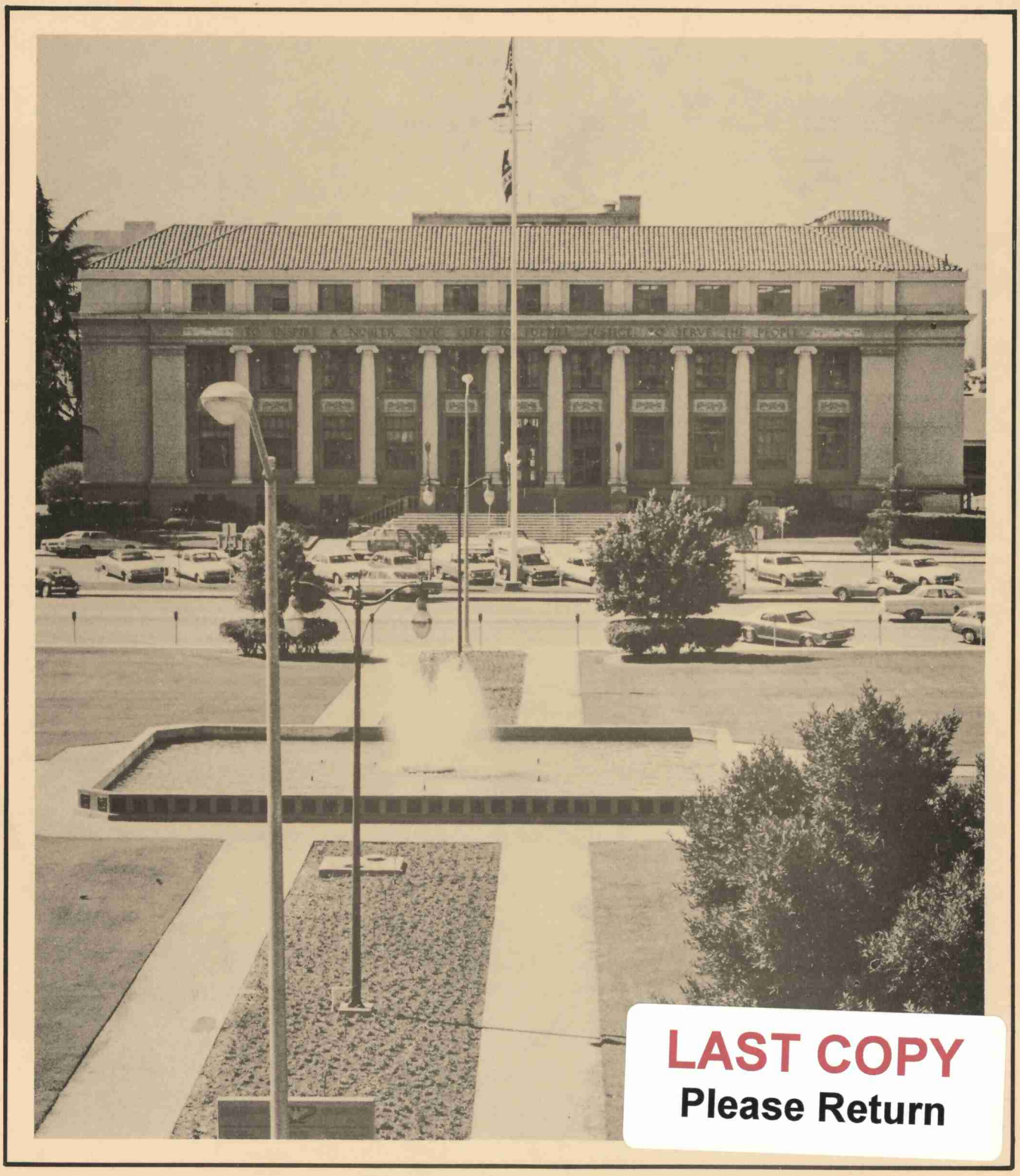
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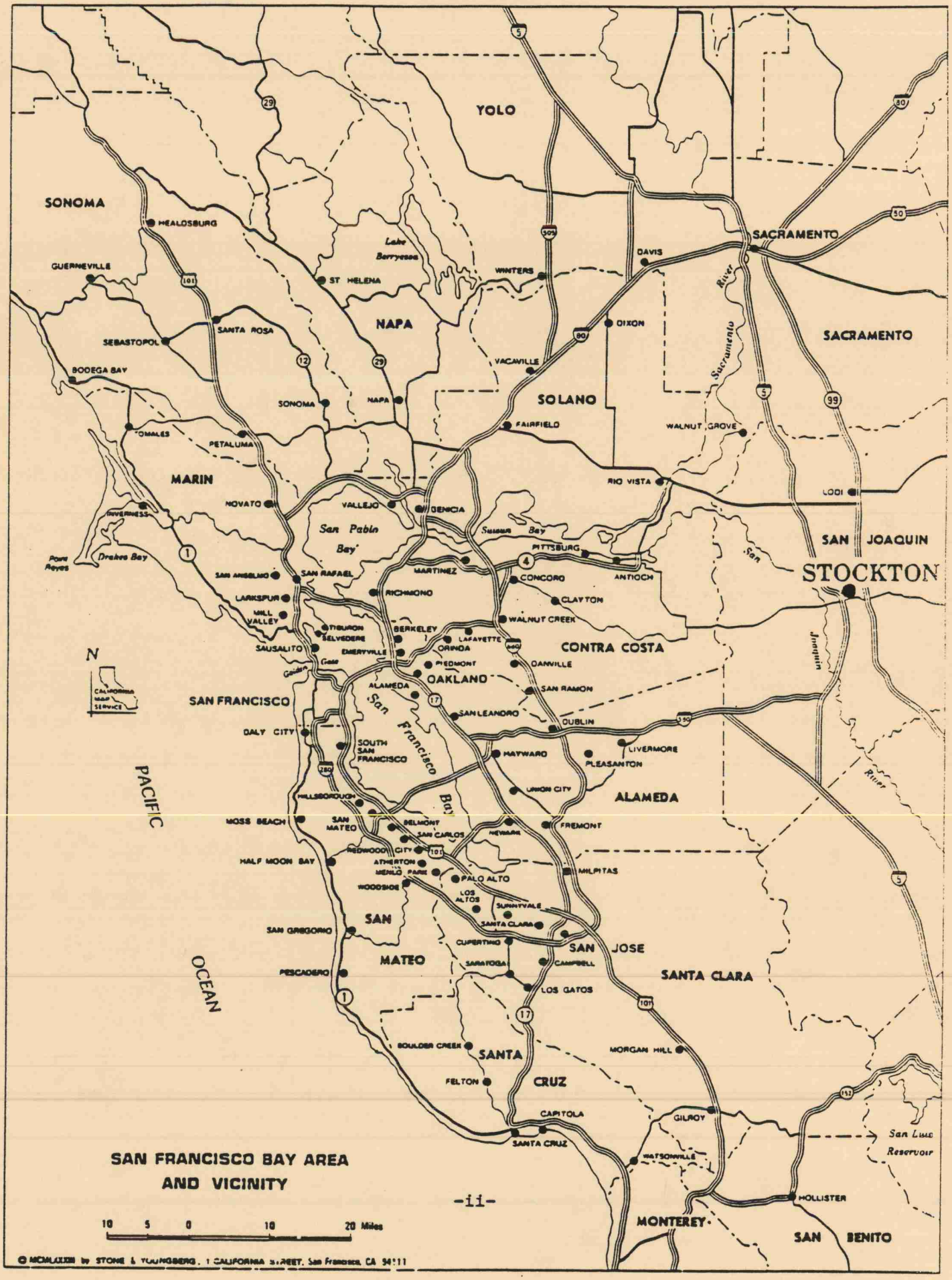
COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 1989



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CITY OF STOCKTON, CALIFORNIA

LOCATION MAP



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COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

City of Stockton, California

FOR THE FISCAL YEAR ENDED JUNE 30, 1989

Prepared and Issued by
The Finance Department

L. PATRICK SAMSELL
Finance Director

CITY OF STOCKTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1989

TABLE OF CONTENTS

	Page Number
INTRODUCTORY SECTION	
Title Page	i
Table of Contents	ii
Finance Director's Letter of Transmittal	v
Organization Chart	x
FINANCIAL SECTION	
Auditor's Opinion	1
General Purpose Financial Statements	
Combined Balance Sheet -- All Fund Types and Account Groups	4
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -- All Governmental Fund Types and Expendable Trust Funds	7
Statement of Revenues, Expenditures, and Changes in Fund Balances -- Budget (GAAP Basis) and Actual -- Governmental Fund Type	9
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings / Fund Balances -- All Proprietary Fund Types and Similar Trust Funds	10
Combined Statement of Changes in Financial Position -- All Proprietary Fund Types and Similar Trust Funds	11
Notes to Financial Statements	13
Combining and Individual Funds and Account Group Statements and Schedules	
General Fund	
Comparative Balance Sheet	66
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance - - Budget (GAAP Basis) and Actual	67
Special Revenue Funds	
Combining Balance Sheet	70
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	71
Debt Service Fund	
Comparative Balance Sheet	74
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	75
Capital Projects Funds	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	79
Enterprise Funds	
Combining Balance Sheet	82
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	85
Combining Statement of Changes in Financial Position	86
Internal Service Fund	
Comparative Balance Sheet	90
Comparative Statement of Revenues, Expenses, and Changes in Retained Earnings	91
Comparative Statement of Changes in Financial Position	92
Fiduciary Funds	
Combining Balance Sheet	94
Statement of Revenues, Expenditures, Changes in Fund Balance - Miscellaneous Expendable Trust Fund	95
Combining Statement of Revenues, Expenses and Changes in Fund Balances -- Nonexpendable Trust Funds	96

(continued)

CITY OF STOCKTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1989

TABLE OF CONTENTS
(continued)

	Page Number
Combining Statement of Changes in Financial Position -- All Nonexpendable Trust Funds	97
Statement of Changes in Assets and Liabilities -- Agency Funds	98
General Fixed Assets Account Group	
Comparative Schedule of General Fixed Assets -- By Sources	100
Schedule of General Fixed Assets -- By Function	101
Schedule of Changes in General Fixed Assets -- By Function	102
General Long Term Debt Account Group	
Comparative Statement of General Long Term Debt	104
STATISTICAL SECTION	
General Governmental Expenditures by Function - Last Ten Years	106
General Governmental Revenues by Source - Last Ten Years	107
General Governmental Tax Revenues by Source - Last Ten Years	108
Secured Tax Levies and Collections - Last Ten Years	109
Assessed Full Cash Value of all Taxable Property - Last Ten Years	110
Property Tax Rates -- All Overlapping Governments - Last Ten Years	111
Special Assessment Billings and Collections - Last Ten Years	112
Ratio of Net General Bonded Debt to Taxable Assessed Value and Net Bonded Debt Per Capita	113
Computation of Direct and Overlapping General Bonded Debt	114
Computation of Legal Debt Margin	114
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Fund Expenditures	115
Demographic Statistics - Last Ten Years	116
Construction Activity and Bank Deposits - Last Ten Years	117
Principal Taxpayers	118
Surety Bonds of Principal Officials	119
Schedule of Insurance in Force	120
Miscellaneous Statistics	124

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CITY OF STOCKTON

CITY HALL
STOCKTON, CA 95202-1997

FINANCE DEPARTMENT

December 20, 1989

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, 1989. 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.

The comprehensive annual financial report is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the government's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

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), Redevelopment Agency (Capital Projects Fund), California Public Agency Leasing Corporation (combined with Water-Enterprise Fund), Stockton-Vacaville Home Financing Authority (Enterprise Fund), and the Stockton Recreation Corporation - combined with Golf, and Ice Arena (Enterprise Fund) are merged into the City's general purpose financial statements. 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, 1989, and the amount and percentages of increases and decreases in relation to prior year revenues.

	Amount	Percent of Total	Increase (Decrease) from 1988	Percent of Increase (Decrease)
Taxes				
Property	$12,761	15.67	$ 655	5.41
Sales and Use	18,139	22.27	900	5.22
Utility	11,541	14.17	968	9.16
Franchise	2,425	2.98	227	10.33
Business License	3,656	4.49	251	7.37
Other	1,521	1.87	-	-
Licenses and Permits	1,870	2.30	(481)	(20.46)
Intergovernmental	13,890	17.05	1,084	8.46
Charges for Services	9,656	11.85	1,819	23.21
Fines and Forfeitures	654	0.80	(79)	(10.78)
Use of Money and Property	3,465	4.25	360	11.59
Miscellaneous	1,875	2.30	(82)	(4.19)
	$81,453	100.00	$ 5,622	7.41

Property, sales and use, and utility taxes continue as major sources of revenue. For the general fund, compared to 1988, total taxes increased by $3,001 or 6.38 percent.

Net assessed full cash valuations of all taxable property was $5,060,411 increased 3.95 percent over the preceding year.

Current year's secured tax collections were 95.0 percent of the tax levy, same as last year's. For the last ten years, percent of collections to tax levy, ranged from 92.7 percent to 96.7 percent, averaged 95.0 percent. The ratio of total collections (current and delinquent) to the current tax levy was 98.3 percent.

The following schedule presents a summary of general fund and special revenue funds expenditures for the fiscal year ended June 30, 1989, and the percentage of increase and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 1988	Percent of Increase (Decrease)
Current:				
General Government	$ 7,841	9.86	$ (267)	(3.29)
Public Safety	45,383	57.08	3,393	8.08
Public Works	9,776	12.30	267	2.81
Culture and Recreation	11,698	14.71	1,231	11.76
Capital Outlay	4,670	5.87	(395)	(7.80)
Debt Service (shown on the financial statements as operating transfer to Debt Service Fund)				
Principal	110	0.14	5	4.76
Interest and Fiscal Charges	29	0.04	(5)	(14.71)
	$79,507	100.00	$4,229	5.62

Total expenditures increased by 5.62 percent or $4,229. The cost of maintaining library services went up by $638, or 11.57 percent higher than the year before. Parks and recreation exceeded last year's expenditures by $620 or 12.48 percent. Public safety expenditures have been going up - increased 8.08 percent this fiscal year.

($ in thousands)

GENERAL FUND BALANCE

The fund balance of the general fund decreased by $224. The decline is attributed to the decrease in operating transfer of funds from special and capital project funds. The unreserved fund balance of $7,905 is 10.67 percent of fiscal year 1988-89 total expenditures.

