COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1988



CITY OF STOCKTON, CALIFORNIA

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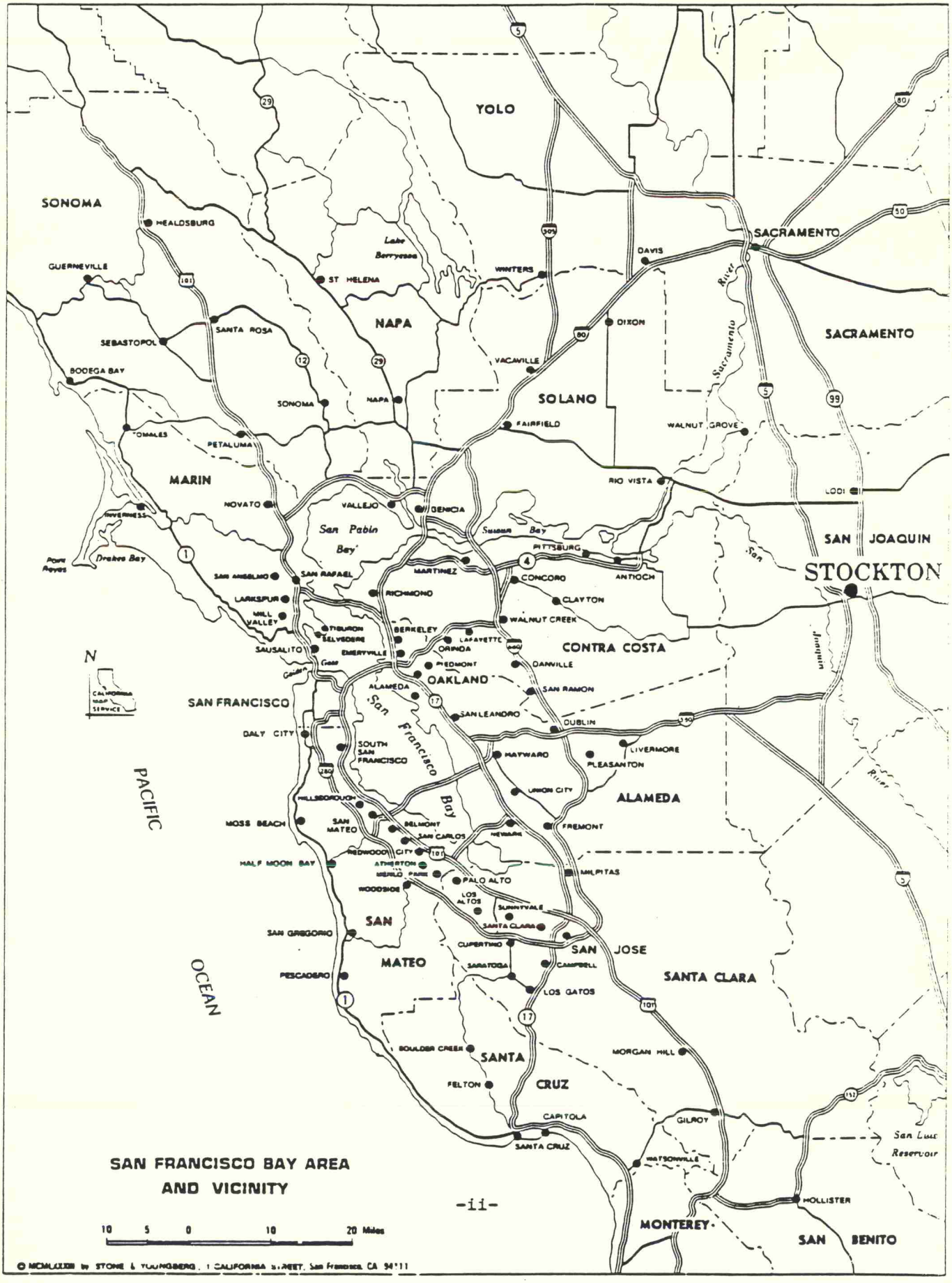
City of Stockton, California

FOR THE FISCAL YEAR ENDED JUNE 30, 1988

Prepared and Issued by
The Finance Department

L. PATRICK SAMSELL
Finance Director

LOCATION MAP



SAN FRANCISCO BAY AREA
AND VICINITY

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CITY OF STOCKTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1988

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CITY OF STOCKTON

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FISCAL YEAR ENDED JUNE 30, 1988

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CITY OF STOCKTON

CITY HALL
STOCKTON, CA 95202-1997

FINANCE DEPARTMENT

October 27, 1988

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

Gentlemen:

In accordance with the provisions of Section 11, Article XXII of the City Charter, I hereby submit the Comprehensive Annual Financial Report of the City of Stockton, California for the fiscal year ended June 30, 1988. This report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance the expenditures of the fiscal period. Expenditures, except for unmatured interest on long-term debt, are recorded in the accounting period in which the liability is incurred, if measurable. The accounting records for the City's proprietary funds (enterprise and internal service) and nonexpendable trust funds are maintained on the accrual basis. Transactions are recognized when they occur, regardless of the timing of related cash flows.

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding:

1. the safeguards of assets against loss from unauthorized use or disposition, and

2. the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived, and

2. the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the subfunction level by the encumbrance of estimated purchase amounts as evidenced by purchase orders (contracts). The responsibility to approve purchase orders is delegated to the department managers who see to it that expenditures or commitment of funds are within the budget, earlier approved by the City Council. Open encumbrances are reported as reservations of fund balance at the end of the fiscal year.

THE REPORTING ENTITY AND ITS SERVICES

The funds and account groups included in the Comprehensive Annual Financial Report (CAFR) are those deemed dependent upon the City and controlled by the City Council. In accordance with the criteria established by the National Council of Governmental Accounting (NCGA), particularly on Statement 3, which took effect in the fiscal year 1982-83, the Central Parking District (Enterprise Fund), and the Redevelopment Agency (Capital Projects Fund) are merged into the City's general purpose financial statements. Entities added this fiscal year were California Public Agency Leasing Corporation (combined with Water-Enterprise Fund) and Stockton-Vacaville Home Financing Authority (Nonexpendable Trust Fund). The Stockton Recreation Corporation was excluded because the City has no oversight or budgetary authority and the organization is inactive. Oversight responsibility is the basic, but not the sole criterion used in determining the reporting entity. The NCGA concluded that the most significant manifestation of oversight is financial interdependence. Statement 3 provides the following guidelines concerning the various manifestations of oversight: 1) selection of governing authority, 2) designation of management, 3) ability to significantly influence operations, and 4) accountability for fiscal matters.

The City provides the full range of municipal services contemplated by the statute or charter. These include public safety (police, fire, paramedics, building), sanitation, (solid waste disposal, sanitary sewer utility), water utility, community development, library, parks and recreation and general administrative services.

GENERAL GOVERNMENTAL FUNCTIONS ($ in thousands)

The following schedule presents a summary of general fund and special revenue funds revenues for the fiscal year ended June 30, 1988, and the amount and percentages of increases and decreases in relation to prior year revenues.

	Amount	Percent of Total	Increase (Decrease) from 1987	Percent of Increase (Decrease)
Taxes				
Property	$12,106	15.96	$ 787	6.95
Sales and Use	17,239	22.73	1,733	11.18
Utility	10,573	13.94	688	6.96
Franchise	2,198	2.90	32	1.48
Business License	3,405	4.49	313	10.12
Other	1,521	2.00	124	8.88
Licenses and Permits	2,351	3.10	262	12.54
Intergovernmental	12,806	16.89	(1,099)	(7.90)
Charges for Services	7,837	10.34	639	8.88
Fines and Forfeitures	733	0.97	-	-
Use of Money and Property	3,105	4.10	(551)	(15.07)
Miscellaneous	1,957	2.58	241	14.04
	$75,831	100.00	$ 3,169	4.36

($ in thousands)

The most significant increase in revenue came from sales and use, and property taxes. Compared to 1987, total taxes increased by $3,677 or 8.48 percent.

Net assessed full cash valuations of all taxable property was $4,867,947, increased 7.05 percent over the preceding year.

Current year's secured tax collections were 95.0 percent of the tax levy, compared to last year's 92.7 percent. For the last ten years, percent of collections to tax levy, ranged from 92.7 percent to 98 percent, averaged 95.5 percent. The ratio of total collections (current and delinquent) to the current tax levy was 107.2 percent.

The following schedule presents a summary of general fund and special revenue funds expenditures for the fiscal year ended June 30, 1988, and the percentage of increase and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 1987	Percent of Increase (Decrease)
Current:				
General Government	$ 8,108	10.77	$ 101	1.26
Public Safety	41,990	55.78	631	1.53
Public Works	9,509	12.63	541	6.03
Culture and Recreation	10,467	13.91	853	8.87
Capital Outlay	5,065	6.73	(116)	(2.24)
Debt Service (shown on the financial statements as operating transfer to Debt Service Fund)				
Principal	105	0.14	5	5.00
Interest and Fiscal Charges	34	0.04	(4)	(10.53)
	$75,278	100.00	$2,011	2.74

Total expenditures increased by 2.74 percent or $2,011. The cost of maintaining library services went up by $612, or 12.48 percent higher than the year before. Parks and recreation exceeded last year's expenditures by $241 or 5.11 percent. Public safety expenditures have been going up - increased 1.53 percent this fiscal year.

($ in thousands)

GENERAL FUND BALANCE

The fund balance of the general fund increased by 3,363. The increase is attributed to higher revenues, particularly from property and sales and use taxes. The unreserved fund balance of $7,404 is 10.6 percent of fiscal year 1987-88 total expenditures.

ENTERPRISE FUNDS

Fiscal year 1987-88 ended with a total net increase in retained earnings of $4,251, 23.3 percent greater than last year.

Two Funds were added this year: a) Silver Lake, and b) California Public Agency Leasing Corporation (combined with Water Utility Fund). Recreation funds consist of Silver Lake, Golf Courses, Civic Auditorium and Ice Arena.

Selected financial data for the current fiscal year are presented below:

	Central Parking	Water	Sewer	Recre-ation
Operating Revenue	$ 1,499	$ 3,708	$15,820	$ 1,872
Operating Income(Loss)	916	654	2,652	(112)
Investment Earnings	1,190	682	212	2
Debt Service	1,569	295	1,184	125
Net Book Value of Fixed Assets	6,842	23,103	62,041	1,540
Total Assets	22,891	42,906	70,245	2,222
Fund Equity	3,452	28,052	63,838	1,352

PENSION PLAN

The City contributed to the Public Employees' Retirement System (PERS) $10,344 (for employer and employees). The gross reportable payroll for employees covered by PERS was $42,643. The combined employer-employee rates as a percentage of payroll are as follows:

($ in thousands)

	1987-88	1988-89
Miscellaneous Members	19.205%	15.044%
Public Safety - Police	30.191	26.122
Fire	30.191	26.122

The contribution rates will meet all ongoing costs and fund the unfunded actuarial liabilities by the year 2000.

DEBT ADMINISTRATION

The ratio of net general bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens, and investors. These data for the City at the end of fiscal year 1988 were as follows:

	Amount	Percent of Net Bonded Debt to Assessed Full Cash Value	Debt Per Capita
Net Direct Bonded Debt	$735	0.05	$3.88

Outstanding general obligation bonds at June 30, 1988 totaled $2,865, of which $2,130 were issued for pollution control facilities (sanitary sewer utility), considered to be self supporting. The remainder of $735 is the net direct tax supported debt.

The City's general obligation bonds continue to have the same ratings which they have carried for the past several years:

Moody's Investor Service, Inc. Aa

STATEMENT OF INVESTMENT POLICY

City of Stockton operates its temporary pooled idle cash investments under the prudent man rule (Civil Code Section 2261, et seq.)*. This affords the City a broad spectrum of investment opportunities as long as the

($ in thousands)

investment is deemed prudent and is allowable under current legislation of the State of California (Government Code Section 53600 et seq.).

Investments may be made in the following media:

- Securities of the U. S. Government, or its agencies
- Small Business Administration Loans
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies
- Negotiable Certificates of Deposit
- Bankers Acceptances
- Commercial Paper
- Local Agency Investment Fund (State Pool) Demand Deposits
- Repurchase Agreements (Repos)
- Passbook Savings Account Demand Deposits
- Reverse Repurchase Agreements
- Any other instruments permitted under Section 53600 et seq. of the State of California Government Code

Criteria for selecting investments and the order of priority are:

1. Safety. The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The City only operates in those investments that are considered very safe.

2. Liquidity. This refers to the ability to "cash in" at any moment in time with a minimal chance of losing some portion of principal or interest. Liquidity is an important investment quality especially when the need for unexpected funds occurs occasionally.

3. Yield. Yield is the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

*The prudent man rule states, in essence, that "in investing . . . property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which men or prudence, discretion and intelligence exercise in the management of their own affairs . . ."

($ in thousands)

CASH MANAGEMENT

Cash, temporarily idle and under the control of the City, was pooled and invested in demand and time certificates of deposit, negotiable certificates of deposits, obligations of the U. S. Treasury including certificates of indebtedness for which the full faith and credit of the United States were pledged for the payment of principal and interest, commercial paper, bankers acceptance, state treasurer's investment pool and other forms of instruments authorized for cities by the State of California, Government Code, Section 53600 et seq. Interest earned from investments of pooled cash was $4,824. $1,870 was credited to the general fund and the balance was distributed to other funds on the basis of average monthly cash balance.

All City investments were classified under category one - the lowest credit risk as defined by the Governmental Accounting Standards Board.

OUTLOOK FOR 1988-89 AND BEYOND

Stockton continues to grow and anticipates increased growth in the future. The city has adopted impact fees to provide for public improvements. The fees are to provide public improvements for police, fire, libraries, community facilities, streets, and general government. The impact fees were adopted after a comprehensive analysis of the City's future needs.

After several years of expenditures exceeding revenues, the City of Stockton has adopted a budget balancing the revenues and expenditures in the general fund for the fiscal year ending June 30, 1988. The City adopted several of the recommendations of an efficiency study resulting in the closing of one fire station and changes to the staffing levels and the delivery of services in the City's large operating departments. The changes were made without reducing the level of service to the community.

Stockton has reason to expect a bright future. The City is growing, is nearly debt free, and has a tradition of conservative fiscal policies.

INDEPENDENT AUDIT

The City Charter requires an annual audit of all accounts of the City by a firm of certified public accountants selected by the City Council. This requirement has been complied with and the auditors opinion is included in this report.

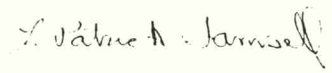
CERTIFICATE OF AWARD

The California Society of Municipal Finance Officers (CSMFO) awarded a Certificate of Award for Outstanding Financial Reporting to the City of Stockton, California, for fiscal year ended June 30, 1987. The Certificate of Award was issued in recognition of meeting professional standards and criteria in reporting which reflect a high level of quality in the financial statements and in the underlying accounting system from which the reports were prepared.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I should like to express my appreciation to all members of the Department who assisted and contributed to its preparation. I also thank the members of the City Council and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



L. PATRICK SAMSELL
DIRECTOR OF FINANCE

CALIFORNIA SOCIETY OF MUNICIPAL FINANCE OFFICERS

DEDICATED TO THE PROFESSIONAL ADVANCEMENT OF MUNICIPAL FINANCE ADMINISTRATION

Certificate of Award

FOR

OUTSTANDING FINANCIAL REPORTING

PRESENTED TO THE

City of Stockton

This certificate is issued in recognition of meeting professional standards and criteria in reporting which reflect a high level of quality in the annual financial statements and in the underlying accounting system from which the reports were prepared for the fiscal year 1986/1987.

Lawrence D Hurst
Chair, Professional Standards Committee

February 5, 1988
Date



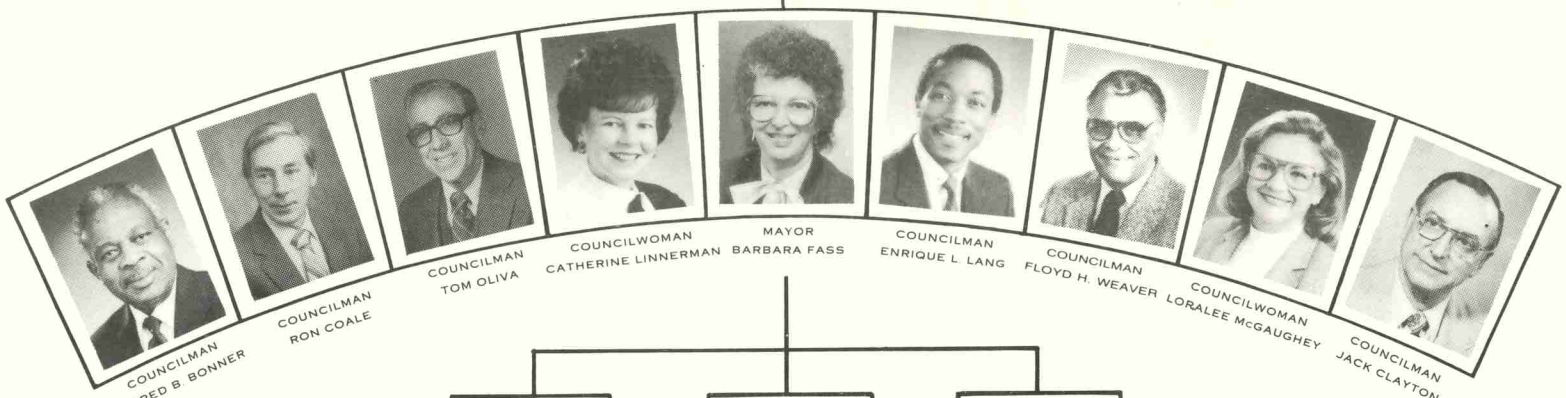
Nancy E Hicks
President

February 5, 1988
Date

ORGANIZATION CHART
CITY OF STOCKTON, CA
OCTOBER 27, 1988

PEOPLE OF STOCKTON

CITY COUNCIL



COUNCILMAN ALFRED B. BONNER
COUNCILMAN RON COALE
COUNCILMAN TOM OLIVA
COUNCILWOMAN CATHERINE LINNERMAN
MAYOR BARBARA FASS
COUNCILMAN ENRIQUE L. LANG
COUNCILMAN FLOYD H. WEAVER
COUNCILWOMAN LORALEE McGAUGHEY
COUNCILMAN JACK CLAYTON



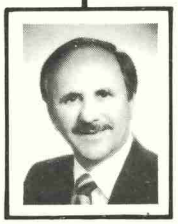
City Attorney
R. THOMAS HARRIS



City Manager
ALAN N. HARVEY



City Clerk
FRANCES HONG



Assistant City Manager
GARY INGRAHAM

Personnel Services
ROGER P. FONG
DIRECTOR

Municipal Utilities
MORRIS ALLEN
DIRECTOR

Parks & Recreation
EMIL SEIFERT
DIRECTOR

City-County Library
URSULA MEYER
DIRECTOR

Finance
L. PATRICK SAMSELL
DIRECTOR

Community Development
JOHN CARLSON
DIRECTOR

Public Works
HARRY MONTGOMERY
DIRECTOR

Police
P.F. "JACK" CALKINS
CHIEF

Fire
DOUGLAS RATTO
CHIEF

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FINANCIAL SECTION

Coopers
&Lybrand

certified public accountants

555 Capitol Mall
Sacramento, California 95814

telephone (916) 441-4334

in principal areas of the world

INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Stockton, California

We have audited the accompanying general purpose financial statements of the City of Stockton as of and for the year ended June 30, 1988, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit. The general purpose financial statements of the City of Stockton for the year ended June 30, 1987, before restatement, were audited by other auditors, whose report, dated October 29, 1987, expressed an unqualified opinion on those statements. We also reviewed the adjustments described in Note 8 that were applied to restate the 1987 financial statements. In our opinion, the adjustments are appropriate and have been properly applied.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Stockton as of June 30, 1988, and the results of its operations and the changes in financial position of its proprietary fund types and similar trust funds for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplementary schedules and statistical data (pages 52 to 120) are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The supplementary schedules (pages 52 to 98) have been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole. The statistical data (pages 100 to 120) have not been subjected to the auditing procedures applied in the examination of the general purpose financial statements, and, accordingly, we express no opinion thereon.

