



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

**CITY OF STOCKTON, CALIFORNIA**

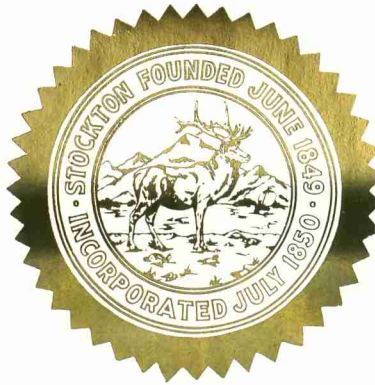
The Seal of the City of Stockton featuring the tule elk was originally designed and adopted by the City Council in 1851. The design also portrays a sailing vessel on the San Joaquin River and mountains in the background. It has been common belief that the mountains portray Mt. Diablo to the west; however, research indicates that they may be the Sierra Nevadas to the east. We leave this presumption to the viewer

Through the years, several changes were made in an attempt to modernize the appearance of the elk.

To bring back a part of Stockton's early history, the City Clerk suggested, and the City Council approved the revision to the original seal in March 1994.

The City Seal is used with the permission of the City Clerk of the City of Stockton





# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

*of*

**CITY OF STOCKTON, CALIFORNIA**

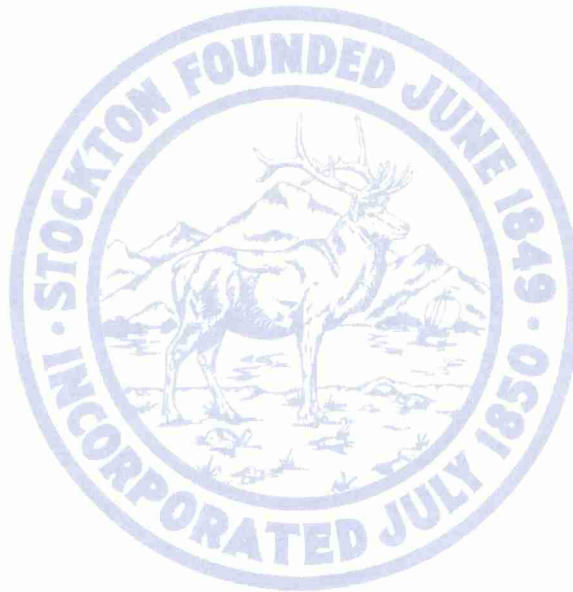
**FOR THE FISCAL YEAR ENDED JUNE 30, 1999**

*Prepared and Issued by  
The Finance Department*

**L. PATRICK SAMSELL**  
*Director of Finance*



# Stockton



**INTRODUCTORY SECTION**



# CITY OF STOCKTON

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**CITY OF STOCKTON**

**ADMINISTRATIVE SERVICES DEPARTMENT**  
CITY HALL  
425 NORTH EL DORADO STREET  
STOCKTON, CA 95202-1997  
PHONE: 209/937-8460  
FAX: 209/937-8844



November 30, 1999

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

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, 1999. The Finance Division of the Administrative Services Department prepared this report. The creation of the Administrative Services Department became effective July 16, 1999. The Department encompasses the Finance Division (formerly the Finance Department), Purchasing, Budget, and Central Building Maintenance.

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** contains information about the organizational structure of the City, accounting system and budgetary controls, and its fund structure.

Included in this section is a transmittal letter (which provides summarized data reflecting the City's financial condition), financial presentation awards, the government's organization chart and list of principal officials.

The **Financial Section** gives an overview of the City's entire financial operations. Included in this section is the general purpose financial statements and the combining individual fund and account group financial statements and schedules, as well as the auditors' report on the financial statements and schedules. These schedules and

statements pertain to the operations which, in totality, make up the reporting entity of the City.

The **Statistical Section** includes unaudited selected financial and demographic information, generally presented on a multi-year basis. This information is of general interest to those potential bond investors and our citizens.

## **THE REPORTING ENTITY AND ITS SERVICES**

The financial reporting entity, the City of Stockton (City), includes all funds and account groups of the primary government as well as all of its component units. The funds, account groups, and component units included in the Comprehensive Annual Financial Report (CAFR) are those deemed dependent upon the City and controlled by the City Council. Component units are legally separate entities for which the primary government is financially accountable.

Blended component units, although legally separate entities, are, in substance, part of the primary governments' operations and are included as part of the primary government for financial reporting purposes. Accordingly, the Redevelopment Agency is reported as part of the Special Revenue Funds, Capital Projects Funds, Debt Service Funds, and General Long-Term Debt Account Group and Stockton Public Financing Authority is reported as part of the Capital Projects Funds, Debt Service Funds, and General Long-Term Debt Account Group.

Discretely presented component units are reported separately in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operation, and cash flows from those of the primary government. The Central Parking District is reported as a discretely presented component unit.

The City provides the full range of municipal services contemplated by the statute or charter, including those functions delegated to cities under state law. These include public safety (police, fire, paramedics, building), sanitation (solid waste disposal, sanitary wastewater and stormwater utility), water utility, community development, cultural and recreational activities, library, parks, and general administrative services.

## **ECONOMIC CONDITIONS AND OUTLOOK**

### **Economic Trends**

As California recovers from the recession of the early 1990's, Stockton and parts of the Valley show new growth, but continue to lag behind state averages in unemployment, housing costs, construction activity and population growth. Analysts expect to see stable growth for the City in the next three years.



Stockton continues to improve the quality of life for businesses and residents. To encourage and sustain economic growth, the focus of Stockton's public policy is an aggressive economic development plan. Some of this fiscal year's opportunities for growth are: downtown redevelopment; public-private partnerships for downtown revitalization; strengthening of neighborhood communities by community policing, crime reduction (focusing on youth offenders and prevention), code enforcement, blight reduction & increased parks and recreation programs for the youth; business tax incentives for new business; and the continued promotion of Stockton's cultural facilities. By keeping this focus, Stockton will strengthen the economic base while making improvements that will attract and retain new businesses, industry and residents.

If the economic indicators are slower than state averages, they do show marked and consistent improvement. Property valuation is up 17% from the previous year. Building permits are up 14%. Stable interest rates, relatively low real estate costs, a stable economy, and continued consumer confidence has boosted housing sales by 9%. The median house price increased 9.08% to \$107,500 while still remaining far behind the statewide average of \$206,900. While population increased a modest 1.5% over last year, the city population will be prepared for a gradual, steady influx of Bay Area/Altamont commuters relocating to the Valley in search of reasonable housing and a good quality of life.

Pacific Rim currency crises and bad loans have had a relatively minor impact on agricultural and manufacturing exports this year. Agricultural profits were more affected by rain and delays in spring planting; which worked together to decrease some crop yields from 20 to 50%. Countering the lowered export trend is the presence of an international trade group operating a satellite office in downtown Stockton.

### **Jobs/Labor Market**

Overall, unemployment is reduced over last year by 10%. Increases in jobs are attributed to agriculture (which tends to keep the market less volatile), manufacturing, business services, trade, transportation, and public market. The lower relative operational costs and large expanding workforce combined with tax incentives will continue to draw new companies into the area. Stockton is becoming one of the fastest developing manufacturing, warehousing, and distribution centers in California. The Sacramento Office of the US Small Business Administration and the Stockton Chamber of Commerce recently signed a pact to increase the involvement of Latino-owned businesses in SBA programs-which will strengthen our local economy. The addition of several new superstores, two new banks, and several new food processing and manufacturing plants will positively impact the unemployment rate. A recent survey shows the City of Stockton expects to double the number of new jobs (created by new businesses) in the next fiscal year.

## **MAJOR INITIATIVES**

For fiscal year 1998-99, the City continued to focus on its most important goals and objectives of crime reduction, economic development, cultural activities, youth and possible privatization opportunities.

### **Parks and Recreation**

Because of the central valley location, Stockton is surrounded by natural environment and the City's system of parks, trails, and Delta waterways contribute to the beauty of the farmlands and Sierra skyline. Boating, fishing, water sports, water skiing, swimming, and sailing are all activities promoted by the Parks and Recreation Department.

Through the Parks and Recreation Department, the number of Safe Youth After School Recreation sites were increased from 26 to 28. A variety of recreation activities are refocusing youth energy. One example of these activities is Apollo Talent Night. The Apollo series of performance nights is meant to build spirit and foster understanding, respect, and communication among youth of all ages and races and has contributed to the city's drop in gang and other youth violence.

### **Public Safety**

Stockton has placed a high emphasis on safety. Stockton's police department has implemented a "Safe Stockton" City Program - a partnership with residents from local neighborhoods. This program combines crime prevention programs with tougher intervention and focused law enforcement activities. Crime has dropped 18% in the past year and over 30% in the past three years.

### **City Events**

Stockton is a city of arts and sports and has many annual festivals, concerts, and events. The following events increased spending in Stockton in excess of 13 million dollars: State of California Sesquicentennial Wagon Train at the Waterfront; Asparagus and Harvest Festivals; State Wrestling, Bocce, Karate, Jr. Olympic Fast Pitch Championships; Academic Decathlon, tournaments, Promise Keeper's Conference, a nationally acclaimed Air Show and the 49er's Summer Training Camp.

### **All-America City**

The City of Stockton was awarded The National Civic League's 1999 All-America City title. This award is presented to 10 cities with outstanding leadership and demonstrated citizen involvement. The city was recognized for its ability to use the diverse talents and skills of its citizens to identify, confront, and creatively solve current urban issues.