ENTERPRISE FUNDS (Excluding Stockton-Vacaville Home Financing)

Fiscal year 1988-89 ended with a total net increase in retained earnings of $3,818, 16.6 percent greater than last year.

Recreation funds consist of Silver Lake, Golf Courses, Civic Auditorium and Ice Arena. Effective this year, connection fees for water and sewer utility funds were credited to contributed capital.

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

	Central Parking	Water	Sewer	Recre-ation
Operating Revenue	$ 1,599	$ 4,157	$14,885	$ 1,978
Operating Income(Loss)	912	338	1,876	(134)
Investment Earnings	90	800	452	6
Debt Service	1,563	113	1,175	125
Net Book Value of Fixed Assets	11,927	28,379	62,012	1,432
Total Assets	24,513	44,799	74,182	2,203
Fund Equity	4,399	30,053	68,639	1,354

PENSION PLAN

The City contributed to the Public Employees' Retirement System (PERS) $9,210 (for employer and employees). The gross reportable payroll for employees covered by PERS was $45,892. The combined employer-employee rates as a percentage of payroll are as follows:

($ in thousands)

	1988-89	1989-90
Miscellaneous Members	15.044%	14.697%
Public Safety - Police	26.122	24.947
Fire	26.122	24.947

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 1989 were as follows:

	Amount	Percent of Net Bonded Debt to Assessed Full Cash Value	Debt Per Capita
Net Direct Bonded Debt	$625	0.04	$3.24

Outstanding general obligation bonds at June 30, 1989 totaled $2,075, of which $1,450 were issued for pollution control facilities (sanitary sewer utility), considered to be self supporting. The remainder of $625 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 $5,811. $2,097 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 (except funds deposited to the Local Agency Investment Fund, invested through pooled money investment account - category 2) the lowest credit risk as defined by the Governmental Accounting Standards Board.

OUTLOOK FOR 1989-90 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, first collected in the 1988-89 fiscal year, are to provide public facilities improvements for police, fire, libraries, community facilities, streets, and general government.

Major land annexations authorized in 1986 are starting to come on line. The City created a Mello-Roos Community Facilities Financing District to fund public facilities in the Weston Ranch Project.

The City, as part of its 1989-90 budget, authorized the creation of two new departments, the Housing and Economic Development Department and the Management Information Services Department.

In addition, FY1989-90 will see the installation of an upgraded library computer system and integrated financial management computer software for the financial management system.

Major plans are also under way to expand the wastewater collection system in North and South Stockton.

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.

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

L. PATRICK SAMSELL
DIRECTOR OF FINANCE

ORGANIZATION CHART
CITY OF STOCKTON, CA
JUNE 30, 1989

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



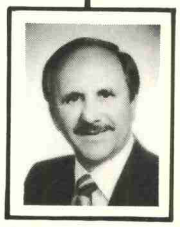
City Attorney
R. THOMAS HARRIS



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 — **JAMES GIOTTONINI**, DIRECTOR
- Police — **P.F. "JACK" CALKINS**, CHIEF
- Fire — **DOUGLAS RATTO**, CHIEF

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 years ended June 30, 1989 and 1988, as listed in the table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose 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, 1989 and 1988, and the results of its operations and the changes in financial position of its proprietary fund types and similar trust funds for the years 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 63 to 124) are presented for purposes of additional analysis and are not a required part of the general purpose financial statements. The supplementary schedules (pages 63 to 104) have been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly presented in all material respects, in relation to the general purpose financial statements taken as a whole. The statistical data (pages 106 to 124) 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
December 15, 1989

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GENERAL PURPOSE
FINANCIAL STATEMENTS

CITY OF STOCKTON

COMBINED BALANCE SHEET -- ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	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	Fixed Assets	Long-Term Debt	1989	1988
Assets and other debits											
Assets:											
Cash and temporary investments	$ 9,771	$ 14,700	$ 7,024	$ 42,218	$ 23,034	$ 11,119	$ 32,423	$	$	$ 140,289	$ 107,963
Cash with fiscal agents			78		21					99	220
Receivables:											
Interest	1,091			165	11					1,267	851
Taxes and special assessments	2,950	41	1,352	148	168		12			4,671	2,031
Accounts and others	718			65	2,912	122	68			3,885	5,003
Loans and mortgages					4,343					4,343	5,354
Allowance for uncollectibles	(400)	(20)			(204)	(17)				(641)	(531)
Due from other funds	312	76		5,893	270					6,551	6,609
Due from other governments	1,709	222		225	486	14				2,656	3,071
Inventory of supplies	491				822					1,313	1,244
Prepaid expenditures					2					2	5
Restricted assets:											
Cash and temporary investments					10,044					10,044	14,160
Cash with fiscal agents					3,258					3,258	9,452
Interest receivable					144					144	192
Deposits					570					570	
Long-term investments							31			31	31
Deposits				54						54	59
Advances to other funds		100		2,289						2,389	1,453
Advances to property owners		9,271								9,271	8,501
Property held for resale		42								42	
Property, plant and equipment					138,566	18,238		47,978		204,782	188,819
Accumulated depreciation					(34,816)	(10,750)				(45,566)	(41,934)
Deferred charges					894	480				1,374	1,216
Other debits:											
Amount available in the debt service and capital project funds									11,738	11,738	5,779
Amount to be provided for retirement of long-term debt									71,459	71,459	49,510
Total assets and other debits	$ 16,642	$ 24,432	$ 8,454	$ 51,057	$ 150,525	$ 19,206	$ 32,534	$ 47,978	$ 83,197	$ 434,025	$ 369,058

(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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	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	Fixed Assets	Long-Term Debt	1989	1988
Liabilities, equity and other credits:											
Liabilities:											
Cash overdraft	$	$	$	$	$	$	$	$	$	$ 0	$ 2,699
Accounts payable	721	109		674	400	159	19			2,082	2,275
Accrued payroll and benefits	2,290									2,290	2,735
Due to other funds		6,551								6,551	6,610
Due to other governments	51	18					421			490	649
Deposits and other	18	524		3	671		31,952			33,168	28,176
Matured bonds and interest payable			78	3	21					102	223
Long-term debt - current					1,653	3,421				5,074	4,842
Compensated absences - current	4,483				554	101				5,138	4,442
Deferred revenue			1,352							1,352	496
Payable from restricted assets											
Accounts payable					790					790	204
Accrued interest					427					427	427
Deferred revenue					146					146	
Long-term debt - current					125					125	
Compensated absences, long-term					151	25			5,696	5,872	5,787
Advances from municipality, G.O. bonds					740					740	1,450
Advances from other funds		100		126					2,163	2,389	1,453
Advances from other governments					1,395					1,395	1,412
Certificate of participation					10,886					10,886	11,011
Corporation bonds payable					532					532	620
Accrued interest - long-term					1,117					1,117	884
Lease obligation						37				37	59
Water extension agreements					77					77	77
Bonds payable and other long-term debt					25,757	8,120			75,338	109,215	82,108
Total liabilities	7,563	7,302	1,430	806	45,442	11,863	32,392	0	83,197	189,995	158,639

(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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	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	Fixed Assets	Long-Term Debt	1989	1988
Liabilities, equity and other credits:											
Equity and other credits:											
Investment in general fixed assets	$	$	$	$	$	$	$	$ 47,978	$	$ 47,978	$ 46,682
Contributed capital					78,239	9,967				88,206	83,490
Retained earnings:											
Reserved					1,440					1,440	1,408
Unreserved					25,404	(2,624)				22,780	20,858
Fund balances:											
Reserved	1,174	6,686	1,024	50,251			142			59,277	35,634
Unreserved											
Designated	7,905	9,828	6,000							23,733	21,043
Undesignated		616								616	1,304
Total equity and other credits	9,079	17,130	7,024	50,251	105,083	7,343	142	47,978	0	244,030	210,419
Total liabilities, equity and other credits	$ 16,642	$ 24,432	$ 8,454	$ 51,057	$ 150,525	$ 19,206	$ 32,534	$ 47,978	$ 83,197	$ 434,025	$ 369,058

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
Account Description	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1989	1988
Revenues:							
Taxes:							
Property	$ 12,761	$	$	$ 1,054	$	$ 13,815	$ 13,060
Sales and use	18,139					18,139	17,239
Utility	11,541					11,541	10,573
Other	7,523	79	6,687	19		14,308	12,282
Licenses and permits	1,870					1,870	2,351
Federal grants and subsidies		2,626				2,626	2,394
Intergovernmental	8,251	3,013		365		11,629	10,772
Charges for services	9,517	139		3,248		12,904	8,992
Fines and forfeitures	654					654	733
Use of money and property	2,258	1,207	132	1,730	7	5,334	4,120
Miscellaneous	1,860	15	73	361	10	2,319	2,300
Total revenues	74,374	7,079	6,892	6,777	17	95,139	84,816
Expenditures:							
Current:							
General government	7,697	144				7,841	8,131
Public safety	45,383					45,383	41,991
Public works	9,670	106				9,776	9,506
Library	5,684	458			15	6,157	5,532
Parks and recreation	5,556					5,556	4,953
Capital outlay	122	4,548		13,402		18,072	13,541
Debt service:							
Principal retirement			2,429			2,429	2,276
Interest and fiscal charges			3,671			3,671	3,047
Total expenditures	74,112	5,256	6,100	13,402	15	98,885	88,977
Excess (deficiency) of revenues over expenditures	262	1,823	792	(6,625)	2	(3,746)	(4,161)

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES, Continued
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)	
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust	1989	1988
Other financing sources (uses):							
Operating transfers in	$ 1,115	$ 2,673	$ 3,628	$ 3,023	$	$ 10,439	$ 12,538
Operating transfers out	(1,295)	(5,234)	(394)	(3,910)		(10,833)	(13,312)
Proceeds of special assessment bonds				29,670		29,670	11,476
Proceeds of refunding bonds				2,415		2,415	4,206
Payment to refunded bond escrow agent			(2,781)			(2,781)	(4,157)
Advances from capital improvement fund				711		711	687
Total other financing sources (uses)	(180)	(2,561)	453	31,909	0	29,621	11,438
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	82	(738)	1,245	25,284	2	25,875	7,277
Fund balances, beginning of year	9,303	17,868	5,779	24,892	62	57,904	50,909
Residual equity transfers in				75		75	
Residual equity transfers out	(306)					(306)	(282)
Fund balances at end of year	$ 9,079	$ 17,130	$ 7,024	$ 50,251	$ 64	$ 83,548	$ 57,904

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES BUDGET (GAAP BASIS) AND ACTUAL
GOVERNMENTAL FUND TYPE
for the year ended June 30, 1989
(Dollar amounts in thousands)

	General Fund		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes:			
Property	$ 13,025	$ 12,761	$ (264)
Sales and use	17,955	18,139	184
Utility	10,700	11,541	841
Other	7,355	7,523	168
Licenses and permits	2,526	1,870	(656)
Intergovernmental	7,685	8,251	566
Charges for services	7,617	9,517	1,900
Fines and forfeitures	710	654	(56)
Use of money and property	1,963	2,258	295
Miscellaneous	1,772	1,860	88
Total revenues	71,308	74,374	3,066
Expenditures:			
Current:			
General government	8,093	7,697	396
Public Safety	45,852	45,383	469
Public works	10,177	9,670	507
Library	5,754	5,684	70
Parks and recreation	5,782	5,556	226
Capital outlay	201	122	79
Total expenditures	75,859	74,112	1,747
Excess (deficiency) of revenues over expenditures	(4,551)	262	4,813
Other financing sources(uses):			
Operating transfers in	1,115	1,115	0
Operating transfers out	(1,295)	(1,295)	0
Total other financing sources(uses)	(180)	(180)	0
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(4,731)	82	4,813
Fund balances, beginning of year	9,303	9,303	0
Residual equity transfers out	(306)	(306)	0
Fund balances at end of year	$ 4,266	$ 9,079	$ 4,813

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 SIMILAR TRUST FUND
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1989	1988
Operating revenues:					
Charges for services	$ 22,226	$ 13,681	$	$ 35,907	$ 32,714
Connection fees				0	2,417
Loans and mortgage interest	563			563	746
Investments earnings	83			83	132
Miscellaneous	393	16	1	410	283
Total operating revenues	23,265	13,697	1	36,963	36,292
Operating expenses:					
Purchased water	545			545	188
Interest and fiscal charges	522			522	844
Operation and maintenance	12,593	12,739		25,332	24,414
General and administrative	3,927	1,605		5,532	5,016
Depreciation and amortization	2,608	1,654		4,262	4,106
Total operating expenses	20,195	15,998	0	36,193	34,568
Operating income (loss)	3,070	(2,301)	1	770	1,724
Nonoperating revenue (expenses):					
Investment earnings	1,348	71		1,419	1,015
Gain(loss) from disposal of property	3	58		61	60
Interest expense and fiscal charges	(720)	(2)		(722)	(782)
Other non-operating revenue (expenses)	(268)	310		42	(231)
Total nonoperating revenue (expenses)	363	437	0	800	62
Income (loss) before operating transfers	3,433	(1,864)	1	1,570	1,786
Operating transfers in	564			564	461
Operating transfers out	(170)			(170)	(25)
Net income (loss) before extraordinary loss	3,827	(1,864)	1	1,964	2,222
Extraordinary loss	(9)			(9)	(41)
Net income (loss)	3,818	(1,864)	1	1,955	2,181
Retained earnings (deficit) beginning of year	23,026	(760)	77	22,343	20,162
Retained earnings (deficit) end of year	$ 26,844	$ (2,624)	$ 78	$ 24,298	$ 22,343

