	3/5/79-80	Accidental Death and Dismemberment while on City business	Salaried Employees: Under \$15,000 - \$100,000 Over \$15,000 - \$200,000 Aggregate per Accident \$600,000	\$ 806.25 Year
Owners, Landlords & Tenant Liability (Auditorium)	Gulf Insurance	GA-596-38-88	12/27/78-79	Bodily Injury Liability Property Damage Liability	\$500,000 each occurrence Aggregate \$500,000	\$ 250.00 Year

CITY OF STOCKTON
DEBT SERVICE REQUIREMENT TO MATURITY
GENERAL OBLIGATION BONDS
JUNE 30, 1979

Fiscal Year	Principal		Interest		Total Principal and Interest
	General Government	Sanitary Sewer	General Government	Sanitary Sewer	
1979-80	\$ 545,000	\$ 435,000	\$ 102,713	\$ 325,942	\$ 1,408,655
1980-81	580,000	460,000	83,563	299,842	1,423,405
1981-82	220,000	485,000	63,078	274,542	1,042,620
1982-83	235,000	505,000	55,158	254,172	1,049,330
1983-84	85,000	535,000	49,315	232,457	901,772
1984-85	90,000	560,000	45,728	208,917	904,645
1985-86	95,000	585,000	41,935	183,718	905,653
1986-87	100,000	620,000	37,888	156,807	914,695
1987-88	105,000	645,000	33,583	127,667	911,250
1988-89	110,000	680,000	29,068	97,030	916,098
1989-90	115,000	710,000	24,314	64,390	913,704
1990-91	120,000	740,000	19,320	29,600	908,920
1991-92	125,000	125,000	14,082	48,920	139,082
1992-93	130,000	130,000	8,600	14,082	138,600
1993-94	135,000	135,000	2,903	2,903	137,903
Total	\$2,790,000	\$6,960,000	\$9,750,000	\$611,248	\$2,866,332
					\$2,255,084
					\$12,616,332

CITY OF STOCKTON
 DEBT SERVICE REQUIREMENT TO MATURITY
 CAPITALIZED LEASES
 JUNE 30, 1979

Fiscal Year	Principal	Interest	Total
1979-80	\$ 48,379	\$ 76,621	\$ 125,000
1980-81	51,383	73,617	125,000
1981-82	54,576	70,424	125,000
1982-83	57,967	67,033	125,000
1983-84	61,568	63,432	125,000
1984-85	65,394	59,606	125,000
1985-86	69,457	55,543	125,000
1986-87	73,772	51,228	125,000
1987-88	78,356	46,644	125,000
1988-89	83,225	41,775	125,000
1989-90	88,396	36,604	125,000
1990-91	93,888	31,112	125,000
1991-92	99,721	25,279	125,000
1992-93	105,917	19,083	125,000
1993-94	112,498	12,502	125,000
1994-95	119,468	5,512	125,000
Total	\$1,263,985	\$736,015	\$2,000,000

Fiscal Year	Recreation Facilities			Office Equipment			Internal Service Fund		
	General Fixed Assets		Total	Office Equipment		Internal Service Fund	Internal Service Fund		
	Principal	Interest		Principal	Interest		Principal	Interest	Total
1979-80	\$ 48,379	\$ 76,621	\$ 125,000	\$ 9,265	\$ 1,141	\$ 10,406	\$ 15,287	\$ 3,324	\$18,611
1980-81	51,383	73,617	125,000	9,788	618	10,406	16,151	2,460	18,611
1981-82	54,576	70,424	125,000	5,099	104	5,203	14,690	1,568	16,258
1982-83	57,967	67,033	125,000				13,081	823	13,904
1983-84	61,568	63,432	125,000				6,815	137	6,952
1984-85	65,394	59,606	125,000						
1985-86	69,457	55,543	125,000						
1986-87	73,772	51,228	125,000						
1987-88	78,356	46,644	125,000						
1988-89	83,225	41,775	125,000						
1989-90	88,396	36,604	125,000						
1990-91	93,888	31,112	125,000						
1991-92	99,721	25,279	125,000						
1992-93	105,917	19,083	125,000						
1993-94	112,498	12,502	125,000						
1994-95	119,468	5,512	125,000						
Total	\$1,263,985	\$736,015	\$2,000,000	\$ 24,152	\$ 1,863	\$ 26,015	\$ 66,024	\$ 8,312	\$74,336