### **Weber Point Event Center**

Weber Point Event Center is a centrally located recreational area in the heart of the historic waterfront. It is one of the main projects supported by the Waterfront Revival Task Force. The Center officially opened in June and highlights an interactive water display and a



covered stage area. Phase two will include a great maze, vista and children's play area. This center has stimulated further growth. A \$500,000 Federal grant and a \$3 million dollar loan will add a new block across the street from the Events Center. Plans include commercial renovation of the historic Hotel Stockton, gateway development at the freeway entrance, an addition of a 20 screen cinema, transit center, and parking. Stockton is considering a new ballpark and multi-purpose sports and entertainment complex on the north shore. Discussions continue on the addition of more entertainment venues, professional and financial services, an open channel/public water feature (with outdoor skating in the winter) and an addition of a Main Street Mercado.

## **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 fund 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.

In addition, the government maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the governments' governing body. Activities of the General Fund are included in the annually appropriated budget. Selected Capital Projects and Special Revenue Funds are also included in the annual budget. All unencumbered appropriations shall lapse at the end of the fiscal year. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by department within an individual fund. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year end are reported as reservation of fund balance. However, encumbrances are generally re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the government continues to meet its responsibility for sound financial management. As with the financial section, all dollar amounts presented in the remainder of this letter are expressed in thousands.

### **GENERAL GOVERNMENTAL FUNCTIONS**

The following schedule presents a summary of general governmental (General, Special Revenue, Debt Service and Capital Projects Funds, excludes Expendable Trust Fund) revenues for the fiscal year ended June 30, 1999, and the amount and percentage of increase and decrease in relation to prior year revenues.

<u>Source</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1998</u>	<u>Percent Increase (Decrease)</u>
Taxes				
Property	\$ 16,747	9.43	\$ 477	2.93%
Utility	24,160	13.60	1,166	5.07
Sales and Use	27,265	15.35	1,975	7.80
Other	29,547	16.63	199	.67
Licenses and Permits	2,507	1.41	170	7.27
Federal Grants and Subsidies	11,838	6.66	(1,431)	(10.79)
Intergovernmental	24,804	13.97	(1,471)	(5.60)
Charges for Services	20,665	11.64	1,614	8.47
Fines and Forfeitures	899	.51	388	75.93
Use of Money and Property	1,701	.96	(469)	(21.61)
*Investment Income				
Interest Income	5,631	3.17	434	8.35
Net (decrease)				
In fair market value	(1,130)	(.64)	(1,529)	(184.73)
Refunds and Reimbursements	7,098	4.00	6,110	618.42
Miscellaneous	5,870	3.31	644	12.32
	<u>\$ 177,602</u>	<u>100.00%</u>	<u>\$ 8,277</u>	<u>4.89%</u>

The recognition of net decrease in fair value as an element of Investment Income, beginning in fiscal year 1998, is a result of the implementation of GASB 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools". The City's practice is to hold all investments to maturity. Rarely would the city sell its investments before the maturity date.

Net assessed full cash value of all taxable property was \$8,360 and increased 1.81 percent over the preceding year.

Current year's secured tax collections were 100% of the tax levy. For the last ten years, percent of current taxes collected to tax levy ranged from 88.49% to 100%, and due to the Teeter plan, the amount collected in relation to the secured property tax levy will continue to be at 100%.

The following schedule presents a summary of general governmental (General, Special Revenue, Debt Service and Capital Projects Funds, excludes Expendable Trust Fund) expenditures for the fiscal year ended June 30, 1999, and the percentage of increase and decrease in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) from 1998</u>	<u>Percent Increase (Decrease)</u>
Current:				
General Government	\$ 11,370	6.79%	\$ 333	3.02%
Public Safety	80,296	47.98	864	1.09
Public Works	10,059	6.01	(1,093)	(9.80)
Library	8,187	4.89	568	7.46
Parks and Recreation	9,449	5.65	544	6.10
Capital Outlay	32,199	19.24	2,884	9.84
Debt Service				
Principal retirement	6,570	3.93	947	16.84
Interest & Fiscal Charges	<u>9,221</u>	<u>5.51</u>	<u>(1,595)</u>	<u>(14.75)</u>
	<u>\$ 167,351</u>	<u>100.00%</u>	<u>\$ 3,452</u>	2.11%

Total expenditures increased by 2.11 percent or \$3,452. The increase in expenditures is due primarily to increased cost of operations.

### **GENERAL FUND BALANCE**

The fund balance of the General Fund increased by \$2,018. The increase in all revenue sources was due to improved economic conditions. The unreserved fund balance of \$9,341 is 6 percent of fiscal year 1998/99 total expenditures.



## **ENTERPRISE OPERATIONS** (Excluding Central Parking District)

Fiscal year 1998/99 ended with a total net increase of \$19,838 in total fund equity, 5 percent more than last year. Selected financial data for the current fiscal year are presented below:

	<u>Water</u>	<u>Sanitary Wastewater</u>	<u>Stormwater</u>	<u>Solid Waste</u>	<u>Golf Courses</u>
Operating Revenue	\$ 12,951	\$ 29,306	\$ 3,832	\$ 5,448	\$ 1,900
Operating Income (loss)	1,403	5,113	(325)	23	(217)
Bonds and Other Long-Term Liabilities Payable From					
Operating Revenue	17,630	110,415	1,066	9,758	-
Net Book Value of					
Fixed Assets	49,806	193,598	30,474	1,143	1,037
Total Assets	71,014	286,037	36,492	10,408	1,610
Fund Equity	51,638	164,295	35,284	(152)	1,313

## **FIDUCIARY OPERATIONS**

The City contributed to the Public Employees' Retirement System (PERS) \$15,910 (for employer and employees). The gross reportable payroll for employees covered by PERS was \$77,508. The 1998/99 combined employer-employee rates as a percentage of payroll are as follows:

	<b>FY 6/30/99</b>
Miscellaneous Members	17.381
Public Safety	
Police	24.184
Fire	24.184

The contribution rates will meet all ongoing costs and fund the unfunded actuarial liabilities for miscellaneous employees by the year 2011.

## **DEBT ADMINISTRATION**

The ratio of net general obligation 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. As of the end of fiscal year 1998/99, the City had no net general obligation bonded debt.



## **CASH MANAGEMENT**

City of Stockton operates its temporary pooled idle cash investments under the prudent man rule (Civil Code Section 2261, et seq.). 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 of prudence, discretion and intelligence exercise in the management of their own affairs...".

This affords the City a broad spectrum of investment opportunities as long as the 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
- 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

Criteria for selecting investments and the order of priority are:

- **Safety** - safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. The City only participates in investments that are considered very safe.
- **Liquidity** - 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.
- **Yield** - the potential dollar earnings an investment can provide, and sometimes is described as the rate of return.

Cash, temporarily idle and under the control of the City, was pooled and invested in demand and time certificates of deposit, money market accounts, 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, 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 was \$13,715. \$1,041 was credited to the General Fund, and the balance was distributed to other funds on a monthly basis dependent upon average daily cash balances.

## **RISK MANAGEMENT**

The City government is currently self-insured for health insurance, workers' compensation, general liability and unemployment insurance. Workers compensation is self-insured to \$325 with excess coverage to \$10,000. General liability is self-insured to \$1,000 with excess coverage to \$10,000. Various risk control techniques including employee accident prevention training have also been implemented.

All of the above self-insured plans are funded through an Internal Service Fund. The Internal Service Fund charges each user department a rate equivalent to an insurance premium. Rates and fund balances are actuarially verified each year.

## **OTHER INFORMATION**

### **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. The accounting firm of Deloitte and Touche LLP was selected. This is the fourth year of a five-year contract. In addition to meeting the requirements of the City Charter, the audit was designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and related Circular A-133. The auditors' report on the general purpose financial statements is included in the financial section of this report. The audit reports related specifically to the Single Audit are included in a separately published document.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Stockton for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1998. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Stockton has received a Certificate of Achievement for the last ten consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Additionally, the City of Stockton was awarded a Certificate of Outstanding Financial Reporting for the eighth consecutive year from the California Society of Municipal Finance

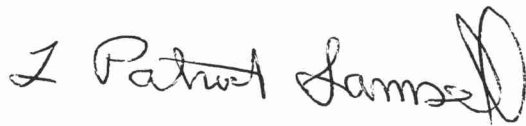
Officers (CSMFO) for its CAFR for the fiscal year ended June 30, 1998. We believe our current report continues to conform to the Certificate of Outstanding Financial Reporting program requirements and we are submitting it to CSMFO.

### **Acknowledgments**

The Accounting Unit and the entire Finance Division takes great pride in the preparation of this report. The professional expertise and commitment of Janet Salvetti, Finance Officer, and the efforts of all of the Accounting staff under the direction of Cathy Lucas, Accounting Manager, continue to make this presentation possible. The Reprographics Section, under the supervision of Fred Dimas, Reprographics Supervisor, provides invaluable assistance in the printing and physical production of the CAFR.