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1989	1988
Sources of working capital					
Operations:					
Net income (loss) before extraordinary gain (loss)	$ 3,827	$ (1,864)	$ 1	$ 1,964	$ 2,222
Items not requiring working capital:					
Depreciation	2,575	1,654		4,229	4,100
Amortization of bond discount	66			66	12
Loss (gain) from disposal of property	(3)	(58)		(61)	42
Working capital provided by operations before extraordinary gain (loss)	6,465	(268)	1	6,198	6,376
Extraordinary gain (loss)	(9)			(9)	(41)
Working capital provided by operations and extraordinary gain (loss)	6,456	(268)	1	6,189	6,335
Capital contribution	4,289	200		4,489	3,063
Reduction of due from other governments	793			793	
Reduction of long-term portion of mortgages receivable	1,010			1,010	1,928
Proceeds from sale of property	2	77		79	279
Matured Investments				0	1
Increase (decrease) in compensated absences	(1)	24		23	31
Residual equity transfers in		513		513	500
Total sources of working capital	12,549	546	1	13,096	12,137
Uses of working capital					
Increase (decrease) in long-term debt	2,238	(1,446)		792	2,270
Additions to property, plant and equipment	12,927	2,485		15,412	10,115
Increase (decrease) in deposit		38		38	(585)
Residual equity transfers out	282			282	
Other	28			28	240
Total uses of working capital	15,475	1,077	0	16,552	12,040
Net increase (decrease) in working capital	$ (2,926)	$ (531)	$ 1	$ (3,456)	$ 97

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION, Continued
ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUND
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Account Description	Proprietary Fund Types		Fiduciary Fund Type	Totals (Memorandum Only)	
	Enterprise	Internal Service	Non-Expendable Trust	1989	1988
Elements of net increase (decrease) in working capital:					
Cash and temporary investments	$ 1,908	$ 106	$ 1	$ 2,015	$ 688
Cash with fiscal agents	(6,235)			(6,235)	(1,373)
Interest Receivable	(70)			(70)	(361)
Taxes and assessments receivable	124			124	
Accounts and other receivables	289	30		319	626
Due from other funds	270			270	
Due from other governments	70	14		84	
Inventory of supplies	26			26	66
Prepaid expenses	(1)			(1)	(4)
Restricted assets - deposits	569			569	
Accounts payable	(609)	575		(34)	575
Deposits	(69)			(69)	(192)
Matured bonds and interest payable	41			41	740
Current portion of long-term debt	899	(1,257)		(358)	(721)
Accrued payroll and compensated absences	(39)	1		(38)	53
Other liabilities/deferred revenue	(99)			(99)	
Net increase (decrease) in working capital	$ (2,926)	$ (531)	$ 1	$ (3,456)	$ 97

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON
Year Ended June 30, 1989

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

Note		Page
1	Reporting Entity and Significant Accounting Policies	14
2	Cash and Investments	29
3	Interfund Assets/Liabilities	34
4	Operating/Equity Transfers	35
5	Property, Plant and Equipment	36
6	General Long-Term Debt	37
7	Long-Term Debt	38
8	Advance Refunding Obligations; General Long-Term Debt - 1915 Act Special Assessments	48
9	Nature and Purpose of Reported Reserves	49
10	Deficit Balances	50
11	Contributed Capital	51
12	Segment Information for Enterprise Funds	51
13	Deferred Compensation	52
14	Pension Plan	54
15	Self Insurance	58
16	Joint Venture	59
17	Post-Retirement Health Care Benefits	61
18	Contingent Liabilities	61
19	Subsequent Events	61

CITY OF STOCKTON
Year Ended June 30, 1989

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

Note 1. Reporting Entity and Significant Accounting Policies

A) Reporting Entity:

The City of Stockton (the City) was incorporated on July 25, 1850 under the general laws of the State of California. 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, 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:

1) 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)

(1) Reporting Entity and Significant Accounting Policies, Continued

A) Reporting Entity, Continued

1) The Central Parking District (CPD) (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.

2) Redevelopment Agency was established in August 13, 1956 and is a separate government entity as set forth in the Health and Safety Code of the State of California. The primary purpose of the Agency 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 Enterprise Fund.

3) 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 in July 1, 1982. The purpose of SVHFA, a Joint Powers Agency, is to exercise 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.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

A) Reporting Entity, Continued

3) Stockton-Vacaville Home Financing Authority (SVHFA), Continued

The financial activity of the SVHFA is included in the City's financial statements as Stockton-Vacaville Home Financing Enterprise Fund.

4) Stockton Recreation Corporation (SRC) is a nonprofit corporation created in August, 1968. The only purpose for its creation was 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.

B) Basis of Presentation:

The accounts of 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:

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

B) Basis of Presentation: (Continued)

Governmental Fund Types:

Governmental Funds are used to account for the City's expendable financial resources and related liabilities (except those accounted for in proprietary and similar trust funds). The measurement focus is upon determination of changes in financial position. The following are the City's governmental fund types:

General Fund - The General Fund is the general operating fund of the City. It 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 account groups.

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.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

B) Basis of Presentation: (Continued)

Proprietary Fund Types:

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is upon determination of net income and capital maintenance. The following are the City's 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.

Fiduciary Fund Types:

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. The following is the City's fiduciary fund type:

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held and disbursed in the capacity of an agent for individuals, and other entities. They do not involve measurement of results of operations.

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

B) Basis of Presentation: (Continued)

Account Groups:

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debts. The following are the City's 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.

C) Measurement Focus and Basis of Accounting:

Governmental fund types are accounted for on a "spending" measurement focus. Accordingly, only current assets and current liabilities are included on their balance sheets, and the reported fund balance provides an indication of available, spendable resources. Operating statements for governmental fund types report increases (revenues) and decreases (expenditures) in available spendable resources.

The proprietary fund types are accounted for on an "income determination" or "cost of services" measurement focus. Accordingly, all assets and liabilities are included on the balance sheet, and the reported fund equity provides an indication of the economic net worth of the fund operating statements for proprietary fund types report increases (revenue) and decreases (expenses) in total economic net worth.

Fiduciary fund types are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

C) Measurement Focus and Basis of Accounting: (Continued)

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the liability is incurred.

In applying the "susceptible to accrual" concept to inter-governmental revenues, such as grants and state subsidies, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for a specific purpose or project before any amounts will be reimbursed for the City; therefore, revenues are recognized when the expenditures are incurred. In the other, monies are virtually unrestricted as to purpose of expenditure and nearly irrevocable. In these cases such receipts are reflected as revenues at the time of receipt or earlier if they meet the criteria of availability.

The City considers sales tax, utility users tax, federal and state grants, developer fees 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.

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.

All Proprietary Fund types and nonexpendable trust funds are accounted for using the full-accrual basis of accounting. Under the full-accrual basis of accounting, revenues are recognized when earned, and expenses are recognized when incurred.

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

D) 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, Water Utility Fund, Sewer Utility Fund, 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.

E) Inventories:

Inventories are physically counted annually and valued at the lower of average cost or market. Inventories consist of expendable supplies held on a consumption basis, wherein the cost is recorded as an expenditure at the time an item is consumed.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

F) 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, which are public domain and similar assets such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems that are immovable and of value only to the City of Stockton and 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.

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

F) Property, Plant and Equipment: (Continued)

Proprietary Fund Types:

Property, plant, equipment, renewals and betterments are capitalized 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 such as water and sewer mains and laterals)	40 - 50 years

G) 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, 1989, net interest cost of $800 (interest cost of $2,110, reduced by interest income of $1,310) was capitalized in connection with the construction in progress reported under Enterprise Fund.

	Central Parking District	Water Utility	Total
Interest expense	$ 1,280	$ 830	$ 2,110
Interest income	(972)	(338)	(1,310)
Net interest capitalized	$ 308	$ 492	$ 800

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

H) Revenue recognition for utility funds and developers fees:

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

On July 6, 1988, the City Council adopted (Ordinance No. 56-88C.S.) Stockton Municipal Code Sections 16-175 et seq. creating and establishing the authority for imposing and charging Public Facilities Fees. These funds are to provide for the mitigation of the impact of contemplated future development on existing public facilities and to provide for new public facilities and improvements as needed. On September 12, 1988, the City Council adopted Resolution No. 88-0616 imposing Public Facilities Fees to be paid at the time of issuance of a building permit for development. The revenue is recognized when the building permits are paid. The Building Division began collecting these fees on November 14, 1988.

I) 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 as 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 the assessed value as of 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 paid to the City by the County within 60 days of the end of the fiscal year are "available" and are, therefore, recognized as revenue.

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

J) Accumulated Unpaid Vacation and Sick Pay:

Accumulated unpaid vacation and sick pay is accrued when incurred in proprietary funds. The amount of accumulated vacation and sick pay recorded in the governmental funds is that amount, adjusted to current salary costs, which is expected to be liquidated with expendable available financial resources. Only the current portion is reflected in the applicable funds. The remainder of the liability is reported in the General Long-Term Debt Account Group.

K) 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.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

K) Budgets and Budgetary Accounting: (Continued)

4) If the 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 the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Capital projects are budgeted over the life of the project. Special Revenue and Debt Service Funds do not adopt annual appropriation; and therefore, are excluded from the combined budgetary operating statement.

7) There is no budget for the nonexpendable trust fund and internal service funds. These Fund types are accounted for on a cost of services (net income), or "capital maintenance" measurement focus. As a result, budget comparison is impractical. Additionally, the City is not legally mandated to report the results of operations for these Fund types on a budget comparison basis; therefore, budgetary data related to these funds has not been presented.

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

(continued)

(1) Reporting Entity and Significant Accounting Policies, Continued

L) 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.

M) 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.

N) 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 to facilitate financial analysis. Comparative data for the prior year have been presented to provide an understanding of changes in the City's financial position and operations.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(1) Reporting Entity and Significant Accounting Policies, Continued

O) Fund Changes:

Certain fund changes have been made to the 1989 financial statements. The accounting and reporting treatment applied to funds is determined by its measurement focus. The following funds have been changed in 1989 to reflect their proper measurement focus.

Fund Title	Fund Changes From	Fund Changes To
Stockton-Vacaville Home Financing	Trust & Agency	Enterprise
Community Development Loan	Trust & Agency	Special Revenue
FACE Rehabilitation Loan	Trust & Agency	Special Revenue
Redevelopment Agency Loan	Trust & Agency	Special Revenue

The effects of the fund changes are as follows:

	Increase (Decrease) Special Revenue Funds		Enterprise Funds		Nonexpendable Trust Funds	
	6-30-89	6-30-88	6-30-89	6-30-88	6-30-89	6-30-88
Total Assets	$10,459	$ 9,491	$ 4,828	$ 6,769	$ (15,287)	$ (16,260)
Total Liabilities	631	565	4,190	6,200	(4,821)	(6,765)
Fund Balance/Retained Earnings	9,828	8,926	638	569	(10,466)	(9,495)
Net Income and Excess of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses Before Extraordinary Loss	902	544	78	10	(980)	(554)
Net Income and Excess of Revenue and Other Financing Sources Over Expenditures and Other Financing Uses	902	544	69	(31)	(971)	(513)

P) Reclassifications:

Certain reclassifications have been made to the 1988 financial statements to conform with the 1989 presentation.

(continued)

Note 2. 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.

The Government Code allows investments in the following instruments:

- 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
- Reverse Repurchase Agreements.

All city investment activities are within the State statutes and the City's investments policy.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(2) Cash and Investments: (Continued)

Balance Sheet

The captions on the balance sheet related to cash and temporary investments including restricted amounts in the total (memorandum only) column at June 30, 1989 are as follows:

	Cost	Market Value
Cash and deposits (excluding deferred compensation and certificates of deposit)	$ 9,186	$ 9,186
All certificates of deposit held by and under the name of the City	27,040	27,040
Deferred compensation	28,608	28,948
Investment portfolio	84,685	84,592
Cash and temporary investments held by fiscal agents	3,357	3,357
Stockton-Vacaville investments	474	474
Total	$153,350	$153,597

Deposits

Under provision of the California Government Code, California banks and savings and loan association are required to secure a City's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits.

The collateral for deposits in Federal and state charted banks is held in safekeeping by an authorized Agency of Depository recognized by the State of California Department of Banking. All bank deposits are insured by FSLIC or FDIC up to a maximum of $100. The total deposits uninsured amounts to $26,640.

(continued)

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

(2) Cash and Investments: (Continued)

Deposits (Continued)

	June 30, 1989 Carrying Amount	Market Value
All certificates of deposit held by and under the name of the City	$ 27,040	$ 27,040
Deferred Compensation Plan	28,608	28,948

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, 1989, the City's investments consisted of the following:

	Category 1	Category 2	Category 3	Carrying Amount	Market Value
Negotiable Certificate of Deposit	$ 8,079	$	$	$ 8,079	$ 8,077
Commercial Paper	8,703			8,703	8,752
Bankers' Acceptance	2,875			2,875	2,992
Collaterized/Insured Money Market	18,961			18,961	18,961
Federal Securities	36,067			36,067	35,810
Sub total	74,685			74,685	74,592
Stockton - Vacaville Home Financing Authority					
Shearson/American Express Investment Fund			466	466	466
Pacific Horizon Government Fund			8	8	8
Sub total	74,685		474	474	474
Investments in state treasurer's investment pool		10,000		10,000	10,000
Total Investments	$ 74,685	$ 10,000	$ 474	$ 85,159	$ 85,066

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(2) Cash and Investments: (Continued)

Temporary Investments (Continued)

The City's investments are categorized as follows to give an indication of the level of risk assumed at year-end.

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 counter party's trust department or agent in the City's name.

Category 3 - Includes uninsured and unregistered investments for which securities are held by the counter party 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.

(continued)

(2) Cash and Investments: (Continued)

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. These covenants provide that these monies, in the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, may be invested in accordance with the ordinance, resolutions or indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments, not permitted by the City's general investment policy, been authorized. The major part of this restriction is for the construction or acquisition of facilities.