CITY OF STOCKTON
DEBT SERVICE REQUIREMENT TO MATURITY
SPECIAL ASSESSMENT BONDS
JUNE 30, 1979

Fiscal Year	Water	Sanitary Sewer	Special Assessment	Serial Bond Principal			Serial Bond Interest			Total Principal and Interest
				Central Parking District	Total	Water	Sanitary Sewer	Special Assessment	Central Parking District	
1979-80	\$ 60,000	\$ 80,000	\$ 753,934	\$ 80,000	\$ 973,934	\$ 148,550	\$ 314,820	\$ 1,480,390	\$ 206,032	\$ 2,149,792 \$ 3,123,726
1980-81	60,000	85,000	820,510	80,000	1,045,510	144,550	308,220	1,432,655	202,242	2,087,667 \$ 3,133,177
1981-82	65,000	95,000	983,561	85,000	1,228,661	140,375	301,020	1,376,345	198,312	2,016,052 \$ 3,244,713
1982-83	65,000	100,000	1,020,661	90,000	1,275,661	136,025	293,220	1,313,009	194,117	1,936,371 \$ 3,212,032
1983-84	75,000	110,000	1,053,561	95,000	1,333,661	131,350	284,820	1,246,603	189,672	1,852,445 \$ 3,186,106
1984-85	75,000	120,000	1,067,000	100,000	1,362,000	126,350	275,620	1,178,712	184,931	1,765,613 \$ 3,127,613
1985-86	80,000	130,000	1,182,000	105,000	1,497,000	121,175	266,758	1,106,609	179,894	1,674,436 \$ 3,171,436
1986-87	85,000	140,000	1,293,000	115,000	1,633,000	115,675	258,215	1,027,039	174,445	1,575,374 \$ 3,208,374
1987-88	90,000	150,000	1,329,000	120,000	1,689,000	109,550	248,785	942,374	168,578	1,469,587 \$ 3,158,587
1988-89	95,000	160,000	1,376,000	120,000	1,751,000	103,675	238,475	853,912	162,578	1,358,640 \$ 3,109,640
1989-90	105,000	175,000	1,474,000	130,000	1,884,000	97,000	227,165	760,197	156,284	1,240,646 \$ 3,124,646
1990-91	105,000	190,000	1,434,000	130,000	1,859,000	90,000	214,660	664,103	149,696	1,118,459 \$ 2,977,459
1991-92	110,000	205,000	1,434,000	143,000	1,892,000	82,825	201,032	568,441	142,736	995,034 \$ 2,887,034
1992-93	120,000	220,000	1,361,000	145,000	1,846,000	75,150	186,260	474,920	135,334	871,664 \$ 2,717,664
1993-94	125,000	240,000	1,371,000	150,000	1,886,000	66,975	170,160	382,969	127,741	747,845 \$ 2,633,845
1994-95	135,000	255,000	1,404,000	160,000	1,954,000	58,300	152,835	288,796	119,760	619,691 \$ 2,573,691
1995-96	140,000	275,000	1,463,000	165,000	2,043,000	49,125	134,285	190,905	111,370	485,685 \$ 2,528,685
1996-97	155,000	300,000	953,000	175,000	1,583,000	39,275	114,160	109,963	102,571	365,969 \$ 1,948,969
1997-98	160,000	325,000	771,000	185,000	1,441,000	28,750	92,123	54,526	93,261	268,660 \$ 1,709,660
1998-99	170,000	350,000	475,000	190,000	1,185,000	17,725	68,160	14,966	83,564	184,415 \$ 1,369,415
1999-00	180,000	375,000	195,000	195,000	750,000	6,025	42,422	73,599	122,046	872,046 \$ 240,375
2000-01	410,000					14,555				77,623 \$ 697,623
2001-02										51,848 \$ 271,848
2002-03										40,383 \$ 260,383
2003-04										33,775 \$ 58,775
2004-05										25,375 \$ 240,375
2005-06										8,925 \$ 8,925
Total	\$2,255,000	\$4,490,000	\$23,019,427	\$3,903,000	\$33,667,427	\$1,888,725	\$4,407,770	\$15,467,434	\$3,380,091	\$25,144,020 \$ 58,811,447