I would also like to thank the members of the City Council and the City Manager for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



**L. PATRICK SAMSELL**  
**DIRECTOR OF FINANCE**



**JOHN HINSON**  
**ADMINISTRATIVE SERVICES OFFICER**





**Certificate of  
Achievement for  
Excellence in Financial  
Reporting**

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Stockton,  
California

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1998

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*CE*

President

*Jeffrey A. Evans*

Executive Director

# California Society of Municipal Finance Officers

## Certificate of Award

*Outstanding Financial Reporting 1997-98*

Presented to the

*City of Stockton*

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

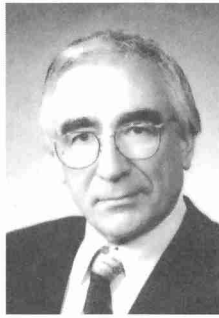
*March 1, 1999*



  
Chair, Professional & Technical Standards Committee

*Dedicated to Excellence in Municipal Financial Management*

# CITY OF STOCKTON CITY COUNCIL



**GARY A. PODESTO**  
MAYOR



**GLORIA C. NOMURA**  
VICE MAYOR  
*DISTRICT 6*



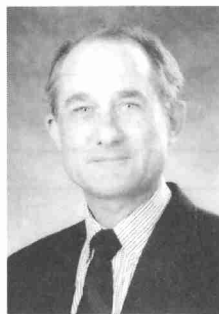
**ANN JOHNSTON**  
COUNCILMEMBER  
*DISTRICT 1*



**RICHARD F. NICKERSON, MD**  
COUNCILMEMBER  
*DISTRICT 2*



**VICTOR MOW**  
COUNCILMEMBER  
*DISTRICT 3*



**LARRY RUHSTALLER**  
COUNCILMEMBER  
*DISTRICT 4*



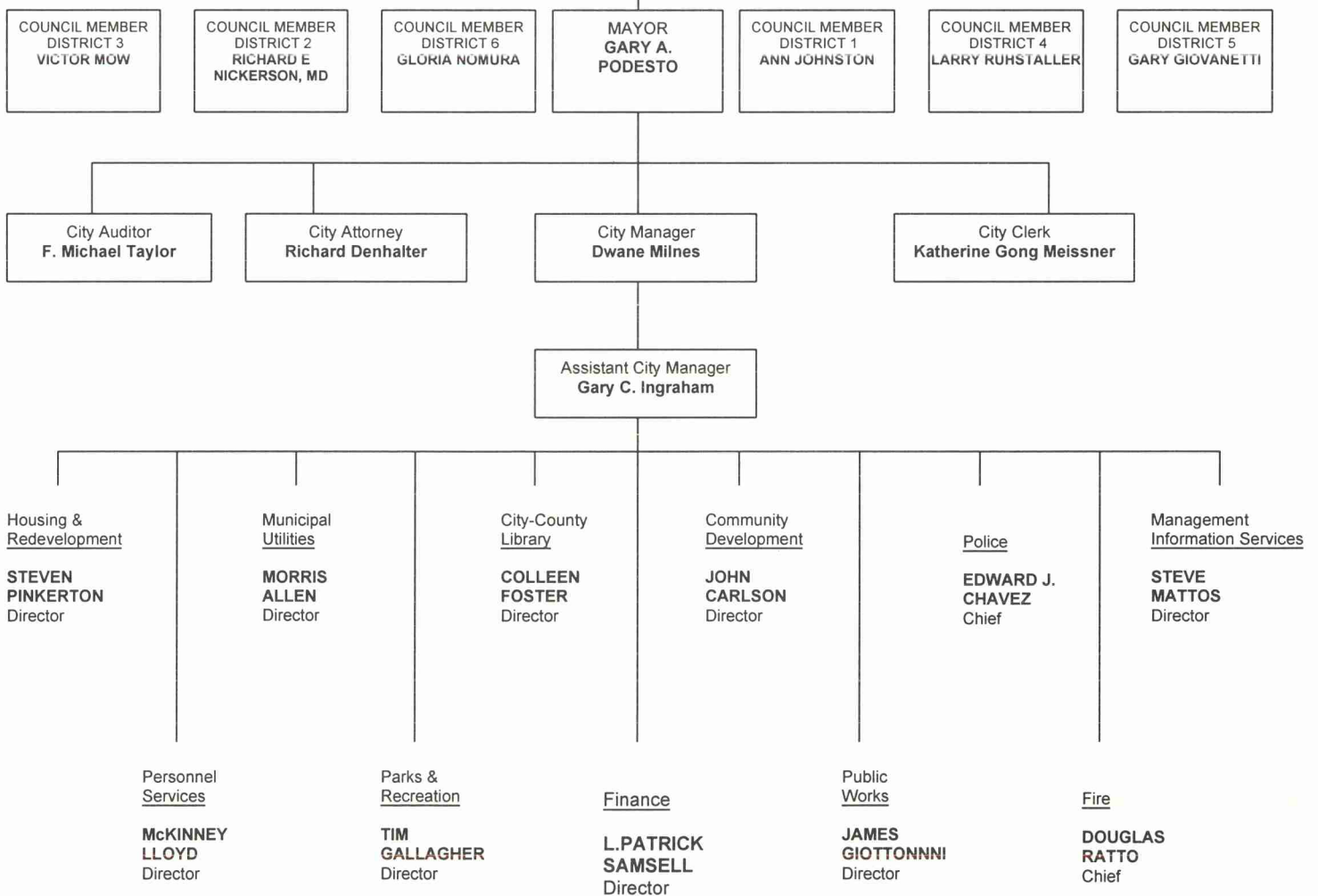
**GARY S. GIOVANETTI**  
COUNCILMEMBER  
*DISTRICT 5*



CITY OF STOCKTON  
ORGANIZATIONAL CHART/ LIST OF PRINCIPAL OFFICIALS  
JUNE 30, 1999

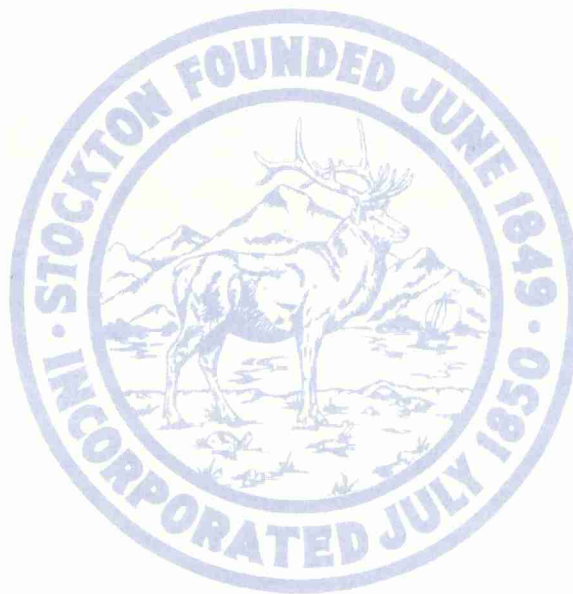
CITIZENS OF STOCKTON

CITY COUNCIL





# Stockton



**FINANCIAL SECTION**  
*Combined Statements - Overview*

# ***FINANCIAL SECTION***

## **Combined Statements**

These General Purpose Financial Statements provide an overview of the financial position and the operating results of all fund types and account groups. They also serve as introduction to the more detailed statements and schedules that follow.

The various funds are grouped in the financial section of this report by fund type, consisting of Governmental Funds, Proprietary Funds and Fiduciary Funds in addition to two account groups, General Fixed Assets Account Group and the General Long-Term Debt Account Group.

## **FINANCIAL SECTION**

### **Combined Statements**

#### **Primary Government**

##### **Governmental Fund Types**

Governmental funds consist of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds.

##### **Proprietary Fund Types**

Proprietary funds consist of the Enterprise Funds and the Internal Service Funds.

##### **Fiduciary Fund Types**

Fiduciary Funds consist of all Trust and Agency funds including the Nonexpendable Trust Fund, Expendable Trust Fund, and Agency Funds -- Holiday Park and City as Agent.

##### **Account Groups**

The Account Groups consist of two account groups, the General Fixed Asset Account Group and the General Long-Term Debt Account Group.

#### **Component Unit**

The discretely presented component unit represents implementation of GASB 14. The component unit presented in this manner is briefly described below.

##### **Central Parking District**

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

**INDEPENDENT AUDITORS' REPORT**

The Honorable City Council  
City of Stockton, California

We have audited the accompanying general purpose financial statements of the City of Stockton, California (the "City") as of June 30, 1999, and for the year then ended, listed in the foregoing 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such general purpose financial statements present fairly, in all material respects, the financial position of the City of Stockton as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents are presented for purpose of additional analysis and are not a required part of the general purpose financial statements of the City. These financial statements and schedules are also the responsibility of the management of the City. Such additional information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the general purpose financial statements taken as a whole.

The year 2000 supplementary information is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board, and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the unprecedented nature of the year 2000 issue and its effects, and the fact that authoritative measurement criteria regarding the status of remediation efforts have not been established. In addition, we do not provide assurance that the City is or will become year 2000 compliant, the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 1999 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The data in the statistical section listed in the foregoing table of contents is presented for purpose of additional analysis and is not a required part of the general purpose financial statements of the City. Such additional information has not been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, accordingly, we express no opinion on it.

*Deloitte + Touche LLP*

October 29, 1999

# CITY OF STOCKTON

**COMBINED BALANCE SHEET**  
**ALL FUND TYPES, ACCOUNT GROUPS AND**  
**DISCRETELY PRESENTED COMPONENT UNIT**  
**JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
<b>ASSETS AND OTHER DEBITS</b>						
<b>ASSETS:</b>						
Cash and temporary investments	\$ 5,078	\$ 4,377	\$ 17,155	\$ 54,826	\$ 74,897	\$ 21,954
Cash with fiscal agents	-	-	9,006	2,084	202	-
Receivables:						
Interest	106	(8)	-	917	1,087	-
Taxes and special assessments	41	-	942	-	-	-
Accounts and other receivables	8,229	28	209	2,638	6,944	587
Allowance for uncollectibles	(995)	-	-	-	(736)	(319)
Prepaid expenses	-	-	-	-	-	36
Due from other funds	73	3,536	-	9,568	-	-
Due from other governments	2,005	20,460	-	370	90	27
Due from other agencies	1,605	-	-	-	-	-
Inventory of supplies	299	-	-	-	1,301	-
Restricted assets:						
Cash and temporary investments	-	-	-	-	6,412	-
Cash and temporary investments with fiscal agents	-	-	-	-	36,292	-
Interest receivable	-	-	-	-	996	-
Accounts and other receivables	-	-	-	-	56	-
Deposits	-	-	-	40	-	-
Loans receivable	-	-	-	-	107	-
Advances to other funds	470	15,573	-	20,391	-	-
Advances to property owners	-	32,500	-	446	-	-
Property held for resale	-	108	-	-	-	-
Net fixed assets	-	-	-	-	276,058	12,750
Deferred charges	-	-	-	-	1,855	61
<b>OTHER DEBITS:</b>						
Amounts available in the debt service funds	-	-	-	-	-	-
Amounts to be provided for retirement of long-term debt	-	-	-	-	-	-
Total assets and other debits	<u>\$ 16,911</u>	<u>\$ 76,574</u>	<u>\$ 27,312</u>	<u>\$ 91,280</u>	<u>\$ 405,561</u>	<u>\$ 35,096</u>

The accompanying notes are an integral part of these general purpose financial statements.