Coopers & Lybrand

Sacramento, California
November 11, 1988

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GENERAL PURPOSE
FINANCIAL STATEMENTS

CITY OF STOCKTON

COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

Assets and other debits	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1988	1987
Assets:											
Cash and temporary investments	$11,102	$14,474	$5,775	$19,931	$ 15,624	$ 11,013	$30,074	$	$	$107,993	$ 93,405
Cash with fiscal agents			158		64					222	286
Receivables:											
Interest	814			3						817	1,039
Taxes and special assessments	1,401		496				4			1,901	2,078
Accounts and others	1,732	395		293	2,623	88	3			5,134	3,600
Loans and mortgages							74			74	90
Allowance for uncollectibles	(350)	(9)			(159)	(13)				(531)	(449)
Due from other funds	25			5,810						5,835	5,726
Due from other governments	1,197	118	4	522	1,209					3,050	3,488
Inventory of supplies	448	20			796					1,264	1,129
Prepaid expenditures	3				2					5	9
Restricted assets:											
Cash and temporary investments					14,160					14,160	15,657
Cash with fiscal agents					9,452					9,452	10,833
Interest receivable					192		34			226	554
Long-term investments							31			31	31
Long-term loans receivable							5,280			5,280	7,208
Deposits				59						59	135
Advances to other funds				1,453						1,453	765
Advances to property owners							8,500			8,500	7,279
Property, plant and equipment					125,786	16,350		46,682		188,818	178,587
Accumulated depreciation					(32,260)	(9,674)				(41,934)	(38,520)
Deferred charges					775	441				1,216	1,429
Other debits:											
Amount available in debt service fund									5,779	5,779	5,634
Amount to be provided for retirement of long-term debt									49,510	49,510	38,920
Total assets and other debits	$16,372	$14,998	$6,433	$28,071	$138,264	$18,205	$44,000	$46,682	$55,289	$368,314	$338,913

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS, Continued
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1988	1987
Liabilities, equity and other credits:											
Liabilities:											
Cash overdraft	$	$ 33	$	$ 2,699	$	$	$	$	$	$ 2,732	$ 214
Accounts payable	435	162		474	374	733	92			2,270	3,015
Accrued payroll and benefits	2,703	1			26	5				2,735	2,878
Due to other funds		5,835								5,835	5,726
Due to other governments	61	21					568			650	480
Deposits and other	18	2		3	425	2,143	27,730			30,321	25,863
Matured bonds and interest payable			158	3	62					223	289
Long-term debt - current					1,187	22	1,490			2,699	1,307
Compensated absences - current	3,852				492	98				4,442	4,145
Deferred revenue			496							496	705
Payable from restricted assets:											
Accounts payable					205					205	27
Accrued interest					427					427	1,173
Compensated absences, long-term					151	1			5,634	5,786	5,783
Advances from municipality, G.O. bonds					1,450					1,450	2,130
Advances from other funds									1,453	1,453	765
Advances from other governments					1,411					1,411	1,442
Certificate of participation					11,011					11,011	11,011
Lease obligation					621	58				679	803
Water extension agreements					77					77	101
Bonds payable and other long-term debt					23,651	6,652	3,602		48,202	82,107	73,648
Accrued interest - long-term							884			884	678
Total liabilities	7,069	6,054	654	3,179	41,570	9,712	34,366		55,289	157,893	142,183

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS, Continued
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Governmental Fund Types				Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	1988	1987
Equity and other credits:											
Investment in general fixed assets	$	$	$	$	$	$	$	$46,682	$	$ 46,682	$ 45,251
Contributed capital					74,237	9,253				83,490	80,408
Retained earnings (deficit):											
Reserved					22,457					22,457	18,206
Unreserved						(760)				(760)	1,284
Fund balances:											
Reserved	1,899	7,640	5,779	24,892			808			41,018	36,989
Unreserved:											
Designated	7,404						8,826			16,230	11,957
Undesignated		1,304								1,304	2,635
Total equity and other credits	9,303	8,944	5,779	24,892	96,694	8,493	9,634	46,682		210,421	196,730
Total liabilities, equity and other credits	$16,372	$14,998	$6,433	$28,071	$138,264	$18,205	$44,000	$46,682	$55,289	$368,314	$338,913

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1988	1987
Revenues:							
Taxes:							
Property	$12,106	$	$	$ 954	$	$ 13,060	$ 12,265
Sales and use	17,239					17,239	15,506
Utility	10,573					10,573	9,885
Other	7,058	66	5,135	23		12,282	12,774
Licenses and permits	2,351					2,351	2,089
Federal grants and subsidies		2,183				2,183	4,076
Intergovernmental	7,621	3,002		150		10,773	11,201
Charges for services	7,741	96		1,155		8,992	8,616
Fines and forfeitures	733					733	733
Use of money and property	2,026	1,079	197	641	2	3,945	4,721
Miscellaneous	1,882	75	70	258	11	2,296	1,808
Total revenues	69,330	6,501	5,402	3,181	13	84,427	83,674
Expenditures:							
Current:							
General government	8,013	95				8,108	8,468
Public safety	41,990					41,990	41,359
Public works	9,422	87				9,509	8,507
Library	5,105	409			18	5,532	4,913
Parks and recreation	4,953					4,953	4,818
Capital outlay	108	4,957		8,475		13,540	13,302
Debt service:							
Principal retirement			2,276			2,276	2,031
Interest and fiscal charges			3,047			3,047	4,202
Total expenditures	69,591	5,548	5,323	8,475	18	88,955	87,600
Excess (deficiency) of revenues over expenditures	(261)	953	79	(5,294)	(5)	(4,528)	(3,926)

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS, Continued
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1988	1987
Other financing sources (uses):							
Operating transfers in	$ 4,539	$ 667	$ 4,373	$ 2,135	$	$ 11,714	$ 11,877
Operating transfers out	(633)	(3,757)	(150)	(8,123)		(12,663)	(13,527)
Proceeds of special assessment bonds				11,476		11,476	1,173
Proceeds of refunding bonds				4,206		4,206	9,615
Payment to refunded bond escrow agent			(4,157)			(4,157)	(10,143)
Advances from capital improvement fund				687		687	765
Total other financing sources (uses)	3,906	(3,090)	66	10,381		11,263	(240)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,645	(2,137)	145	5,087	(5)	6,735	(4,166)
Fund balances, beginning of year	5,940	11,081	5,634	19,805	67	42,527	47,042
Residual equity transfers out	(282)					(282)	(349)
Fund balances at end of year	$ 9,303	$ 8,944	$ 5,779	$24,892	$62	$ 48,980	$ 42,527

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES
for the year ended June 30, 1988
(Dollar amounts in thousands)

	General Fund			Special Revenue Funds			Debt Service Fund		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:									
Taxes:									
Property	$12,603	$12,106	$ (497)	$	$	$	$	$	$
Sales and use	16,080	17,239	1,159						
Utility	9,400	10,573	1,173						
Other	6,990	7,058	68	69	66	(3)		5,135	5,135
Licenses and permits	2,068	2,351	283						
Federal grants and subsidies				5,993	2,183	(3,810)			
Intergovernmental	7,755	7,621	(134)	2,908	3,002	94			
Charges for services	7,289	7,741	452	96	96				
Fines and forfeitures	822	733	(89)						
Use of money and property	2,118	2,026	(92)	1,057	1,079	22		197	197
Miscellaneous	1,631	1,882	251	389	75	(314)		70	70
Total revenues	66,756	69,330	2,574	10,512	6,501	(4,011)		5,402	5,402
Expenditures:									
Current:									
General government	8,906	8,013	893	120	95	25			
Public safety	43,700	41,990	1,710						
Public works	10,311	9,422	889	96	87	9			
Library	5,250	5,105	145	470	409	61			
Parks and recreation	5,326	4,953	373						
Capital outlay	163	108	55	14,224	4,957	9,267			
Debt service:									
Principal retirement							105	2,276	(2,171)
Interest and fiscal charges							34	3,047	(3,013)
Total expenditures	73,656	69,591	4,065	14,910	5,548	9,362	139	5,323	(5,184)
Excess (deficiency) of revenues over expenditures	(6,900)	(261)	6,639	(4,398)	953	5,351	(139)	79	218

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES, Continued
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Capital Project Funds			Totals (Memorandum Only)		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes:						
Property	$	$ 954	$ 954	$ 12,603	$13,060	$ 457
Sales and use				16,080	17,239	1,159
Utility				9,400	10,573	1,173
Other	26	23	(3)	7,085	12,282	5,197
Licenses and permits				2,068	2,351	283
Federal grants and subsidies				5,993	2,183	(3,810)
Intergovernmental	190	150	(40)	10,853	10,773	(80)
Charges for services	900	1,155	255	8,285	8,992	707
Fines and forfeitures			0	822	733	(89)
Use of money and property	237	641	404	3,412	3,943	531
Miscellaneous	10	258	248	2,030	2,285	255
Total revenues	1,363	3,181	1,818	78,631	84,414	5,783
Expenditures:						
Current:						
General government				9,026	8,108	918
Public safety				43,700	41,990	1,710
Public works				10,407	9,509	898
Library				5,720	5,514	206
Parks and recreation				5,326	4,953	373
Capital outlay	26,361	8,475	17,886	40,748	13,540	27,208
Debt service:						
Principal retirement				105	2,276	(2,171)
Interest and fiscal charges				34	3,047	(3,013)
Total expenditures	26,361	8,475	17,886	115,066	88,937	26,129
Excess (deficiency) of revenues over expenditures	(24,998)	(5,294)	19,704	(36,435)	(4,523)	31,912

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES, Continued
BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES, Continued
for the fiscal year ended June 30, 1988
(Dollar amounts in thousands)

	General Fund			Special Revenue Funds			Debt Service Fund		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Other financing sources (uses):									
Operating transfers in	$ 4,539	$ 4,539	$	$ 667	$ 667	$	$ 139	$ 4,373	$ 4,234
Operating transfers out	(633)	(633)		(3,757)	(3,757)			(150)	(150)
Advance from capital improvement fund									
Proceeds of special assessment bonds									
Proceeds of refunding bonds									
Payment of refunded bond escrow agent								(4,157)	(4,157)
Advance from capital improvement fund									
Total other financing sources (uses)	3,906	3,906		(3,090)	(3,090)		139	66	(73)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,994)	3,645	6,639	(7,488)	(2,137)	5,351		145	145
Fund balances, beginning of year	5,940	5,940		11,081	11,081			5,634	5,634
Residual equity transfers in									
Residual equity transfers out	(282)	(282)							
Fund balances at end of year	$ 2,664	$ 9,303	$6,639	$ 3,593	$ 8,944	$ 5,351	$	$ 5,779	$5,779

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPES, Continued
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Capital Project Funds			Totals (Memorandum Only)		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Other financing sources (uses):						
Operating transfers in	$ 2,135	$ 2,135	$	$ 7,480	$ 11,714	$ 4,234
Operating transfers out	(8,123)	(8,123)		(12,513)	(12,663)	(150)
Advance from capital improvement fund	687	687		687	687	
Proceeds of special assessment bonds	11,476	11,476		11,476	11,476	
Proceeds of refunding bonds	4,206	4,206		4,206	4,206	
Payment of refunded bond escrow agent					(4,157)	(4,157)
Advance from capital improvement fund						
Total other financing sources (uses)	10,381	10,381		11,336	11,263	(73)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(14,617)	5,087	19,704	(25,099)	6,740	31,839
Fund balances, beginning of year	19,805	19,805		36,826	42,460	5,634
Residual equity transfers in						
Residual equity transfers out				(282)	(282)	
Fund balances at end of year	$ 5,188	$24,892	$19,704	$ 11,445	$ 48,918	$37,473

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN RETAINED EARNINGS (DEFICIT)/FUND BALANCES
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUND
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1988	1987
Operating revenues:					
Charges for services	$20,171	$12,543	$	$32,714	$27,097
Connection fees	2,420			2,420	4,760
Investments earnings			132	132	279
Loans and mortgage interest			920	920	922
Miscellaneous	308	2	10	320	221
Total operating revenues	22,899	12,545	1,062	36,506	33,279
Operating expenses:					
Purchased water	188			188	188
Operation and maintenance	12,445	12,646		25,091	21,211
Interest			844	844	904
General and administrative	3,694	621	42	4,357	3,881
Depreciation	2,462	1,638		4,100	3,961
Other			2	2	66
Total operating expenses	18,789	14,905	888	34,582	30,211
Operating income (loss)	4,110	(2,360)	174	1,924	3,068
Nonoperating revenue (expenses):					
Investment earnings	957	57		1,014	887
Gain (loss) from disposal of property	19	41		60	39
Interest expense and fiscal charges	(779)	(8)		(787)	(854)
Other non-operating revenue (expenses)	(490)	226	210	(54)	(160)
Total nonoperating revenue (expenses)	(293)	316	210	233	(88)
Income (loss) before operating transfers	3,817	(2,044)	384	2,157	2,980
Operating transfers in	460		825	1,285	2,178
Operating transfers out	(26)		(650)	(676)	(528)
Net income (loss) before extraordinary loss	4,251	(2,044)	559	2,766	4,630
Extraordinary loss			(41)	(41)	(35)
Net income (loss)	4,251	(2,044)	518	2,725	4,595
Retained earnings/fund balances, beginning of year	18,206	1,284	9,054	28,544	31,041
Prior year adjustment					(7,092)
Retained earnings (deficit)/fund balances at end of year	$22,457	$ (760)	$9,572	$31,269	$28,544

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUND
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1988	1987
Sources of working capital					
Operations:					
Net income (loss) before extraordinary loss	$4,251	$(2,044)	$ 559	$ 2,766	$ 2,810
Items not requiring working capital:					
Loss on sale of real estate					20
Depreciation	2,462	1,638		4,100	3,961
Amortization of bond discount	5		7	12	29
Loss (gain) from disposal of property	83	(41)		42	(39)
Working capital provided by operations before extraordinary loss	6,801	(447)	566	6,920	6,781
Extraordinary loss			(41)	(41)	(35)
Working capital provided by operations and extraordinary loss	6,801	(447)	525	6,879	6,746
Capital contribution	2,821	242		3,063	313
Loans receivable collected			846	846	425
Reduction of long-term portion of mortgages receivable			1,928	1,928	1,743
Proceeds from sale of property	225	54		279	103
Proceeds from sale of bonds and certificates of participation					26,392
Matured investments			1	1	1
Increase (decrease) in compensated absences	35	(4)		31	106
Residual equity transfers in		500		500	4,298
Total sources of working capital	9,882	345	3,300	13,527	40,127
Uses of working capital					
Decrease in long-term debt	1,168	22	1,080	2,270	1,753
Additions to property, plant and equipment	7,958	2,157		10,115	4,207
Increase (decrease) in deposit		(585)		(585)	429
Residual equity transfers out	218			218	3,986
Redevelopment loans to property owners			1,977	1,977	1,103
Other	22			22	200
Total uses of working capital	9,366	1,594	3,057	14,017	11,678
Net increase (decrease) in working capital	$ 516	$(1,249)	$ 243	$ (490)	$28,449

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUND, Continued
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1988	1987
Elements of net increase (decrease) in working capital:					
Cash and temporary investments	$ 829	$ (112)	$(342)	$ 375	$19,558
Cash with fiscal agents	(1,373)			(1,373)	10,645
Interest receivable	(362)		1	(361)	542
Accounts receivable	626	25		651	506
Mortgage receivable			(25)	(25)	40
Inventory of supplies	66			66	6
Prepaid expenses	(4)			(4)	6
Accounts payable	200	375	7	582	(1,033)
Accrued interest expense			669	669	(33)
Loans current portion			9	9	(8)
Due to other governments			(226)	(226)	
Deposits	(192)		(16)	(208)	(161)
Matured bonds and interest payable	740			740	(1,124)
Current portion of long-term debt	(60)	159		99	(89)
Accrued payroll and compensated absences	46	7		53	(242)
Bonds payable current portion			205	205	1,665
Other liabilities		(1,703)	(39)	(1,742)	(1,829)
Net increase (decrease) in working capital	$ 516	$(1,249)	$ 243	$ (490)	$28,449

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)

Note 1. Description of Funds and Summary of Significant Accounting Policies

The accounts of the City of Stockton (the City) are organized and operated on the basis of funds and account groups, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

In accordance with the City Charter and ordinances, several different types of funds and account groups are used to record the City's financial transactions. For financial reporting, they have been grouped and are presented in this report as follows:

A) Description of Funds

Governmental fund types:

General Fund - The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for specific revenues that are restricted by law or administrative action to expenditures for particular purposes.

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 the City's general long-term debt which is recorded in the general long term debt group of accounts.

Capital Projects Funds - Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major facilities other than those financed by proprietary funds and nonexpendable trust funds.

Proprietary fund types:

Enterprise Funds - Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City is that the costs (expenses, including depreciation) of providing goods, or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds - Internal Service Funds are established to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units on a cost reimbursement basis.

(continued)

Fiduciary fund types:

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.

Account groups:

General Fixed Assets - The General Fixed Assets account group is used to account for the cost of fixed assets acquired to perform general government functions other than those accounted for in the proprietary and nonexpendable trust funds.

General Long-Term Debt - The General Long-Term Debt account group is used to account for unmatured general long-term indebtedness of the City except that accounted for in the proprietary and nonexpendable trust funds.

B) Summary of Significant Accounting Policies

1) Reporting Entity

The City of Stockton was incorporated on July 25, 1850. The City's original charter was adopted on January 15, 1889. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police, fire, paramedics, building), sanitation (solid waste disposal, sanitary sewer utility) water utility, community development, library, parks and recreation, public works, and general administrative services.

The financial statements of the City of Stockton, in accordance with governmental accounting and financial reporting standards adopted by the Governmental Accounting Standards Board, include the following entities that are controlled by or dependent on the City's executive or legislative branches. Control or dependence is determined on the basis of budget adoption, selection of governing authority and designation of management, outstanding debt secured by revenues, or general obligations of the City, and the ability to significantly influence operations.

Based upon the foregoing criteria, the following entities are included in the financial reporting of the City of Stockton:

a) The Central Parking District (CPD) is operated by an Advisory Board of Directors and submits its budget to the City Council for approval. Source of income includes ad valorem assessments on all property located within the District, charges for monthly and weekly parking privileges and other income which includes a $10 per year contribution from Business Improvement District 1-B and a $98 assignment of parking fine revenues from the City.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

CPD provides parking spaces for the public and encourages development in the central core of the City.

The District is completely self-sustaining within the framework of the revenue collected. It is not part of the operating budget of the City of Stockton, but is included in the budget document to comply with provisions of the ordinance of issue which authorized district formation.

The financial activity of CPD is included in the City's financial statements as Central Parking District Enterprise Fund.

b) Redevelopment Agency is a separate government entity whose purpose is to prepare and carryout plans for improvement, rehabilitation and redevelopment of blighted areas within the City. City councilmembers, in separate session, serve as governing board of the Redevelopment Agency, and all accounting and administrative functions are performed by the City.

The financial activity of the Agency is included in the City's financial statements as Redevelopment Agency Capital Projects Fund, General Long-Term Debt and Redevelopment Agency Loan Nonexpendable Trust (Fiduciary Fund).

c) Stockton-Vacaville Home Financing Authority (SVHFA) - The City of Stockton and the City of Vacaville, by agreement pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, created the Stockton-Vacaville Home Financing Authority, a Joint Powers Agency, for the purpose of exercising the common powers of the two cities to undertake a home financing program within the incorporated areas of the two cities under Part 5 of Division 31 of the Health and Safety Code of the State of California.

The financial activity of the SVHFA is included in the City's financial statements as Stockton-Vacaville Home Financing Nonexpendable Trust Fund (Fiduciary Fund).

d) Stockton Recreation Corporation (SRC) is a nonprofit corporation whose only purpose for which it was created is to carryout lease financing for the City of Stockton. SRC acquired, constructed, and improved the facilities at the golf courses and the ice arena. A capitalized lease agreement was entered into between SRC and the City whereby SRC leased the facilities to the City. The lease agreement also provided that the City pays semi-annual debt service requirements on the revenue bonds issued by SRC, and the related taxes, assessments and administrative cost incurred by SRC. The ownership of the facilities is transferred to the City upon expiration of the lease, on February 10, 1995.

The financial activity of SRC is included in the City's financial statements as part of Golf Courses, and Ice Arena Enterprise Fund. The only activity following the acquisition and construction of the facilities is servicing the debt and bookkeeping which are both handled by the City.