Restricted assets and current liabilities payable from restricted assets are as follows:

Enterprise Funds	Assets	Current Liabilities
Central Parking District	$ 10,588	$ 1,217
Water Utility	3,282	125
Sewer Utility	146	146
Total	$ 14,016	$ 1,488

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.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

Note 3. Interfund Assets/Liabilities:

Interfund receivables and payables were as follows at June 30, 1989:

	Due From	Due To	Advances to	Advances From
General Fund	$ 312	$	$	$
Special Revenue				
Special Grants		13		
Revenue Sharing		6,239		
Gas Tax	76			
Urban Development Grant		3		
Community Development Block Grant		296	100	
Redevelopment Fund				
Community Development Loan Fund				100
Capital Projects				
Capital Improvement	5,619		2,289	
Redevelopment Fund	253			
Special Assessments	21			
Public Facilities Impact Administration				126
Enterprise Funds				
Sewer Utility	270			
General Long Term Debt Account Group				
Redevelopment Fund				2,163
Total	$ 6,551	$ 6,551	$ 2,389	$ 2,389

(continued)

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

Note 4. Operating/Equity Transfers:

During the year various Interfund transfers were made to finance expenditures, subsidize operating losses and to service debt. These transfers are reflected as operating transfers. The transfers are recorded in the fiscal period in which the transactions are approved. The following schedule summarizes operating/equity transfers for the year ended June 30, 1989:

	Operating Transfers		Equity Transfers	
Fund	In	Out	In	Out
General Fund	$ 1,115	$ 1,295	$	$ 306
Special Revenue Funds:				
Special Purpose Grants	37			
Revenue Sharing	661	1,879		
Gas Tax	80	1,711		
Community Development Block Grant	705	940		
Community Development Loan Fund	939	704		
Low & Moderate Income Housing	251			
Debt Service Funds:				
Debt Service	3,628	394		
Capital Projects Funds:				
Capital Improvement	2,629	170	75	
Redevelopment Agency		251		
1915 Act Assessment District	394	3,489		
Enterprise Funds:				
Central Parking District	98			
Silver Lake Camp	8			
Golf Courses				16
Civic Auditorium	171			4
Ice Arena	17			
Water Utility				100
Sewer Utility	270	170		162
Internal Service Funds:				
Internal Service			513	
Total	$ 11,003	$ 11,003	$ 588	$ 588

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

Note 5. Property, Plant and Equipment:

Property, plant and equipment at June 30, 1989 consist of the following:

	Enterprise Funds	Internal Service Fund	General Fixed Assets	Total
Land	$ 4,767	$ -	$ 5,992	$ 10,759
Buildings and improvements	111,546	24	35,144	146,714
Machinery and equipment	7,055	18,214	1,721	26,990
Construction in progress	15,198	-	5,121	20,319
Total	$ 138,566	$ 18,238	$ 47,978	$ 204,782
Less accumulated depreciation	34,816	$ 10,750	-	$ 45,566
Net	$ 103,750	$ 7,488	$ 47,978	$ 159,216

General fixed assets:

A summary of changes in general fixed assets account group is as follows:

	Balance 7-01-88	Additions	Deletions	Transfers In	Transfers Out	Balance 6-30-89
Land	$ 6,031	$ 8	$ 47	$ -	$ -	$ 5,992
Building and improvements	34,627	517		-	-	35,144
Machinery and equipment	1,608	115	12	82	72	1,721
Construction in progress	4,416	5,121	4,416	-	-	5,121
Total	$ 46,682	$ 5,761	$ 4,475	$ 82	$ 72	$ 47,978

(continued)

(5) Property, Plant and Equipment, Continued

Capitalized leases:

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

	Enterprise Funds	Internal Service Fund	Total
Equipment	$ 47	$ 136	$ 183
Less accumulated depreciation	12	39	51
Net	$ 35	$ 97	$ 132

Note 6. General Long-Term Debt

The following table summarizes the changes in the City's long-term debt obligations during the year:

	General Obligations Bond	Mello - Roos Spec Tax Rev Bond	1915 - Act Special Assessment	Compensated Absences	Advance Payable-Capital Improvement Fund	Total
Outstanding 7-01-88	$ 735	$ -	$ 47,467	$ 5,634	$ 1,453	$ 55,289
Current year changes						
Bonds authorized and issued	-	24,490	7,595	-	-	32,085
Redeemed or cancelled, paid	(110)	-	(4,839)	-	-	(4,949)
Vacation and sick leave	-	-	-	62	-	62
Advance to Redevelopment Agency	-	-	-	-	710	710
Outstanding 6-30-89	$ 625	$ 24,490	$ 50,223	$ 5,696	$ 2,163	$ 83,197

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

Note 7. Long-term Debt

The following tables include General obligation bonds, Sewer Utility general obligation bonds, 1915 Act Special Assessment Bonds, Mello Roos Assessment Bonds, and other general long-term account groups.

Long-Term Debt:	Principal Amount Outstanding
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 $695. Remaining debt service will be made in the Debt Service Fund from future property taxes generated and credited to the General Fund.	$ 625
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 $1,544. Remaining debt service will be paid in the Enterprise Fund from revenues earned by the Sewer Utility Fund.	$ 1,450
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, 1989 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 assessments to property owners.	$ 50,223
Community Facilities District No. 1 (Weston Ranch) Special Tax Bonds, Series 1989 were authorized pursuant to the Mello-Roos Community Facilities Act of 1982, and issued to provide funds to pay cost of the acquisition and construction of new roads, sewer and water facilities to serve property located within the City of Stockton Community Facilities District No. 1 (Weston Ranch). Bonds authorized, issued and outstanding at June 30, 1989 with interest rates ranging from 7.20% to 8.10% and maturity dates ranging from September 1991 to September 2014. Remaining debt service will be paid from assessments to property owners.	$ 24,490

(continued)

(7) Long-term Debt, Continued

Long-Term Debt, Continued

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. $ 5,696

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. $ 2,163

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

	Principal					Interest				
Fiscal Year	General Fund	Enterprise Sewer Utility	Special Assessments	Mello Roos	Total	General Fund	Enterprise Sewer Utility	Special Assessment	Mello Roos	Total
1989-90	$ 115	$ 710	$ 2,062	$ -	$ 2,887	$ 25	$ 64	$ 3,823	$ 818	$ 4,730
1990-91	120	740	2,239	-	3,099	19	30	3,673	1,963	5,685
1991-92	125	-	2,402	15	2,542	14	-	3,509	1,963	5,486
1992-93	130	-	2,437	50	2,617	9	-	3,336	1,961	5,306
1993-94	135	-	2,595	100	2,830	3	-	3,154	1,958	5,115
Thereafter	-	-	38,488	24,325	62,813	-	-	29,285	29,709	58,994
Total	$ 625	$ 1,450	$ 50,223	$ 24,490	$ 76,788	$ 70	$ 94	$ 46,780	$ 38,372	$ 85,316

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(7) Long-term Debt, Continued

Long-Term Debt, Continued

	Principal and Interest				
Fiscal Year	General Fund	Enterprise Sewer Utility	Special Assessment	Mello Roos	Total
1989-90	140	774	5,885	818	7,617
1990-91	139	770	5,912	1,963	8,784
1991-92	139	-	5,911	1,978	8,028
1992-93	139	-	5,773	2,011	7,923
1993-94	138		5,749	2,058	7,945
Thereafter	-	-	67,773	54,034	121,807
Total	$ 695	$ 1,544	$ 97,003	$ 62,862	$162,104

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 $1,450 at June 30, 1989.

(continued)

(7) Long-term Debt, 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, 1989	$ 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 reserve for debt service and a reserve for funded interest both to be funded from bond proceeds. Debt Service balance as of June 30, 1989 is $1,445 for debt service and $472 for funded interest.

The balance of cash and temporary investments ($3,258) - shown on the balance sheet, enterprise fund (restricted assets) 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).

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(7) Long-term Debt, Continued

Certificates of Participation, Continued

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

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, 1989, advances total $1,418. The loan will bear interest at 5% per annum and shall be for a term not to exceed 40 years.

Noncancellable Long-term Lease Payable (reported as corporation bonds 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.

(continued)

(7) Long-term Debt, Continued

Noncancellable Long-term Lease Payable, (reported as corporation bonds payable) Continued

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 paid from the Golf Course and Ice Arena Enterprise Funds.

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

Future minimum debt service requirements which corresponds to the noncancellable long-term lease are as follows:

Fiscal Year	Enterprise Fund Buildings and Improvements Golf Courses & Ice Arena
1989-90	125
1990-91	125
1991-92	125
1992-93	125
1993-94	125
1994-95	125
	750
Less amounts representing interest	130
Present value of future minimum lease payments	$ 620
Less current portion	88
Total	$ 532

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(7) Long-term Debt, Continued

Capitalized lease payable

The City has entered into various capitalized lease agreements for office equipment. These leases expire in various years to June 1, 1992.

Future minimum lease payments under capitalized leases are as follows:

	Enterprise Fund	
Fiscal Year	Office Equipment Sewer Utility	Internal Service Fund Office Equipment
1989-90	2	23
1990-91	-	22
1991-92	-	16
	2	61
Less amounts representing interest	1	1
Present value of future minimum lease payments	$ 1	$ 60
Less current portion	1	23
Total	$ -	$ 37

(continued)

(7) Long-term Debt, 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	07-02-02	$ 2,000	$ 1,185
Division 2	148 B	5.35	02-02-68	07-02-02	1,000	570
Division 3	148 C	5.47	11-02-68	07-02-05	1,000	575
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	485
Service facilities	159 B	7.32	07-02-74	07-02-99	1,650	1,020
Sewer Utility						
Wastewater service facilities	181	7.19	07-02-75	07-02-00	4,700	3,320
Total						$ 23,738

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(7) Long-term Debt, Continued

Special Assessment Bonds, Continued

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

	Mature in Fiscal Year						
	1989-90	1990-91	1991-92	1992-93	1993-94	Thereafter	Total
Enterprise Funds							
Principal							
Central Parking District Funds	$ 130	$ 460	$ 493	$ 520	$ 550	$ 16,760	$ 18,913
Water Utility Fund	105	105	110	120	125	940	1,505
Sewer Utility Fund	175	190	205	220	240	2,290	3,320
	410	755	808	860	915	19,990	23,738
Interest							
Central Parking District Funds	1,436	1,404	1,371	1,336	1,298	13,096	19,941
Water Utility Fund	97	90	83	75	67	199	611
Sewer Utility Fund	227	214	201	186	170	620	1,618
	1,760	1,708	1,655	1,597	1,535	13,915	22,170
Total - principal and interest							
Central Parking District Funds	1,566	1,864	1,864	1,856	1,848	29,856	38,854
Water Utility Fund	202	195	193	195	192	1,139	2,116
Sewer Utility Fund	402	404	406	406	410	2,910	4,938
Total	$ 2,170	$ 2,463	$ 2,463	$ 2,457	$ 2,450	$ 33,905	$ 45,908

(continued)

(7) Long-term Debt, Continued

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, 1989 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	$ 740	$ 530	$ 1,270
Workers' compensation	7,380	1,990	9,370
Health insurance	--	878	878
Total	$8,120	$3,398	$11,518

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(7) Long-term Debt, Continued

Mortgage Revenue Bonds

Stockton-Vacaville Home Financing Authority Enterprise 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 - %
1989-90	402		402	10.00
1990-91	203		203	10.25
1991-92	249		249	10.50
1992-93	310		310	10.75
1993-94	187		187	10.75
Thereafter	1,568	1,117	2,685	10.75 to 11.75
Total	$ 2,919	$1,117	$ 4,036	

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

Note 8. Advance Refunding Obligations: General Long-term Debt - 1915 Act Special Assessments

On October 27, 1988, the City issued $7,595 in special assessment bonds (1915 Improvement Act) with an average interest rate of 7.8 percent to advance refund $2,520 of outstanding special assessment bonds, originally issued for Stockton Airport Business Park Assessment District, Series 207, Project No. 84-1. Out of the net proceeds of $7,458, $2,751 was used to purchase U. S. Treasury Bills with a maturity value of $2,785 on December 29, 1988. 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 balance of the bond proceeds, $5,180, was used to acquire and construct additional improvements in the district.

In view of the dual purposes of the bond issue, the proceeds were presented in the capital projects funds (1915 Assessment Districts) instead of the debt service fund.

The City advance refunded the old, outstanding bonds to reduce its total debt service payments over the next 17 years by $183, and obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $422.

(continued)

Note 9. Nature and Purpose of Reported Reserves

A summary of reported reserves by fund at June 30, 1989 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	$ 892	$ 500	$ -	$ 2,464	$ -	$ -
Loans and advances	-	-	-	2,341	-	-
Continuing Appropriations	-	6,176	-	45,392	-	-
Debt service	-	-	$ 1,024	-	1,440	-
Others	282	10	-	54	-	142
Total	$ 1,174	$ 6,686	$ 1,024	$ 50,251	$ 1,440	$ 142

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 consummated at the end of the fiscal year.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(9) Nature and Purpose of Reported Reserves, Continued

Loan and advances -

$2,163 - council approved loans from Capital Improvement Fund to Redevelopment Agency Fund.

$126 - council approved loans from Capital Improvement Fund to Public Facility Fee Admin Fund.

$52 - established for Street Improvement Impact Fees loans.

Continuing appropriations -

Special Revenue Funds - $6,176 - for construction and maintenance of infrastructure projects.

Capital Projects Funds - for current and future infrastructure projects.

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 10. Deficit Balances

Public Facilities Fees Administrative Fund:

Funds expended or encumbered during 1988-89 to administer the new Public Facilities Fees program exceeded Administrative Fee revenue by $125. The reasons for this were the costs associated with the analysis, justification, and implementation of this new fee collection program. Council Resolution #89-0506 authorized a loan of $126 from the Capital Improvement Project Fund to the Public Facilities Fees Administrative Fund to cover this shortage. The loan, with interest, will be repaid from surplus Administrative Fees as they become available. Public Facilities Fees will be re-evaluated annually and, if necessary, the percentage used to calculate Administrative Fees will be raised from its current level of 2.5%.

Self Insurance Fund:

The self insurance deficit of $9,052 resulting from the recorded liabilities will be funded by increasing future insurance rates billed to other City funds.

(continued)

Note 11. Contributed Capital

Effective July, 1988 connection fees are recorded as addition to contributed capital.

Impact fee funds are used to finance a variety of new public facilities and improvements such as traffic signal, street improvement, community recreation center, city office space, fire station, library, police station, parks/trees/signs, public facilities administration.