Fiduciary Fund Types Trust and Agency	Account Groups		Primary Government Totals (Memorandum Only)	Discretely Presented Component Unit Central Parking District	Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt			1999	1998
\$ 6,829	\$ -	\$ -	\$ 185,116	\$ 1,426	\$ 186,542	\$ 188,278
-	-	-	11,292	-	11,292	10,992
-	-	-	2,102	28	2,130	2,244
-	-	-	983	-	983	1,769
295	-	-	18,930	48	18,978	16,847
-	-	-	(2,050)	(8)	(2,058)	(1,548)
-	-	-	36	-	36	36
-	-	-	13,177	-	13,177	2,829
-	-	-	22,952	-	22,952	15,503
-	-	-	1,605	-	1,605	-
-	-	-	1,600	-	1,600	1,550
-	-	-	6,412	919	7,331	6,295
-	-	-	36,292	45	36,337	72,312
-	-	-	996	-	996	1,260
-	-	-	56	-	56	24
-	-	-	40	-	40	40
-	-	-	107	-	107	128
-	-	-	36,434	-	36,434	31,876
-	-	-	32,946	-	32,946	29,639
-	-	-	108	-	108	54
-	67,849	-	356,657	12,341	368,998	318,204
-	-	-	1,916	64	1,980	2,047
-	-	26,360	26,360	-	26,360	25,034
-	-	194,147	194,147	-	194,147	193,968
<u>\$ 7,124</u>	<u>\$ 67,849</u>	<u>\$ 220,507</u>	<u>\$ 948,214</u>	<u>\$ 14,863</u>	<u>\$ 963,077</u>	<u>\$ 919,381</u>

(continues)



# CITY OF STOCKTON

**COMBINED BALANCE SHEET**  
**ALL FUND TYPES, ACCOUNT GROUPS AND**  
**DISCRETELY PRESENTED COMPONENT UNIT (Continued)**  
**JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 1,296	\$ 2,084	\$ 1	\$ 1,478	\$ 6,828	\$ 680
Accrued payroll and benefits	3,676	-	-	-	-	-
Due to other funds	-	12,673	-	504	-	-
Due to other governments	-	2,380	-	30	64	-
Due to other agencies	111	-	-	-	-	-
Deposits and other liabilities	17	1,550	-	3	2,464	-
Matured bonds and interest payable	-	-	8	-	20	-
Accrued interest	-	-	-	-	2,402	-
Long-term debt - current	-	-	-	-	2,752	6,062
Compensated absences - current	-	-	-	-	801	231
Deferred revenue	475	-	943	-	19	-
Compensated absences - long-term	-	-	-	-	1,716	499
Advances from other funds	-	-	-	-	-	-
Advances from other governments	-	-	-	-	2,038	-
Certificates of participation	-	-	-	-	123,911	-
Lease obligation - long-term	-	-	-	-	-	139
Water extension agreements	-	-	-	-	-	-
Bonds payable and other long-term debt	-	-	-	-	10,168	11,444
Total liabilities	<u>5,575</u>	<u>18,687</u>	<u>952</u>	<u>2,015</u>	<u>153,183</u>	<u>19,055</u>
<b>EQUITY AND OTHER CREDITS:</b>						
Investment in general fixed assets	-	-	-	-	-	-
Contributed capital	-	-	-	-	198,900	12,186
Retained earnings - unreserved	-	-	-	-	53,478	3,855
Fund balances (deficit):						
Reserved	1,995	58,839	26,360	89,265	-	-
Unreserved:						
Designated	9,341	3,930	-	-	-	-
Undesignated	<u>-</u>	<u>(4,882)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity and other credits	<u>11,336</u>	<u>57,887</u>	<u>26,360</u>	<u>89,265</u>	<u>252,378</u>	<u>16,041</u>
Total liabilities, equity and other credit	<u>\$ 16,911</u>	<u>\$ 76,574</u>	<u>\$ 27,312</u>	<u>\$ 91,280</u>	<u>\$ 405,561</u>	<u>\$ 35,096</u>

The accompanying notes are an integral part of these general purpose financial statements.



Fiduciary Fund Types Trust and Agency	Account Groups		Primary Government Totals (Memorandum Only)	Discretely Presented Component Unit Central Parking District	Totals (Memorandum Only)	
	General Fixed Assets	General Long-Term Debt			1999	1998
\$ 142	\$ -	\$ -	\$ 12,509	\$ 11	\$ 12,520	\$ 10,839
-	-	-	3,676	-	3,676	3,418
-	-	-	13,177	-	13,177	2,829
1,597	-	-	4,071	-	4,071	4,707
-	-	-	111	-	111	111
4,715	-	-	8,749	30	8,779	8,098
-	-	-	28	45	73	73
-	-	-	2,402	258	2,660	2,756
-	-	-	8,814	515	9,329	7,418
-	-	-	1,032	7	1,039	939
-	-	-	1,437	-	1,437	2,115
-	-	17,137	19,352	21	19,373	19,213
-	-	36,434	36,434	-	36,434	31,876
-	-	-	2,038	-	2,038	2,214
-	-	-	123,911	-	123,911	125,599
-	-	-	139	-	139	317
-	-	-	-	-	-	2
-	-	166,936	188,548	7,560	196,108	205,351
6,454	-	220,507	426,428	8,447	434,875	427,875
-	67,849	-	67,849	-	67,849	64,381
-	-	-	211,086	-	211,086	199,436
-	-	-	57,333	6,416	63,749	58,787
670	-	-	177,129	-	177,129	165,446
-	-	-	13,271	-	13,271	14,270
-	-	-	(4,882)	-	(4,882)	(10,814)
670	67,849	-	521,786	6,416	528,202	491,506
\$ 7,124	\$ 67,849	\$ 220,507	\$ 948,214	\$ 14,863	\$ 963,077	\$ 919,381

# CITY OF STOCKTON

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	Governmental Fund Types				Fiduciary Fund Type Expendable Trust
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES:					
Taxes:					
Property	\$15,413	\$ -	\$ -	\$ 1,334	\$ -
Utility	24,160	-	-	-	-
Sales and use	24,739	2,526	-	-	-
Other	12,824	157	16,545	21	-
Licenses and permits	2,507	-	-	-	-
Federal grants and subsidies	417	11,377	-	44	-
Intergovernmental	11,447	13,357	-	-	-
Charges for services	10,601	1,144	-	8,920	-
Fines and forfeitures	893	-	-	6	-
Use of money and property	768	414	-	519	-
Investment income:					
Interest income	1,041	103	1,040	3,447	23
Net increase (decrease) in fair value of investments	(271)	(20)	(127)	(712)	(6)
Refunds and reimbursements	640	121	-	6,337	-
Miscellaneous	5,023	5	160	682	544
Total revenues	110,202	29,184	17,618	20,598	561
EXPENDITURES:					
Current:					
General government	10,829	327	214	-	128
Public safety	79,332	964	-	-	26
Public works	9,542	517	-	-	-
Library	-	8,187	-	-	256
Parks and recreation	9,196	253	-	-	189
Capital outlay	91	14,920	-	17,188	-
Debt service:					
Principal retirement	-	-	6,570	-	-
Interest and fiscal charges	-	-	9,221	-	-
Total expenditures	108,990	25,168	16,005	17,188	599
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	1,212	4,016	1,613	3,410	(38)

The accompanying notes are an integral part of these general purpose financial statements.

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Totals	
(Memorandum Only)	
1999	1998

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\$ 16,747	\$ 16,270
24,160	22,994
27,265	25,290
29,547	29,348
2,507	2,337
11,838	13,269
24,804	26,275
20,665	19,051
899	511
1,701	2,170

5,654	5,222
(1,136)	400
7,098	988
<u>6,414</u>	<u>5,696</u>

<u>178,163</u>	<u>169,821</u>
----------------	----------------

11,498	11,080
80,322	79,472
10,059	11,152
8,443	7,759
9,638	9,043
32,199	29,317

6,570	5,623
<u>9,221</u>	<u>10,816</u>

<u>167,950</u>	<u>164,262</u>
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<u>10,213</u>	<u>5,559</u>
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# CITY OF STOCKTON

**COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES (Continued)  
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	Governmental Fund Types				Fiduciary Fund Type Expendable Trust
	General	Special Revenue	Debt Service	Capital Projects	
OTHER FINANCING SOURCES (USES):					
Operating transfers in	5,525	8,907	1,489	2,528	-
Operating transfers out	(4,656)	(8,647)	(1,777)	(3,252)	-
Operating transfers out to component unit	(98)	-	-	-	-
Sale of fixed assets	35	-	-	-	-
Proceeds of long-term debt	-	-	-	3,100	-
Proceeds of refunding bonds	-	-	-	8,775	-
Payment to refunded bond escrow agent	-	-	-	(9,408)	-
Advances from other funds	-	-	-	5,733	-
Repayment of advances from other funds	-	-	-	(570)	-
Total other financing sources (uses)	<u>806</u>	<u>260</u>	<u>(288)</u>	<u>6,906</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	2,018	4,276	1,325	10,316	(38)
FUND BALANCES, BEGINNING OF YEAR	9,318	54,108	25,035	78,949	573
Residual equity transfers out	<u>-</u>	<u>(497)</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 11,336</u>	<u>\$ 57,887</u>	<u>\$ 26,360</u>	<u>\$ 89,265</u>	<u>\$ 535</u>

The accompanying notes are an integral part of these general purpose financial statements.