CITY OF STOCKTON
MISCELLANEOUS STATISTICS
JUNE 30, 1979

GENERAL

Date of Incorporation	1850
City Charter Adopted	1922
Council-Management Gov't	
Area-Square Miles	41.12
Elevation	23

EMPLOYEES - ALL DEPARTMENTS

FULL Time - CIVIL Service	1,002
FULL Time - Non-Competitive	418
Sub-total	1,420
Temporary Employees	31
Part-time Employees	291
Sub-total	322
Total	1,742

PUBLIC WORKS

Miles of Streets	496
Miles of Storm Sewers	228
Miles of Sanitary Sewers	468
Traffic Signals	149

POPULATION

1910	23,253
1920	40,296
1930	47,963
1940	54,714
1950	70,583
1960	86,321
1970	107,644

FIRE PROTECTION - CLASS I

No. of Fire Stations	9
Fire Alarm Boxes	114
No. of Fire Hydrants	3,215
(2902 City)	
Personnel (Full Time)	213

REGISTERED VOTERS

51,378

POLICE PROTECTION

No. of Vehicles:	
Automobiles	115
Motorcycles	16
3-Wheelers	19
Patrol Wagons	7
Photography Truck	4
Bomb Disposal Truck	1
Cadet Van	1
Trainee Pick Up	3
Military 4 X 4	1
Personnel:	
Sworn	231
Other	94

RECREATION (Cont'd)

Ice Rink - Oak Park	1
Community Centers	4
Swimming Pools	4
Baseball & Softball	
Diamonds	38
Tennis Courts	43

BUILDING

Construction Permits	5,338*
Estimated Value	\$187,397,651

*Single permit system implemented January 1, 1976.

RECREATION

Parks and Squares	44
(City Parks 480 acres)	
Boating Facilities - ramps	8
(Louis Park & Buckley Cove)	
Municipal Golf Courses	3
(390 acres)	
Family Camp - Silver Lake	1
Pioneer Museum - Victory Park	1
Pixie Woods - Louis Park	1
Auditorium - Civic Center	1
(3500 capacity)	
Senior Citizens Center - Oak Park	1

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AFFILIATED
AGENCIES

CITY OF STOCKTON
CENTRAL PARKING DISTRICT
FINANCIAL REPORT
June 30, 1979

HERBERT H. BOWMAN
 THOMAS Y. FONG
 GENE E. MCKNIGHT
 RAYMOND E. WILEY
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 LARRY H. ANDERSON
 DONALD C. HUBBARD
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BOWMAN, FONG, MCKNIGHT
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 CERTIFIED PUBLIC ACCOUNTANTS
 SUITE 103
 607 NORTH SAN JOAQUIN STREET
 STOCKTON, CALIFORNIA 95202
 (209) 946-0415

The Honorable City Council
 City of Stockton, California

We have examined the financial statements of the City of Stockton Central Parking District for the year ended June 30, 1979 listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements mentioned in the first paragraph present fairly the financial position of the City of Stockton Central Parking District at June 30, 1979, and the results of its operations for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the change in the method of accounting for the servicing of general long-term debt, with which we concur as described in Note 2 of Notes to Financial Statements.

The column on the accompanying combined balance sheet captioned "Total (Memorandum Only)" is not necessary for a fair presentation of the financial statements, but is presented as additional analytical data.