Note 12. Segment Information for Enterprise Funds

The City maintained eight enterprise funds effective this fiscal year. Segment information for the year ended June 30, 1989 is as follows:

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf Courses	Civic Auditorium	Ice Arena	Stockton Vacaville Home Financing
Operating revenue	$ 1,599	$ 4,157	$ 14,885	$ 111	$ 1,369	$ 209	$ 289	$ 646
Depreciation & amortization expense	59	546	1,829		56	43	47	28
Operating income (loss)	912	338	1,876	11	134	(235)	(44)	78
Operating transfers in	98		270	8		171	17	
Operating transfers out			170					
Net income (loss)	947	974	1,801	19	111	(64)	(39)	69
Current capital contributions		1,127	3,162					
Property, plant and equipment								
Additions	5,143	5,940	1,801		42	1		
Deletions	2	125	8		7		11	
Net working capital	10,777	15,002	10,096	73	323	46	97	(6)
Total assets	24,513	44,799	74,182	100	1,291	373	439	4,828
Bonds & other long-term liabilities:								
Payable from operating revenue	18,748	13,779	3,885		431	29	157	3,626
Total equity	$ 4,399	$ 30,053	$ 68,639	$ 73	$ 740	$ 312	$ 229	$ 638

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(12) Segment Information for Enterprise Funds, Continued

Types of goods and services:

Central Parking District - The Central Parking District operates parking lots in the downtown area with spaces available 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.

Stockton-Vacaville Home Financing Authority (SVHFA) - The purpose of SVHFA is to exercise the common powers of the two cities to undertake a home financing program.

Note 13. Deferred Compensation

The City has 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)

(13) Deferred Compensation, Continued

A summary of plan activity for the year follows:

Plan assets as of 6-30-88, at cost	$ 24,652
City of Stockton contributions	658
Employee contributions	2,274
Earnings on investments	2,206
	29,790
Less: withdrawals (retirements and terminations)	1,182
Plan assets as of 6-30-89, at cost	$ 28,608
Plan assets as of 6-30-89, at market	$ 28,948

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 reported at 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.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

Note 14. 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, 1989, was $45,892. The total payroll for the same period was $ 52,223.

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	1,607
Active employees	1,318
Total membership	2,925

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

(continued)

(14) Pension Plan, Continued

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 $15,454 at June 30, 1988.

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	$ 90,605
Current Employees:	
Accumulated employee contributions including allocated investment earnings	40,837
Employer-financed vested	56,518
Employer-financed nonvested	2,392
Total pension benefit obligation	$ 190,352

Net assets available for benefits at cost (market value - $197,810)	$ 174,898
Unfunded pension benefit obligation	15,454

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

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(14) Pension Plan, Continued

C) Funding Status and Progress, Continued

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	0.50
Merit raises	1.50
Total	7.00

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 now 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.

(continued)

(14) Pension Plan, Continued

D) Actuarially Determined Contribution Requirements and Contributions Made, Continued

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, 1989, 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 7-01-88	Employer Amount Contributed	Employee Amount Contributed
Miscellaneous Members	$ 25,078	7	8.044	$ 2,017	$ 1,755
Safety Members with benefits described under Article 21252.01					
Fire	9,569	9	17.122	1,638	862
Police	11,245	9	17.122	1,926	1,012
Total	$ 45,892			$ 5,581	$ 3,629

Annual Rate Components	As a Percent of Payroll Member Category - Rate Miscellaneous	Safety	% Total	Amount Contributed Miscellaneous	Safety	Total
Normal Cost Rate	7.834	14.317	22.151	$ 1,964	$ 2,980	$ 4,944
Unfunded Liability Rate	0.210	2.805	3.015	53	584	637
Total Required	8.044	17.122	25.166	$ 2,017	$ 3,564	$ 5,581

Contributions were made in conformance with actuarial requirements.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(14) Pension Plan, Continued

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 of June 30, 1988. Until three years of data are available as many years as are available will be presented. Therefore the trend information is summarized as follows:

	1987/88	1986/87
Net assets available for benefits as a % of pension benefit obligation	91.90%	88.87%
Unfunded pension benefit obligation expressed as a % of annual covered payroll	35.30%	45.57%
Employee contributions expressed as a % of annual covered payroll	7.91%	7.92%

Note 15. 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 are accounted for separately. The City is also self-insured for workers' compensation, unemployment and general liability insurance as indicated in Note 17. 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, 1989, $9,370 and $1,270 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, 1989 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.

(continued)

Note 16. Joint Venture:

The City is a member of the California Joint Powers Insurance Authority (Authority). The following joint venture disclosures are made:

A. Description of Joint Powers Authority:

The Authority is comprised of 22 California member entities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

There are 10 members on the Board of Directors including one member from the City of Stockton. Officers of the Agency are elected annually by the Board members.

The participants and their percentage shares at June 30, 1988, are as follows: Alameda 3.56%, Chico 2.17%, Central San Joaquin Valley Risk Management Authority 15.77%, Fairfield 3.10%, Fremont 5.83%, Livermore 2.79%, Lodi 2.87%, Manteca 2.03%, Petaluma 2.04%, Redding 3.78%, Redwood Empire Municipal Insurance Fund 7.23%, Roseville 3.72%, San Leandro 2.87%, San Rafael 3.91%, Santa Barbara Area Joint Powers Insurance Authority 1.67%, Santa Rosa 8.30%, Small Cities Organized Risk Effort 1.83%, Stockton 7.47%, Sunnyvale 6.58%, Vacaville 1.83%, Vallejo 3.57%, and Yolo County Public Agencies Risk Management Insurance Authority 7.09%.

B. Self-Insurance Programs of the Authority:

General liability insurance: Annual deposits are paid by member entities and are adjusted retrospectively to cover costs. Members can participate with self-funded retention levels of either $250, $500, or $1,000. Stockton's self-funded retention is currently set at $1,000. Specific coverage includes comprehensive and general automotive liability, personal injury, contractual liability, errors and omissions and certain other coverages. The Authority has never purchased excess coverage for general liability due to its prohibitive cost. Separate deposits are collected from the member cities to cover claims between $250 and $10,000. These deposits are subject to retrospective adjustments.

Workers Compensation: Periodic deposits are paid by member cities and are adjusted retrospectively to cover costs. Each member city has a specific retention level. The City of Stockton has a retention level of $250 and pays 100% of all losses incurred under $250. Losses in excess of $250 are covered by excess insurance purchased by the participating cities, as a part of the pool, to a limit of $10,000.

Property Protection: The City of Stockton participates in the All Risks Property Protection Program, which is primarily underwritten by a casualty insurance company. The annual deposits paid by participating member cities are based upon deductibility levels and are not subject to retroactive adjustments.

(continued)

CITY OF STOCKTON
Year Ended June 30, 1989

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

(16) Joint Venture, Continued

C: Condensed Financial Information of the Authority:

Noted below are condensed audited financial statements of the Authority as of June 30, 1988:

Assets		$ 26,779
Liabilities:		
Reserve for losses, loss adjustment expense and experience rating refund	$15,106	
Unearned premiums and fees	9,635	
Accrued liabilities and interfund payables	389	
Total liabilities		$ 25,130
Fund Equity:		
Co-participants and City of Stockton		1,649
Total liabilities and fund equity		$ 26,779

The Authority had no long-term debt at June 30, 1988.

Underwriting income	$ 248
Other income	1,312
General & Administrative expenses	(282)
Net Income	$ 1,278

(continued)

Note 17. 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, 1989, those costs totaled $693.

Note 18. Contingent Liability

The City is contingently liable for attorney's fees in defense of the appeal of a voter initiative (Measure C) to the City Charter. Should the City lose, it could expect to pay approximately $200 in attorney's fees. The City does not anticipate losing the suit. In addition, other cases amounting to approximately $600 represent potential contingent liabilities, whereby management believes the potential range of loss to be zero to $400.

Note 19. Subsequent Events

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.

New Enterprise Fund

As of July 1, 1989 the City established a new enterprise fund for the Austin Road and French Camp Landfill Disposal sites. The landfill operations were moved from the Public Works Department Waste Collection and Streets Division in the General Fund to this new Public Works enterprise fund in order to segregate landfill costs and revenues and to ensure that the activity is self-supporting.

New 1915 Act Bonds Issued

On August 9, 1989 Bonds for the Weber Sperry Ranches Assessment District (Series 215) and the North Stockton Interim Sewer Assessment District (Series 216) were issued pursuant to the Improvement Bond Act of 1915, constituting Division 10 of the Streets and Highways Code and the City of Stockton Improvement Procedure Code. The interest rate of the bonds ranged from 6.10% to 7.40% with maturity dates from September 1990 to September 2009. The Weber Sperry Ranches bonds totaled $2,053 and the North Stockton Interim Sewer Improvements totaled $1,076.

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	1989	1988
Cash and temporary investments	$ 9,771	$ 11,069
Receivables:		
Interest	1,091	814
Taxes and special assessments	2,950	1,401
Accounts and others	718	1,732
Allowance for uncollectibles	(400)	(350)
Due from other funds	312	58
Due from other governments	1,709	1,197
Inventory of supplies	491	448
Prepaid expenditures		3
Total assets	$ 16,642	$ 16,372
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$ 721	$ 435
Accrued payroll and fringe benefits	2,290	2,703
Due to other governments	51	61
Other liabilities	18	18
Compensated absences - current	4,483	3,852
Total liabilities	7,563	7,069
Fund balance		
Reserved		
Encumbrance	892	1,087
Other items	282	812
Unreserved		
Designated for administrative contingency	7,905	7,404
Total fund balance	9,079	9,303
Total liabilites and fund balance	$ 16,642	$ 16,372

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--BUDGET (GAAP BASIS) AND ACTUAL
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989			1988		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Taxes:						
Property	$ 13,025	$ 12,761	$ (264)	$ 12,603	$ 12,106	$ (497)
Sales and use	17,955	18,139	184	16,080	17,239	1,159
Utility	10,700	11,541	841	9,400	10,573	1,173
Other	7,355	7,523	168	6,990	7,058	68
Licenses and permits	2,526	1,870	(656)	2,068	2,351	283
Intergovernmental	7,685	8,251	566	7,755	7,621	(134)
Charges for services	7,617	9,517	1,900	7,289	7,741	452
Fines and forfeitures	710	654	(56)	822	733	(89)
Use of money and property	1,963	2,258	295	2,118	2,027	(91)
Miscellaneous	1,772	1,860	88	1,631	1,882	251
Total revenues	71,308	74,374	3,066	66,756	69,331	2,575
Expenditures:						
Current:						
General government:						
Council	263	191	72	235	180	55
City administration	890	877	13	859	817	42
Attorney	1,332	1,467	(135)	871	856	15
Clerk	416	353	63	365	308	57
Personnel	707	702	5	686	552	134
Finance						
Administration	295	310	(15)	250	270	(20)
Accounting	488	445	43	420	413	7
Treasury	253	234	19	236	232	4
Purchasing and Stores	445	445	0	406	400	6
Data Processing	644	618	26	593	554	39
Billing and Collections	81	69	12	70	66	4
Community development						
Administration	395	375	20	289	277	12
Planning	946	821	125	955	558	397
Community Promotions	619	618	1	550	545	5
Other--unclassified	319	172	147	2,121	1,987	134
Total general government	8,093	7,697	396	8,906	8,015	891
Public safety:						
Police						
Administration	2,337	2,396	(59)	1,654	1,652	2
Emergency Services	67	52	15	48	41	7
Field Operations	13,896	13,804	92	13,699	13,286	413
Investigations	1,976	1,865	111	2,116	2,048	68
Juvenile	1,203	1,184	19	1,119	1,099	20
Vice Control	1,543	1,522	21	1,412	1,398	14
Technical Services	2,149	1,913	236	2,030	1,763	267
Telecommunications	2,095	2,018	77	1,975	1,903	72
Animal Pound	240	235	5	223	187	36
Animal Control	273	267	6	272	265	7
Fire						
Administration	1,452	1,724	(272)	768	568	200
Fire Fighting	14,609	14,547	62	14,726	14,252	474
Fire Prevention	835	746	89	721	716	5
Hydrant Maintenance	120	105	15	109	95	14
Training	379	374	5	447	405	42
Dispatch Center	733	720	13	592	552	40
Protective inspection	1,945	1,911	34	1,789	1,761	28
Total public safety	45,852	45,383	469	43,700	41,991	1,709

(Continued)

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--BUDGET (GAAP BASIS) AND ACTUAL, Continued
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989			1988		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Public works:						
Administration	$ 448	$ 448	$ 0	$ 269	$ 331	$ (62)
Engineering	1,249	1,249	0	1,231	1,077	154
Waste collection and streets	3,921	3,870	51	4,194	3,881	313
Traffic	1,605	1,365	240	1,618	1,373	245
General services	2,439	2,251	188	2,618	2,397	221
Solid waste	515	487	28	381	360	21
Total public works	10,177	9,670	507	10,311	9,419	892
Library						
Administration	898	946	(48)	850	815	35
Technical services	1,139	1,119	20	1,178	1,156	22
Public services	3,717	3,619	98	3,222	3,134	88
Parks and Recreation						
Administration	594	648	(54)	430	413	17
Parks	2,828	2,669	159	2,665	2,529	136
Pixie Woods	95	95	0	90	85	5
Street tree maintenance	938	895	43	846	764	82
Swimmin pools	175	161	14	160	139	21
Recreation centers	512	459	53	519	466	53
Metro administration	77	74	3	74	70	4
Metro swimming pool	12	8	4	11	7	4
Metro playground	47	52	(5)	37	31	6
Metro sports	267	267	0	260	252	8
Metro community center	121	113	8	126	95	31
Metro special activities	75	78	(3)	72	72	0
Lincoln recreation	41	37	4	36	30	6
Total current	75,658	73,990	1,668	73,493	69,483	4,010
Capital outlay	201	122	79	163	109	54
Total expenditures	75,859	74,112	1,747	73,656	69,592	4,064
Excess (deficiency) of revenues over expenditures	(4,551)	262	4,813	(6,900)	(261)	6,639
Other financing sources (uses):						
Operating transfers in	1,115	1,115	0	4,538	4,538	0
Operating transfers out	(1,295)	(1,295)	0	(632)	(632)	0
Total other financing sources (uses)	(180)	(180)	0	3,906	3,906	0
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(4,731)	82	4,813	(2,994)	3,645	6,639
Fund balance, beginning of year	9,303	9,303	0	5,940	5,940	0
Residual equity transfers out	(306)	(306)	0	(282)	(282)	0
Fund balance, end of year	$ 4,266	$ 9,079	$ 4,813	$ 2,664	$ 9,303	$ 6,639

The accompanying notes are an integral part of this statement.

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.

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 familes.