(continued)

2) Basis of Accounting

The accrual basis of accounting is used for budgeting and accounting for all funds except the governmental fund types, expendable trust and agency funds which use the modified accrual basis of accounting.

Under the modified accrual basis of accounting revenues are recorded when susceptible to accrual. Revenues are susceptible to accrual when they become both measurable and available. Available means expected to be collected within the the current period or soon enough thereafter to pay current liabilities. The City considers sales tax, utility users tax, federal and state grants, and investment earnings as revenues susceptible to accrual, ie. available and measurable, and therefore, recorded accordingly. Revenues received but not earned are recorded as deferred revenues. Business license, fines and penalties are recorded as revenues when received because they are generally not measurable until actually received. Expenditures are recorded when the liability has been incurred.

Disbursements for the purchase of capital assets providing future benefits are considered expenditures in the respective governmental type and are recorded in the General Fixed Assets account group.

Interest on general long-term indebtedness is recorded as an expenditure when paid.

The accrual basis of accounting is used in the proprietary fund types and nonexpendable trust funds. Revenues are recognized when earned, and expenses are recognized when incurred.

C) Cash and Investments

The City pools idle cash from all funds for the purpose of maximizing interest through investment activities. Investments are carried at the lower of cost, amortized cost (defined as cost net of premium or discount amortization) or market value. Interest income on investments is allocated on the basis of average month end cash and investment balances in the General Fund, Special Revenue Funds, Enterprise Funds, Capital Projects Funds, and Trust and Agency Funds only. Cash and temporary investments reported under Stockton-Vacaville Home Financing Authority and Deferred Compensation Plan (shown under Fiduciary Funds) are not part of the pooled investments.

Interest income on investments has not been credited to the Internal Service Fund (except the Self-Insurance 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 (general obligation bonds). The interest income on the investment of these funds is credited to the General Fund.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

D) Inventories

Inventories are physically counted annually and valued at the lower of average cost or market. Inventories consist of expendable supplies held for future consumption. The cost is recorded as inventory when items are purchased, and as expenditure/expense when issued and used (consumption method).

E) Property, Plant and Equipment

Property, plant, and equipment are recorded at cost. Donated fixed assets are valued at estimated fair market value on the date received. Assets acquired prior to 1971 are recorded at estimated historical cost. During the year 1970-71, the City inventoried all land owned and appraised at current market value all such properties which had not been reflected at historical cost. The resulting appraised fair market value added to the land account was $2,659. During the year 1973-74, as the result of an equipment inventory made by an independent appraisal company, detail equipment records were revised, and the carrying value of equipment in general fixed assets was adjusted thereto, with values for the various items of equipment being reflected at estimated cost in some cases. Approximately 5% of property, plant and equipment are carried at estimated values. Gains or losses on assets at retirement or disposal are recorded in the same fiscal year.

Governmental Fund Types:

General fixed assets are recorded as expenditures in the governmental fund types at time of purchase. Such assets are accounted for in the General Fixed Assets account group except for infrastructures, 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 recorded as expenditures when purchased in the respective governmental fund type and capitalized in the General Fixed Assets account group.

Proprietary Fund Types:

Property, plant, equipment, renewals and betterments are recorded at cost when purchased. Maintenance and repairs are charged to expense when incurred. Depreciation on property, plant, and equipment of the Enterprise and Internal Service Funds is provided on the straight-line method over the following estimated useful lives:

Building and structures	40 - 50 years
Improvements other than buildings	40 - 50 years
Machinery and equipment	5 - 50 years
Transmission and distribution plant (including infrastructure fixed assets such as water and sewer mains and laterals)	40 - 50 years

(continued)

F) Capitalization of interest

In accordance with FASB Statement 62, Capitalization of Interest Cost in Situations Involving Certain Tax Exempt Borrowings and Certain Gifts and Grants, the City capitalizes net interest cost of funds borrowed to finance the construction of fixed assets. For the year ended June 30, 1988, net interest cost of $710 (interest cost of $2,109, reduced by interest income of $1,399) was capitalized in connection with the construction in progress reported under Enterprise Fund, particularly, the Central Parking District Fund.

	Central Parking District	Water Utility	Total
Interest expense	$ 1,280	$ 829	$ 2,109
Interest income	(1,128)	(271)	(1,399)
Net interest capitalized	$ 152	$ 558	$ 710

G) Revenue recognition for utility funds

Revenues are recognized based on cycle billings rendered to customers periodically. The City accrues revenues for services provided, but not billed, at the end of a fiscal period.

H) Property tax

Property Taxes receivable are recorded in the fiscal year for which the tax is levied. Revenue is recognized when measurable and available. Property taxes collected in advance are recorded as deferred revenue and recognized as revenue in the year they become available. Property taxes receivable that do not meet the available criteria are recorded or deferred revenue. The County of San Joaquin levies, bills and collects property taxes for the City of Stockton.

Secured property tax is levied on October 1 and due in two installments, on November 1 and February 1. It becomes delinquent on December 10 and April 10, respectively. Delinquent accounts are assessed a penalty of 10 percent. Accounts that remain unpaid on June 30 are charged an additional 1 1/2 percent per month. Unsecured property tax is levied on July 1 and due on July 31, and becomes delinquent on August 31. The penalty percentage rates are the same as secured property tax.

Secured and unsecured property taxes are levied based on assessed value at March 1 of the preceding fiscal year.

Property taxes are levied and collected by the County of San Joaquin for the City of Stockton. Property taxes levied for the current year are "available" and are, therefore, recognized as revenue, even though collectible in the period subsequent to the levy. The City's property tax collection record shows that most of the property taxes due are collected during the year of levy. These property taxes are collected by the County within the 60 day period although they are remitted to the City at a later date.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

I) Compensated Absences

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits and sick leave. These benefits are paid to the employee upon separation of employment from the City. In the governmental fund types, the current portion of the liability left unpaid at the end of the reporting period is accrued. The long-term portion of the liability has been provided for in the general long-term debt group of accounts. In the proprietary fund types, both the current and long-term portion of the liability has been recorded.

J) Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1) Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2) Public hearings in conformity with Revenue Sharing regulations are conducted to obtain taxpayer comments in September for the Capital Improvement Program and February for the Operating budget.

3) Prior to July 1, the budget is legally enacted through passage of a resolution. Failure to do so means the Manager's budget is in force until a budget is adopted by the Council.

4) If expenditures exceed the appropriations the City Manager is authorized to transfer budgeted amounts between line items within any division, however, any revisions that alter the total expenditures of any division or department must be approved by the City Council. Supplemental appropriations were made during the year.

5) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Capital Projects Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.

6) Budgets for General, Special Revenue and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for capital projects are adopted on a basis consistent with GAAP except that capital projects are budgeted over the life of the project rather than on an annual basis.

7) There is no budget for the expendable trust fund, internal service funds, and trust and agency funds.

8) Budgets for General, Special Revenue and Capital Projects Funds are adopted on a modified accrual basis.

(continued)

K) Encumbrances

The City utilizes an encumbrance system to assist in controlling expenditures. Under this system, governmental fund types are encumbered when purchase orders, contracts and other commitments are signed or approved. Encumbrances at year end are reported as reservations of fund balances. Unencumbered balances at year end are closed back to fund balance in the General Fund. In the Capital Projects and Special Revenue Funds, unencumbered balances are carried forward for projects still in progress.

L) Appropriation Lapses

Appropriations are carried forward for capital improvement projects in all funds, and miscellaneous grants. In all other funds unexpended appropriations lapse at year end.

M) Totals (Memorandum only)

Columns on the accompanying general purpose financial statements captioned "Totals (Memorandum only)" do not present consolidated financial information. They are not necessary for a fair presentation of the financial statements, but are presented only as additional data. Comparative data for the prior year have been presented to provide an understanding of changes in the City's financial position and operations.

N) Reclassifications

Certain reclassifications have been made to the 1987 financial statements to conform with the 1988 presentation.

Note 2. Accounting Changes

A) Changes in Reporting Entity

The City has adopted Governmental Accounting Standards Board Statement No. 6 "Accounting and Financial Reporting for Special Assessments" (GASB 6), which provides for the elimination of the special assessment fund type and the retroactive application for all periods presented in the financial statements.

The City could be liable for the repayment of special assessment bonds principal and interest in the event of delinquency under provisions of Series No. 144-198. Series No. 199-213 provide for debt service payments in the event of delinquencies from the special reserve fund. The City also acts as agent for the bond holders in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

As a result of the implementation of GASB 6, Special Assessment fund assets and liabilities as reported in the June 30, 1987 combined financial statements were eliminated. Also, the Debt Service fund balance for fiscal year ended June 30, 1987 was restated and increased by $3,051 as a result of GASB 6.

Accordingly, special assessment activities are reported as:

1915 Act -Construction and improvements	- Governmental Fund Type (Capital Projects)
Assessments collected and payment of principal and interest to bondholders	- Debt Service (1915 Act Special Assessment), General Long Term Debt Account Group
Special Assessments for Maintenance Districts	- Governmental Fund Type (Special Revenue)

As of July 1, 1987, the City established the Silver Lake Fund which is now included in the Enterprise Funds. This fund is established for better management control and efficient administration. This operation was previously included in the General Fund. The 1987 financial statements were changed to conform with the 1988 presentation.

B) Restatement and Other Changes in Financial Statement Presentation

The June 30, 1987 financial statements (Internal Service Fund) were restated to include estimated liabilities for workers' compensation, health and general insurance to be paid and incurred but not reported (IBNR).

As a result of this prior period adjustment, liabilities increased by $7,092 and retained earnings at June 30, 1987 decreased by the same amount.

The City has also changed its method of accounting for the Stockton-Vacaville Home Financing Authority to conform with the Reporting Entity and Component Unit Presentation and Disclosure, National Council on Governmental Accounting Statement (NCGAS) No. 3. The Stockton-Vacaville Home Financing Authority is now included in the Fiduciary Funds - Nonexpendable Trust.

As a result of the implementation of NCGAS No. 3, the Stockton-Vacaville Home Financing fund, as reported on the June 30, 1988 combining statement of changes in financial position net working capital increased $824 and beginning retained earnings increased $600.

(continued)

Note 3. Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and temporary investments", except for $31 shown under Fiduciary Fund Type - Trust and Agency. The deposits and investments of the deferred compensation plan and Stockton-Vacaville Home Financing Authority (included in Fiduciary Fund Type) are separately held from other city funds.

California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code Section 53600, Chapter 4 - Financial Affairs. Investments may be made in the following media: Securities of the U.S. Government, or its agencies; Small Business Administration Loans; Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies; Negotiable Certificates of Deposit; Bankers Acceptances; Commercial paper and medium term corporate notes; Local Agency Investment Fund (State Pool) Demand Deposits; Repurchase Agreements (Repos); Passbook Savings Account Demand Deposits; and Reverse Repurchase Agreements. All city investment activities are within the State statutes and the City's investments policy.

Balance Sheet

The captions on the balance sheet related to cash and temporary investments including restricted and amounts in the total (memorandum only) column at June 30, 1988 are as follows:

Cash and deposits (excluding deferred compensation and certificates of deposit)	$ 11,188
All certificates of deposit held by and under the name of the City	12,500
Deferred compensation	24,652
Investment portfolio	73,813
Cash and temporary investments held by fiscal agents	9,674
Stockton-Vacaville investments	31
Total	$ 131,858

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Deposits

Certificates of deposits are placed with various financial institutions, and are stated at cost. All of these deposits are backed by 110% market value collaterals as required by California State law. Collaterals are held in trust at major banks and monitored by the State Superintendent of Banking. All bank deposits are insured by FSLIC or FDIC up to a maximum of $100. The total deposits uninsured amounts to $20,273.

	June 30, 1988	
	Carrying Amount	Market Value
All certificates of deposit held by and under the name of the City	$ 12,500	$ 12,500
Deferred Compensation Plan	24,652	24,652

Deferred compensation plan funds are invested in various investment vehicles from equity to interest bearing accounts.

Temporary Investments

Carrying amount of investments includes unamortized premium or discounts. Market values do not include accrued interest.

At June 30, 1988, the City's investments consisted of the following:

	Category			Carrying Amount	Market Value
	1	2	3		
Negotiable Certificate of Deposit	$ 15,740	$	$	$ 15,740	$ 15,705
Commercial Paper	16,466			16,466	16,465
Corporate Note	3,675			3,675	3,672
Federal Securities	31,451			31,451	30,688
Sub total	$ 67,332	$	$	$ 67,332	$ 66,530
Stockton - Vacaville Home Financing Authority					
Shearson/American Express Investment Fund			1,372	1,372	1,372
Pacific Horizon Government Fund			9	9	9
Sub total	$ 67,332	$	$ 1,381	$ 68,713	$ 67,911
Investments in state treasurer's investment pool				5,100	5,100
Total Investments	$ 67,332	$	$ 1,381	$ 73,813	$ 73,011

(continued)

Category 1 - Includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name.

Category 2 - Includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the City's name.

Category 3 - Includes uninsured and unregistered investments for which securities are held by the broker or dealer or by its trust department or agent but not in the City's name.

Stockton-Vacaville Home Financing Authority has entered into an agreement with Shearson/American Express Investment Fund that guarantees 11% interest rate throughout the life of the mortgage revenue bonds.

Note 4. Restricted Assets

Certain proceeds of enterprise funds, special assessment bonds and certificates of participation (COP) are classified as restricted assets on the balance sheet because their use is limited by applicable indentures or covenants. The major part of this restriction is for the construction or acquisition of facilities. Restricted assets and accounts payable from restricted assets are as follows:

Enterprise Funds	Assets	Accounts Payable
Central Parking District	$ 14,160	$ 427
Water Utility	9,452	205
Total	$ 23,612	$ 632

Restricted assets include reserves for payment of debt service as required by the bond indenture. These reserves amount to $480 of the Central Parking District and $1,200 for the water utility.

Note 5. Interfund Assets/Liabilities

Due From/To Other Funds:

Receivable Fund	Payable Fund	Amount
General	Special Revenue	$ 25
Capital Projects Funds	Special Revenue	5,810
Total		$ 5,835

(continued)

Advances From/To Other Funds:

Receivable Fund	Payable Fund	Amount
Capital Projects Funds	Redevelopment Fund	$ 1,453

Note 6. Property, Plant and Equipment

Property, plant and equipment at June 30, 1988 consist of the following:

	Enterprise Funds	Internal Service Fund	General Fixed Assets	Total
Land	$ 4,574	$ -	$ 6,031	$ 10,605
Buildings and improvements	107,407	24	34,627	142,058
Machinery and equipment	7,017	16,326	1,608	24,951
Construction in progress	6,788	-	4,416	11,204
Total	$ 125,786	$ 16,350	$ 46,682	$ 188,818
Less accumulated depreciation	32,260	$ 9,674	-	$ 41,934
Net	$ 93,526	$ 6,676	$ 46,682	$ 146,884

General fixed assets:

A summary of changes in general fixed assets follows:

	Balance 7-01-87	Additions	Deletions	Transfers In	Transfers Out	Balance 6-30-88
Land	$ 6,031	$ -	$ -	$ -	$ -	$ 6,031
Building and improvements	33,350	1,336	59	-	-	34,627
Machinery and equipment	1,580	67	131	211	119	1,608
Construction in progress	4,290	4,416	4,290	-	-	4,416
Total	$ 45,251	$ 5,819	$ 4,480	$ 211	$ 119	$ 46,682

(continued)

Capitalized leases:

Included in the property, plant and equipment are capitalized leased assets shown below:

	Enterprise Funds	Internal Service Fund	Total
Buildings and improvements	$ 1,128	$ -	$ 1,128
Equipment	47	143	190
Less accumulated amortization	723	29	752
Net	$ 452	$ 114	$ 566

Note 7. General Long-Term Debt

A summary of changes in general long-term debt follows:

	General Obligations Bond	Lease Obligations	1915 - Act Special Assessment	Compensated Absences	Advance Payable-Capital Improvement Fund	Total
Outstanding 7-01-87	$ 840	$ 8	$ 37,279	$ 5,662	$ 765	$ 7,275
Current year changes						
Bonds authorized and issued	-	-	16,095	-	-	16,095
Redeemed or cancelled, paid	(105)	(8)	(5,907)	-	-	(6,020)
Vacation and sick leave	-	-	-	(28)	-	(28)
Advance to Redevelopment Agency	-	-	-	-	688	688
Outstanding 6-30-88	$ 735	$ -	$ 47,467	$ 5,634	$ 1,453	$ 55,289

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Note 8. Long-term Debt

	Principal Amount Outstanding
General Long-Term Account Group:	
General obligation bonds, Series 1968, 4.23%, issued on September 1, 1968, in the amount maturing serially to September 1, 1993, in annual principal installments of $110 to $135, total remaining debt service of $834. Remaining debt service will be made in the Debt Service Fund from future property taxes generated and credited to the General Fund.	$ 735
1915 Act Special Assessment Bonds were authorized and issued to finance the improvements of special districts located within the City. Bonds authorized, issued and outstanding at June 30, 1988 with interest rates ranging from 6.00% to 11.75% and maturity dates ranging from July 1989 to September 2013. Remaining debt service will be paid from from assessments to property owners.	$ 47,467
The Advance Payable Capital Improvement Fund represents a loan from the Capital Improvement Fund to the Redevelopment Agency to provide funds for the Waterfront Redevelopment Project. This is a non-interest bearing loan that is to be paid back with available excess funds.	$ 1,453
Enterprise Fund:	
Sewer Utility general obligations bonds Series 1971, 4.686%, issued on April 12, 1971, in the amount of $7,600, maturing serially to February 1, 1991, in annual principal installments of $680 to $740, total remaining debt service $2,321. Remaining debt service will be paid in the Enterprise Fund from revenues earned by the Sewer Utility Fund.	$ 2,130

(continued)

The following schedule sets forth the general obligation and special assessment debt service requirements to maturity:

Fiscal Year	Principal				Interest			
	General Fund	Enterprise Sewer Utility	Special Assessments	Total	General Fund	Enterprise Sewer Utility	Special Assessment	Total
1988-89	$ 110	$ 680	$ 1,925	$ 2,115	$ 29	$ 97	$ 2,793	$ 2,919
1989-90	115	710	2,127	2,952	25	64	3,617	3,706
1990-91	120	740	2,137	2,997	19	30	3,380	3,429
1991-92	125	-	2,311	2,436	14	-	3,222	3,236
1992-93	130	-	2,443	2,573	9	-	3,054	3,063
Thereafter	135	-	36,524	36,659	3	-	27,584	27,587
Total	$ 735	$ 2,130	$ 47,467	$ 50,332	$ 99	$ 191	$ 43,650	$ 43,940

Fiscal Year	Principal and Interest			
	General Fund	Enterprise Sewer Utility	Special Assessment	Total
1988-89	$ 139	$ 777	$ 4,718	$ 5,634
1989-90	140	774	5,744	6,658
1990-91	139	770	5,517	6,426
1991-92	139	-	5,533	5,672
1992-93	139	-	5,497	5,636
Thereafter	138	-	64,108	64,246
Total	$ 834	$ 2,321	$ 91,117	$ 94,272

Contingent liability

Certain general obligation bonds which pertain to the construction of fixed assets in the Sewer Utility Fund (Enterprise Fund) are being repaid by the Sewer Utility Fund. The General Fund remains contingently liable for the repayment of these bonds. These bonds total $2,130 at June 30, 1988.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Certificates of participation

Enterprise Fund - Water Utility

California Public Agency Leasing Corporation (CPALC) (Lessor), 7.30% to 7.50% issued on August 1, 1986, in the amount of $11,210, the full amount maturing serially through July 15, 2016, in annual principal installments ranging from $130 to $1,810.

Principal amount outstanding at June 30, 1988	$ 11,210
Less issue discount	199
Total	$ 11,011

Under Lease Agreement with the City (lessee), the lessee covenanted to make all rental payments to the lessor. These rental payments will be used to service the indebtedness when they become due and payable.

On August 1, 1986, the California Public Agency Leasing Corporation (CPALC) (Lessor) issued $11,210 in Certificates of Participation, to finance the acquisition and installation of certain improvements to the existing water delivery system serving the citizens of the City of Stockton. The system will be leased to the City and operated by the City's Municipal Utility Department. Interest with respect to the certificates started on February 1, 1987. The City (Lessee) agreed to pay its financial obligations equal to the debt service related to the certificates. Restrictive covenants include the requirement of a revenue for debt service and a reserve for funded interest both to be funded from bond proceeds. Balances as of June 30, 1988 are $1,339 for debt service and $1,244 for funded interest.