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Totals (Memorandum Only)	
1999	1998
18,449	29,535
(18,332)	(28,876)
(98)	(98)
35	2
3,100	17,060
8,775	71,100
(9,408)	(81,203)
5,733	3,356
<u>(570)</u>	<u>(1,805)</u>
<u>7,684</u>	<u>9,071</u>
17,897	14,630
167,983	154,328
<u>(497)</u>	<u>(192)</u>
<u>\$ 185,383</u>	<u>\$ 168,766</u>

# CITY OF STOCKTON

**COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL ON A BUDGETARY BASIS  
GENERAL, AND ANNUALLY BUDGETED SPECIAL REVENUE  
AND CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 1999  
(Dollar amounts in thousands)**

	General Fund			Annually Budgeted Special Revenue Funds		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Taxes:						
Property	\$ 15,523	\$ 15,413	\$ (110)	\$ -	\$ -	\$ -
Utility	23,045	24,160	1,115	-	-	-
Sales and use	24,147	24,739	592	2,259	2,526	267
Other	11,396	12,824	1,428	268	157	(111)
Licenses and permits	2,342	2,507	165	-	-	-
Federal grants and subsidies	513	417	(96)	3,144	1,065	(2,079)
Intergovernmental	10,863	11,447	584	36,467	12,088	(24,379)
Charges for services	9,466	10,601	1,135	972	996	24
Fines and forfeitures	777	893	116	-	-	-
Use of money and property	632	768	136	-	-	-
Investment income:						
Interest income	1,100	1,041	(59)	271	86	(185)
Net increase (decrease) in fair value of investments	-	(271)	(271)	-	(22)	(22)
Refunds and reimbursements	504	640	136	125	121	(4)
Miscellaneous	4,993	5,023	30	2	5	3
Total revenues	<u>105,301</u>	<u>110,202</u>	<u>4,901</u>	<u>43,508</u>	<u>17,022</u>	<u>(26,486)</u>
EXPENDITURES:						
Current:						
General government	12,051	11,189	862	187	81	106
Public safety	80,390	79,496	894	63	57	6
Public works	11,727	9,848	1,879	578	520	58
Library	-	-	-	7,978	7,731	247
Parks and recreation	9,667	9,456	211	194	149	45
Capital outlay	<u>178</u>	<u>150</u>	<u>28</u>	<u>41,734</u>	<u>10,698</u>	<u>31,036</u>
Total expenditures	<u>114,013</u>	<u>110,139</u>	<u>3,874</u>	<u>50,734</u>	<u>19,236</u>	<u>31,498</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,712)</u>	<u>63</u>	<u>8,775</u>	<u>(7,226)</u>	<u>(2,214)</u>	<u>5,012</u>

The accompanying notes are an integral part of these general purpose financial statements.

Annually Budgeted Capital Projects Funds			Totals (Memorandum Only)		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ 15,523	\$ 15,413	\$ (110)
-	-	-	23,045	24,160	1,115
-	-	-	26,406	27,265	859
19	21	2	11,683	13,002	1,319
-	-	-	2,342	2,507	165
-	-	-	3,657	1,482	(2,175)
66	-	(66)	47,396	23,535	(23,861)
7,057	8,901	1,844	17,495	20,498	3,003
-	6	6	777	899	122
-	478	478	632	1,246	614
1,635	2,413	778	3,006	3,540	534
-	(534)	(534)	-	(827)	(827)
-	-	-	629	761	132
813	295	(518)	5,808	5,323	(485)
<u>9,590</u>	<u>11,580</u>	<u>1,990</u>	<u>158,399</u>	<u>138,804</u>	<u>(19,595)</u>
-	-	-	12,238	11,270	968
-	-	-	80,453	79,553	900
-	-	-	12,305	10,368	1,937
-	-	-	7,978	7,731	247
-	-	-	9,861	9,605	256
<u>29,942</u>	<u>8,804</u>	<u>21,138</u>	<u>71,854</u>	<u>19,652</u>	<u>52,202</u>
<u>29,942</u>	<u>8,804</u>	<u>21,138</u>	<u>194,689</u>	<u>138,179</u>	<u>56,510</u>
<u>(20,352)</u>	<u>2,776</u>	<u>23,128</u>	<u>(36,290)</u>	<u>625</u>	<u>36,915</u>

(continues)

# CITY OF STOCKTON

**COMBINED SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL ON A BUDGETARY BASIS  
GENERAL, AND ANNUALLY BUDGETED SPECIAL REVENUE  
AND CAPITAL PROJECTS FUNDS (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(Dollar amounts in thousands)**

	General Fund			Annually Budgeted Special Revenue Funds		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):						
Operating transfers in	\$ 5,525	\$ 5,525	\$ -	\$ 4,471	\$ 4,471	\$ -
Operating transfers out	(4,656)	(4,656)	-	(4,800)	(4,800)	-
Operating transfers out to component unit	(98)	(98)	-	-	-	-
Salc of fixcd assets	15	35	20	-	-	-
Advances from other funds						
Repayment of advances	-	-	-	-	-	-
Total other financing sources (uses)	<u>786</u>	<u>806</u>	<u>20</u>	<u>(329)</u>	<u>(329)</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(7,926)	869	8,795	(7,555)	(2,543)	5,012
BASIS ADJUSTMENTS:						
Encumbrances	<u>-</u>	<u>1,149</u>	<u>1,149</u>	<u>-</u>	<u>764</u>	<u>764</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (GAAP BASIS)	(7,926)	2,018	9,944	(7,555)	(1,779)	5,776
FUND BALANCES, BEGINNING OF YEAR	<u>9,318</u>	<u>9,318</u>	<u>-</u>	<u>10,616</u>	<u>10,616</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,392</u>	<u>\$11,336</u>	<u>\$ 9,944</u>	<u>\$ 3,061</u>	<u>\$ 8,837</u>	<u>\$ 5,776</u>

The accompanying notes are an integral part of these general purpose financial statements.



Annually Budgeted Capital Projects Funds			Totals (Memorandum Only)		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ - (485)	\$ - (485)	\$ - -	\$ 9,996 (9,941)	\$ 9,996 (9,941)	\$ - -
-	-	-	(98)	(98)	-
-	-	-	15	35	20
3,050 (460)	5,203 (460)	2,153 -	3,050 (460)	5,203 (460)	2,153 -
<u>2,105</u>	<u>4,258</u>	<u>2,153</u>	<u>2,562</u>	<u>4,735</u>	<u>2,173</u>
(18,247)	7,034	25,281	(33,728)	5,360	39,088
<u>-</u>	<u>370</u>	<u>370</u>	<u>-</u>	<u>2,283</u>	<u>2,283</u>
(18,247)	7,404	25,651	(33,728)	7,643	41,371
<u>61,068</u>	<u>61,068</u>	<u>-</u>	<u>81,002</u>	<u>81,002</u>	<u>-</u>
<u>\$ 42,821</u>	<u>\$ 68,472</u>	<u>\$ 25,651</u>	<u>\$ 47,274</u>	<u>\$ 88,645</u>	<u>\$ 41,371</u>

# CITY OF STOCKTON

**COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY - ALL PROPRIETARY  
FUND TYPES, NONEXPENDABLE TRUST FUND AND  
DISCRETELY PRESENTED COMPONENT UNIT  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	Proprietary Fund Types		Fiduciary Fund Type	Primary Government Totals (Memorandum Only)
	Enterprise	Internal Service	Nonexpendable Trust	
OPERATING REVENUES:				
Federal grants and subsidies	\$ 4	\$ -	\$ -	\$ 4
Intergovernmental	-	-	-	-
Charges for services	52,281	28,108	-	80,389
Loans and mortgage interest	145	-	-	145
Miscellaneous	1,007	-	-	1,007
Total operating revenues	53,437	28,108	-	81,545
OPERATING EXPENSES:				
Operation and maintenance	25,222	26,697	-	51,919
General and administrative	12,505	3,581	-	16,086
Depreciation and amortization	6,468	3,459	-	9,927
Purchased water	3,245	-	-	3,245
Total operating expenses	47,440	33,737	-	81,177
OPERATING INCOME (LOSS)	5,997	(5,629)	-	368
NON-OPERATING REVENUES (EXPENSES):				
Taxes	-	-	-	-
Federal grants and subsidies	150	102	-	252
Investment income:				
Interest income	7,341	609	4	7,954
Net increase (decrease) in fair value of investments	(891)	(133)	(5)	(1,029)
Gain (loss) from disposal of property	(1)	13	-	12
Interest expense and fiscal charges	(3,799)	(23)	-	(3,822)
Other non-operating revenues	-	1,026	-	1,026
Total non-operating revenues (expenses)	2,800	1,594	(1)	4,393

The accompanying notes are an integral part of these general purpose financial statements.