CITY OF STOCKTON

ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	Special Grants	Revenue Sharing	Cooperative Library	Gas Tax	Urban Development Grant	Community Development Block Grant	Special Assessments	Loan: Community Development	Loan: FACE Rehabilitation	Loan: Redevelopment Agency	Totals 1989	Totals 1988
Cash and temporary investments	$	$ 6,855	$ 57	$ 6,547	$	$	$ 53	$ 711	$ 100	$ 377	$ 14,700	$ 15,464
Receivables:												
Taxes and special assessments							41				41	15
Accounts and others											0	380
Allowance for uncollectibles							(20)				(20)	(9)
Due from other funds				76							76	741
Due from other governments	61				3	158					222	139
Property held for resale						42					42	
Advances to other funds						100					100	
Advances to property owners								8,551	6	714	9,271	8,501
Total assets	$ 61	$ 6,855	$ 57	$ 6,623	$ 3	$ 300	$ 74	$ 9,262	$ 106	$ 1,091	$ 24,432	$ 25,231
Liabilities and Fund Balances												
Liabilities:												
Accounts payable	$ 5	$	$ 8	$ 79	$	$ 2	$ 6	$ 9	$	$	$ 109	$ 188
Accrued payroll and benefits											0	2
Due to other funds	13	6,239			3	296					6,551	6,610
Due to other governments	18										18	246
Advances from other funds								100			100	
Deposits and other liabilities						2		522			524	317
Total liabilities	36	6,239	8	79	3	300	6	631	0	0	7,302	7,363
Fund balances:												
Reserved												
Encumbrances	25			475							500	1,110
Continuing approriations			49	6,069			58				6,176	6,528
Other items							10				10	
Unreserved												
Designated for loans								8,631	106	1,091	9,828	8,926
Undesignated		616									616	1,304
Total fund balances	25	616	49	6,544	0	0	68	8,631	106	1,091	17,130	17,868
Total liabilities and fund balances	$ 61	$ 6,855	$ 57	$ 6,623	$ 3	$ 300	$ 74	$ 9,262	$ 106	$ 1,091	$ 24,432	$ 25,231

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Coopera-tive Library	Gas Tax	Urban Develop-ment Grant	Community Develop-ment Block Grant	Special Assess-ment	Loan: Community Devel-opment	Loan: FACE Rehabil-itation	Loan: Redevel-opment Agency	Totals 1989	Totals 1988
Revenues:												
Taxes - transportation	$	$	$	$ 79	$	$	$	$	$	$	$ 79	$ 66
Federal grants and subsidies	64			658	11	1,595		298			2,626	2,394
Intergovernmental	178		289	2,546							3,013	3,001
Charges for services							139				139	96
Use of money and property		530		506				171			1,207	1,253
Miscellaneous	3			9	2	1					15	79
Total revenues	245	530	289	3,798	13	1,596	139	469	0	0	7,079	6,889
Expenditures												
Current:												
General government	91							53			144	116
Public works							106				106	87
Library	178		280								458	409
Capital outlay:												
Public works				3,173	14	1,361					4,548	4,957
Total expenditures	269	0	280	3,173	14	1,361	106	53	0	0	5,256	5,569
Excess (deficiency) of revenues over expenditures	(24)	530	9	625	(1)	235	33	416	0	0	1,823	1,320
Other financing sources (uses)												
Operating transfers in	37	661		80		705		939		251	2,673	1,492
Operating transfers out		(1,879)		(1,711)		(940)		(704)			(5,234)	(4,407)
Total other financing sources (uses)	37	(1,218)	0	(1,631)	0	(235)	0	235	0	251	(2,561)	(2,915)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	13	(688)	9	(1,006)	(1)	0	33	651	0	251	(738)	(1,595)
Fund balances, beginning of year	12	1,304	40	7,550	1		35	7,980	106	840	17,868	19,463
Fund balances, end of year	$ 25	$ 616	$ 49	$ 6,544	$ 0	$ 0	$ 68	$ 8,631	$ 106	$ 1,091	$ 17,130	17,868

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, 1989
(With comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	1989	1988
Cash and temporary investments	$ 7,024	$ 5,775
Cash with fiscal agent	78	158
Special assessment receivables	1,352	496
Due from other governments		4
Total assets	$ 8,454	$ 6,433
Liabilities and Fund Balances		
Liabilities:		
Matured bonds and interest payable	$ 78	$ 158
Deferred revenue	1,352	496
Total liabilities	1,430	654
Fund balances:		
Reserved		
Debt service	1,024	1,066
Unreserved		
Designated for debt service	6,000	4,713
Total fund balance	7,024	5,779
Total liabilities and fund balances	$ 8,454	$ 6,433

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Revenues:		
Taxes	$ 6,687	$ 5,135
Use of money and property	132	197
Miscellaneous	73	70
Total revenues	6,892	5,402
Expenditures:		
Debt service:		
Principal retirement	2,429	2,276
Interest and fiscal charges	3,671	3,047
Total expenditures	6,100	5,323
Excess of revenues over expenditures	792	79
Other financing sources (uses):		
Operating transfers in	3,628	4,373
Operating transfers out	(394)	(150)
Payment to refunded bond escrow agent	(2,781)	(4,157)
Total other financing sources (uses)	453	66
Excess (deficiency) of financing sources over expenditures and other financing uses	1,245	145
Fund balance, beginning of year	5,779	5,634
Fund balance, end of year	$ 7,024	$ 5,779

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.

Public Facilities Impact Fee

To account for the collection and expenditure of fees imposed as a condition of new development within the City. Fees are collected for the purpose of financing acquisition, construction, and improvement of Public facilities needed as a result of new development. A separate fund has been established to account for the impact of development on each of the following types of public facilities:

Traffic Signal
Street Improvement
Community Recreation Center
City Office Space
Fire Station
Library
Police Station
Parkland, Street Tree, & Street Sign
Public Facilities Fee Administration

Mello-Roos Construction

To account for the acquisition, construction, and repair of facilities in various Mello-Roos districts; financed by property owners through the issuance of special tax bonds, as provided in the 1982 Mello-Roos Community Facilities Act.

CITY OF STOCKTON

ALL CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	Capital Improvement	Redevelopment	Impact Fee Fund: Traffic Signal	Impact Fee Fund: Street Improvement	Impact Fee Fund: Community Recreation Center	Impact Fee Fund: City Office Space	Impact Fee Fund: Fire Station	Impact Fee Fund: Library	Impact Fee Fund: Police Station	Impact Fee Fund: Park Land Street Tree/Sign	Impact Fee Fund: Public Facility Administration	1915 Act Assessment Districts	Mello-Roos Construction	Totals 1989	Totals 1988
Cash and temporary investments	$ 7,697	$ 3,006	$ 207	$ 958	$ 53	$ 48	$ 51	$ 188	$ 195	$ 318	$ 35	$ 5,346	$ 24,116	$ 42,218	$ 19,931
Interest receivable												22	143	165	3
Taxes and special assessments receivables		148												148	
Accounts and other receivables	61	4												65	293
Due from other funds	5,619	253										21		5,893	5,810
Due from other governments	225													225	522
Deposits		54												54	59
Advances to other funds	2,289													2,289	1,453
Total assets	$ 15,891	$ 3,465	$ 207	$ 958	$ 53	$ 48	$ 51	$ 188	$ 195	$ 318	$ 35	$ 5,389	$ 24,259	$ 51,057	$ 28,071
Liabilities and Fund Balances															
Liabilities:															
Cash overdraft	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$ 2,699
Accounts payable	86	29										498	61	674	474
Deposits		3											0	3	3
Matured bonds and interest payable		3												3	3
Advances from other funds											126			126	
Total liabilities	86	35	0	0	0	0	0	0	0	0	126	498	61	806	3,179
Fund balances:															
Reserved															
Encumbrances	673	592		51							34	1,114		2,464	5,677
Continuing appropriations	12,843	2,784	207	855	53	48	51	188	195	318	(125)	3,777	24,198	45,392	17,703
Other items		54												54	59
Advances to other governments	2,289													2,289	1,453
Loans				52										52	
Total fund balances	15,805	3,430	207	958	53	48	51	188	195	318	(91)	4,891	24,198	50,251	24,892
Total liabilities and fund balances	$ 15,891	$ 3,465	$ 207	$ 958	$ 53	$ 48	$ 51	$ 188	$ 195	$ 318	$ 35	$ 5,389	$ 24,259	$ 51,057	$ 28,071

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL CAPITAL PROJECT FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Capital Improvement	Redevelopment	Impact Fee Fund: Traffic Signal	Impact Fee Fund: Street Improvement	Impact Fee Fund: Community Recreation Center	Impact Fee Fund: City Office Space	Impact Fee Fund: Fire Station	Impact Fee Fund: Library	Impact Fee Fund: Police Station	Impact Fee Fund: Park Land Street Tree/Sign	Impact Fee Fund: Public Facility Administration	1915 Act Assessment Districts	Mello-Roos Construction	Totals 1989	Totals 1988
Revenues:															
Taxes:															
Property	$	$ 1,054	$	$	$	$	$	$	$	$	$	$	$	$ 1,054	$ 954
Amusement	19													19	23
Intergovernmental	365													365	150
Charges for services	1,110	13	203	1,051	52	47	50	184	191	309	38			3,248	1,155
Use of money and property	578	251	4	19	1	1	1	4	4	9		471	387	1,730	641
Miscellaneous	241	120												361	258
Total revenues	2,313	1,438	207	1,070	53	48	51	188	195	318	38	471	387	6,777	3,181
Expenditures:															
Capital outlay:															
General government	169	129									129			427	364
Public safety	216													216	562
Public works	951	1,173		112								8,939	679	11,854	6,358
Sanitation and waste removal	602													602	246
Library	12													12	102
Parks and recreation	291													291	843
Total expenditures	2,241	1,302	0	112	0	0	0	0	0	0	129	8,939	679	13,402	8,475
Excess (deficiency) of revenues over expenditures	72	136	207	958	53	48	51	188	195	318	(91)	(8,468)	(292)	(6,625)	(5,294)
Other financing sources (uses):															
Operating transfers in	2,629											394		3,023	2,135
Operating transfers out	(170)	(251)										(3,489)		(3,910)	(8,123)
Proceeds of special assessment bonds												5,180	24,490	29,670	11,476
Proceeds of refunding bonds												2,415		2,415	4,206
Advance from Capital Improvement Fund		711												711	687
Total other financing sources (uses)	2,459	460	0	0	0	0	0	0	0	0	0	4,500	24,490	31,909	10,381
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,531	596	207	958	53	48	51	188	195	318	(91)	(3,968)	24,198	25,284	5,087
Fund balances, beginning of year	13,199	2,834										8,859		24,892	19,805
Residual equity transfers in	75													75	
Fund balances, end of year	$ 15,805	$ 3,430	$ 207	$ 958	$ 53	$ 48	$ 51	$ 188	$ 195	$ 318	$ (91)	$ 4,891	$ 24,198	$ 50,251	$ 24,892

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 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.

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.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET
June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Audi-torium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Current assets:										
Cash and temporary investments	$ 1,366	$ 12,144	$ 8,294	$ 100	$ 431	$ 77	$ 148	$ 474	$ 23,034	$ 17,008
Cash with fiscal agent	3	5	13						21	62
Interest receivable								11	11	34
Taxes and assessments receivable	168								168	116
Accounts and other receivable	58	540	2,300		12	1	1		2,912	2,507
Loans and mortgages receivable								73	73	74
Allowance for estimated uncollectible accounts	(42)	(13)	(149)						(204)	(159)
Due from other funds			270						270	
Due from other governments		11	59						70	
Inventory of supplies			821				1		822	796
Prepaid expenses	2								2	2
Total current assets	1,555	12,687	11,608	100	443	78	150	558	27,179	20,440
Restricted assets:										
Cash and temporary investments	10,044								10,044	14,160
Cash with fiscal agents		3,258							3,258	9,452
Interest receivable	120	24							144	192
Deposits	424		146						570	
Total restricted assets	10,588	3,282	146	0	0	0	0	0	14,016	23,804
Non-current assets:										
Loans and mortgages receivable								4,270	4,270	5,280
Due from other governments			416						416	1,209
Total non-current assets	0	0	416	0	0	0	0	4,270	4,686	6,489
Property, plant and equipment:										
Land	3,413	126	746		360	119	3		4,767	4,575
Buildings and improvements	2,229	23,549	80,575		2,656	1,733	804		111,546	107,406
Machinery and equipment	51	2,569	4,240		88	90	17		7,055	7,017
Construction in progress	7,196	7,709	291		2				15,198	6,789
	12,889	33,953	85,852	0	3,106	1,942	824	0	138,566	125,787
Accumulated depreciation	(962)	(5,574)	(23,840)		(2,258)	(1,647)	(535)		(34,816)	(32,260)
Net property, plant and equipment	11,927	28,379	62,012	0	848	295	289	0	103,750	93,527
Deferred charges	443	451							894	775
Total assets	$ 24,513	$ 44,799	$ 74,182	$ 100	$ 1,291	$ 373	$ 439	$ 4,828	$ 150,525	$ 145,035

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING BALANCE SHEET, Continued
June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Liabilities and Fund Equity	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Auditorium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Liabilities:										
Current liabilities										
Accounts payable	$ 16	$ 138	$ 213	$ 4	$ 9	$ 2	$ 18	$	$ 400	$ 375
Accrued payroll and fringe benefits									0	25
Customer and other deposits		493	1					154	648	649
Matured bonds and interest payable	3	5	13						21	62
Deferred revenue				23					23	
Current portion of long-term debt	130	139	886		62		26	410	1,653	2,677
Accrued compensated absences		67	399		49	30	9		554	492
Total current liabilities	149	842	1,512	27	120	32	53	564	3,299	4,280
Current liabilities (payable from restricted assets):										
Accounts payable	790								790	204
Accrued interest	427								427	427
Deferred revenue			146						146	
Current portion of long-term debt		125							125	
Total current liabilities (payable from restricted assets)	1,217	125	146	0	0	0	0	0	1,488	631
Long-term debt (less current portion)										
Compensated absences		66			55	29	1		151	152
Advances from municipality			740						740	1,450
Advances from other governments		1,395							1,395	1,412
Certificates of participation		10,886							10,886	11,011
Corporation bonds payable					376		156		532	620
Lease obligation									0	1
Water extension agreements		77							77	77
Accrued interest								1,117	1,117	884
Bonds and other long-term debt	18,748	1,355	3,145					2,509	25,757	27,254
Total long-term debt	18,748	13,779	3,885	0	431	29	157	3,626	40,655	42,861
Total liabilities	20,114	14,746	5,543	27	551	61	210	4,190	45,442	47,772