The balance ($9,452) of the proceeds (shown on the balance sheet, enterprise fund - restricted asset) is held by a fiscal agent (trustee) in charge of investment of idle funds, and disbursements for the construction of the project. In accordance with NCGA 3, Reporting Entity, CPALC is combined with Water Utility (Enterprise Fund) retroactive to fiscal year 1986-87.

Annual debt service requirements to maturity which corresponds to the lease obligation are as follows:

Fiscal Year	Principal	Interest	Total
1989-90	$ 125	$ 826	$ 951
1990-91	130	818	948
1991-92	135	810	945
1992-93	145	801	946
1993-94	155	791	946
Thereafter	10,520	11,994	22,514
Total	$ 11,210	$ 16,040	$ 27,250

(continued)

Advances from federal agencies

In August 1977, the City accepted a Federal Drought Relief Act grant of $1,934 (which was later reduced by $313) and a loan not to exceed $1,834 for drought relief projects for the water utility fund (enterprise fund). As of June 30, 1988, advances total $1,438. The loan will bear interest at 5% per annum and shall be for a term not to exceed 40 years.

Capitalized facility lease payable

The City entered into a noncancellable 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 Enterprise Funds in amounts equivalent to the related revenue bonds payable and the cost of the facilities. 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 entered into a noncancellable 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. Payments for the entire lease are paiud from the Golf Course and Ice Arena Enterprise Funds.

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

Also, the City has entered into various capitalized lease agreements for office equipment. These leases expire in various years to June 1, 1990.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Future minimum lease payments under capitalized leases are as follows:

Fiscal Year	Enterprise Fund: Buildings and Improvements Golf Courses & Ice Arena	Enterprise Fund: Office Equipment Sewer Utility	Internal Service Fund Office Equipment
1988-89	$ 125	$ 11	$ 25
1989-90	125	2	23
1990-91	125	-	22
1991-92	125	-	16
1992-93	125	-	-
Thereafter	250	-	-
	875	13	86
Less amounts representing interest	172	1	6
Present value of future minimum lease payments	$ 703	$ 12	$ 80
Less current portion	83	11	22
Total	$ 620	$ 1	$ 58

(continued)

Special assessment bonds

Various special assessment bonds were issued for the enterprise funds. Debt service requirements will be paid from future revenues, mainly from users' charges, and in the case of Central Parking District, the other source of revenue is assessment on properties and businesses located within the district. The 1986 issue contains a restrictive covenant requiring a reserve for debt service of $480.

Special assessment bonds currently outstanding are as follows:

Enterprise Fund	Series	Interest Rate %	Date Issued	Date of Maturity	Authorized and Issued	Principal Amount Outstanding
Central Parking District						
Division 1	148 A	4.93	11-02-66	07-02-87	$ 2,000	$ 1,245
Division 2	148 B	5.35	02-02-68	07-02-02	1,000	600
Division 3	148 C	5.47	11-02-68	07-02-05	1,000	605
Division 4	148 D	7.00	04-02-70	07-02-05	583	583
District Bonds of 1986	148 E	8.00	08-01-86	09-02-11	16,000	16,000
Water Utility						
Service facilities	159 A	6.20	07-02-69	07-02-99	850	515
Service facilities	159 B	7.32	07-02-74	07-02-99	1,650	1,085
Sewer Utility						
Wastewater service facilities	181	7.19	07-02-75	07-02-00	4,700	3,480
Total						$ 24,113

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Annual debt service requirements to maturity for special assessment bonds, issued for enterprise funds, are as follows:

	Mature in Fiscal Year						
	1988-89	1989-90	1990-91	1991-92	1992-93	Thereafter	Total
Enterprise Funds							
Principal							
Central Parking District Funds	$ 120	$ 445	$ 460	$ 493	$ 145	$ 17,370	$ 19,033
Water Utility Fund	95	105	105	110	120	1,065	1,600
Sewer Utility Fund	160	175	190	205	220	2,530	3,480
	375	725	755	808	485	20,965	24,113
Interest							
Central Parking District Funds	1,443	1,436	1,404	1,371	1,336	14,393	21,383
Water Utility Fund	104	97	90	83	75	266	715
Sewer Utility Fund	238	227	214	201	186	790	1,856
	1,785	1,760	1,708	1,655	1,597	15,449	23,954
Total - principal and interest							
Central Parking District Funds	1,563	1,881	1,864	1,864	1,481	31,763	40,416
Water Utility Fund	199	202	195	193	195	1,331	2,315
Sewer Utility Fund	398	402	404	406	406	3,320	5,336
Total	$ 2,160	$ 2,485	$ 2,463	$ 2,463	$ 2,082	$ 36,414	$ 48,067

Self-insurance liabilities

In accordance with NCGA Statement 4 (Accounting and Financial Reporting for Claims and Judgements and Compensated Absences), liabilities have been accrued representing estimates of amounts to be paid for reported and incurred but not reported claims. The accrual is based on past experience which has been modified for current trends and information. The amount of losses incurred through June 30, 1988 is dependent on future developments. Based on information from the City Attorney, actuaries and others involved with self-insurance programs, City management believes that the aggregate accrual is adequate to cover such losses. Self-insurance liabilities are broken down as follows:

	Long-term	Current	Total
General liability	$ 834	$ 206	$ 1,040
Workers' compensation	5,818	1,302	7,120
Health insurance	-	635	635
Total	$ 6,652	$ 2,143	$ 8,795

(continued)

The deficit of $6,438 resulting from the recorded liabilities will be funded by increasing future insurance rates billed to other City funds.

Mortgage Revenue Bonds

Stockton-Vacaville Home Financing Authority (Nonexpendable Trust Fund)

The following schedule sets forth the general obligation debt service requirement to maturity for deferred interest bonds.

Maturity Fiscal Year	Principal	Interest	Principal and Interest	Interest Rate - %
1988-89	$ 1,490	$	$ 1,490	9.75
1989-90	280		280	10.00
1990-91	365		365	10.25
1991-92	460		460	10.50
1992-93	570		570	10.75
Thereafter	2,011	884	2,895	11.25 to 11.75
Total	$ 5,176	$ 884	$ 6,060	

The bonds were originally issued at 3.19% discount that is being amortized over the life of the bonds.

Note 9. Advance Refunding Obligations: General Long-term Debt - 1915 Act Special Assessments

On July 30, 1987, the City issued $4,325 in special assessment bonds (1915 Improvement Act) with an average interest rate of 7.29 percent to advance refund $3,755 of outstanding special assessment bonds, originally issued for The Landing Area Assessment District, Series 201, Project No. 82-1. Out of the net proceeds of $4,206, $4,053 was used to purchase U. S. Treasury Bills with a maturity value of $4,160 on December 31, 1987. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on bonds refunded. As a result, these bonds were considered defeased and the liability has been removed from the general long-term debt account (1915 Act Special Assessments).

The City advance refunded the old, outstanding bonds, except $195, to reduce its total debt service payments over the next 25 years by $129, and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $327.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Note 10. Nature and Purpose of Reported Reserves

A summary of reported reserves by fund at June 30, 1988 follows:

	Governmental Fund Types				Proprietary Fund Type	Fiduciary Fund Type	
Account Title	General	Special Revenue	Debt Service Funds	Capital Projects	Enterprise	Trust and Agency	
Encumbrances	$ 1,087	$ 1,110	$ -	$ 5,677	$ -	$ -	
Loans and advances	-	-	-	1,453	-	669	
Continuing Appropriations	678	6,530	-	17,703	22,053	-	
Fixed assets replacements	-	-	-	-	201	-	
Debt service	-	-	$ 5,779	-	203	-	
Others	134	-	-	59	-	139	
Total	$ 1,899	$ 7,640	$ 5,779	$ 24,892	$ 22,457	$ 808	$ 63,475

Reserves are portions of the fund balance not appropriable for expenditures under the flow of current financial resources measurement focus or those portions of the fund balance/retained earnings legally segregated for specific future use.

Encumbrances - represent approved purchase orders, contracts, and other commitments not consumated at the end of the fiscal year.

Loan and advances -

$3,183 - council approved loans from Capital Improvement Fund to Redevelopment Agency Fund.

$669 - established for Redevelopment Agency and Stockton-Vacaville Home Financing loans.

Continuing appropriations -

General Fund - $678 - for property acquisitions and construction of convention center.

Special Revenue Funds - $6,530 - for construction and maintenance of infrastructure projects.

Capital Projects Funds - for current and future infrastructure projects.

Enterprise Funds - for construction and maintenance of property, plant and equipment.

(continued)

Fixed assets replacements - to replace existing water utility fixed assets.

Debt service - for payment of long term debt principal, interest and related fiscal charges.

Others - to offset miscellaneous assets that do not represent expendable available financial resources.

Note 11. Segment Information for Enterprise Funds

The City maintained seven enterprise funds effective this fiscal year. Segment information for the year ended June 30, 1988 is as follows:

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf Courses	Civic Auditorium	Ice Arena
Operating revenue	$ 1,499	$ 3,708	$ 15,820	$ 111	$ 1,270	$ 203	$ 288
Depreciation & amortization expense	53	519	1,752		54	42	47
Operating income (loss)	916	654	2,652	4	188	(313)	9
Operating transfers in(out)	98	(8)	(18)	50		252	60
Net income (loss)	1,024	1,145	1,878	54	156	(61)	55
Current capital contributions		1,621	1,200				
Property, plant and equipment							
Additions	1,797	4,726	1,408		15	12	
Deletions	211	281	185		3	1	
Net working capital	15,011	18,897	5,364	54	268	8	113
Total assets	22,891	42,906	70,245	54	1,237	441	490
Bonds & other long-term liabilities:							
Payable from operating revenues	18,876	14,014	4,776		484	40	182
Payable from other sources							
Total equity	3,452	28,052	63,838	54	650	380	268

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Types of goods and services:

Central Parking District - The Central Parking District operates parking lots in the downtown area with spaces availabale at hourly and monthly rates.

Water Utility - Provides water service primarily in the north Stockton area to residential and commercial users.

Sewer Utility - Operates a regional wastewater facility for the Stockton metropolitan area. This entails operation of the treatment plant, collection system and pump stations.

Silver Lake - This operation is a summer camp resort located at 7,200 feet elevation in the Sierra Nevada mountains 100 miles east of Stockton. The camp is open from June to September. Facilities are available to individuals, both resident and non-resident groups.

Golf Courses - The City operates two municipal golf courses, Swenson Park and Van Buskirk. Both courses are 18 holes with Swenson also offering a 9-hole executive course.

Civic Auditorium - The Auditorium hosts athletic, cultural and other types of events and also serves as a convention center. It is open 365 days per year.

Ice Arena - The municipal ice rink is open 360 days per year and features public sessions, as well as figure skating practice sessions, hockey games and special events.

Note 12. Deferred Compensation

The City adopted a city administered deferred compensation plan by which both the City and its employees contribute to the employees' retirement. The City's contribution ranges from 2.5% to 4.5% of the employees' gross pay for management employees except for the City Manager. The City Manager receives $7.5 annually. 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 January 1, 1987. All non-management public safety employees receive no contribution. The employee may contribute up to a combined City and employee total of 25% of their gross pay not to exceed a combined total of $7.5 for each year.

(continued)

A summary of plan activity for the year follows:

Plan assets as of 6-30-87	$ 20,652
City of Stockton contributions	632
Employee contributions	2,114
Earnings on investments	2,095
	25,493
Less: withdrawals (retirements and terminations)	841
Plan assets as of 6-30-88	$ 24,652

The Plan assets remain the property of the City of Stockton, subject to the claims of the City's general creditors, until paid or made available to the participating employees. Deferred compensation is not subjected to income taxes to the employee until withdrawal upon retirement or termination of service.

Amounts accumulated by the City, under the Plan, have been invested in several investment options, administered by the City, at the direction of the employees. The Plan is accounted for in an Agency Fund.

Deposits held by the plan administrators are recorded at cost, which approximates market, in the Deferred Compensation Agency Fund. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Note 13. Pension Plan

A) Plan Description

The City contributed to the California Public Employees' Retirement System (PERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for governmental entities in the State of California. The City's payroll for employees covered by PERS for the year ended June 30, 1988, was $42,643.

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

All full-time City employees are eligible to participate in the PERS. Benefits vest after five years of service. City employees who retire at or after age 50 with five years of credited service are entitled to annual retirement benefits, payable monthly for life in an amount equal to a certain percent of their average salary during their last year of employment, for each year of credited service after five years. The percent of pay to which these members are entitled for each year of service follows:

Miscellaneous Employees - 1.092% at retirement age of 50; benefit factor increases for each quarter year of attained age to 2.418% at age 63+.

Public Safety Employees - 2.00% at retirement age of 50; benefit factor increases for each quarter of attained age to 2.70% at age 55+.

These benefit provisions and all other requirements are established by state statute. The City is required by employee benefit packages to contribute the entire amount necessary to fund the system using the actuarial basis specified by statute. Current membership information by category is as follows:

Retirees, beneficiaries & terminated employees	823
Active employees	1,309
Total membership	2,132

B) There are no securities of the City and related parties included in plan assets.

C) Funding Status and Progress

The amount shown below as the pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the PERS on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the PERS. The City's total unfunded pension benefit obligation applicable to the employees was $19,433 at June 30, 1987.

(continued)

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 82,262
Current Employees:	
Accumulated employee contributions including allocated investment earnings	36,476
Employer-financed vested	53,557
Employer-financed nonvested	2,331
Total pension benefit obligation	$ 174,626

Net assets available for benefits at cost (market value - $194,302)	$ 155,193
Unfunded pension benefit obligation	19,433

Of the total change in the pension benefit obligation from last year, $ not available (N/A) from the following:

Changes in benefit provisions	$ N/A
Changes in actuarial assumptions	N/A
Total	$ N/A

Significant actuarial assumptions used to calculate the above pension benefit obligation are:

Actuarial interest rate = 8.5% per annum

Salary scale:	%
Rate of inflation	5.00
Across the board real salary increases	0.75
Merit raises	1.25
Total	7.00

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

D) Actuarially Determined Contribution Requirements and Contributions Made

PERS uses the Entry Age Normal Actual Cost Method which is a projected benefit cost method. That is, it takes into account those benefits that are expected to be earned in the future as well as those already accrued.

According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from the date of employment until retirement. PERS uses a modification of the Entry Cost Method in which the employer's total normal cost is expressed as a level percentage of payroll. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities. The amortization period of the unfunded actuarial liability ends on June 30, 2000 for prior service benefits; in the year 2011 for current service benefits.

The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the pension benefit obligation, as previously discussed.

As part of the City employees' benefit package, the City pays for the employees' contribution. The City's PERS reportable payroll for employees covered by PERS for the year ended June 30, 1988, the combined employee-employer rates as a percentage of payroll, and the amount contributed are as follows:

Category	Gross Payroll	Member Rate - %	Employer Rate as Percentage of Payroll Effective 7-01-87	Employer Amount Contributed	Employee Amount Contributed
Miscellaneous Members	$ 23,025	7	12.205	$ 2,810	$ 1,612
Safety Members with benefits described under Article 21252.01					
Fire	8,829	9	21.191	1,871	794
Police	10,789	9	21.191	2,286	971
Total	$ 42,643			$ 6,967	$ 3,377

(continued)

Annual Rate Components	As a Percent of Payroll Member Category - Rate Miscellaneous	Safety	Amount Contributed Miscellaneous	Safety	Total
Normal Cost Rate	8.309	15.210	$ 1,913	$ 2,984	$ 4,897
Unfunded Liability Rate	3.896	5.981	897	1,173	2,070
Total Required	12.205	21.191	$ 2,810	$ 4,157	$ 6,967

Contributions were made in conformance with actuarial requirements.

E) Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. System-wide ten year trend information may be found in the California Public Employees' Retirement System annual reports.

Within the City's financial statements, three years of historical trend information are required. The first year for which PERS has provided this information is 1987-88. The actuarial data provided by PERS is as or June 30, 1987. Until three years of data are available as many years as are available will be presented. Therefore the trend information for 1987-88 is summarized as follows:

Net assets available for benefits as a % of pension benefit obligation	88.87%
Unfunded pension benefit obligation expressed as a % of annual covered payroll	45.57%
Employee contributions expressed as a % of annual covered payroll	16.33%

(continued)

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS
(dollar amounts in thousands)
(continued)

Note 14. Self Insurance

Effective August 1, 1978, the City adopted a self-funded group health insurance program administered by a service agent. This arrangement has continued but, on May 1, 1988, participation with Blue Cross was eliminated with the City assuming direct control over the plan structure for most employee and retiree groups. Members of the Stockton Police Officers Association and its retirees elected to remain with Blue Cross and they will be accounted for separately. The City is also self-insured for workers' compensation, unemployment and general liability insurance. All of these self-insurance plans are administered by service agents who are experts in their respective fields.

The City is self-insured for the first $250 on each workers' compensation claim and $1,000 on each general liability claim against the City. At June 30, 1988, $3,122 and $1,001 have been accrued for workers' compensation and general liability claims, respectively. These accruals represent estimates of amounts to be paid for reported claims and incurred but unreported claims based upon past experience, modified for current trends and information. While the ultimate amounts of losses incurred through June 30, 1988 are dependent on future developments, based upon information provided from the City Attorney, outside counsel and others involved with the administration of the programs, the City's management believes that the aggregate accrual is adequate to cover such losses.

The City has obtained excess liability coverage with limits of $10,000 through the California Joint Powers Insurance Authority (CJPIA). CJPIA pools catastrophic general liability, automobile liability and public officials' errors and omissions losses. CJPIA intends to pool virtually every catastrophic loss incurred by its members, thereby eliminating the need for commercial excess insurance protection. As a result, each member's share of pooled costs will depend on the catastrophic losses of all the members. In addition, the cost to a member city will also depend on that member's own loss experience. Entities with a consistent record of costly claims will pay more than entities with a consistent record of limited serious claims activity.

The following public entities are also members of CJPIA: Alameda, Chico, Central San Joaquin Valley Risk Management Authority, Fairfield, Fremont, Livermore, Lodi, Manteca, Petaluma, Redwood Empire Municipal Insurance Fund, Redding, Roseville, San Leandro, San Rafael, Santa Rosa, Santa Barbara Area Joint Powers Insurance Authority, Small Cities Organized Risk Effort, Sunnyvale, Vacaville, Vallejo, and Yolo County Public Agencies Risk Management Insurance Authority.

Note 15. Post-Retirement Health Care Benefits

In addition to providing pension benefits through the Public Employees Retirement System, the City provides certain health care benefits for retired employees. Substantially, all of the City's management employees may become eligible for those benefits if they reach normal retirement age while working for the City. The City is self insured so the funding of the retiree health care benefits arises as the the expense is recognized when the claims are paid. For the fiscal year ending June 30, 1988, those costs totaled $523.

(continued)

Note 16. Contingent Liability

The City is contingently liable for attorney's fees in defense of a voter initiative (Measure C) to the City Charter. Should the City lose, it could expect to pay approximately $500 in attorney's fees. The City does not anticipate losing the suit. In addition, other cases amounting to approximately $500 represent potential contingent liability should the City lose.

Note 17. Subsequent Events

Stockton Airport Improvement District Refunding

In October 1988, a previous special assessment improvement bond on Stockton Airport Series 207 was approved for refunding. The new issue, Stockton Airport Reassessment, Series 214 was issued for $7,595 for the construction of Phase II. The bonds have an interest rate from 6.20% to 7.95%. The old issue bonds will be called on January 2, 1989. The economic gain on this refunding is $422.

East Stockton Sanitary Sewer Project

In October 1985, the City assumed maintenance responsibility for the East Stockton Sanitary Sewer Project facilities. The ownership of the facilities has been understood by San Joaquin County to vest with the City. However, no documents formalizing that understanding have been processed. The County is currently preparing the proper documents and inventorying the facilities to properly effect the transfer of project facilities and property to the City of Stockton. The process to formalize the ownership transfer is expected to occur within the next fiscal year. The final construction cost to date is $18,989 with an additional $535 in maintenance costs.

End of Notes to Financial Statements.