Bowman, Fong, McKnight, Wiley & Horst

Stockton, California
 October 19, 1979

CITY OF STOCKTON
CENTRAL PARKING DISTRICT
COMBINED BALANCE SHEET
June 30, 1979

	Governmental Type Funds		Account Groups			Total (Memorandum Only)
	General	Debt Service	General Fixed Assets	General Long-Term Debt		
ASSETS						
Cash and investments						
Cash with fiscal agent	\$ 508,680	\$ 11,750				\$ 508,680
Accounts receivable (net of allowance for uncollectibles of \$616)		1,587				11,750
Property and equipment						1,587
Land						
Buildings and improvements						
Equipment						
Amount available and to be provided for retirement of long-term debt						
Amount available in fund reserves						
Amount to be provided						
	\$ 510,267	\$ 11,750	\$ 5,114,114	\$ 3,903,000	\$ 9,539,131	
LIABILITIES AND FUND EQUITY						
Liabilities						
Accounts payable	\$ 118	\$ 11,750				\$ 118
Matured bonds and interest payable						
General long-term debt payable						
	\$ 118	\$ 11,750	\$ -	\$ 3,903,000	\$ 3,903,000	
Fund Equity						
Investment in fixed assets						
Fund balance	\$ 1,352					\$ 1,352
Reserved for encumbrances	1,060					1,060
Reserved for petty cash	50,000					50,000
Reserved for contingency	122,781					122,781
Reserved for authorized expenditure	183,964					183,964
Reserved for bond and interest retirement	150,992					150,992
	\$ 510,149	\$ -	\$ 5,114,114	\$ -	\$ -	
	\$ 510,267	\$ 11,750	\$ 5,114,114	\$ 3,903,000	\$ 9,539,131	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 CENTRAL PARKING DISTRICT
 GENERAL FUND
 BALANCE SHEET
 June 30, 1979

ASSETS		LIABILITIES AND FUND BALANCE	
Cash and Investments	\$ 508,680	Liabilities	
Accounts receivable (net of allowance for uncollectibles of \$616)	<u>1,587</u>	Accounts payable	\$ 118
Total Assets	<u>\$ 510,267</u>	Total Liabilities	<u>\$ 118</u>
		Fund Balance	\$ 1,352
		Reserved for encumbrances	1,060
		Reserved for petty cash	50,000
		Reserved for contingency	122,781
		Reserved for authorized expenditures	183,964
		Reserved for bond and interest retirement	150,992
		Unreserved	<u>\$ 510,149</u>
		Total Fund Balance	<u>\$ 510,267</u>
		Total Liabilities and Fund Balance	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON

CENTRAL PARKING DISTRICT
 GENERAL FUND
 STATEMENT OF REVENUE, EXPENDITURES AND ENCUMBRANCES,
 TRANSFERS, AND CHANGES IN FUND BALANCE
 For Fiscal Year Ended June 30, 1979

Revenue		
Parking lots	\$ 269,856	
Special assessments	125,000	
Contribution from City of Stockton	98,000	
Contribution from other agencies	10,000	
Investment earnings	36,640	
Property rentals	2,620	
Sale of property	125,942	
Miscellaneous	137	
Total Revenue	<u>\$ 668,195</u>	
Expenditures and Encumbrances		
Salaries and fringe benefits	\$ 133,595	
Professional and special services	31,748	
Materials and supplies	19,085	
Equipment rental	24,568	
Utilities	17,057	
Miscellaneous	7,188	
Total Expenditures and Encumbrances	<u>\$ 233,241</u>	
Net revenue from operations		
Less capital outlay	<u>\$ 434,954</u>	
Excess of revenue over expenditures and encumbrances	<u>\$ 38,857</u>	
Other Financing (Uses)		
Operating transfer out	(284,690)	
Direct credits to fund balance		
Uncollectible accounts adjustment	<u>1,704</u>	
Net increase in fund balance during year		
Fund Balance - Unreserved at beginning of year	\$ 113,111	
(Increase) Decrease in reserve	(74,218)	
Fund Balance - Unreserved at end of year	<u>\$ 150,992</u>	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 CENTRAL PARKING DISTRICT
 DEBT SERVICE FUND
 BALANCE SHEET
 June 30, 1979

ASSETS	<u>\$ 11,750</u>
Cash with fiscal agent	

LIABILITIES	<u>\$ 11,750</u>
Matured bonds and interest payable	

CITY OF STOCKTON

CENTRAL PARKING DISTRICT
 STATEMENT OF EXPENDITURES, TRANSFERS AND FUND BALANCE
 For the Fiscal Year Ended June 30, 1979

Expenditures	<u>\$ 284,690</u>
Debt service	(284,690)
(Deficiency) of revenue over expenditures	
Other financing source	<u>284,690</u>
Operating transfer in	
	\$ -
Net increase in fund balance	
Fund balance - beginning of year	
Fund balance - end of year	

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON
 CENTRAL PARKING DISTRICT
 STATEMENT OF GENERAL FIXED ASSETS
 June 30, 1979

General fixed assets	
Land	\$ 3,351,859
Buildings and improvements	1,741,819
Equipment	<u>20,436</u>
Total	<u>\$ 5,114,114</u>
Investment in fixed assets	
From special assessment bonds	\$ 4,532,269
From other sources	581,845
Total	<u>\$ 5,114,114</u>