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS

COMBINING BALANCE SHEET, Continued

June 30, 1989

(with comparative totals for June 30, 1988)

(Dollar amounts in thousands)

Liabilities and Fund Equity	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Audi-torium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Fund equity:										
Contributed capital	$	$ 14,900	$ 62,480	$	$ 307	$ 348	$ 204	$	$ 78,239	$ 74,237
Retained earnings										
Reserved	1,440								1,440	1,408
Unreserved	2,959	15,153	6,159	73	433	(36)	25	638	25,404	21,618
Total fund equity	4,399	30,053	68,639	73	740	312	229	638	105,083	97,263
Total liabilities and fund equity	$ 24,513	$ 44,799	$ 74,182	$ 100	$ 1,291	$ 373	$ 439	$ 4,828	$ 150,525	$ 145,035

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, 1989)
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf	Civic Audi-torium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Operating revenues:										
Charges for services	$ 1,596	$ 4,155	$ 14,511	$ 111	$ 1,365	$ 209	$ 279	$	$ 22,226	$ 20,171
Connection fees									0	2,417
Loans and mortgage interest								563	563	746
Investment earnings								83	83	132
Miscellaneous	3	2	374		4		10		393	276
Total operating revenue	1,599	4,157	14,885	111	1,369	209	289	646	23,265	23,742
Operating expenses:										
Purchased water		545							545	188
Interest and fiscal charges								522	522	844
Operation and maintenance	590	1,060	9,013	64	1,179	401	286		12,593	12,479
General and administrative	38	1,668	2,167	36				18	3,927	3,684
Depreciation and amortization	59	546	1,829		56	43	47	28	2,608	2,468
Total operating expenses	687	3,819	13,009	100	1,235	444	333	568	20,195	19,663
Operating income (loss)	912	338	1,876	11	134	(235)	(44)	78	3,070	4,079
Nonoperating revenues (expenses):										
Investment earnings	90	800	452		6				1,348	958
Gain (loss) from disposal of property		2			1				3	19
Interest expense and fiscal charges	(163)	(179)	(336)		(30)		(12)		(720)	(774)
Other non-operating revenues (expenses)	10	13	(291)						(268)	(457)
Total nonoperating revenues (expenses)	(63)	636	(175)	0	(23)	0	(12)	0	363	(254)
Net income (loss) before operating transfers	849	974	1,701	11	111	(235)	(56)	78	3,433	3,825
Operating transfers in	98		270	8		171	17		564	461
Operating transfers out			(170)						(170)	(25)
Net income (loss) before extraordinary loss	947	974	1,801	19	111	(64)	(39)	78	3,827	4,261
Extraordinary loss								(9)	(9)	(41)
Net income (loss)	947	974	1,801	19	111	(64)	(39)	69	3,818	4,220
Retained earnings beginning of year	3,452	14,179	4,358	54	322	28	64	569	23,026	18,806
Retained earnings end of year	$ 4,399	$ 15,153	$ 6,159	$ 73	$ 433	$ (36)	$ 25	$ 638	$ 26,844	$ 23,026

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf Courses	Civic Auditorium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Sources of working capital:										
Operations										
Net income (loss) before extraordinary gain (loss)	$ 947	$ 974	$ 1,801	$ 19	$ 111	$ (64)	$ (39)	$ 78	$ 3,827	$ 4,261
Items not requiring (providing) working capital:										
Depreciation	59	541	1,829		56	43	47		2,575	2,462
Amortization of bond discount	33	5						28	66	12
Loss (gain) from disposal of property		(2)			(1)				(3)	83
Working capital provided by operations before extraordinary gain (loss)	1,039	1,518	3,630	19	166	(21)	8	106	6,465	6,818
Extraordinary gain (loss)								(9)	(9)	(41)
Working capital provided by operations and extraordinary gain (loss)	1,039	1,518	3,630	19	166	(21)	8	97	6,456	6,777
Capital contribution		1,127	3,162						4,289	2,821
Reduction of due from other governments			793						793	
Reduction of long-term portion of mortgages receivable								1,010	1,010	1,928
Proceeds from sale of property		2							2	225
Increase (decrease) in compensated absences		5	(5)		9	(11)	1		(1)	35
Total sources of working capital	1,039	2,652	7,580	19	175	(32)	9	1,107	12,549	11,786
Uses of working capital:										
Decrease in long-term debt	130	246	886		62		26	888	2,238	2,248
Additions to property, plant and equipment	5,143	5,940	1,801		42	1			12,927	7,958
Residual equity transfer out		100	162		16	4			282	
Other		28							28	240
Total uses of working capital	5,273	6,314	2,849	0	120	5	26	888	15,475	10,446
Net increase (decrease) in working capital	$ (4,234)	$ (3,662)	$ 4,731	$ 19	$ 55	$ (37)	$ (17)	$ 219	$ (2,926)	$ 1,340

(Continued)

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

ALL ENTERPRISE FUNDS
COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION, Continued
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	Central Parking District	Water Utility	Sewer Utility	Silver Lake	Golf Courses	Civic Audi-torium	Ice Arena	Stockton Vacaville Home Financing	Totals 1989	Totals 1988
Elements of net increase (decrease) in working capital:										
Cash and temporary investments	$ (4,001)	$ 2,652	$ 4,064	$ 46	$ 80	$ (24)	$ (2)	$ (907)	$ 1,908	$ 794
Cash with fiscal agent	(11)	(6,195)	(29)						(6,235)	(1,373)
Interest receivable	60	(107)						(23)	(70)	(361)
Taxes and assessment receivable	124								124	
Accounts and other receivable	(26)	105	223		(8)	(2)	(2)	(1)	289	601
Due from other funds			270						270	
Due from other governments		11	59						70	
Inventory of supplies			26						26	66
Prepaid expense	(1)								(1)	(4)
Restricted assets - deposits	424		145						569	
Accounts payable	(804)	87	122	(3)	(3)	3	(11)		(609)	200
Deposits		(69)							(69)	(192)
Matured bonds and interest payable	11	1	29						41	740
Current portion of long-term debt	(10)	(131)	(35)		(4)		(1)	1,080	899	823
Accrued payroll and compensated absences		(16)	2		(10)	(14)	(1)		(39)	46
Other liabilities/deferred revenue			(145)	(24)				70	(99)	
Net increase (decrease) in working capital	$ (4,234)	$ (3,662)	$ 4,731	$ 19	$ 55	$ (37)	$ (17)	$ 219	$ (2,926)	$ 1,340

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Current assets:		
Cash and temporary investments	$ 11,119	$ 11,013
Accounts and other receivables	122	88
Allowance for uncollectibles	(17)	(13)
Due from other governments	14	
Total current assets	11,238	11,088
Property, plant and equipment		
Improvements other than buildings	24	24
Machinery and equipment	18,214	16,326
	18,238	16,350
Accumulated depreciation	(10,750)	(9,674)
Net property, plant and equipment	7,488	6,676
Deferred charges	480	441
Total assets	$ 19,206	$ 18,205
Liabilities and Fund Equity		
Liabilities:		
Current liabilities:		
Accounts payable	$ 159	$ 733
Accrued payroll and fringe benefits		5
Lease obligation - current portion	3,421	2,165
Accrued compensated absences	101	98
Total current liabilities	3,681	3,001
Long-term debt (less current portion):		
Lease obligation	37	58
Self-insurance claims and judgments	8,120	6,652
Compensated absences	25	1
Total long-term debt	8,182	6,711
Total liabilities	11,863	9,712
Fund equity:		
Contributed capital	9,967	9,253
Retained earnings (deficit)		
Unreserved	(2,624)	(760)
Total fund equity	7,343	8,493
Total liabilities and fund equity	$ 19,206	$ 18,205

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 years ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Operating revenues:		
Charges for services	$ 13,681	$ 12,543
Miscellaneous	16	2
Total operating revenues	13,697	12,545
Operating expenses:		
Operation and maintenance	12,739	11,935
General and administrative	1,605	1,332
Depreciation	1,654	1,638
Total operating expenses	15,998	14,905
Operating income (loss)	(2,301)	(2,360)
Nonoperating revenues (expenses)		
Investment earnings	71	57
Gain (loss) from disposal of property	58	41
Interest expense and fiscal charges	(2)	(8)
Other nonoperating revenues (expenses)	310	226
Total nonoperating revenue(expenses)	437	316
Net income (loss)	(1,864)	(2,044)
Retained earnings (deficit), beginning of year	(760)	1,284
Retained earnings (deficit), end of year	$ (2,624)	$ (760)

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 years ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Sources of working capital		
Operations:		
Net income (loss)	$ (1,864)	$ (2,044)
Items not requiring (providing) working capital:		
Depreciation	1,654	1,638
Loss (gain) from disposal of property	(58)	(41)
Working capital provided by operations	(268)	(447)
Capital contributions	200	242
Proceeds from sale of property	77	54
Increase (decrease) in compensated absences	24	(4)
Residual equity transfers in	513	500
Total sources of working capital	546	345
Increase (decrease) in long-term debt	(1,446)	22
Additions to property and equipment	2,485	2,157
Increase (decrease) in deposits	38	(585)
Total uses of working capital	1,077	1,594
working capital	$ (531)	$ (1,249)
Elements of net increase (decrease) in working capital:		
Cash and temporary investments	$ 106	$ (112)
Accounts and other receivables	30	25
Due from other governments	14	
Accounts payable	575	375
Current portion of long-term debt	(1,257)	(1,544)
Accrued payroll and compensated absences	1	7
Net increase (decrease) in working capital	$ (531)	$ (1,249)

The accompanying notes are an integral part of this statement.

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 Fund:

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, 1989
(With comparative totals for June 30, 1988)
(Dollar amounts in thousands)

Assets	Agency Funds			Expendable Trust Fund	Nonexpend-able Trust Fund	Totals	
	City As Agent	Deferred Compen-sation plan	Holiday Park	Miscel-laneous	Misce-laneous	1989	1988
Cash and temporary investments	$ 3,302	$ 28,948	$ 62	$ 64	$ 47	$ 32,423	$ 27,703
Receivables:							
Taxes and special assessments			12			12	3
Accounts and other	68					68	3
Long-term investments					31	31	31
Total assets	$ 3,370	$ 28,948	$ 74	$ 64	$ 78	$ 32,534	$ 27,740
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	$ 19	$	$	$	$	$ 19	$ 70
Due to other governments	421					421	342
Deposits and other liabilities	2,930	28,948	74			31,952	27,189
Total liabilities	3,370	28,948	74			32,392	27,601
Fund balances:							
Reserved							
Endowment				64	78	142	139
Total fund balances				64	78	142	139
Total liabilities and fund balances	$ 3,370	$ 28,948	$ 74	$ 64	$ 78	$ 32,534	$ 27,740

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Revenues:		
Use of money and property	$ 7	$ 2
Miscellaneous	10	11
Total revenues	17	13
Expenditures:		
Current:		
Library/education	15	18
Total expenditures	15	18
Excess (deficiency) of revenues over expenditures	2	(5)
Fund balances, beginning of year	62	67
Fund balances, end of year	$ 64	$ 62

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

MISCELLANEOUS NONEXPENDABLE TRUST FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Operating revenues:		
Miscellaneous	$ 1	$ 5
Total operating revenues	1	5
Operating income	1	5
Net income	1	5
Retained earnings,beginning of year	77	72
Retained earnings, end of year	$ 78	$ 77

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

MISCELLANEOUS NONEXPENDABLE TRUST FUND
COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Sources of working capital:		
Operations:		
Net income (loss)	$ 1	$ 5
Proceeds from matured investments		1
Total sources of working capital	1	6
Net increase in working capital	$ 1	$ 6
Elements of net increase (decrease) in working capital:		
Cash and temporary investments	$ 1	$ 6

The accompanying notes are an integral part of this statement.

CITY OF STOCKTON

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
for the year ended June 30, 1989
(Dollar amounts in thousands)

	City as Agent				Deferred Compensation Plan			
	Balance 07-01-88	Additions	Deductions	Balance 06-30-89	Balance 07-01-88	Additions	Deductions	Balance 06-30-89
Assets								
Cash and temporary investments	$ 2,891	$ 15,004	$ 14,593	$ 3,302	$ 24,652	$ 5,479	$ 1,183	$ 28,948
Receivables:								
Accounts and other	3	105	40	68				
Total assets	$ 2,894	$ 15,109	$ 14,633	$ 3,370	$ 24,652	$ 5,479	$ 1,183	$ 28,948
Liabilities								
Accounts payable	$ 69	$ 20	$ 70	$ 19	$	$	$	$
Due from other governments	342	8,928	8,849	421				
Deposits and other	2,483	6,161	5,714	2,930	24,652	5,479	1,183	28,948
Total liabilities	$ 2,894	$ 15,109	$ 14,633	$ 3,370	$ 24,652	$ 5,479	$ 1,183	$ 28,948

	Holiday Park				Total Agency Funds			
	Balance 07-01-88	Additions	Deductions	Balance 06-30-89	Balance 07-01-88	Additions	Deductions	Balance 06-30-89
Assets								
Cash and temporary investments	$ 51	$ 46	$ 35	$ 62	$ 27,594	$ 20,529	$ 15,811	$ 32,312
Receivables:								
Taxes and special assessments	4	73	65	12	4	73	65	12
Accounts and other					3	105	40	68
Total assets	$ 55	$ 119	$ 100	$ 74	$ 27,601	$ 20,707	$ 15,916	$ 32,392
Liabilities								
Accounts payable	$	$	$	$	$ 69	$ 20	$ 70	$ 19
Due from other governments					342	8,928	8,849	421
Deposits and other liabilities	55	119	100	74	27,190	11,759	6,997	31,952
Total liabilities	$ 55	$ 119	$ 100	$ 74	$ 27,601	$ 20,707	$ 15,916	$ 32,392

The accompanying notes are an integral part of this statement.

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, 1989

(With comparative totals for June 30, 1988)

(Dollar amounts in thousands)

	1989	1988
General fixed assets:		
Land	$ 5,992	$ 6,031
Buildings and improvements	35,144	34,627
Equipment	1,721	1,608
Construction in progress	5,121	4,416
Total	$ 47,978	$ 46,682
Investment in general fixed assets:		
From governmental fund types	$ 47,374	$ 46,078
From other sources	604	604
Total	$ 47,978	$ 46,682

The accompanying notes are integral part of this statement.