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COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS AND SCHEDULES

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GENERAL FUND

The Fund used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

CITY OF STOCKTON

GENERAL FUND
COMPARATIVE BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

Assets	1988	1987
Cash and temporary investments	$11,102	$ 8,116
Receivables:		
Interest	814	1,007
Taxes and special assessments	1,401	1,358
Accounts and other	1,732	1,250
Allowance for uncollectible accounts	(350)	(310)
Due from other funds	25	50
Due from other governments	1,197	1,064
Inventory of supplies	448	399
Prepaid expenditures	3	3
Advances to other funds		
Total assets	$16,372	$12,937
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	$ 435	$ 486
Accrued payroll and fringe benefits	2,703	2,711
Due to other governments	61	151
Other liabilities	18	18
Accrued compensated absences	3,852	3,631
Total liabilities	7,069	6,997
Fund balance:		
Reserved for encumbrances	1,087	731
Reserved for other items	812	1,560
Unreserved		
Designated for administrative contingency	7,404	3,649
Total fund balance	9,303	5,940
Total liabilities and fund balance	$16,372	$12,937

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Revenues:		
Taxes:		
Property	$12,106	$11,319
Sales and use	17,239	15,506
Utility	10,573	9,885
Other	7,058	6,589
Licenses and permits	2,351	2,089
Intergovernmental	7,621	7,302
Charges for services	7,741	7,189
Fines and forfeitures	733	733
Use of money and property	2,026	2,227
Miscellaneous	1,882	1,675
Total revenues	69,330	64,514
Expenditures:		
Current:		
General government	8,013	7,774
Public safety	41,990	41,359
Public works	9,422	8,888
Library	5,105	4,682
Parks and recreation	4,953	4,817
Capital outlay:		
General government	2	25
Public safety	73	66
Public works	16	30
Library	1	3
Parks and recreation	16	15
Total expenditures	69,591	67,659
Excess (deficiency) of revenues over expenditures	(261)	(3,145)
Other financing sources (uses):		
Operating transfers in	4,539	265
Operating transfers out	(633)	(661)
Total other financing sources (uses)	3,906	(396)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,645	(3,541)
Fund balance, beginning of year	5,940	9,830
Residual equity transfers out	(282)	(349)
Fund balance, end of year	$ 9,303	$ 5,940

The accompanying notes are an integral part of this statement.

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SPECIAL REVENUE FUNDS

The Funds used to account for specific revenues that are restricted by law or administrative action to expenditures for particular purposes.

Special Grants

To account for miscellaneous, comparatively smaller grants, from federal and state governments, not otherwise established as stand-alone Special Revenue Fund.

Revenue Sharing

To account for revenue received from the federal government under the revenue sharing program.

Cooperative Library

To account for state grants to encourage the development, improvement, and expansion of library system within the State of California. Parties to the agreement are neighboring cities, counties and other agencies.

Gas Tax

To account for revenues and expenditures apportioned to the City under the Streets and Highway Code, Section 2106, 2107 and 2107.5 of the State of California. Expenditures for administration, maintenance and construction must be street-related. This fund includes Federal Aid Urban Grant and SB325 Non-Transit revenues

Urban Development Action Grant (UDAG)

To account for federal grant and other resources, the purpose of which is to revitalize activities in the designated UDAG area.

Community Development Block Grant

To account for annual federal grant, to develop a viable urban community by providing suitable living environment and expanding economic opportunities, principally, for low and moderate income residents.

Special Assessments

To account for revenues (levied upon property owners) and expenditures related to special type of services - lighting and storm water drainage basic maintenance services.

CITY OF STOCKTON

ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

Assets	Special Grants	Revenue Sharing	Cooperative Library	Gas Tax	Urban Development Grant	Community Development Block Grant	Special Assessments	Eliminations	Totals 1988	Totals 1987
Cash and temporary investments	$15	$7,880	$41	$6,503	$1	$	$34	$	$14,474	$16,727
Accounts and other receivables				380			15		395	15
Allowance for uncollectibles							(9)		(9)	(8)
Due from other funds				741				(741)		
Due from other governments				23		95			118	359
Deposits	20								20	40
Total assets	$35	$7,880	$41	$7,647	$1	$95	$40	$(741)	$14,998	$17,133
Liabilities and fund balances										
Liabilities:										
Cash overdraft	$	$	$	$	$	$33	$	$	$ 33	$ 214
Accounts payable				97		60	5		162	88
Accrued payroll and fringe benefits			1						1	8
Due to other funds		6,576						(741)	5,835	5,726
Due to other governments	21								21	9
Deposits						2			2	7
Total liabilities	21	6,576	1	97		95	5	(741)	6,054	6,052
Fund balances:										
Reserved for encumbrances				1,110					1,110	575
Reserved for continuing appropriations	14		40	6,440	1		35		6,530	7,845
Unreserved:										
Designated										26
Undesignated		1,304							1,304	2,635
Total fund balances	14	1,304	40	7,550	1		35		8,944	11,081
Total liabilities and fund balances	$35	$7,880	$41	$7,647	$1	$95	$40	$(741)	$14,998	$17,133

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Cooperative Library	Gas Tax	Urban Development Grant	Community Development Block Grant	Special Assessments	Eliminations	Totals 1988	Totals 1987
Revenues:										
Taxes	$	$	$	$ 66	$	$	$	$	$ 66	$ 66
Federal grants and subsidies	58			261	170	1,694			2,183	3,326
Intergovernmental	144		311	2,547					3,002	3,277
Charges for services							96		96	77
Use of money and property		588		491					1,079	1,429
Miscellaneous	1			15	3	56			75	41
Total revenues	203	588	311	3,380	173	1,750	96		6,501	8,216
Expenditures:										
Current:										
General government	95								95	233
Public safety							87		87	80
Public works									409	220
Library	125		284							
Capital outlay:										
Public works				3,200	172	1,585			4,957	5,046
Total expenditures	220		284	3,200	172	1,585	87		5,548	5,579
Excess (deficiency) of revenues over expenditures	(17)	588	27	180	1	165	9		953	2,637
Other financing sources (uses):										
Operating transfers in	17					650			667	740
Operating transfers out		(1,919)		(1,023)		(815)			(3,757)	(1,976)
Total other financing sources (uses)	17	(1,919)		(1,023)		(165)			(3,090)	(1,236)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses		(1,331)	27	(843)	1		9		(2,137)	1,401
Fund balances, beginning of year	14	2,635	13	8,393			26		11,081	9,680
Fund balances, end of year	$ 14	$ 1,304	$ 40	$ 7,550	$ 1	$	$35	$	$ 8,944	$11,081

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Special Grants			Revenue Sharing			Cooperative Library			Gas Tax		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:												
Taxes - transportation	$	$	$	$	$	$	$	$	$	$ 69	$ 66	$ (3)
Federal grants and subsidies	87	58	(29)				12		(12)	261	261	
Intergovernmental	145	144	(1)				299	311	12	2,464	2,547	83
Charges for services												
Use of money and property				750	588	(162)				307	491	184
Miscellaneous	4	1	(3)								15	15
Total revenues	236	203	(33)	750	588	(162)	311	311		3,101	3,380	279
Expenditures:												
Current:												
General government	120	95	25									
Public safety												
Public works												
Library	146	125	21				324	284	40			
Capital outlay:												
Public works										10,655	3,200	7,455
Total expenditures	266	220	46				324	284	40	10,655	3,200	7,455
Excess (deficiency) of revenues over expenditures	(30)	(17)	13	750	588	(162)	(13)	27	40	(7,554)	180	7,734
Other financing sources (uses):												
Operating transfers in	17	17										
Operating transfers out				(1,919)	(1,919)					(1,023)	(1,023)	
Total other financing sources (uses)	17	17		(1,919)	(1,919)					(1,023)	(1,023)	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(13)		13	(1,169)	(1,331)	(162)	(13)	27	40	(8,577)	(843)	7,734
Fund balances, beginning of year	14	14		2,635	2,635		13	13		8,393	8,393	
Fund balances, end of year	$ 1	$ 14	$ 13	$ 1,466	$ 1,304	$(162)	$	$ 40	$ 40	$ (184)	$ 7,550	$7,734

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL, Continued
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Urban Development Action Grant			Community Development Block Grant			Special Assessments			Total - Special Revenue Funds		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:												
Taxes - transportation	$	$	$	$	$	$	$	$	$	$ 69	$ 66	$ (3)
Federal grants and subsidies	988	170	(818)	4,645	1,694	(2,951)				5,993	2,183	(3,810)
Intergovernmental										2,908	3,002	94
Charges for services							96	96		96	96	
Use of money and property										1,057	1,079	22
Miscellaneous	385	3	(382)		56	56				389	75	(314)
Total revenues	1,373	173	(1,200)	4,645	1,750	(2,895)	96	96		10,512	6,501	(4,011)
Expenditures:												
Current:												
General government										120	95	25
Public safety												
Public works							96	87	9	96	87	9
Library										470	409	61
Capital outlay:												
Public works	1,285	172	1,113	2,284	1,585	699				14,224	4,957	9,267
Total expenditures	1,285	172	1,113	2,284	1,585	699	96	87	9	14,910	5,548	9,362
Excess (deficiency) of revenues over expenditures	88	1	(87)	2,361	165	(2,196)		9	9	(4,398)	953	5,351
Other financing sources (uses):												
Operating transfers in				650	650					667	667	
Operating transfers out				(815)	(815)					(3,757)	(3,757)	
Total other financing sources (uses)				(165)	(165)					(3,090)	(3,090)	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	88	1	(87)	2,196		(2,196)		9	9	(7,488)	(2,137)	5,351
Fund balances, beginning of year							26	26		11,081	11,081	
Fund balances, end of year	$ 88	$ 1	$ (87)	$2,196	$	$(2,196)	$26	$35	$9	$ 3,593	$ 8,944	$ 5,351

The accompanying notes are an integral part of this statement.

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DEBT SERVICE FUND

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

CITY OF STOCKTON

DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

Assets	1988	1987
Cash and temporary investments	$5,775	$5,630
Cash with fiscal agent	158	229
Special assessment receivables	496	705
Due from other governments	4	4
Total assets	$6,433	$6,568
Liabilities and Fund Balance		
Matured bonds and interest payable	$ 158	$ 229
Deferred revenue	496	705
Total liabilities	654	934
Fund balance:		
Reserve for debt service	5,779	5,634
Total liabilities and fund balance	$6,433	$6,568

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Revenues:		
Taxes	$ 5,135	$ 6,093
Use of money and property	197	290
Miscellaneous	70	20
Total revenues	5,402	6,403
Expenditures:		
Debt service:		
Principal retirement	2,276	2,031
Interest and fiscal charges	3,047	4,202
Total expenditures	5,323	6,233
Excess of revenues over expenditures	79	170
Other financing sources (uses):		
Operating transfers in	4,373	9,975
Operating transfers out	(150)	
Payment to refunded bond escrow agent	(4,157)	(10,143)
Total other financing sources (uses)	66	(168)
Excess (deficiency) of financing sources over expenditures and other financing uses	145	2
Fund balance, beginning of year	5,634	5,632
Fund balance, end of year	$ 5,779	$ 5,634

The accompanying notes are an integral part of this statement.

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CAPITAL PROJECTS FUNDS

The Funds used to account for the financial resources to be used for the acquisition or construction of major facilities other than those financed by Proprietary Funds and Trust Funds.

Capital Improvement

To account for the acquisition, construction and improvement of capital facilities financed by grants and operating transfers from different City funds.

Redevelopment Agency

To account for the acquisition, relocation, demolition, and sale of land for those portions of the City earmarked for redevelopment. Projects are financed from the proceeds of bonds sold and loans from other City funds, and eventually, from property tax increment revenue.

1915 Act Special Assessments

To account for the acquisition, construction and repair of facilities in various districts. Improvement districts are financed by property owners through the issuance of special assessment bonds as provided in the Municipal Improvement Act of 1915.

CITY OF STOCKTON

ALL CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Capital Improvement	Redevelopment	1915 Act Assessment Districts	Totals 1988	Totals 1987
Assets					
Cash and temporary investments	$ 5,932	$2,523	$11,476	$19,931	$12,653
Interest receivable			3	3	
Accounts and other receivables	36	15	242	293	299
Due from other funds	5,533	256	21	5,810	5,676
Due from other governments	522			522	852
Deposits		59		59	95
Advances to other funds	1,453			1,453	765
Total assets	$13,476	$2,853	$11,742	$28,071	$20,340
Liabilities and Fund Balances					
Liabilities:					
Cash overdraft	$	$	$ 2,699	$ 2,699	$
Accounts payable	277	13	184	474	529
Deposits		3		3	3
Matured bonds and interest payable		3		3	3
Total liabilities	277	19	2,883	3,179	535
Fund balances:					
Reserved for encumbrances	1,640	1	4,036	5,677	1,412
Reserved for advances to other governments	1,453			1,453	3,183
Reserved for other items		59		59	95
Reserved for continuing appropriations	10,106	2,774	4,823	17,703	15,115
Total fund balances	13,199	2,834	8,859	24,892	19,805
Total liabilities and fund balances	$13,476	$2,853	$11,742	$28,071	$20,340

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Capital Improvement	Redevelopment	1915 Act Assessment Districts	Totals 1988	Totals 1987
Revenues:					
Taxes:					
Property	$	$ 954	$	$ 954	$ 946
Amusement	23			23	26
Federal grants and subsidies					750
Intergovernmental	150			150	622
Charges for services	1,138	17		1,155	1,350
Use of money and property	413	191	37	641	773
Miscellaneous	101	157		258	53
Total revenues	1,825	1,319	37	3,181	4,520
Expenditures:					
Capital outlay:					
General government	239	125		364	232
Public safety	562			562	260
Public works	1,191	1,231	3,936	6,358	4,495
Sanitation and waste removal	246			246	539
Library	102			102	389
Parks and recreation	843			843	2,202
Total expenditures	3,183	1,356	3,936	8,475	8,117
Excess (deficiency) of revenues over expenditures	(1,358)	(37)	(3,899)	(5,294)	(3,597)
Other financing sources (uses):					
Operating transfers in	1,964		171	2,135	897
Operating transfers out	(3,465)	(84)	(4,574)	(8,123)	(10,890)
Special assessment bonds proceeds			11,476	11,476	
Proceeds of refunding bonds			4,206	4,206	
Advance from Capital Improvement Fund		687		687	11,553
Total other financing sources (uses)	(1,501)	603	11,279	10,381	1,560
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,859)	566	7,380	5,087	(2,037)
Fund balances, beginning of year	16,058	2,268	1,479	19,805	21,842
Fund balances, end of year	$13,199	$2,834	$ 8,859	$24,892	$19,805

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Capital Improvement			Redevelopment Agency		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes:						
Property	$	$	$	$	$ 954	$ 954
Amusement	26	23	(3)			
Federal grants and subsidies						
Intergovernmental	190	150	(40)			0
Charges for services	900	1,138	238		17	17
Use of money and property	237	413	176		191	191
Miscellaneous	10	101	91		157	157
Total revenues	1,363	1,825	462		1,319	1,319
Expenditures:						
Capital outlay:						
General government	491	239	252	150	125	25
Public safety	2,063	562	1,501			
Public works	2,795	1,191	1,604	3,226	1,231	1,995
Sanitation and waste removal	1,670	246	1,424			
Library	1,284	102	1,182			
Parks and recreation	2,693	843	1,850			
Total expenditures	10,996	3,183	7,813	3,376	1,356	2,020
Excess (deficiency) of revenues over expenditures	(9,633)	(1,358)	8,275	(3,376)	(37)	3,339
Other financing sources (uses):						
Operating transfers in	1,964	1,964				
Operating transfers out	(3,465)	(3,465)		(84)	(84)	
Special assessment bond proceeds						
Proceeds of refunding bonds						
Advance from Capital Improvement Fund				687	687	
Total other financing sources (uses)	(1,501)	(1,501)		603	603	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(11,134)	(2,859)	8,275	(2,773)	566	3,339
Fund balances, beginning of year	16,058	16,058		2,268	2,268	
Fund balances, end of year	$ 4,924	$13,199	$8,275	$ (505)	$2,834	$3,339

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL, Continued
for the year ended June 30, 1988
(Dollar amounts in thousands)

	1915 Act Assessment Districts			Totals		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes:						
Property	$	$	$	$	$ 954	$ 954
Amusement				26	23	(3)
Federal grants and subsidies				190	150	(40)
Intergovernmental				900	1,155	255
Charges for services				237	641	404
Use of money and property		37	37	10	258	248
Miscellaneous			0			
Total revenues		37	37	1,363	3,181	1,818
Expenditures:						
Capital outlay:						
General government				641	364	(277)
Public safety				2,063	562	(1,501)
Public works	11,989	3,936	8,053	18,010	6,358	(11,652)
Sanitation and waste removal				1,670	246	(1,424)
Library				1,284	102	(1,182)
Parks and recreation				2,693	843	(1,850)
Total expenditures	11,989	3,936	8,053	26,361	8,475	(17,886)
Excess (deficiency) of revenues over expenditures	(11,989)	(3,899)	8,090	(24,998)	(5,294)	19,704
Other financing sources (uses):						
Operating transfers in	171	171		2,135	2,135	
Operating transfers out	(4,574)	(4,574)		(8,123)	(8,123)	
Special assessment bond proceeds	11,476	11,476		11,476	11,476	
Proceeds of refunding bonds	4,206	4,206		4,206	4,206	
Advance from Capital Improvement Fund				687	687	
Total other financing sources (uses)	11,279	11,279		10,381	10,381	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(710)	7,380	8,090	(14,617)	5,087	19,704
Fund balances, beginning of year	1,479	1,479		19,805	19,805	
Fund balances, end of year	$ 769	$ 8,859	$8,090	$ 5,188	$24,892	$ 19,704

The accompanying notes are an integral part of this statement.

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ENTERPRISE FUNDS

The Funds used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the City Council is that the the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the City Council has decided that periodic determination of income is appropriate for accountability purposes.

Central Parking District
To account for activities associated with the acquisition or construction, operation and maintenance of off-street parking facilities.

Water Utility
To account for all activities associated with the acquisition or construction of water facilities; production, distribution, and transmission of potable water to users.

Sewer Utility
To account for all activities associated with the acquisition or construction of sanitary and storm sewers, operation and maintenance of sewer and surface drainage, treatment and disposal of wastewater.

Silver Lake
To account for all activities related to the improvement, operation and maintenance of Silver Lake park and recreational facilities.

Golf Courses
To account for all activities related to the improvement, operation and maintenance of the Golf Courses.

Civic Auditorium
To account for all activities related to the improvement, operation and maintenance of the Civic Auditorium.