CITY OF STOCKTON
 CENTRAL PARKING DISTRICT
 STATEMENT OF GENERAL LONG-TERM DEBT
 June 30, 1979

Amount available and to be provided for payment of general long-term debt Special assessment bonds	\$ 233,964
Amount available in fund reserve	<u>3,669,036</u>
Amount to be provided	
Total	<u>\$ 3,903,000</u>
General long-term debt payable Special assessment bonds payable	<u>\$ 3,903,000</u>

The Notes to Financial Statements are an integral part of these statements.

CITY OF STOCKTON CENTRAL PARKING DISTRICT
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF FUNDS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of funds

General Fund - The General Fund is used to account for all the unrestricted resources except those required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt.

General Long-Term Debt - The General Long-Term Debt group of accounts is used to account for unmatured general long-term indebtedness of the District.

General Fixed Assets - The General Fixed Assets group of accounts is used to account for the cost of fixed assets acquired to perform general government functions.

Basis of accounting

The modified accrual basis of accounting is used for all funds. Modifications in such method from the accrual basis are as follows:

- A. Revenues are recorded as received in cash, except for revenues susceptible to accrual and revenues of a material amount that are not received at their normal time of receipt.

- B. Disbursements for the purchase of materials and supplies are considered as expenditures. Inventories of such items are therefore not included on the balance sheet.

- C. Disbursements for the purchase of capital assets providing future benefits are considered as expenditures and are accounted for in the general fixed assets group of accounts.

- D. Commitments such as purchase orders and contracts are recorded as encumbrances. Outstanding encumbrances at year end are included with expenditures of the year.

E. Interest on general long-term debt is not accrued but is recorded as an expenditure when due.

NOTE 2 - CHANGE IN METHOD OF ACCOUNTING

Debt service receipts and disbursements for general long-term debt were recorded in the General Fund for fiscal year ended June 30, 1978 and all prior years.

As required by generally accepted accounting principles, a separate debt service fund was set up to record the servicing of the Parking District's general long-term debt.

NOTE 3 - SPECIAL ASSESSMENT BONDS

The detail of the City of Stockton Central Parking District's special assessment bonds is as follows:

<u>Series</u>	<u>Effective Interest Rate %</u>	<u>Date Issued</u>	<u>Date Maturity</u>	<u>Amount Authorized</u>	<u>Bonds Outstanding</u>
148-A	4.93	9-02-67	7-02-02	\$2,000,000	\$1,675,000
148-B	5.35	9-02-68	7-02-02	1,000,000	815,000
148-C	5.47	11-02-68	7-02-05	1,000,000	830,000
148-D	7.00	4-02-70	7-02-05	<u>583,000</u>	<u>583,000</u>
				<u>\$4,583,000</u>	<u>\$3,903,000</u>

REDEVELOPMENT AGENCY OF THE
CITY OF STOCKTON

FINANCIAL REPORT
June 30, 1979

HERBERT H. BOWMAN
 THOMAS Y. TONG
 GENE E. MCKNIGHT
 RAYMOND E. WILEY
 WILBERT T. HORST
 LARRY H. ANDERSON
 DONALD C. HUBBARD
 JEREMIAH T. MURPHY, JR.

BOWMAN, FONG, MCKNIGHT
 WILEY & HORST
 CERTIFIED PUBLIC ACCOUNTANTS
 SUITE 103
 807 NORTH SAN JOAQUIN STREET
 STOCKTON, CALIFORNIA 95202
 (209) 948-0418

The Honorable City Council
 City of Stockton, California

We have examined the financial statements of the Redevelopment Agency of the City of Stockton for the year ended June 30, 1979 listed in the Table of Contents. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements mentioned in the first paragraph present fairly the financial position of the Redevelopment Agency of the City of Stockton at June 30, 1979, and the results of its operations for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The column on the accompanying combined financial statements captioned "Total (Memorandum Only)" is not necessary for a fair presentation of the financial statements, but is presented as additional analytical data.