---

Discretely Presented Component Unit Central Parking District	Reporting Entity Totals (Memorandum Only)	
	1999	1998
\$ -	\$ 4	\$ 29
-	-	10
1,535	81,924	77,190
-	145	135
<u>2</u>	<u>1,009</u>	<u>885</u>
<u>1,537</u>	<u>83,082</u>	<u>78,249</u>
1,087	53,006	52,902
-	16,086	14,945
318	10,245	10,100
<u>-</u>	<u>3,245</u>	<u>3,157</u>
<u>1,405</u>	<u>82,582</u>	<u>81,104</u>
<u>132</u>	<u>500</u>	<u>(2,855)</u>
602	602	601
-	252	66
103	8,057	6,922
(12)	(1,041)	202
-	12	(149)
(606)	(4,428)	(3,935)
<u>-</u>	<u>1,026</u>	<u>751</u>
<u>87</u>	<u>4,480</u>	<u>4,458</u>

(continues)

# CITY OF STOCKTON

**COMBINED STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND EQUITY - ALL PROPRIETARY  
FUND TYPES, NONEXPENDABLE TRUST FUND AND  
DISCRETELY PRESENTED COMPONENT UNIT (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Primary Government Totals (Memorandum Only)</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Nonexpendable Trust</u>	
INCOME (LOSS) BEFORE OPERATING TRANSFERS	8,797	(4,035)	(1)	4,761
Operating transfers in	7,404	636	-	8,040
Operating transfers out	(7,404)	(753)	-	(8,157)
Operating transfers in from primary government	-	-	-	-
NET INCOME (LOSS)	<u>8,797</u>	<u>(4,152)</u>	<u>(1)</u>	<u>4,644</u>
FUND EQUITY, BEGINNING OF YEAR	232,540	19,584	136	252,260
Residual equity transfers in	-	497	-	497
Residual equity transfers out	-	-	-	-
Increase in contributed capital	<u>11,041</u>	<u>112</u>	<u>-</u>	<u>11,153</u>
FUND EQUITY, END OF YEAR	<u>\$252,378</u>	<u>\$16,041</u>	<u>\$ 135</u>	<u>\$ 268,554</u>

The accompanying notes are an integral part of these general purpose financial statements.

---

Discretely Presented Component Unit Central Parking District	Reporting Entity Totals (Memorandum Only)	
	1999	1998
219	4,980	1,603
-	8,040	5,073
-	(8,157)	(5,732)
<u>98</u>	<u>98</u>	<u>98</u>
<u>317</u>	<u>4,961</u>	<u>1,042</u>
6,099	258,359	248,321
-	497	216
-	-	(24)
<u>-</u>	<u>11,153</u>	<u>8,804</u>
<u>\$ 6,416</u>	<u>\$274,970</u>	<u>\$ 258,359</u>

# CITY OF STOCKTON

## COMBINED STATEMENT OF CASH FLOWS ALL PROPRIETARY FUND TYPES, NONEXPENDABLE TRUST FUND AND DISCRETELY PRESENTED COMPONENT UNIT FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type
	Enterprise	Internal Service	Nonexpendable Trust
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 5,997	\$ (5,629)	\$ -
Other nonoperating revenues (expenses)	-	1,128	(1)
Noncash adjustment to operating income:			
Depreciation and amortization	6,468	3,459	-
Allowance for uncollectible accounts	357	50	-
Self-insurance	-	971	-
Landfill closure	249	-	-
Changes in assets and liabilities:			
Accounts and other receivables	(108)	51	-
Due from other funds	-	-	-
Due from other governments	(90)	(23)	-
Inventory of supplies	(51)	-	-
Loans receivable	21	-	-
Advances to other funds	385	-	-
Deferred charges	62	-	-
Prepays	-	-	-
Accounts payable	2,779	(1,220)	-
Compensated absences	(79)	24	-
Due to other governments	(71)	-	-
Deposits and other liabilities	1,789	-	-
Advances from other funds	(385)	-	-
Advances from other governments	(171)	-	-
Deferred revenue	1	239	-
Accrued interest	(82)	-	-
Net cash provided (used) by operating activities	17,071	(950)	(1)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	6,454	476	-
Investment purchases	-	-	-
service fund and capital project fund	35,825	-	-
Net cash provided (used) by investing activities	42,279	476	-

The accompanying notes are an integral part of these general purpose financial statements.

Primary Government Totals (Memorandum Only)	Discretely Presented Component Unit Central Parking District	Reporting Entity Totals (Memorandum Only)	
		1999	1998
\$ 368	\$ 132	\$ 500	\$ (2,855)
1,127	-	1,127	827
9,927	318	10,245	10,100
407	3	410	195
971	-	971	1,930
249	-	249	2,255
(57)	(15)	(72)	(1,738)
-	-	-	1,000
(113)	-	(113)	24
(51)	-	(51)	(18)
21	-	21	19
385	-	385	-
62	5	67	(604)
-	1	1	(2)
1,559	-	1,559	3,108
(55)	15	(40)	212
(71)	-	(71)	68
1,789	(1)	1,788	(47)
(385)	-	(385)	-
(171)	-	(171)	(301)
240	-	240	7
(82)	(14)	(96)	757
<u>16,120</u>	<u>444</u>	<u>16,564</u>	<u>14,937</u>
6,930	91	7,021	7,114
-	(49)	(49)	(68,943)
<u>35,825</u>	<u>-</u>	<u>35,825</u>	<u>20</u>
<u>42,755</u>	<u>42</u>	<u>42,797</u>	<u>(61,809)</u>

(continues)

# CITY OF STOCKTON

**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES, NONEXPENDABLE**  
**TRUST FUND AND DISCRETELY PRESENTED**  
**COMPONENT UNIT (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

	<u>Proprietary Fund Types</u>		<u>Fiduciary</u> <u>Fund Type</u>
	<u>Enterprise</u>	<u>Internal</u> <u>Service</u>	<u>Nonexpendable</u> <u>Trust</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of property and equipment	5,371	129	-
Repayment of debt	(6,227)	(209)	-
Proceeds from borrowing	-	-	-
Purchases of property and equipment	(53,626)	(3,779)	-
Interest expense on capital debt	(3,799)	(23)	-
Capital contributions	5,504	-	-
Residual equity transfers in	-	497	-
Net cash provided (used) by capital and related financing activities	<u>(52,777)</u>	<u>(3,385)</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating transfers in	7,404	636	-
Operating transfers out	(7,404)	(753)	-
Proceeds from taxes	-	-	-
Proceeds from federal grants	146	-	-
Residual equity transfers out	-	-	-
Net cash provided (used) by noncapital financing activities	<u>146</u>	<u>(117)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,719	(3,976)	(1)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>76,716</u>	<u>25,930</u>	<u>136</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 83,435</u>	<u>\$21,954</u>	<u>\$ 135</u>
NON-CASH TRANSACTIONS:			
Contribution of fixed assets	<u>\$ 5,537</u>	<u>\$ 112</u>	<u>\$ -</u>

The accompanying notes are an integral part of these general purpose financial statements.



Primary Government Totals (Memorandum Only)	Discretely Presented Component Unit Central Parking District	Reporting Entity Totals (Memorandum Only)	
		1999	1998
5,500	-	5,500	36,633
(6,436)	(490)	(6,926)	(2,053)
-	-	-	52,316
(57,405)	(5)	(57,410)	(48,877)
(3,822)	(606)	(4,428)	(3,935)
5,504	-	5,504	5,735
497	-	497	216
<u>(56,162)</u>	<u>(1,101)</u>	<u>(57,263)</u>	<u>40,035</u>
8,040	98	8,138	5,171
(8,157)	-	(8,157)	(5,732)
-	602	602	601
146	-	146	-
-	-	-	(24)
<u>29</u>	<u>700</u>	<u>729</u>	<u>16</u>
2,742	85	2,827	(6,821)
<u>102,782</u>	<u>1,386</u>	<u>104,168</u>	<u>110,989</u>
<u>\$ 105,524</u>	<u>\$ 1,471</u>	<u>\$ 106,995</u>	<u>\$ 104,168</u>
<u>\$ 5,649</u>	<u>\$ -</u>	<u>\$ 5,649</u>	<u>\$ 3,071</u>

# CITY OF STOCKTON

**COMBINED STATEMENT OF CASH FLOWS**  
**ALL PROPRIETARY FUND TYPES, NONEXPENDABLE**  
**TRUST FUND AND DISCRETELY PRESENTED**  
**COMPONENT UNIT (Continued)**  
**JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

Reconciliation of cash and cash equivalents to the balance sheet:

	<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Type</u>	<u>Discretely Presented Component Unit</u>
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Nonexpendable Trust</u>	<u>Central Parking District</u>
Unrestricted cash and investments on balance sheet:				
Cash and temporary investments	\$ 74,897	\$21,954	\$ 6,829	\$1,426
Cash with fiscal agents	202	-	-	-
Restricted cash and investments on balance sheet:	-	-	-	-
Cash and temporary investments	6,412	-	-	919
Cash and temporary investments with fiscal agents	<u>36,292</u>	<u>-</u>	<u>-</u>	<u>45</u>
Total cash and investments	<u>117,803</u>	<u>21,954</u>	<u>6,829</u>	<u>2,390</u>
Less investments:				
Cash and temporary investments with fiscal agents	34,368	-	-	-
Investment pool	-	-	-	919
Less expendable trust and agency funds cash:				
Expendable trust fund	-	-	607	-
Agency funds	<u>-</u>	<u>-</u>	<u>6,087</u>	<u>-</u>
Net cash and cash equivalents	<u>\$ 83,435</u>	<u>\$21,954</u>	<u>\$ 135</u>	<u>\$1,471</u>

The accompanying notes are an integral part of these general purpose financial statements.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999

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# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**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 consisting of seven elected council members including the mayor and a council appointed City Manager. The City provides the following services as authorized by its charter: public safety (police, fire, paramedics, and building), sanitation (solid waste disposal, sanitary wastewater, and stormwater utilities), water utility, community development, library, parks and recreation, and general administrative services.

As required by generally accepted accounting principles and Governmental Accounting Standards Board ("GASB") Statement 14, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City. Each blended and discretely presented component unit has a June 30 year end.

The San Joaquin Area Flood Control Agency (the "Agency") was established by City Council resolution on May 15, 1995 and is jointly governed by the City and San Joaquin County. The City retains no on-going financial interest or obligation of the Agency.