Ice Arena
To account for all activities related to the improvement, operation and maintenance of the Ice Arena.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

ASSETS	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Auditorium	Ice Arena	Totals 1988	Totals 1987
Current assets:									
Cash and temporary investments	$ 1,249	$ 9,491	$ 4,230	$54	$ 351	$ 100	$ 149	$ 15,624	$ 13,300
Cash with fiscal agent	16	6	42					64	57
Accounts receivable	116	432	2,048		20	4	3	2,623	1,957
Allowance for uncollectibles	(29)	(10)	(120)					(159)	(121)
Inventory of supplies			795				1	796	730
Prepaid expenses	2							2	6
Total current assets	1,354	9,919	6,995	54	371	104	153	18,950	15,929
Restricted assets:									
Cash and temporary investments	14,160							14,160	15,657
Cash with fiscal agent		9,452						9,452	10,833
Interest receivable	60	132						192	554
Total restricted assets	14,220	9,584						23,804	27,044
Due from other governments			1,209					1,209	1,209
Property, plant and equipment:									
Land	3,230	117	746		360	118	3	4,574	4,696
Buildings and improvements	1,966	22,563	77,706		2,635	1,733	804	107,407	103,844
Machinery and equipment	45	2,549	4,229		77	89	28	7,017	7,041
Construction in progress	2,503	2,907	1,378					6,788	2,924
	7,744	28,136	84,059		3,072	1,940	835	125,786	118,505
Accumulated depreciation	(902)	(5,033)	(22,018)		(2,206)	(1,603)	(498)	(32,260)	(29,884)
Net property, plant and equipment	6,842	23,103	62,041		866	337	337	93,526	88,621
Deferred charges	475	300						775	428
Total assets	$22,891	$42,906	$ 70,245	$54	$ 1,237	$ 441	$ 490	$138,264	$133,231

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET, (Continued)
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

LIABILITIES AND FUND EQUITY	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Auditorium	Ice Arena	Totals 1988	Totals 1987
Liabilities:									
Current liabilities (payable from current assets):									
Accounts payable	$ 2	$ 20	$ 335	$	$ 5	$ 5	$ 7	$ 374	$ 753
Accrued payroll and fringe benefits		3	19		1	2	1	26	132
Customer and other deposits		424	1					425	232
Matured bonds and interest payable	14	6	42					62	57
Current portion of long-term debt	120	133	851		59		24	1,187	1,126
Accrued compensated absences		49	383		38	14	8	492	431
Total current liabilities (payable from current assets)	136	635	1,631		103	21	40	2,566	2,731
Current liabilities (payable from restricted assets):									
Accounts payable		205						205	27
Accrued interest	427							427	1,173
Total current liabilities (payable from restricted assets)	427	205						632	1,200
Long-term debt (less current portion):									
Compensated absences		60	6		46	40		152	116
Advances from municipality			1,450					1,450	2,130
Advances from other governments		1,411						1,411	1,442
Certificates of participation		11,011						11,011	11,011
Lease obligation					438		182	620	715
Water extension agreements		77						77	101
Special assessment bonds payable	18,876	1,455	3,320					23,651	23,682
Total long-term debt	18,876	14,014	4,776		484	40	182	38,372	39,197
Total liabilities	19,439	14,854	6,407		587	61	222	41,570	43,128
Fund Equity:									
Contributed capital		13,873	59,480		328	352	204	74,237	71,897
Retained earnings reserved	3,452	14,179	4,358	54	322	28	64	22,457	18,206
Total fund equity	3,452	28,052	63,838	54	650	380	268	96,694	90,103
Total liabilities and fund equity	$22,891	$42,906	$70,245	$54	$1,237	$441	$490	$138,264	$133,231

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Auditorium	Ice Arena	Totals 1988	Totals 1987
Operating revenues:									
Charges for services	$1,490	$ 3,558	$13,262	$111	$1,268	$ 203	$279	$20,171	$15,929
Connection fees		143	2,277					2,420	4,760
Miscellaneous	9	7	281		2		9	308	221
Total operating revenue	1,499	3,708	15,820	111	1,270	203	288	22,899	20,910
Operating expenses:									
Purchased water		188						188	188
Operation and maintenance	494	1,333	8,846	38	1,028	474	232	12,445	12,300
General and administrative	36	1,019	2,570	69				3,694	3,243
Depreciation	53	514	1,752		54	42	47	2,462	2,369
Other									44
Total operating expenses	583	3,054	13,168	107	1,082	516	279	18,789	18,144
Operating income (loss)	916	654	2,652	4	188	(313)	9	4,110	2,766
Nonoperating revenues (expenses):									
Investment earnings	61	682	212		2			957	810
Gain (loss) from disposal of property	102		(82)		(1)			19	
Interest expense and fiscal charges	(169)	(185)	(378)		(33)		(14)	(779)	(824)
Other non-operating revenues (expenses)	16	2	(508)					(490)	(494)
Total non-operating revenues (expenses)	10	499	(756)		(32)	0	(14)	(293)	(508)
Net income (loss) before other operating transfers	926	1,153	1,896	4	156	(313)	(5)	3,817	2,258
Operating transfers in	98			50		252	60	460	511
Operating transfers out		(8)	(18)					(26)	
Net income (loss)	1,024	1,145	1,878	54	156	(61)	55	4,251	2,769
Retained earnings, beginning of year	2,428	13,034	2,480		166	89	9	18,206	15,437
Retained earnings, end of year	$3,452	$14,179	$ 4,358	$ 54	$ 322	$ 28	$ 64	$22,457	$18,206

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf Courses	Civic Auditorium	Ice Arena	Totals 1988	Totals 1987
Sources of working capital:									
Operations:									
Net income (loss)	$1,024	$ 1,145	$1,878	$54	$156	$(61)	$ 55	$4,251	$ 2,769
Items not requiring (providing) working capital:									
Depreciation	53	514	1,752		54	42	47	2,462	2,369
Amortization of bond discount		5						5	5
Loss (gain) from disposal of property			82		1			83	
Working capital provided by operations	1,077	1,664	3,712	54	211	(19)	102	6,801	5,143
Proceeds from sale of bonds and certificates of participation									26,392
Contributed capital		1,621	1,200					2,821	237
Increase (decrease) in compensated absences		22	5		1	9	(2)	35	101
Proceeds from sale of property	224		1					225	
Total sources of working capital	1,301	3,307	4,918	54	212	(10)	100	9,882	31,873
Uses of working capital:									
Decrease in long-term debt	120	114	851		59		24	1,168	1,188
Additions to property, plant and equipment	1,797	4,726	1,408		15	12		7,958	2,670
Other		67	173					240	318
Total uses of working capital	1,917	4,907	2,432		74	12	24	9,366	4,176
Net increase (decrease) in working capital	$ (616)	$(1,600)	$2,486	$54	$138	$(22)	$ 76	$ 516	$27,697
Elements of net increase (decrease) in working capital:									
Cash and temporary investments	$(1,047)	$ 86	$1,576	$54	$115	$(25)	$ 70	$ 829	$17,999
Interest receivable	(410)							(362)	554
Cash with fiscal agents	6	(1,378)	(1)					(1,373)	10,645
Accounts receivable	56	(90)	673		2	(3)	(12)	626	508
Inventory of supplies			65				1	66	6
Prepaid expenses	(4)							(4)	6
Accounts payable	41	(72)	203		8		20	200	(420)
Deposits		(192)						(192)	(145)
Matured bonds and interest payable	742	(2)						740	(1,124)
Current portion of long-term debt		(11)	(45)		(3)		(1)	(60)	(124)
Accrued payroll and compensated absences		11	15		16	6	(2)	46	(208)
Net increase (decrease) in working capital	$ (616)	$(1,600)	$2,486	$54	$138	$(22)	$ 76	$ 516	$27,697

The accompanying notes are an integral part of this statement.

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INTERNAL SERVICE FUND

The Fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, and to other government units on a cost reimbursement basis.

Central Services (consisting of automotive, telephone, radio, computers and other office equipment, and Risk Management (consisting of worker"s compensation, unemployment, medical, dental, vision care, and general liability insurance) comprise the Internal Service Fund.

CITY OF STOCKTON

INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Assets		
Current assets:		
Cash and temporary investments	$11,013	$11,125
Accounts receivable	88	60
Allowance for uncollectibles	(13)	(10)
Total current assets	11,088	11,175
Property, plant and equipment:		
Improvements other than buildings	24	24
Machinery and equipment	16,326	14,807
	16,350	14,831
Accumulated depreciation	(9,674)	(8,636)
Net property, plant and equipment	6,676	6,195
Deferred charges	441	1,001
Total assets	$18,205	$18,371
Liabilities and Fund Equity		
Liabilities:		
Current liabilities:		
Accounts payable	$ 733	$ 1,108
Accrued payroll and fringe benefits	5	27
Deposits and other	2,143	1,820
Long-term debt - current	22	181
Compensated absences	98	83
Total current liabilities	858	1,399
Long-term debt (less current portion):		
Compensated absences	1	5
Lease obligation	58	80
Other long-term debt	6,652	5,272
Total long-term debt	6,711	5,357
Total liabilities	9,712	8,576

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

INTERNAL SERVICE FUND
COMPARATIVE BALANCE SHEET, Continued
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Fund equity:		
Contributed capital	$ 9,253	$ 8,511
Retained earnings (deficit):		
Unreserved	(760)	1,284
Total fund equity	8,493	9,795
Total liabilities and fund equity	$18,205	$18,371

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON
INTERNAL SERVICE FUND

COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS (DEFICIT)
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Operating revenues:		
Charges for services	$12,543	$11,168
Miscellaneous	2	
Total operating revenues	12,545	11,168
Operating expenses:		
Operation and maintenance	12,646	8,911
General and administrative	621	607
Depreciation	1,638	1,592
Total operating expenses	14,905	11,110
Operating income (loss)	(2,360)	58
Nonoperating revenues (expenses):		
Investment earnings	57	77
Gain (loss) from disposal of property	41	39
Interest expense and fiscal charges	(8)	(30)
Other nonoperating revenues (expenses)	226	117
Total nonoperating revenue (expenses)	316	203
Net income (loss)	(2,044)	261
Retained earnings, beginning of year	1,284	8,115
Prior period adjustment		(7,092)
Retained earnings (deficit), end of year	$ (760)	$ 1,284

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Sources of working capital:		
Operations:		
Net income (loss)	$(2,044)	$ 1,559
Items not requiring (providing) working capital:		
Depreciation	1,638	1,592
Loss (gain) from disposal of property	(41)	(39)
Working capital provided by operations	(447)	(6)
Proceeds from sale of property	54	56
Increase (decrease) in compensated absences	(4)	5
Capital contribution	242	76
Residual equity transfers	500	430
Total sources of working capital	345	561
Decrease in long-term debt	22	195
Additions to property and equipment	2,157	1,537
Increase (decrease) in deposits	(585)	429
Total uses of working capital	1,594	2,161
Net decrease in working capital	$(1,249)	$(1,600)
Elements of net increase (decrease) in working capital:		
Cash and temporary investments	$ (112)	$ 834
Accounts receivable	25	(2)
Accounts payable	375	(613)
Current portion of long-term debt	159	35
Accrued payroll and compensated absences	7	(34)
Other liabilities	(1,703)	(1,820)
Net decrease in working capital	$(1,249)	$(1,600)

The accompanying notes are an integral part of this statement.

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TRUST AND AGENCY FUNDS

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

Agency Funds:

City As Agent
To account for all resources received by the City while acting as a fiscal agent.

Deferred Compensation Plan
To account for contribution to the Plan by the City and its employees.

Holiday Park
To account for special assessment levied against benefited property owner, and expenditures to maintain and operate a swimming pool and park complex in the Holiday Park area.

Expendable Trust Fund:

Miscellaneous
To account for assets held by the City as trustee. The principal and earnings of the trust can be spent by the City in accordance with trust agreement. The funds are accounted for on a modified accrual basis, similar to Governmental Fund Type Funds.

Nonexpendable Trust Funds:

Community Development Loan
To account for the City's community residential rehabilitation loan program; to provide adequate housing and a suitable living environment for low and moderate income people.

FACE Rehabilitation Loan
To account for the servicing of existing loans in designated target areas.

Redevelopment Agency Loan
To account for loans extended to eligible, low and moderate income families.

Stockton-Vacaville Home Financing
To account for home mortgage loans issued to incorporated areas of two cities (Stockton and Vacaville), and the repayment of mortgage revenue bonds which were authorized and issued to finance the home mortgage loans.

Miscellaneous
To account for assets wherein the principal must remain intact, but earnings may be spent. The funds are accounted for on the accrual basis, similar to Proprietary Fund Type Funds.

CITY OF STOCKTON

ALL FIDUCIARY FUNDS
COMBINING BALANCE SHEET
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Agency Funds			Expendable Trust Fund	Nonexpendable Trust Funds					Totals	
ASSETS	City As Agent	Deferred Compensation plan	Holiday Park	Miscellaneous	Miscellaneous	Community Development Loan	FACE Rehab. Loan	Redevelopment Agency Loan	Stockton Vacaville Home Financing	1988	1987
Cash and temporary investments	$2,891	$24,652	$51	$62	$46	$ 589	$ 98	$ 304	$1,381	$30,074	$25,854
Receivables:											
Interest									34	34	32
Taxes and special assessments			4							4	
Accounts and other	3									3	34
Loans and mortgages									74	74	91
Long-term loans receivable									5,280	5,280	7,208
Long-term investments					31					31	31
Advances to property owners						7,724	8	768		8,500	7,279
Total assets	$2,894	$24,652	$55	$62	$77	$8,313	$106	$1,072	$6,769	$44,000	$40,529
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts payable	$ 69	$	$	$	$	$ 17	$	$ 6	$	$ 92	$ 51
Due to other governments	342							226		568	320
Deposits and other	2,062	25,073	55			316		224		27,730	23,105
Long-term debt - current portion									1,490	1,490	405
Bonds payable and other long-term debt									3,602	3,602	6,849
Accrued interest - long-term									884	884	678
Total liabilities	2,894	24,652	55			333		232	6,200	34,366	31,408
Fund balances:											
Reserved for loans							100		569	669	700
Reserved for endowment				62	77					139	139
Unreserved:											
Designated for redevelopment loans						7,980	6	840		8,826	8,282
Total fund balances				62	77	7,980	106	840	569	9,634	9,121
Total liabilities and fund balances	$2,894	$24,652	$55	$62	$77	$8,313	$106	$1,072	$6,769	$44,000	$40,529

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

MISCELLANEOUS EXPENDABLE TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Revenues:		
Federal grants and subsidies	$	$
Use of money and property	2	2
Miscellaneous	11	19
Total revenues	13	21
Expenditures:		
Current:		
Library/education	18	11
Parks and recreation	—	1
Total expenditures	18	12
Excess (deficiency) of revenues over expenditures	(5)	9
Fund balances, beginning of year	67	58
Fund balances, end of year	$62	$67

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Miscellaneous	Community Development Loan	FACE Rehab. Loan	Redevelopment Agency Loan	Stockton Vacaville Home Financing	Totals 1988	Totals 1987
Operating revenues:							
Investment earnings	$	$	$	$	$132	$ 132	$ 279
Loans and mortgage interest		174			746	920	922
Miscellaneous	5	5				10	
Total operating revenues	5	179			878	1,062	1,201
Operating expenses:							
Interest					844	844	904
Loss on sale of real estate							20
General and administrative		19	1		22	42	31
Other					2	2	2
Total operating expenses		19	1		868	888	957
Operating income (loss)	5	160	(1)		10	174	244
Nonoperating revenue:							
Federal grants and subsidies		210				210	217
Total nonoperating revenue		210				210	217
Net income (loss) before operating transfers	5	370	(1)		10	384	461
Operating transfers in		815		10		825	1,667
Operating transfers out		(650)				(650)	(528)
Net income (loss) before extraordinary loss	5	535	(1)	10	10	559	1,600
Extraordinary loss					(41)	(41)	(35)
Net income (loss)	5	535	(1)	10	(31)	518	1,565
Retained earnings (deficit), beginning of year	72	7,445	107	830	600	9,054	7,489
Retained earnings, (deficit), end of year	$77	$7,980	$106	$840	$569	$9,572	$9,054

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

NONEXPENDABLE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	Miscellaneous	Community Development Loan	FACE Rehab. Loan	Redevelopment Agency Loan	Stockton Vacaville Home Financing	Totals 1988	Totals 1987
Sources of working capital:							
Operations:							
Net income (loss) before extraordinary loss	$5	$ 535	$(1)	$ 10	$ (31)	$ 518	$1,565
Items not requiring working capital:							
Amortization of bond discount					7	7	24
Loss on sale of real estate							20
Loans written off	_	37	_	___	____	37	___
Working capital provided by operations (before extraordinary loss)	5	572	(1)	10	(24)	562	1,644
Extraordinary loss	_	____	_	___	41	41	____
Working capital provided by operations and extraordinary loss	5	572	(1)	10	17	603	1,644
Loans receivable collected		527	3	316		846	425
Reduction of long-term loans receivables					1,928	1,928	1,743
Proceeds from sale of real estate							47
Proceeds from matured investments	1					1	1
Residual equity transfer in	_	____	_	___	____	____	3,868
Total sources of working capital	6	1,099	2	326	1,945	3,378	7,728
Uses of working capital:							
Decrease in long-term debt		1,055		959	3,088	5,102	1,508
Residual equity transfer out	_	___	_	___	____	____	3,868
Total uses of working capital	_	1,055	_	959	3,088	5,102	5,376
Net increase (decrease) in working capital	$6	$ 44	$2	$(633)	$(1,143)	$(1,724)	$2,352
Elements of net increase (decrease) in working capital:							
Cash and temporary investments	$6	$ 92	$2	$(407)	$ (35)	$ (342)	$ 725
Receivables					(15)	(15)	(20)
Due to other governments				(226)		(226)	
Deposits and other		(55)			(8)	(63)	(58)
Accounts payable		7				7	
Long-term debt, current portion	_	___	_	___	(1,085)	(1,085)	1,665
Net increase (decrease) in working capital	$6	$ 44	$2	$(633)	$(1,143)	$(1,724)	$2,352

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
for the year ended June 30, 1988
(Dollar amounts in thousands)

	City Acting as Agent				Deferred Compensation Plan			
ASSETS	Balance 07-01-87	Additions	Deductions	Balance 06-30-88	Balance 07-01-87	Additions	Deductions	Balance 06-30-88
Cash and temporary investments	$2,245	$13,891	$13,245	$2,891	$20,652	$4,842	$842	$24,652
Accounts and assessments receivable	29	12	38	3				
Total assets	$2,274	$13,903	$13,283	$2,894	$20,652	$4,842	$842	$24,652
LIABILITIES								
Accounts payable	$ 25	$ 69	$ 25	$ 69	$	$	$	$
Due from other governments	320	8,207	8,185	342				
Deposits	499	640	718	421				
Other liabilities	1,430	4,987	4,355	2,062	20,652	4,842	842	24,652
Total liabilities	$2,274	$13,903	$13,283	$2,894	$20,652	$4,842	$842	$24,652

	Holiday Park				Total Agency Funds			
ASSETS	Balance 07-01-87	Additions	Deductions	Balance 06-30-88	Balance 07-01-87	Additions	Deductions	Balance 06-30-88
Cash and temporary investments	$45	$ 51	$45	$51	$22,942	$18,784	$14,132	$27,594
Accounts and assessments receivable	5	50	51	4	34	62	89	7
Total assets	$50	$101	$96	$55	$22,976	$18,846	$14,221	$27,601
LIABILITIES								
Accounts payable	$	$	$	$	$ 25	$ 69	$ 25	$ 69
Due to other governments					320	8,207	8,186	341
Deposits					499	640	717	422
Other liabilities	50	50	45	55	22,132	9,879	5,242	26,769
Total liabilities	$50	$50	$45	$55	$22,976	$18,795	$14,170	$27,601

The accompanying notes are an integral part of this statements.

GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets account group is set up to account for the cost of fixed assets of the City that are used in the performance of general government functions which are not accounted for in the Enterprise or Internal Service Funds. General fixed assets are not depreciated. All fixed assets are valued at historical cost or appraised historical cost. Donated fixed assets are valued at estimated fair market value on the date received. General fixed assets do not represent financial resources available for expenditure, but are items for which financial resources have been used and for which accountability should be maintained.

CITY OF STOCKTON

COMPARATIVE SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE
for the year ended June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
General fixed assets:		
Land	$ 6,031	$ 6,031
Buildings and improvements	34,627	33,350
Equipment	1,608	1,550
Construction in progress	4,416	4,290
	46,682	45,221
Capitalized leases:		
Office equipment		30
Total	$46,682	$45,251
Investment in general fixed assets:		
From governmental fund types	$46,078	$44,647
From other sources	604	604
Total	$46,682	$45,251

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION
June 30, 1988
(Dollar amounts in thousands)

	Total	Land	Buildings and Improvements	Equipment
General government	$ 2,307	$ 227	$ 1,979	$ 101
Public safety	6,652	842	5,007	803
Public works	8,461	527	7,721	213
Libraries	5,227	524	4,585	118
Parks and recreation	18,214	3,019	15,044	151
Other property	1,405	892	291	222
Construction in progress	4,416		4,416	
Total	$46,682	$6,031	$39,043	$1,608

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION
for the year ended June 30, 1988
(Dollar amounts in thousands)

	Balance 07-01-87	Additions	Deletions	Transfers In	Transfers Out	Balance 06-30-88
General government	$ 2,307	$ 5	$	$ 1	$ 6	$ 2,307
Public safety	6,584	105	19	69	87	6,652
Public works	8,023	438	1	2	1	8,461
Libraries	4,770	468	1		10	5,227
Parks and recreation	17,873	385	44			18,214
Other property	1,404	2	125	139	15	1,405
Construction in progress	4,290	4,416	4,290			4,416
Total	$45,251	$5,819	$4,480	$211	$119	$46,682

The accompanying notes are an integral part of this statement.

GENERAL LONG TERM DEBT ACCOUNT GROUP

The General Long-Term Debt account group is set up to account for the unmatured long-term indebtedness of the City and related entities.