Bowman, Tong, McKnight, Wiley & Horst

Stockton, California
 October 19, 1979

REDEVELOPMENT AGENCY
OF THE CITY OF STOCKTON
COMBINED BALANCE SHEET
June 30, 1979

	<u>Administration</u>	<u>Yacht Harbor</u>	<u>West End Tax Allocation</u>	<u>McKinley - Grant</u>	<u>Sharp Escrow</u>	<u>Interfund Eliminations</u>	Total (Memorandum Only)
ASSETS AND OTHER DEBITS							
Current Assets							
Cash and investments	\$ 658,858	\$ 30,273	\$ 138,739	\$ 6,457	\$ 161,953	\$ -	\$ 996,280
Cash and investment with fiscal agent	-	-	251,131	-	-	-	251,131
Accounts receivable	-	753	-	-	-	-	753
Inventory of materials and supplies	-	4,837	-	-	-	-	4,837
Total Current Assets	\$ 658,858	\$ 35,863	\$ 389,870	\$ 6,457	\$ 161,953	\$ -	\$ 1,253,001
Property, Plant and Equipment (Net of accumulated depreciation of \$34,825)	-	225,125	-	-	-	-	225,125
Redevelopment Projects at cost	-	-	3,267,386	-	-	-	3,267,386
Unreimbursed construction costs	-	-	-	-	1,322,518	(1,270,502)	52,016
Total Assets and Other Debits	\$ 658,858	\$ 260,988	\$ 3,657,256	\$ 6,457	\$ 1,484,471	\$ (1,270,502)	\$ 4,797,528
LIABILITIES AND FUND EQUITY							
Current Liabilities							
Accounts Payable	\$ 3,820	\$ -	\$ -	\$ -	\$ 52,016	\$ -	\$ 55,836
Deposits	-	-	-	-	64,405	(27,952)	36,453
Matured bonds and interest payable	3,786	-	116,733	-	-	-	120,519
Total Current Liabilities	\$ 7,606	\$ -	\$ 116,733	\$ -	\$ 116,421	\$ (27,952)	\$ 212,808
Long-Term Debt							
Advances from governmental agency	\$ 54,316	\$ 278,348	\$ 1,010,000	\$ -	\$ 125,500	\$ -	\$ 458,164
Bonds payable	-	-	-	-	1,242,550	(1,242,550)	1,010,000
Loans payable	-	-	-	-	-	-	-
Total Long-Term Debt	\$ 54,316	\$ 278,348	\$ 1,010,000	\$ -	\$ 1,368,050	\$ (1,242,550)	\$ 1,468,164
Total Liabilities	\$ 61,922	\$ 278,348	\$ 1,126,733	\$ -	\$ 1,484,471	\$ (1,270,502)	\$ 1,680,972
Fund Equity							
Retained earnings (deficit)	\$ -	\$ -	\$ 122,614	\$ -	\$ -	\$ -	\$ 122,614
Reserved for bond and interest	-	-	-	-	-	-	2,462,441
Retirement Reserves for authorized expenditures	205,055	-	2,257,386	-	-	-	2,531,501
Unreserved	391,881	(17,360)	150,523	6,457	-	-	\$ 3,116,556
Total Fund Equity	\$ 596,936	\$ (17,360)	\$ 2,530,523	\$ 6,457	\$ -	\$ -	
Total Liabilities and Fund Equity	\$ 658,858	\$ 260,988	\$ 3,657,256	\$ 6,457	\$ 1,484,471	\$ (1,270,502)	\$ 4,797,528

The Notes to Financial Statements are an integral part of these statements.

**REDEVELOPMENT AGENCY
OF THE CITY OF STOCKTON**
**COMBINED STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN RETAINED EARNINGS**
For Fiscal Year Ended June 30, 1979