**Blended Component Units** - The Redevelopment Agency was formed to prepare and carry out plans for improvement, rehabilitation and redevelopment of blighted areas within the City. City Council members in separate session, serve as the governing board of the Redevelopment Agency, and all accounting and administrative functions are performed by the City. The Agency is reported in the City's financial statements in the Special Revenue Fund, Debt Service Fund, Capital Projects Fund, and General Long-Term Debt Account Group.

The Stockton Public Financing Authority ("SPFA") was created in June 1990 to carry out lease financing for the City of Stockton Sanitary Wastewater Utility, Water Utility, Mello-Roos, and Marks-Roos districts. The SPFA governing board is the same as the City Council members. The SPFA is reported in the City's financial statements in the Debt Service Fund, Capital Projects Fund and General Long-Term Debt Account Group. Consistent with the National Council on Governmental Accounting ("NCGA") Statement No. 5 and GASB Statement 14, capital leases between the primary government and blended component units are eliminated. The debt and assets are reported in the primary government. Accordingly, the Sanitary Wastewater Utility and Water Utility enterprise funds report the fixed assets and related certificates of participation issued by the SPFA and leased to these two enterprise funds under capital leases.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Discretely Presented Component Unit*** - The Central Parking District ("CPD") provides parking spaces for the public and encourages development in the central core of the City. It is operated by an advisory board of directors, not the City Council, but submits its budget to the City Council for approval. Sources of income include ad valorem assessments on all property located within the District, charges for monthly and weekly parking privileges, and parking meters. The CPD is reported as a proprietary fund type.

Financial statements are available for the Redevelopment Agency. Financial information for each of the remaining component units may be obtained at the entity's administration offices.

Redevelopment Agency  
City of Stockton  
425 North El Dorado Street  
Stockton, CA 95202-1997

Central Parking District  
City of Stockton  
425 North El Dorado Street  
Stockton, CA 95202-1997

Stockton Public Financing Authority  
City of Stockton  
425 North El Dorado Street  
Stockton, CA 95202-1997

***Basis of Presentation - Fund Accounting*** - The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds and account groups are summarized by type in the General Purpose Financial Statements. Fund types and account groups used by the City are described below:

#### ***Governmental Fund Types:***

The ***General Fund*** is the primary operating fund of the City. It accounts for normal recurring activities traditionally associated with government which are not required to be accounted for in another fund. These activities are funded primarily by property taxes, sales and use taxes, business and utility taxes, interest and rental income, charges for services, and state grants.

***Special Revenue Funds*** account for certain revenue sources that are legally restricted to be spent for specified purposes. Other restricted resources are accounted for in trust, debt service, and capital projects funds.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Debt Service Funds** account for the accumulation of resources to be used for the payment of general long-term debt principal and interest as well as related costs.

**Capital Projects Funds** account for financial resources to be used for the acquisition, construction or improvement of major capital facilities (other than those financed through the proprietary fund types).

#### **Proprietary Fund Types:**

**Enterprise Funds** 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 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** account for the financing of goods, services, or facilities provided by one City department to other City departments on a cost-reimbursement basis.

#### **Fiduciary Fund Types:**

**Trust and Agency Funds** 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. These include the non-expendable trust, expendable trust, and agency funds. Operations of the non-expendable trust funds are accounted for and reported in the same manner as the proprietary fund types. Operations of expendable trust funds are accounted for in essentially the same manner as governmental fund types. Agency funds are custodial in nature and do not involve measurement of results of operations.

#### **Account Groups:**

The **General Fixed Assets Account Group** accounts for recorded fixed assets of the City, other than those accounted for in the proprietary fund types.

The **General Long-Term Debt Account Group** accounts for all long-term obligations, including claim liabilities and vested compensation and sick leave of the City, except for those obligations accounted for in the proprietary fund types.

**Basis of Accounting - Measurement Focus** - The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types and expendable trust funds are accounted for using a current financial resources measurement focus. Only current assets and liabilities are generally included on their balance sheets. Operating statements for these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

---

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All proprietary fund types and non-expendable trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets. Reported fund equity is segregated into contributed capital and retained earnings components.

**Modified Accrual Basis of Accounting** - The modified accrual basis of accounting is followed in the governmental fund types, and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, that is, when both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectable within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest on general long-term obligations, are recorded when the fund liability is incurred and is expected to be liquidated with expendable available resources. The exception to the general modified accrual expenditure recognition criteria is that principal and interest on general long-term obligations are recorded when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

Intergovernmental revenues, which are primarily grants and subventions, received as reimbursement for specific purposes or projects are recognized based upon the expenditures recorded. Intergovernmental revenues which are virtually unrestricted as to purpose of expenditure and revocable only for failure to meet prescribed compliance requirements are reflected as revenues at the time of receipt or earlier if they meet the availability criterion. Major revenues are susceptible to accrual in accordance with GASB Statement 22 "Accounting For Taxpayer Assessed Tax Revenues in Governmental Funds" and are recognized as revenue when they are collected within 60 days of fiscal year-end. These include sales, transient occupancy, gas, utility user, and property taxes, franchise fees, interest, federal and state grants. Business licenses, fines and penalties are recorded as income when received because they are generally not measurable until actually received.

**Accrual Basis of Accounting** - The accrual basis of accounting is utilized in all proprietary fund types and non-expendable trust funds. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

**Deferred Revenue** - Deferred revenue is that for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. The City typically records deferred revenue related to uncollected estimated special assessments not yet payable and intergovernmental revenues (primarily grants and subventions) received but not earned (qualifying expenditures not yet incurred).

**Property Taxes** - 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. The County of San Joaquin levies, bills and collects property taxes for the City of Stockton. Property taxes paid to the City by the County within 60 days after the end of the fiscal year are "available" and are, therefore, recognized as revenue.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Secured and unsecured property taxes are levied based on the assessed value as of March 1, the lien date, of the preceding fiscal year. Secured property tax is levied on October 1 and due in two installments, on November 1 and February 1. Collection dates are December 10 and April 10 which are also the delinquent dates. At that time, 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 has a collection date of August 31 which is also the delinquent date. The penalty percentage rates are the same as secured property tax.

***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 yet 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.

#### ***Budgetary Data***

##### ***Budgetary Process***

- In accordance with the provisions of the City Charter, the City prepares and adopts a budget on or before June 30 for each fiscal year. The General Fund, certain Special Revenue Funds (Gas Tax, Measure K Sales Tax, City-County Library, Special Assessments, Other Special Revenue) and certain Capital Projects Funds (Public Facilities Impact Fees and Capital Improvement) have legally adopted annual budgets. Prior to July 1, the original adopted budget is legally enacted through the passage of a resolution by the City Council. In the event this does not occur, the manager's budget is in force until a budget is adopted by the City Council. The level of legal budgetary control by the City Council is established at the department level.
- Enterprise Funds, Internal Service Funds, and Nonexpendable Trust Funds are accounted for on a cost of service (net income) or capital maintenance measurement focus. 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.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- If expenditures exceed appropriations, the City Manager is authorized to transfer budgeted amounts between line items within any department, in the general fund and within any function in the special revenue and capital projects funds, however, any revisions that alter the total appropriations of any department or function, respectively, must be approved by the City Council. Supplemental appropriations are made during the year and are considered immaterial. Budgeted amounts in the Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual on a Budgetary Basis include amendments for these supplemental appropriations.
- 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 the Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions.
- All unencumbered appropriations lapse at year end, with the exception of some capital improvement projects and miscellaneous grants in the respective funds. Encumbered appropriations are re-appropriated in the following year's budget.

***Budgetary Basis of Accounting*** - The City adopts budgets each fiscal year on a basis of accounting which is different from generally accepted accounting principles ("GAAP"). The variations from GAAP are discussed in Note 19.

Certain funds of the City contain capital projects, grant projects, loan programs or other programs that are budgeted on a multi-year or project length basis. The amounts of the projects and programs budgeted on a multi-year basis are significant compared to the items budgeted on an annual basis; therefore, a comparison of budget to actual for the fund would not be meaningful. As a result, such funds are excluded from budgetary reporting.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Because not all Special Revenue and Capital Projects Funds have annual budgets, the actual amounts that appear in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -- All Governmental Fund Types and Expendable Trust Funds and the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances -- Budget and Actual on a Budgetary Basis, General, Annually Budgeted Special Revenue and Capital Projects Funds do not agree. A reconciliation follows:

	Special Revenue Funds	Capital Projects Funds
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses (GAAP basis) - Budgeted Funds	\$ (1,779)	\$ 7,404
Unbudgeted Funds:		
Special Grants	521	-
Revenue Sharing	16	-
Redevelopment Agency Loan	528	-
Community Development Block Grant	281	-
Community Development Loan	673	-
Home Program	4,036	-
Redevelopment Agency	-	(827)
Mello-Roos Districts	-	1,421
1915 Act Assessment Districts	-	2,123
Stockton Public Financing Authority	-	195
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses (GAAP basis) - All Funds	<u>\$ 4,276</u>	<u>\$ 10,316</u>

**Encumbrances** - The City utilizes an encumbrance system to assist in controlling expenditures. Under this system, all fund types are encumbered when purchase orders, contracts and other commitments are signed or approved. In the governmental funds, encumbrances at year end are reported as reservations of fund balances. Unencumbered balances in all fund types at year end are closed back to fund balance/retained earnings. Encumbrances are combined with expenditures for budgetary comparison purposes.

**Cash and Investments** - Except as described below, the City pools idle cash from all funds for the purpose of maximizing interest through investment activities. Pooled investments do not include certain bond proceeds. Investments are carried at fair value with the exception of money market investments and certain nonparticipating guaranteed investment contracts, which are carried at cost. The fair value of investments is based on published market prices and quotations from major investment brokers.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Local Agency Investment Fund (LAIF) is an external investment pool established under California State statutes. LAIF is not registered with the Securities and Exchange Commission. LAIF falls under the regulatory oversight of the State of California. Based on information obtained from the State of California, the investment in LAIF has been recorded at fair value.