CITY OF STOCKTON

COMPARATIVE SCHEDULE OF GENERAL LONG-TERM DEBT
June 30, 1988
(with comparative totals for June 30, 1987)
(Dollar amounts in thousands)

	1988	1987
Amount available in Debt Service Fund		
1915 Act Special assessment bonds	$ 5,779	$ 5,634
Amount to be provided for retirement of general long-term debt		
General obligation bonds	735	840
Lease obligation		8
1915 act special assessment bonds	41,688	31,645
Compensated absences	5,634	5,662
Advance - redevelopment agency	1,453	765
Total	$55,289	$44,554
General long-term debt		
General obligation bonds:		
1968 police facility bonds	$ 735	$ 840
Lease obligations:		
Capitalized recreation facilities		
Capitalized office equipment		8
1915 act special assessment bonds	47,467	37,279
Compensated absences	5,634	5,662
Advance payable to capital improvement fund	1,453	765
Total	$55,289	$44,554

The accompanying notes are an integral part of this statement.

MISCELLANEOUS SCHEDULES

CITY OF STOCKTON

COMBINED SCHEDULE OF CASH AND TEMPORARY INVESTMENTS
June 30, 1988
(Dollar amounts in thousands)

	Annual Rate/Yield %	Amount
Cash on hand and in checking accounts		$ 7,840
Bankers acceptance		
Commercial paper	7.36--7.51	16,466
Corporate notes	7.35--8.48	3,675
Employees deferred compensation plan	8.375	24,652
Federal Hcme Loan Bank	7.30	999
Federal National Mortgage Association	11.15	25,117
Federal Hcme Loan Mortgage Association	7.50--9.00	4,373
Government National Mortgage Association	8.00	962
Local Agency Investment Fund	7.93	5,100
Market rate accounts	5.00	3,240
Negotiable certificates of deposit	7.15--11.45	15,740
Savings account - trust fund	7.28--8.40	108
Time certificates of deposit	6.75--7.63	12,500
Shearson/American Express investment fund	11.00	1,372
Pacific Hcrizon Government fund	Floating rate	9
Total		$ 122,153

*Includes interest earning checking accounts

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

SCHEDULE OF INVESTMENTS
TRUST FUND
June 30, 1988
(Dollar amounts in thousands)

	Interest Rate - 1%	Maturity Date	Amount
Arlo Cross Trust Fund:			
Bonds:			
Chicago, Milwaukee, St. Paul & Pacific RR	5.00	2055	*
General Mortgage "B"	4.50	2044	*
Metropolitan Water District of Southern California	3.50	1983-1985	$ 2
Missouri Pacific RR Co.	4.25	1990-2005	3
Missouri Pacific RR Co.	4.75	2020-2030	7
U.S. Treasury Bonds	4.00	1993	4
Ohio Bell Telephone Co. Deb.	8.75	2010	13
St. Louis - SF Railway Co., First Mortgage	4.00	1997	1
Total bonds			30
Stocks:			
El Paso Natural Gas Co.			*
Washington Natural Gas Co.			1
Burlington Northern, Inc.			*
Total stocks			1
Total Arlo Cross Trust Fund			$31

* Less than $1

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL FUNDS
COMBINED SCHEDULE OF FUND TRANSFERS
for the year ended June 30, 1988
(Dollar amounts in thousands)

Transfers from	Transfers to							
Fund Title	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Trust and Agency	Total Transfers Out
Operating transfers:								
General Fund	$	$ 17	$ 139	$ 17	$460	$	$	$ 633
Special Revenue Funds	1,048			1,894			815	3,757
Capital Projects Funds	3,465		4,234	74			350	8,123
Enterprise Funds	26							26
Trust and Agency Funds		650		150				800
Total operating transfers in	4,539	667	4,373	2,135	460		1,165	13,339
Residual equity transfers:								
General Fund						282		282
Enterprise Funds						218		218
Total residual equity transfers in						500		500
Total transfers in	$4,539	$667	$4,373	$2,135	$460	$500	$1,165	$13,839

The accompanying notes are an integral part of this statement.

STATISTICAL SECTION

CITY OF STOCKTON

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS
(IN THOUSANDS)

Fiscal Year	Total	General Government	Public Safety	Public Works	Libraries	Parks and Recreation	Debt Service
1978-79	$69,698	$26,747	$17,074	$16,977	$3,239	$4,921	$740
1979-80	70,546	25,983	20,661	14,657	2,983	5,607	655
1980-81	74,246	24,203	24,154	16,346	3,246	5,628	669
1981-82	68,212	14,674	27,244	16,878	3,831	5,294	291
1982-83	69,102	10,490	28,570	19,090	4,290	6,086	576
1983-84	67,419	9,574	30,221	16,945	4,441	6,090	148
1984-85	72,461	6,660	33,806	20,075	4,541	7,228	151
1985-86	78,367	7,793	38,549	19,941	4,983	6,953	148
1986-87	81,525	8,731	41,685	18,610	5,295	7,034	170
1987-88	83,753	8,474	42,625	21,086	5,617	5,812	139

(1) Government Fund Type (General, Special Revenue, Debt Service, Capital Projects, Special Assessments) expenditures start from fiscal year 1978-79 to current fiscal year.

Effective fiscal year 1987-88, the debt service of Special Assessment Fund was excluded.

SOURCE: City Finance Department

CITY OF STOCKTON

GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(IN THOUSANDS)

Fiscal Year	Total	Taxes	Licenses and Permits	Fines, Forfeits and Penalties	Use of Money and Property	Intergovern-mental	Charges for Services	Miscel-laneous
1978-79	$68,450	$21,544	$1,203	$614	$2,796	$36,094	$4,437	$1,762
1979-80	69,675	25,201	1,168	610	3,622	34,213	3,564	1,297
1980-81	74,237	27,569	1,314	658	4,435	33,940	4,064	2,257
1981-82	68,375	30,771	955	654	5,182	23,097	5,443	2,273
1982-83	68,588	33,173	1,469	547	5,068	18,706	5,899	3,726
1983-84	69,851	35,920	1,630	651	5,278	16,936	7,583	1,853
1984-85	73,367	40,178	1,340	709	5,282	15,637	8,467	1,754
1985-86	77,503	42,698	1,260	843	5,948	16,116	8,877	1,761
1986-87	77,560	44,337	2,089	733	4,719	15,277	8,616	1,789
1987-88	79,012	48,019	2,351	733	3,746	12,956	8,992	2,215

(1) Governmental Fund Type (General, Special, Capital Projects, Special Assessments Funds) revenues start from fiscal year 1978-79 to current fiscal year. Special Assessments Debt Service Fund excluded effective fiscal year 1987-88.

SOURCE: City Finance Department

CITY OF STOCKTON

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(IN THOUSANDS)

Fiscal Year	Property	Sales & Use	Transient Occupancy	Franchise	Documentary Transfer	Utility	Motor Veh. in Lieu	Cigarette	Amuse-ment	Business License	Total (1)
1978-79	4,554	8,924	226	1,040	204	4,248	1,842	523	31	1,669	23,261
1979-80	6,288	10,391	255	1,131	186	4,957	2,331	515	30	1,867	27,951
1980-81	7,062	10,368	311	1,280	144	6,307	2,581	554	31	1,974	30,612
1981-82	7,450	11,088	421	1,249	112	7,756	1,590	536	29	2,064	32,295
1982-83	8,325	10,895	468	1,480	119	8,415	791	539	31	2,151	33,214
1983-84	8,800	12,769	557	1,649	191	8,627	854	508	29	2,298	36,282
1984-85	9,613	13,945	879	1,826	184	10,220	3,958	527	30	2,530	43,712
1985-86	10,618	14,509	927	2,023	200	10,378	5,052	552	26	2,887	47,172
1986-87	11,319	15,506	1,052	2,166	265	9,885	5,427	524	26	3,092	49,262
1987-88	12,106	17,239	1,117	2,198	344	10,573	5,886	506	23	3,405	53,397

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

NOTE: A - Revenues prior to 1979-80 were not reclassified to conform with subsequent fiscal years' presentation.

SOURCE: City Finance Department

CITY OF STOCKTON

SECURED TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS IN THOUSANDS)

Fiscal Year	Total Tax Levy	Current Year's Tax Collections	Percent of Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Outstanding Delinquent Taxes to Current Year's Tax Levy
1978-79	$ 3,592	$ 3,521	98.0	$ 222	$ 3,743	104.2	$ 122	3.4
1979-80	5,702	5,492	96.3	156	5,648	99.1	276	4.8
1980-81	6,407	6,192	96.6	194	6,386	99.7	183	2.9
1981-82	6,663	6,445	96.7	163	6,608	99.2	206	3.1
1982-83	7,322	6,919	94.5	131	7,050	96.3	487	6.7
1983-84	7,893	7,498	95.0	377	7,875	99.8	497	6.3
1984-85	8,690	8,256	95.0	436	8,692	100.0	495	5.7
1985-86	9,482	8,818	93.0	415	9,233	97.4	746	7.9
1986-87	9,992	9,263	92.7	462	9,725	97.3	1,004	10.0
1987-88	10,663	10,130	95.0	737	10,867	107.2	960	9.0

SOURCE: City Finance Department

CITY OF STOCKTON

ASSESSED FULL CASH VALUE OF ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS)

Fiscal Year	Secured Roll	Mineral	Utility Roll	Unsecured Roll	Tax Roll	Less Exemptions	Net Assessed Value
1978-79	$2,002,144	$ -	$124,688	$280,116	$2,406,948	$455,084	$1,951,864
1979-80	2,323,688	-	135,832	400,212	2,859,732	527,472	2,332,260
1980-81	2,623,016	-	144,180	197,900	2,965,096	381,736	2,583,360
1981-82	2,987,176	-	162,360	226,092	3,375,628	408,416	2,967,212
1982-83	3,281,702	-	192,713	268,897	3,743,312	435,171	3,308,141
1983-84	3,514,636	-	210,452	309,322	4,034,410	470,114	3,564,296
1984-85	3,828,158	23,100	242,097	331,740	4,425,095	498,402	3,926,693
1985-86	4,162,324	16,284	247,135	377,794	4,803,537	520,296	4,283,241
1986-87	4,417,883	15,489	281,652	385,065	5,100,089	552,592	4,547,497
1987-88	4,710,741	11,195	277,911	455,447	5,455,294	587,347	4,867,947

Fiscal Year	Land	Improvements	Personal Property	Total	Less Exemptions	Net Assessed Value
1978-79	$ 432,552	$1,509,516	$464,880	$2,406,948	$455,084	$1,951,864
1979-80	522,004	1,756,328	581,400	2,859,732	527,472	2,332,260
1980-81	643,848	2,082,820	238,428	2,965,096	381,736	2,583,360
1981-82	732,408	2,369,388	273,832	3,375,628	408,416	2,967,212
1982-83	819,106	2,604,934	319,272	3,743,312	435,171	3,308,141
1983-84	884,981	2,796,512	352,917	4,034,410	470,114	3,564,296
1984-85	999,053	3,041,813	384,229	4,425,095	498,402	3,926,693
1985-86	1,095,100	3,313,556	394,881	4,803,537	520,296	4,283,241
1986-87	1,195,680	3,483,980	420,429	5,100,089	552,592	4,547,497
1987-88	1,294,124	3,672,147	489,023	5,455,294	587,347	4,867,947

SOURCE: San Joaquin County Assessor's Office

CITY OF STOCKTON

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	Basic County-Wide Levy	City	School (1)	All Other	Total
1978-79	4.0000	$0.1553	$0.4775 (2)	$.0120	$4.6448
1979-80	4.0000	0.1143	0.5531	.0120	4.6794
1980-81	4.0000	0.1110	0.5869	.0100	4.7079
1981-82	4.0000	0.0376	0.4452	.0092	4.4920
1982-83	4.0000	0.0408	0.4076	.0084	4.4568
1983-84	4.0000	0.0156	0.3628	-	4.3784
1984-85	4.0000	0.0168	0.1316	-	4.1484
1985-86	4.0000	0.0156	0.1180	-	4.1336
1986-87	4.0000	0.0152	0.0724	-	4.0876
1987-88	4.0000	0.0144	0.0648	-	4.0792

(1) Includes San Joaquin Delta Junior College

(2) For San Joaquin Delta College and Stockton Unified School District

SOURCE: San Joaquin County Auditor/Controller's Office

CITY OF STOCKTON

SPECIAL ASSESSMENT COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS IN THOUSANDS)

Fiscal Year	Current Assessments Due	Current Assessments Collected	Total Collection As Percent of Current Assessments Due	Total Outstanding Current and Delinquent Assessments
1978-79	$2,645	$2,571	97.2	$ 210
1979-80	2,543	2,400	94.4	289
1980-81	3,184	2,928	92.0	462
1981-82	3,092	2,874	92.9	527
1982-83	3,310	2,996	90.5	619
1983-84	4,490	4,236	94.3	712
1984-85	4,886	4,448	91.0	709
1985-86	6,194	5,761	93.0	746
1986-87	5,735	5,263	91.8	916
1987-88	6,115	5,755	94.1	792

NOTE A - Includes Central Parking District; Excludes Sewer Utility

SOURCE: City Finance Department

CITY OF STOCKTON

RATIO OF NET GENERAL BONDED DEBT
TO TAXABLE ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
(AMOUNTS IN THOUSANDS)

Fiscal Year	Population	Gross (1) Assessed Value	Gross Bonded Debt	Debt Payable From Enterprise Revenue	Net Bonded Debt	Percent of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
1978-79	131,487 S	$ 601,737	$9,750	$6,960	$2,790	0.46	$ 21.22
1979-80	137,700 S	714,933	8,770	6,525	2,245	0.31	16.30
1980-81	155,191 S	741,274	7,730	6,065	1,665	0.22	10.73
1981-82	162,058 S	843,907	7,025	5,580	1,445	0.17	8.92
1982-83	167,691 S	935,828	6,285	5,075	1,210	0.13	7.22
1983-84	169,147 S	1,008,602	5,665	4,540	1,125	0.11	6.65
1984-85	176,934 S	1,106,274	5,015	3,980	1,035	0.09	5.85
1985-86	181,625 S	1,200,884	4,335	3,395	940	0.08	5.18
1986-87	184,978 S	1,275,022	3,615	2,775	840	0.07	4.54
1987-88	189,192 S	1,363,824	2,865	2,130	735	0.05	3.88

(1) - 25% of Full Cash Value

S - Population Estimate
1980 Federal Census Population - 149,779

SOURCE: State Controller's Office
City Finance Department

CITY OF STOCKTON

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL BONDED DEBT
JUNE 30, 1988

	Total G.O. Bond Debt	Percent Applicable	City's Share of Debt
City of Stockton	$ 2,865,000	100.00	$ 2,865,000
Stockton Unified School District	3,600,000	83.68	3,012,480
Lincoln Unified School District	230,000	81.92	188,416
Lodi Unified School District	7,875,000	21.17	1,667,138
Other School Districts	115,000	00.07	81
Total	$14,685,000		$ 7,733,115

DEBT RATIOS
JUNE 30, 1988

Ratio of Direct Overlapping Debt to Assessed Full Cash Values	0.14%
Direct and Overlapping Debt Per Capita	$ 41
Taxable Assessed Full Cash Values Per Capita	$ 28,835

COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 1988

Assessed Full Cash Value as of June 30, 1988 (1)	$5,365,192,816
Debt Limit - 15 Percent of Assessed Full Cash Value (2)	$ 804,778,922
Amount of Debt Applicable to Debt Limit	2,865,000
LEGAL DEBT MARGIN	$ 801,913,922
Percent of Charter Debt Limit Authorized	0.36

(1) Assessed Value before exemptions applicable to 1987-88 Tax Roll less Redevelopment Area Credits

(2) Section 43605 California Government Code

SOURCE: City Finance Department
San Joaquin County Auditor/Controller's Office

CITY OF STOCKTON

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL FUND EXPENDITURES
LAST TEN FISCAL YEARS
(AMOUNTS IN THOUSANDS)

Fiscal Year	Principal	Interest	Total (1) Debt Service	Total General Fund Expenditures	Percent of Debt Service to General Fund Expenditures
1978-79	$610	$124	$734	$31,111	2.36
1979-80	545	103	648	36,409	1.78
1980-81	580	84	664	41,398	1.60
1981-82	220	63	283	46,242	0.61
1982-83	235	55	290	49,372	0.59
1983-84	85	49	134	52,462	0.26
1984-85	90	46	136	58,247	0.23
1985-86	95	42	137	65,218	0.21
1986-87	100	38	138	67,659	0.20
1987-88	105	34	139	69,591	0.20

(1) Excludes debt service expenditures for general obligation bonds issued for City Enterprise Fund (Sewer Utility Fund)

SOURCE: City Finance Department

CITY OF STOCKTON

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Square Miles	Population (1)	Population Percent Change	San Joaquin (2) County Population	City Population Percent of County	Rank in Size of California Cities (3)
1978-79	41.12	131,550	3.4	316,600	41.6	15
1979-80	41.17	137,700	4.7	325,100	42.4	13
1980-81	42.52	155,191	12.7	355,692	43.6	13
1981-82	42.56	162,058	4.4	369,300	43.9	13
1982-83	42.68	167,691	3.5	381,500	44.0	13
1983-84	42.68	169,147	0.9	390,638	43.3	13
1984-85	44.10	176,934	4.6	407,500	43.4	13
1985-86	44.10	181,625	2.7	423,154	42.9	13
1986-87	44.10	184,978	1.8	435,700	42.5	13
1987-88	44.10	189,192	2.3	451,000	41.9	13

1980 Federal Census Population - City - 149,779

1980 Federal Census Population - County - 347,342

(1) SOURCE: State Controller's Office

(2) SOURCE: Reference Section of Library / Department of Finance Population Research Unit - Sacramento

(3) SOURCE: State Department of Finance, Population Research Unit

CITY OF STOCKTON

CONSTRUCTION ACTIVITY AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Number of Building Permits Issued[1]	Percent Change	Estimated Valuation (In Thousands)[1]	Percent Change	Deposits - Banks Savings & Loan Credit Unions (In Thousands
1978-79	5,338	5.8	$187,398	15.0	$ 1,492,384
1979-80	3,947	(26.1)	178,541	(4.7)	1,872,722
1980-81	3,530	(10.6)	113,150	(36.6)	2,267,326
1981-82	2,872	(18.6)	95,627	(15.5)	3,472,918
1982-83	3,549	23.6	136,494	42.7	12,022,380
1983-84	3,856	8.7	170,851	25.2	15,921,136
1984-85	3,132	(18.8)	125,625	(26.5)	8,618,980
1985-86	3,281	4.8	106,128	(15.5)	6,629,202
1986-87	4,017	22.4	196,390	85.1	5,597,019
1987-88	3,977	(1.0)	199,753	1.7	N/A

SOURCE: (1) City Community Development Department
(2) Decision Research Sciences, Inc. through California State Department of Banking-1987-88 Not Available

CITY OF STOCKTON

PRINCIPAL TAXPAYERS
JUNE 30, 1988

Taxpayer	Nature of Business
Pacific Bell	Utility
Pacific Gas and Electric Company	Utility
Union Pacific Corporation	Utility
Diamond Walnut	Walnut Processor
American Savings and Loan Association	Savings and Loan
Weberstown Shopping Center	Rental Properties
Stockton Hotel, Ltd.	Hotel
American Telephone Company	Utility
Feather River	Rental Properties
Stone Brothers	Rental Properties

SOURCE: San Joaquin County Assessor, Auditor/Controller

CITY OF STOCKTON

SURETY BONDS OF PRINCIPAL OFFICIALS
JUNE 30, 1988

	Amount of Surety Bond (1)
City Manager	$250,000
Assistant City Manager	250,000
City Attorney	250,000
City Clerk	250,000
Public Works Director	250,000
Police Chief	250,000
Fire Chief	250,000
Finance Director	100,000
Community Development Director	250,000
Municipal Utilities Director	250,000
City-County Library Director	250,000
Parks and Recreation Director	250,000
Personnel Services Director	250,000

(1) City employees (except the Finance Director who has a separate surety bond) are covered by a fidelity bond amounting to a maximum of $250,000 with $500 deductible.