CITY OF STOCKTON

SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION

June 30, 1989

(Dollar amounts in thousands)

	Total	Land	Buildings and Improvements	Equipment
General government	$ 2,312	$ 227	$ 1,979	$ 106
Public safety	6,684	842	5,047	795
Public works	8,739	535	7,971	233
Libraries	5,226	525	4,585	116
Parks and recreation	18,473	3,019	15,271	183
Other property	1,423	844	291	288
Construction in progress	5,121		5,121	
Total	$ 47,978	$ 5,992	$ 40,265	$ 1,721

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, 1989

(Dollar amounts in thousands)

	Balance 07-01-88	Additions	Deletions	Transfers In	Transfers Out	Balance 06-30-89
General government	$ 2,307	$ 8	$	$	$ 3	$ 2,312
Public safety	6,652	93	1		60	6,684
Public works	8,461	278				8,739
Libraries	5,227	10	11			5,226
Parks and recreation	18,214	249		11	1	18,473
Other property	1,405	2	47	71	8	1,423
Construction in progress	4,416	5,121	4,416			5,121
Total	$ 46,682	$ 5,761	$ 4,475	$ 82	$ 72	$ 47,978

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, 1989
(with comparative totals for June 30, 1988)
(Dollar amounts in thousands)

	1989	1988
Amounts available in Debt Service and Capital Project Funds for the retirement of general long-term debt		
1915 Act special assessment bonds	$ 8,562	$ 5,779
Mello-Roos special tax rev. bonds	3,176	
Amount to be provided for the retirement of general long-term debt		
1915 Act special assessment bonds	41,661	41,688
Mello-Roos special tax rev. bonds	21,314	
General obligation bonds	625	735
Compensated absences	5,696	5,634
Advance - Redevelopment Agency	2,163	1,453
Total	$ 83,197	$ 55,289
General Long-term Debt		
General obligation bonds:		
1968 Police facility bonds	$ 625	$ 735
1915 Act special assessment bonds	50,223	47,467
Compensated absences	5,696	5,634
Advance payable to Capital Improvement Fund	2,163	1,453
Mello-Roos special tax revenue bonds	24,490	
Total	$ 83,197	$ 55,289

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	Capital Outlay	Debt Service
1979-80	$71,406	$24,286	$20,693	$5,569	$2,792	$3,857	$12,793	$1,416
1980-81	75,006	23,925	23,749	6,004	3,153	4,448	12,298	1,429
1981-82	68,757	14,647	26,644	6,895	3,533	4,841	11,692	505
1982-83	69,102	10,344	28,378	7,302	3,494	5,134	13,874	576
1983-84	67,419	9,442	30,089	7,587	3,947	5,398	10,808	148
1984-85	72,461	6,588	33,693	8,074	4,359	5,876	13,720	151
1985-86	78,367	7,546	38,361	8,470	4,845	6,330	12,667	148
1986-87	81,525	8,468	41,359	8,507	4,902	4,817	13,302	170
1987-88	88,959	8,131	41,991	9,506	5,514	4,953	13,541	5,323
1988-89	98,870	7,841	45,383	9,776	6,142	5,556	18,072	6,100

(1) Government Fund Type (General, Special Revenue, Debt Service, Capital Projects) expenditures start from fiscal year 1979-80 to current fiscal year. Excludes Expendable Trusts.

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
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	84,803	53,154	2,351	733	4,118	13,166	8,992	2,289
1988-89	95,122	57,803	1,870	654	5,327	14,255	12,904	2,309

(1) Governmental Fund Type (General, Special, Capital Projects, Debt Service Funds) revenues start from fiscal year 1979-80 to current fiscal year. Excludes Expendable Trusts

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)
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
1988-89	12,761	18,139	1,150	2,425	290	11,541	6,555	461	19	3,656	56,997

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

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
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	101.9	960	9.0
1988-89	10,849	10,307	95.0	338	10,645	98.3	2,141	19.7

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
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
1988-89	5,035,095	4,721	14,091	619,707	5,673,614	613,203	5,060,411

Fiscal Year	Land	Improvements	Personal Property	Total	Less Exemptions	Net Assessed Value
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
1988-89	1,381,723	3,658,708	633,184	5,673,614	613,203	5,060,411

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) (2)	All Other	Total
1979-80	$1.0000	$0.0286	$0.1383	$.0030	$1.1699
1980-81	1.0000	0.0278	0.1467	.0025	1.1770
1981-82	1.0000	0.0094	0.1113	.0023	1.1230
1982-83	1.0000	0.0102	0.1019	.0021	1.1142
1983-84	1.0000	0.0039	0.0907	-	1.0946
1984-85	1.0000	0.0042	0.0329	-	1.0371
1985-86	1.0000	0.0039	0.0295	-	1.0334
1986-87	1.0000	0.0038	0.0181	-	1.0219
1987-88	1.0000	0.0036	0.0162	-	1.0198
1988-89	1.0000	0.0954	0.0135	-	1.1089

(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 BILLINGS AND 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
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
1988-89	6,773	5,639	83.3	2,011

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
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
1988-89	192,312 S	1,418,404	2,075	1,450	625	0.04	3.24

(1) - 25% of Full Cash Value
S - Population Estimate

1980 Federal Census Population - 149,779

SOURCE: State Controller's Office

CITY OF STOCKTON

COMPUTATION OF DIRECT AND OVERLAPPING GENERAL BONDED DEBT
JUNE 30, 1989

	Total G.O. Bond Debt	Percent Applicable	City's Share of Debt
City of Stockton	$ 2,075,000		
Stockton Unified School District	3,075,000	83.970	$ 2,582,077
Lodi Unified School District	6,975,000	21.660	1,510,785
Other School Districts	60,000	00.001	60
Total	$ 12,185,000		$ 6,167,922

DEBT RATIOS
JUNE 30, 1989

Ratio of Direct Overlapping Debt to Assessed Full Cash Values	0.11%
Direct and Overlapping Debt Per Capita	$ 32
Taxable Assessed Full Cash Values Per Capita	$ 28,999

COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 1989

Assessed Full Cash Value as of June 30, 1989 (1)	$5,576,899,994
Debt Limit - 15 Percent of Assessed Full Cash Value (2)	$ 836,534,999
Amount of Debt Applicable to Debt Limit	2,075,000
LEGAL DEBT MARGIN	$ 834,459,999
Percent of Charter Debt Limit Authorized	0.25%

(1) Assessed Value before exemptions applicable to 1988-89
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
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	69,592	0.20
1988-89	105	34	139	74,112	0.19

(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 (2)
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
1988-89	53.90	192,312	1.6	460,300	41.8	13

1980 Federal Census Population - City - 149,779

1980 Federal Census Population - County - 347,342

(1) SOURCE: State Controller's Office

(2) SOURCE: State Department of Finance, Demographic Research Unit

CITY OF STOCKTON

CONSTRUCTION ACTIVITY AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Fiscal Year	Number of Building Permits Issued	Percent Change	Estimated Valuation (In Thousands)	Percent Change	Deposits - Banks Savings & Loans Credit Unions (In Thousands)
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	4,650,329
1988-89	4,298	8.1	193,330	(3.2)	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, 1989

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 & Telegraph	Utility
Grupe Company	Rental Properties
Stone Brothers	Rental Properties

SOURCE: San Joaquin County Assessor, Auditor/Controller

CITY OF STOCKTON

SURETY BONDS OF PRINCIPAL OFFICIALS
JUNE 30, 1989

	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	350,000
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, 1989

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 6-30-89	Excess Auto-Comp. General Liability, Errors and Omissions Liab. & Excess Non-Owned Aircraft Liab.	$9,000,000 XS SIR	$1,000,000 SIR	$626,409*
Worker's Comp Excess	National Union	429 5024	7-1-88 to 7-1-89	Covers Worker's Comp claims in excess of self-insured retention	$9,750,000	$250,000 SIR	$97,803
Property Coverage Including Library Comprehensive Business Policy	C N A	PR0007-41-07-46	7-1-88 to 6-30-89	Fire, Extended Coverage and Vandalism, Property, Library and contents, Agriculture Equipment. Also includes coverage for Fire, Riot, Explosion, Civil Commotion and Vandalism at eight (8) scheduled locations.	Property; Contractors/ Equip. & Radio Equip; Misc. Property; Computer Equip; Exhibition Floater; Vehicle Fleet XS; $110,000,000.	$25,000	$ 42,411
Boiler & Machinery Insurance	American Manufacturers	3XN02237000	4-1-89 to 4-1-90	Boilers; Compressed Air Storage Tanks	$10,000,000	$100,000	$ 5,003
Liability - Owned Non-owned Pools	Western World	GLP046115	5-15-89 to 9-15-89	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	5-1-89 to 5-1-90	Comprehensive General - Bodily Injury Liability Property Damage Liability	$500,000 Each Occurrence	$500 (Per Occurrence)	$ 7,367 Deposit

(Continued)

CITY OF STOCKTON
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1989
(Continued)

Type of Coverage	Company	Policy No.	Period	Details of Coverage	Limits	Deductible	Premium
Finance Director Bond	Reliance United Pacific	U687298	7-8-88 to 7-8-89	Bond	$100,000	-0-	$ 1,148
Employees Blanket Bond	Continental Insurance	BND192-77-36 BND192-77-35	9-22-87 to 9-22-90	Employee Dishonesty Forgery, FP, Theft, & Disappearance	$250,000 $65,000 inside premises $25,000 outside premises	$ 10,000 $ 2,500	$ 5,931 $ 3,714
Public Official Bond	Continental Insurance	2254384	12-31-88 to 12-31-89	Faithful Performance by Councilmembers	$5,000	- 0 -	$ 900
Medical Coverage (Cost Plus includes prescription coverage)	Blue Cross (Police only)	GRP 15656 A	8-1-88 to 8-1-89	Medical Care Services	Various	$100-Major Medical $1.00 per prescription	$266.30
Medical Coverage (includes major medical & prescription)	City of Stockton	N/A	5-1-88 (continuing)	Medical Care Services	Various	$100-Major Medical $1.00 per prescription	Varies by Employee Group
Medical Coverage	Operating Engineers	3306-25-101-0	8-1-88 to 8-1-89	Medical Care Services Dental Care Services Optical Care Services	Various	-0-	$258.30
Dental Coverage (White & Blue Collar)	Delta Dental Service	Self-funded	10-1-88 to 10-1-89	Dental Care Services	80% of Basic Services 50% of Prosthodontic Services $1,000 Maximum Per Person Per Year. $1,000 lifetime max. to Orthodontic care.	-0-	Varies by Employee Group

(Continued)

CITY OF STOCKTON
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1989
(Continued)

Type of Coverage	Company	Policy No.	Period	Details of Coverage	Limits	Deductible	Premium
Dental Coverage	Health Benefits Inc.	Contract	7-1-88 to 6-30-89	Dental Care Services	Varied Coverages with Co-Payment Including Orthodontic	Co-payment	Varies by Employee Group
Vision Care	Vision Service Plan	492-000	1-1-89 to 1-1-90	Vision Care Services	Vision Exam Every 12 months Lenses Every 12 months Frames Every 24 months	$7.50 Per Family Member	$9.70
X.I.P. Travel AD&D	American Home	GTP899 73-81	1-24-89 to 1-24-90	Coverage for Accidental Death and Dismemberment While on City Business Inc. Travel Within City Limits - Commute	$200,000 Per Employee $600,000 Aggregate	-0-	$ 1,946
Accident Travel AD&D	American Home	GTP899 75-68	3-5-89 to 3-5-90	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-	$ 732
Life, Long-Term Disability	Standard	336920	11-1-88 to 11-1-89	Life Insurance, Accidental Death and Dismemberment & Long Term Disability	Various	Various	Exceeds $20,000 Monthly
Health Coverage Stop Loss	Standard	001-604368	5-1-89 to 5-1-90	Provides specific stop-loss for self-funded group benefits.	$300,000	$100,000	$9.83/ month/ employee
Health Coverage Stop Loss	Blue Cross	15656D	9-1-88 to 9-1-89	Provides specific stop-loss for self-funded group benefits for members of the S.P.O.A.	$300,000	$ 50,000	$16.10/ month/ employee

(Continued)

CITY OF STOCKTON
SCHEDULE OF INSURANCE IN FORCE
JUNE 30, 1989
(Continued)

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	$6,309.68 Monthly
San Joaquin Foundation for Medical Coverage	Health Benefits Administration	Eff. 5-1-88	Annual	$7.85 per month per employee
Blue Cross of California	Health Benefits Administration for members of S.P.O.A.	9-1-88 to 9-1-89	Annual	$34.43 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

MISCELLANEOUS STATISTICS
JUNE 30, 1989

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	599.4
Miles of Storm Sewers	282.8
Miles of Sanitary Sewers	607.3
Miles of Water Lines	208.1
Traffic Signals	197.0
FIRE PROTECTION	
No. of Fire Stations	11
No. of Fire Hydrants	4,600
Personnel (Full Time)	248
No. of Firefighters	225
Paramedic	
No. of Teams	5
Personnel Per Team	2
No. of Training Facilities	1
Fire Insurance Class	I
POLICE PROTECTION	
No. of Vehicles	
Automobiles	158
Motorcycles	21
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	8
Personnel:	
Sworn	239
Other	131
Training Facilities:	
Police Range	1

EMPLOYEES - ALL DEPARTMENTS	
Full Time - Civil Service	1,304
Full Time - Non Competitive	14
Sub-Total	1,318
Temporary Employees	63
Part-Time Employees	371
Total	1,752
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)	81,767
COS (Unincorporated Area)	11,450
LAND USE - SQUARE MILES	
Residential	12.2
Commercial	2.9
Industrial	1.5
Institutional	4.4
Vacant, Agricultural	17.6

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	51
Junior High Schools	7
High Schools	4
Continuation High Schools	1
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	759,739
BUSINESS TAX CERTIFICATES	
Retail Sales and Service	5,620
Wholesalers	221
Manufacturers & Processors	114
Professions	2,268
Miscellaneous Contractors, Peddlers, Delivery Vehicles, etc.	2,443