	<u>Administration</u>	<u>Yacht Harbor</u>	<u>West End Tax Allocation</u>	<u>McKinley - Grant</u>	<u>Sharpe Escrow</u>	Total (Memorandum Only)
Operating Revenue						
Taxes	\$ 66,029	\$ -	\$ 209,001	\$ -	\$ -	\$ 275,030
Berthing fees	-	57,463	-	-	-	57,463
Merchandise sold	-	25,629	-	-	-	25,629
Other revenues	2,854	120	6,000	-	-	8,974
Total Revenues	\$ 68,883	\$ 83,212	\$ 215,001	\$ -	\$ -	\$ 367,096
Operating Expenses						
Operation and maintenance	68,159	37,324	-	-	-	105,483
General and administrative	9,700	21,107	-	-	-	30,807
Depreciation	-	21,995	-	-	-	21,995
Total Operating Expenses	\$ 77,859	\$ 80,426	\$ -	\$ -	\$ -	\$ 158,285
Operating Income (Loss)	\$ (8,976)	\$ 2,786	\$ 215,001	\$ -	\$ -	\$ 208,811
Nonoperating Revenues (Expenses)	\$ 54,552	-	35,190	-	-	89,742
Investment earnings	-	-	33,840	-	-	33,840
Gain from disposal of property	(3,074)	(13,255)	(63,600)	-	-	(79,922)
Interest expense and fiscal charges	\$ 51,478	\$ (13,255)	\$ 5,430	\$ -	\$ -	\$ 43,653
Total Nonoperating Revenues (Expenses)	\$ 42,502	\$ (10,469)	\$ 220,431	\$ -	\$ -	\$ 252,464
Income (Loss) before operating transfers	488	10,469	-	-	-	10,957
Operating transfers in	\$ 42,990	\$ -	\$ 220,431	\$ -	\$ -	\$ 263,421
Net income - to retained earnings						
Retained earnings (deficit) - unreserved at beginning of year	298,594	(17,360)	75,362	6,457	12,639	375,692
(Increase) decrease in reserves	36,150	-	(145,270)	-	-	(109,120)
Equity transfer	14,147	-	-	-	(12,639)	1,508
Retained earnings (deficit) - unreserved at end of year	\$ 391,881	\$ (17,360)	\$ 150,523	\$ 6,457	\$ -	\$ 531,501

The Notes to Financial Statements are an integral part of these statements.

**REDEVELOPMENT AGENCY
OF THE CITY OF STOCKTON**
COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
For Fiscal Year Ended June 30, 1979

Sources of Working Capital	
Operations	
Net income	\$ 263,421
Items not affecting working capital	
Depreciation	21,995
(Gain) from disposal of fixed assets	(33,840)
Working capital provided by operations	251,576
Advances from government agency	141,828
Decrease in unreimbursed construction costs	10,570
Equity fund transfer	1,508
Proceeds from sale of fixed assets	33,840
Total Sources of Working Capital	<u>\$ 439,322</u>
Application of Working Capital	
Redevelopment project cost	\$ 5,278
Retirement of long-term debt	(510,000)
Total Use of Working Capital	<u>\$ 515,278</u>
Net Increase (Decrease) in Working Capital	<u>\$ (75,956)</u>
Elements of net increase (decrease) in working capital	
Cash and investments	\$ 224,277
Cash with fiscal agent	(317,107)
Accounts receivable	(1,031)
Inventory of materials and supplies	1,391
Accounts payable	20,929
Deposits	18,220
Matured bonds and interest	(22,635)
Net increase (decrease) in working capital	<u>\$ (75,956)</u>

The Notes to Financial Statements are an integral part of these statements.

REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The funds of the Redevelopment Agency of the City of Stockton are maintained as enterprise funds. Enterprise funds are established to account for operations that are financed from user charges and where the stated intent is that costs of providing that service be recovered through the user charge.

The accrual basis of accounting is used for all of the funds of the Agency.

NOTE 2 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. Depreciation for the current fiscal year was \$21,995.

NOTE 3 - BONDS PAYABLE

Bonds Authorized:	West End Project Tax Allocation Bonds authorized in Resolution No. 1240 adopted February 15, 1966 in the aggregate principal amount of	\$ 3,300,000
		<u>1,000,000</u>

Bonds Authorized - Unissued

Bonds Issued:	West End Project Tax Allocation Bonds of Series A issued April 1, 1966 as coupon bonds in the denomination of \$5,000.00 each, Number A1 to A460 both inclusive, maturing April 1, 1996, bearing interest at 4.90% per annum, payable semi-annually on the first day of April and the first day of October in each year, redeemable prior to maturity at the option of the Agency, in whole or in part, by lot, on or after April 1, 1973, at redemption prices ranging from 103½% of par down to 100% of par value, issued in the aggregate principal amount of	2,300,000
		<u>1,290,000</u>
Bonds Outstanding at June 30, 1979		<u>\$ 1,010,000</u>