SOURCE: City Finance Department

CITY OF STOCKTON

SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1988

Type of Coverage	Company	Policy No.	Period	Details of Coverage	Limits	Deductible	Premium
General Liability Excess	California Joint Powers Authority*	None	4-8-86 to 8-30-89	Excess Auto-Comp. General Liability, Errors and Omissions Liab. & Excess Non-Owned Aircraft Liab.	$9,000,000 XS SIR	$1,000,000 SIR	$569,094*
Non-Owned Aircraft	National Fire Insurance Co.	AV197-2222	4-1-88 to 6-30-89	Covers Leased or Rented Aircraft/Bodily Injury or Property Damage	$1,000,000 Single Limit		$ 2,273
Property Coverage Including Library Comprehensive Business Policy	Great American	CPP864-7984	8-1-87 to 6-30-88	Fire, Extended Coverage and Vandalism, Property, Library and contents Loss of Monies and Securities, Inside Outside/Depositors Forgery/ Employees Blanket Bond/ Agriculture Equipment. Also includes coverage for Fire, Riot, Explosion, Civil Commotion and Vandalism at (8) scheduled locations	Property; Contractors/ Equip. & Radio Equip; Misc. Property; Computer Equip; Exhibition Floater; Vehicle Fleet XS; $110,000,000.	$25,000	$ 72,216 $500
Boiler & Machinery Insurance	Industrial Indemnity	SM-847-8326	7-1-87 to 6-30-88	Boilers; Compressed Air Storage Tanks	$500,000 Per Accident	$1,000 $ 500	$ 3,819
Liability - Owned Non-owned Pools	Western World	GLP046115	5-15-88 to 9-15-88	OL&T Liability Coverage Owned, Non-owned Pools (5)	$500,000 CSL CI, PD incl. $500,000 Agg.	$500	$ 10,968
Master Policy Liability - Civic Auditorium	Scottsdale Union Fire Ins. Co.	GSL125670	5-1-88 to 5-1-89	Comprehensive General - Bodily Injury Liability Property Damage Liability	$500,000 Each Occurrence	$500 (Per Occurrence)	$ 7,317 Deposit

CITY OF STOCKTON

SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1988
(Continued)

Type of Coverage	Company	Policy No.	Period	Details of Coverage	Limits	Deductible	Premium
Vision Care	Vision Service Plan	492-000	1-1-88 to 1-1-89	Vision Care Services	Vision Exam Every 12 months Lenses Every 12 months Frames Every 24 months	$7.50 Per Family Member	Varies by Employee Group
X.I.P. Travel AD&D	American Home	GTP899 73-81	1-24-88 to 1-24-89	Coverage for Accidental Death and Dismemberment While on City Business Inc. Travel Within City Limits - Commute	$200,000 Per Employee $600,000 Aggregate	-0-	$ 2,338
Accident Travel Aid	American Home	GTP899 75-68	3-5-88 to 3-5-89	Accidental Death and Dismemberment While on City Business, Outside City Aggregate Per Accident $600,000	Salaried Employees: Under $15,000 - $100,000 Over $15,000 - $200,000	-0-	$ 725
Life, Long-Term Disability	Standard	336920	11-1-87 to 11-1-88	Life Insurance, Accidental Death and Dismemberment & Long Term Disability	Various	Various	Exceeds $20,000 Monthly

SERVICE CONTRACTS

Contractor	Services	Period	Type Contract	Service Fee
George Hills Co., Inc.	General-Auto Liability Claims Administration	Eff. 10-1-86	Self Renews Annually	$3,600 for Administration Time & Expense for Field Work.
Bierly & Associates	Workers' Compensation Claims Administration	Eff. 3-1-86	Self Renews Annually	$5,952.53 Monthly
San Joaquin Foundation for Medical Coverage	Health Benefits Administration	Eff. 5-1-88	Annual	$7.85 per month per employee

*Effective April 1, 1986, the City had its excess liability insurance cancelled. To replace that coverage, the City of Stockton joined the California Joint Powers Insurance Authority to have a source of funding for potential excess liability claims. A deposit based upon total payroll has been placed with the Authority to fund the City's share of claims that may exceed our self-insured retention.

SOURCE: City Finance Department

CITY OF STOCKTON

SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1988
(Continued)

Type of Coverage	Company	Policy No.	Period	Details of Coverage	Limits	Deductible	Premium
Vision Care	Vision Service Plan	492-000	1-1-88 to 1-1-89	Vision Care Services	Vision Exam Every 12 months Lenses Every 12 months Frames Every 24 months	$7.50 Per Family Member	Varies by Employee Group
X.I.P. Travel AD&D	American Home	GTP899 73-81	1-24-88 to 1-24-89	Coverage for Accidental Death and Dismemberment While on City Business Inc. Travel Within City Limits - Commute	$200,000 Per Employee $600,000 Aggregate	-0-	$ 2,338
Accident Travel Aid	American Home	GTP899 75-68	3-5-88 to 3-5-89	Accidental Death and Dismemberment While on City Business, Outside City Aggregate Per Accident $600,000	Salaried Employees: Under $15,000 - $100,000 Over $15,000 - $200,000	-0-	$ 725
Life, Long-Term Disability	Standard	336920	11-1-87 to 11-1-88	Life Insurance, Accidental Death and Dismemberment & Long Term Disability	Various	Various	Exceeds $20,000 Monthly

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SOURCE: City Finance Department

CITY OF STOCKTON

COMBINED SCHEDULE OF BONDS ISSUED AND OUTSTANDING
JUNE 30, 1988

TYPE OF DEBT	SERIES #	EFFECTIVE INTEREST RATE - %	DATE OF ISSUE	DATE OF FINAL MATURITY	AMOUNT AUTHORIZED AND ISSUED	PAID PRIOR YEARS	PAID 1987-1988	OUTSTANDING 6/30/88	MATURING 1988-1989
Debt Service Fund									
General Obligation Bond									
Police Facility	1968	4.23	09-01-68	09-01-93	$ 1,850,000	$ 1,010,000	$ 105,000	$ 735,000	$ 110,000
Sub-total Debt Service					1,850,000	1,010,000	105,000	735,000	110,000
Enterprise Fund - Central Parking District									
Special Assessment Bonds									
Division 1	148 A	4.93	09-02-67	07-02-02	2,000,000	695,000	60,000	1,245,000	60,000
Division 2	148 B	5.35	02-02-68	07-02-02	1,000,000	370,000	30,000	600,000	30,000
Division 3	148 C	5.47	11-02-68	07-02-05	1,000,000	365,000	30,000	605,000	30,000
Division 4	148 D	7.00	04-02-70	07-02-05	583,000	0	0	583,000	0
Central Parking District Bonds of 1986	148 E	8.00	08-01-86	09-02-11	16,000,000	0	0	16,000,000	0
Sub-total - Central Parking District					20,583,000	1,430,000	120,000	19,033,000	120,000
Enterprise Fund - Water Utility									
Special Assessment Bonds									
Division 1	159 A	6.20	07-02-69	07-02-99	850,000	305,000	30,000	515,000	30,000
Division 2	159 B	7.32	07-02-74	07-02-99	1,650,000	505,000	60,000	1,085,000	65,000
Certificate of Participation		5.75-7.50	08-01-86	08-01-16	11,210,000	0	0	11,210,000	0
Sub-total - Water Utility					13,710,000	810,000	90,000	12,810,000	95,000
Enterprise Fund - Sewer Utility									
General Obligation Bond									
Pollution Control	1971	4.686	04-12-71	02-01-92	7,600,000	4,825,000	645,000	2,130,000	680,000
Special Assessment Bonds									
Stockton Wastewater Services Facility	181	6.70-7.10	07-02-75	07-02-00	4,700,000	1,070,000	150,000	3,480,000	160,000
Sub-total - Sewer Utility					12,300,000	5,895,000	795,000	5,610,000	840,000
Special Assessment Bonds:									
Subdivision Improvements - Lincoln Village West	144	5.24	11-02-66	07-02-87	812,800	753,800	59,000	0	0
Streets, Curbs and Walks - Sherwood Plaza	147	4.78	07-25-67	07-02-92	423,490	335,490	16,000	72,000	16,000
Subdivision Improvements - Lincoln Village West No. 2	154	5.50	09-03-68	07-02-89	662,000	532,000	47,000	83,000	40,000
Sanitary Sewers - Sharps Lane Villas	155	5.34-5.25	10-29-68	07-02-94	172,499	127,499	4,000	41,000	1,000
Subdivision Improvements - Lincoln Village West No. 3	158	5.90	07-02-69	07-02-89	553,000	436,000	41,000	76,000	39,000
Stockton Sewers - McKinley Assessment District	160	6.17	07-02-71	07-02-96	793,792	411,792	14,000	368,000	26,000
Subdivision Improvements - Lincoln Village West No. 4	161	6.50	09-02-69	07-02-89	267,000	222,000	15,000	30,000	15,000
Subdivision Improvements - Lincoln Village West No. 11	162	7.00	09-02-70	07-02-90	343,650	257,650	18,000	68,000	21,000
Subdivision Improvements - Lincoln Village West No. 10	163	7.00	09-02-70	07-02-90	439,450	304,450	35,000	100,000	32,000

(Continued)

CITY OF STOCKTON

COMBINED SCHEDULE OF BONDS ISSUED AND OUTSTANDING
JUNE 30, 1988
(Continued)

TYPE OF DEBT	SERIES #	EFFECTIVE INTEREST RATE - %	DATE OF ISSUE	DATE OF FINAL MATURITY	AMOUNT AUTHORIZED AND ISSUED	PAID PRIOR YEARS	PAID 1987-1988	OUTSTANDING 6/30/88	MATURING 1988-1989
Subdivision Improvements - Lincoln Village West No. 16	166	6.25-6.00	07-02-71	07-02-91	$ 303,000	$ 92,000	$ 21,000	$ 90,000	$ 19,000
Subdivision Improvements - Monte Diablo	167	6.75	10-12-71	07-02-87	41,048	37,048	4,000	0	0
Curbs, gutters and Sidewalks - Scotts-Taylor	168	6.00	02-02-72	07-02-87	16,690	14,690	2,000	0	0
Subdivision Improvements - Lincoln Village West No. 18	169	6.00	07-02-72	07-02-92	548,000	299,000	34,000	215,000	40,000
Subdivision Improvements - Lincoln Village West No. 23	170	6.00	07-02-73	07-02-93	690,000	347,000	42,000	301,000	41,000
Subdivision Improvements - Lincoln Village West No. 28	171	5.90-6.00	07-02-74	07-02-94	390,000	170,000	25,000	195,000	25,000
Subdivision Improvements - Stockton Triangle Industrial Park	172	7.55	10-01-74	07-02-91	1,165,000	655,000	90,000	420,000	95,000
Subdivision Improvements - Quail Lakes	173	7.81	11-15-74	07-02-95	2,700,000	1,050,000	140,000	1,510,000	140,000
Subdivision Improvements - Porter Avenue	174	7.33	12-17-74	07-02-90	192,788	137,788	10,000	45,000	10,000
Subdivision Improvements - Oregon Avenue	175	6.79	04-02-75	07-02-90	168,950	117,950	6,000	45,000	15,000
Subdivision Improvements - Quail Lakes No. 4	176	7.15	05-02-75	07-02-95	580,000	220,000	32,000	328,000	29,000
Subdivision Improvements - River Terrace No. 2	177	7.00-6.00	05-02-75	07-02-90	160,650	111,650	8,000	41,000	12,000
Subdivision Improvements - Quail Lakes No. 1	178	7.25-7.50	05-02-75	07-02-95	570,000	308,000	25,000	237,000	30,000
Subdivision Improvements - Venetian Gardens No. 1	179	7.00-7.30	05-02-75	07-02-95	1,850,000	840,000	80,000	930,000	90,000
Subdivision Improvements - Stockton Unified	180	7.00-7.50	07-02-75	07-02-95	643,640	264,640	30,000	349,000	30,000
Subdivision Improvements - North Lake	182	7.25	05-02-76	07-02-96	433,000	143,000	20,000	270,000	25,000
Subdivision Improvements - Venetian Gardens No. 2	183	7.25	07-02-76	07-02-96	730,000	310,000	40,000	380,000	35,000
Subdivision Improvements - Quail Lakes No. 6	184	6.40-6.70	07-02-76	07-02-96	427,000	132,000	20,000	275,000	25,000
Subdivision Improvements - Lincoln Village West No. 40	185	6.40-6.70	07-02-76	07-02-96	244,000	109,000	15,000	120,000	10,000
Subdivision Improvements - Quail Lakes No. 3	186	6.40-6.70	07-02-76	07-02-96	256,000	106,000	20,000	130,000	15,000
Subdivision Improvements - El Pinal Industrial Park	187	6.60-6.75	10-12-76	07-02-97	1,460,000	421,000	65,000	974,000	70,000
Subdivision Improvements - Quail Lakes No. 7 and No. 8	188	6.75-6.70	07-12-76	07-02-97	552,000	171,000	25,000	356,000	24,000
Subdivision Improvements - Venetian Gardens No. 3	189	6.25-6.50	05-02-77	07-02-97	450,000	190,000	0	260,000	5,000
Subdivision Improvements - Quail Lakes No. 10	190	5.50-6.00	06-21-77	07-02-97	415,000	160,000	20,000	235,000	20,000
Sanitary Sewer - Country Club Sanitary Sewer	191	5.50-5.70	09-22-77	07-02-97	92,350	30,350	5,000	57,000	5,000
Subdivision Improvements - Coronado Commercial Complex	192	6.00	06-12-77	07-02-97	93,000	63,000	0	30,000	0
Subdivision Improvements - Quail Lakes No. 9 and No. 11	193	5.50-6.00	08-17-77	07-02-97	938,000	364,000	63,000	511,000	45,000
Sanitary Sewer - East Main - Burkett Community Assessment	194	7.50-7.40	07-17-78	07-02-98	310,716	100,716	15,000	195,000	10,000
Subdivision Improvements - March Brookside	195	5.25	02-15-78	07-02-98	1,620,270	485,270	100,000	1,035,000	75,000
Subdivision Improvements - Venetian Bridges No. 1	196	6.75	06-02-78	07-02-98	3,400,000	1,355,000	160,000	1,885,000	130,000
Subdivision Improvements - March Lane Da Vinci Drive	197	7.50	02-02-79	07-02-98	183,000	63,000	10,000	110,000	10,000
Subdivision Improvements - Quail Lakes No. 17	198	7.75-8.00	01-17-80	07-02-00	655,000	105,000	20,000	530,000	25,000
Subdivision Improvements - Grupe Business Park	199	10.00	05-02-80	07-02-97	2,510,000	575,000	130,000	1,805,000	140,000
Subdivision Improvements - Triangle Industrial Park No. 2	200	8.75-9.00	07-02-80	07-02-98	1,505,000	205,000	60,000	1,240,000	65,000
Subdivision Improvements - The Landing	201	11.00-11.75	11-15-82	07-02-98	5,128,000	933,000	4,000,000	195,000	10,000

(Continued)

CITY OF STOCKTON

COMBINED SCHEDULE OF BONDS ISSUED AND OUTSTANDING
JUNE 30, 1988
(Continued)

TYPE OF DEBT	SERIES #	EFFECTIVE INTEREST RATE - %	DATE OF ISSUE	DATE OF FINAL MATURITY	AMOUNT AUTHORIZED AND ISSUED	PAID PRIOR YEARS	PAID 1987-1988	OUTSTANDING 6/30/88	MATURING 1988-1989
Subdivision Improvements - Stockton Unified Assessment District 3	202	10.00	09-30-81	07-02-94	$ 277,368	$ 57,368	$ 30,000	$ 190,000	$ 25,000
Subdivision Improvements - Moss Garden Stormwater District	203	10.00	11-25-81	07-02-94	206,000	41,000	15,000	150,000	15,000
Subdivision Improvements - Venetian Bridges No. 5	204	8.00-9.60	06-02-83	07-02-98	660,000	90,000	160,000	410,000	30,000
North Stormwater Pumping Plant and Drainage-West Lane - Calaveras River	206	8.00-10.75	09-19-84	07-02-99	974,000	4,000	40,000	930,000	45,000
Subdivision Improvements - Stockton Airport Businesss Park	207	8.00-11.00	10-24-84	07-02-05	2,700,000	170,000	5,000	2,525,000	5,000
Subdivision Improvements - Arch Road Industrial Park	209	5.50-8.30	08-27-86	09-02-11	5,550,000	0	5,000	5,545,000	5,000
Subdivision Improvements - Western Pacific Industrial Park	210	5.00-8.00	08-27-86	09-02-09	4,345,000	0	5,000	4,340,000	5,000
Subdivision Improvements - Charter Way	211	5.50-8.25	08-27-86	09-02-06	1,206,000	0	31,000	1,175,000	30,000
Subdivision Improvements - The Landing Reassmt	212	4.75-8.10	07-30-87	09-02-12	4,325,000	0	30,000	4,295,000	255,000
Subdivision Improvements - Weber/Sperry Ranches	213	6.00-8.40	06-29-88	09-02-13	11,770,000	0	0	11,770,000	0
Sub-total - Special Assessment Bonds					67,903,151	14,529,151	5,907,000	47,467,000	1,925,000
GRAND TOTAL					$116,346,151	$23,674,151	$7,017,000	$85,655,000	$3,090,000

CITY OF STOCKTON

MISCELLANEOUS STATISTICS
JUNE 30, 1988

GENERAL	
Date of Incorporation	1850
City Charter Adopted	1922
Council-Management Gov't	
Area-Square Miles	44.1
Elevation	23

PUBLIC WORKS	
Miles of Streets	591.5
Miles of Storm Sewers	279.9
Miles of Sanitary Sewers	602.7
Miles of Water Lines	205.5
Traffic Signals	194.0

FIRE PROTECTION	
No. of Fire Stations	11
No. of Fire Hydrants	4,500
Personnel (Full Time)	247
No. of Firefighters	227
Paramedic	
No. of Teams	5
Personnel Per Team	2
No. of Training Facilities	1
Fire Insurance Class	I

POLICE PROTECTION	
No. of Vehicles	
Automobiles	141
Metro & OCIU Grant Veh.	16
Motorcycles	20
3-Wheelers	7
Patrol Wagons	4
Photography Truck	2
Bomb Disposal Truck	1
Cadet Van	1
Trainee Pick Up	2
Military 4 X 4	1
Other Mobil Units	6
Personnel:	
Sworn	245
Other	143
Training Facilities:	
Police Range	1

EMPLOYEES - ALL DEPARTMENTS	
Full Time - Civil Service	1,309
Full Time - Non Competitive	15
Sub-Total	1,324
Temporary Employees	55
Part-Time Employees	277
Total	1,656

RECREATION	
Parks and Squares (City Parks 490 Acres)	48
Boating Facilities - Ramps (Louis Park & Buckley Cove)	8
Municipal Golf Courses (390 Acres)	3
Family Camp - Silver Lake	1
Pioneer Museum - Victory Park	1
Pixie Woods - Louis Park	1
Auditorium - Civic Center (3500 Capacity)	1
Senior Citizens Center - Oak Park-Senior Service Agency	2
Ice Rink - Oak Park	1
Community Centers	5
Swimming Pools	4
Baseball & Softball Diamonds	41
Tennis Courts	57

REGISTERED VOTERS	
City of Stockton (COS)	80,028
COS (Unincorporated Area)	11,450

LAND USE - SQUARE MILES	
Residential	12.2
Commercial	2.9
Industrial	1.5
Institutional	4.4
Vacant, Agricultural	7.8

GEOGRAPHICAL LOCATION

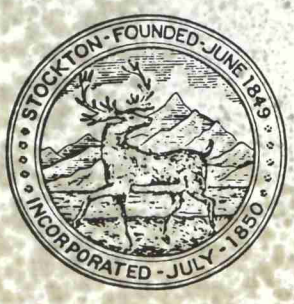
345 Miles north of Los Angeles
78 miles east of San Francisco;
Easy access to mountains and ocean,
County seat of San Joaquin County,
one of the outstanding agricultural counties of the nation.
Moderate temperature and is part of California's continuing growth.

EDUCATION FACILITIES	
Elementary Schools	28
Junior High Schools	4
High Schools	4
Continuation High Schools	5
Junior College	2
4-Year College	1
4-Year College (Off Campus)	1

LIBRARIES (Stockton/San Joaquin County)	
Stockton	
Central Library	1
Branches	3
San Joaquin County	
Branches	4
Stations	2
Bookmobile	1
Total Bound Volumes	744,425

BUSINESS TAX CERTIFICATES	
Retail Sales and Service	5,566
Wholesalers	204
Manufacturers & Processors	116
Professions	2,197
Miscellaneous Contractors, Peddlers, Delivery Vehicles, etc.	2,426

PUBLIC LIBRARY • STOCKTON
SAN JOAQUIN COUNTY



STOCKTON, CAL.