Interest income on pooled investments is allocated on the basis of average daily cash balances in the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Water Utility Enterprise Fund, Sanitary Wastewater Utility Enterprise Fund, Stormwater Utility Enterprise Fund, Solid Waste Enterprise Fund, Internal Service Self-Insurance Funds, Trust and Agency Funds, and Central Parking District Fund, as required by law or as directed by the City Council adopted budget. The remainder of interest income is credited to the General Fund as required by California Government Code.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash and cash equivalents. The Local Agency Investment Fund and money market investments are determined to be included as cash and cash equivalents. Proceeds from debt and other cash and investments held by fiscal agents by agreement are classified as restricted assets in the proprietary funds.

***Interfund Receivables/Payables*** - Short-term loan receivables and payables are reported as “due from other funds” and “due to other funds” respectively.

Long-term interfund loan receivables are reported as advances and are offset equally by fund balance reservations that indicate they do not constitute expendable available resources and, therefore, are not available for appropriation. The payables are classified as “advances from” in the proprietary funds and are reported in the general long-term debt account group for governmental funds.

***Discount/Premium/Issuance Cost*** - The City’s bond or debt premium/discount and issuance costs are recorded as expenditures in the year they are incurred for governmental fund debt and are amortized over the life of the bond for proprietary fund debt.

***Inventories*** - Inventories are physically counted annually and valued at cost, on the weighted average method, which approximates 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.

***Fixed Assets*** - Fixed assets are recorded at historical cost. Donated fixed assets are valued at estimated fair market value on the date received. Approximately 5% of property, plant and equipment are carried at estimated historical cost. Gains or losses on assets at retirement or disposal are recorded in the same fiscal year the asset is retired.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 1999

(Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**General Fixed Assets** - General fixed assets are those acquired for general governmental purposes. Such assets currently purchased or constructed are recorded as expenditures in the governmental fund types and are capitalized at cost in the General Fixed Assets Account Group. The City does not capitalize infrastructure fixed assets such as: roads, bridges, curbs, gutters, streets and sidewalks, street lights, and traffic signals, nor does it record depreciation in the General Fixed Assets Account Group.

**Proprietary Fund Types** - Fixed assets in the proprietary fund types are generally stated at cost. Renewals and betterments are capitalized when purchased. Maintenance and repairs are charged to expense when the services are rendered. Assets acquired under capital lease obligations are depreciated over their estimated useful lives. Depreciation is provided using the straight line method based on the estimated useful life of the asset as follows:

Building and structures	30 - 50 years
Improvements other than buildings	25 - 30 years
Machinery and equipment	5 - 30 years
Transmission and distribution plant (including infrastructure such as water, sanitary, wastewater and stormwater mains and materials)	50 - 100 years

In accordance with generally accepted accounting principles, the City capitalizes net interest cost of funds borrowed to finance the construction of fixed assets in the proprietary fund types. For the year ended June 30, 1999, capitalized interest costs equaled \$3,711 in connection with the construction in progress.

**Vacation, Sick, and Earned Time Leave Pay** - Accrued vacation leave is payable at 100% of accumulated hours upon separation of service. Accrued sick leave is payable at 50% of accumulated hours for all City employees upon separation of service due to death, service or disability retirement based upon terms negotiated with individual bargaining units. Police and Fire department safety and management employees, mid-management, law and unrepresented employees are also eligible for pay-off of 50% of accumulated sick leave upon termination after ten years of service. All bargaining unit employees may sell back their remaining 50% of accrued sick leave hours for additional California Public Employees' Retirement System (PERS) service credit upon retirement.

Police and Fire department safety employees are eligible for pay-off of 100% of accumulated earned time equal to one year's accrual upon retirement based on years of service. Pay-off of accumulated earned time is reportable PERS compensation.

The value of accumulated vacation, sick, and earned time are accrued, as appropriate, for all funds. With respect to obligations of the governmental fund types, the amounts are recorded in the General Long-Term Debt Account Group.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Prepays** - The City has the option of reporting an expenditure for prepaids (i.e., insurance) either when purchased or during the benefit period. The City has elected not to recognize a prepaid in the governmental fund financial statement.

**Contributed Capital** - Water and wastewater connection fees are recorded as additions to contributed capital in the Water Utility and Sanitary Wastewater Utility Enterprise Funds.

**Fund Equity** - Reservations of fund balances indicate those portions of fund equity which are not available for appropriation or expenditure or which have been legally restricted to a specific use.

Portions of unreserved fund balances have been designated to indicate that portion of fund equity for which the City has tentative plans for financial resource utilization in a future period. These amounts may not result in actual expenditures.

**Proprietary Fund Accounting** - The City has made an election in accordance with GASB Statement 20, to apply Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Principles Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

**Accounting for Escheat Property** - The City is in compliance with the GASB Statement 21, *Accounting for Escheat Property*, and accounts for these assets in the ultimate fund (General Fund) when the assets are deemed to be escheat in accordance with California state law.

**Use of Estimates** - In preparing general purpose financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the general purpose financial statements and revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

**Total Columns on Combined Financial Statements** - Total columns on the accompanying General Purpose Financial Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not purport to present financial position, results of operations, or cash flows of the City in conformity with GAAP. Such data is not comparable to a consolidation.

**New Accounting Pronouncements** - In December 1998, the Government Accounting Standards Board issued Statement of Governmental Accounting Standards ("SGAS") No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. This statement establishes accounting and financial reporting standards for nonexchange transactions involving financial or capital resources and primarily addresses the timing of recognition of nonexchange transactions for each of the four classes of nonexchange transactions identified in the statement. This statement will be effective for the City for the year ending June 30, 2001. The City has not determined what effect adopting SGAS No. 33 will have on its financial statements.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 1999, the Governmental Accounting Standards Board issued Statement of Governmental Accounting Standards ("SGAS") No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The statement establishes financial reporting standards for certain governmental entities which will require expanded financial information, management discussion and analysis and required supplemental information in their financial reporting. This statement will be effective for the City for the year ending June 30, 2002. The City has not determined what effect adopting SGAS No. 34 will have on its financial statements.

**Reclassification** – Certain 1998 amounts have been reclassified to conform to the financial statement presentation for the 1999 fiscal year.

### 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." The primary government cash and investments are broken out separately from the discretely presented component unit (Central Parking District).

**Deposits** - At June 30, 1999, the recorded amount of the City's deposits were \$(87); the component units deposits were \$1,471; and the bank balance was \$5,027. The bank balance and carrying amount differ due to deposits in transit of \$613 and outstanding checks of \$4,256. The component unit deposits are included in the City's investment pool, thus there are no specific bank balances.

The bank balances were entirely insured or collateralized at June 30, 1999. The California Government Code requires financial institutions to secure a city's deposits, in excess of insured amounts, by pledging government securities as collateral. The fair value of pledged securities must equal at least 110% of a city's deposits. California law also allows financial institutions to secure a city's deposits by pledging first trust deed mortgage notes having a value of 150% of a city's total deposits.

The City's deposits are categorized to give an indication of the level of risk at year-end:

Category 1 - Insured or collateralized with securities held by the City or its agent in the City's name. The City held \$322 in Category 1 deposits at June 30, 1999.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. The City held \$4,705 Category 2 deposits at June 30, 1999.

Category 3 - Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the City's name. The City did not hold any Category 3 deposits at June 30, 1999.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 2. CASH AND INVESTMENTS (Continued)

**Investments** - California statutes and the City's investment policy authorize the investment of idle or surplus funds in the following instruments:

- Securities of the U.S. Government, or its agencies
- Small Business Administration loans
- Certificates of deposit
- Negotiable certificates of deposit
- Bankers acceptances
- Commercial paper
- Local Agency Investment Fund ("LAIF") demand deposits - State pool
- Repurchase agreements (repos)
- Demand accounts - insured/collateralized
- Mutual funds
- Guaranteed investment contracts

The City has entered into nonparticipating guaranteed investment contracts which bear interest ranging from 5.36% to 6.57%. The investment contracts are collateralized 100% to 104% by investments which are in compliance with the City's investment policy.

The City's investments are categorized to give an indication of the level of risk at year-end:

Category 1 - Insured or registered or securities held by the City or its agent in the City's name.

Category 2 - Uninsured and unregistered investments with the securities held by the counter party's trust department or agent in the City's name.

Category 3 - Uninsured and unregistered investments with securities held by the counter party or by its trust department or agent but not in the City's name.

During the year ended June 30, 1999, the City did not utilize investment types different from those categorized below.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 2. CASH AND INVESTMENTS (Continued)

A summary of cash and investments by such categories at June 30, 1999 is as follows:

Investment Type	Category 1	Non Categorized	Fair Value
Primary government investments:			
U.S. Government securities	\$ 146,070	\$ -	\$ 146,070
Commercial paper	5,990	-	5,990
LAIF	-	27,618	27,618
Money market funds	-	24,223	24,223
Guaranteed investment contracts	-	35,298	35,298
Component unit investments:			
LAIF	-	919	919
Total investments	<u>\$ 152,060</u>	<u>\$ 88,058</u>	<u>\$ 240,118</u>

Summary of GASB 3 disclosure carrying amounts:

Primary government deposits	\$ (87)
Component unit deposits	1,471
Investments	<u>240,118</u>
Total cash and investments	<u>\$ 241,502</u>

Cash and investments are reported on the balance sheet as follows:

Cash and temporary investments	\$ 186,542
Cash with fiscal agents	11,292
Restricted cash and temporary investments	7,331
Restricted cash and temporary investments with fiscal agents	<u>36,337</u>
	<u>\$ 241,502</u>



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 2. CASH AND INVESTMENTS (Continued)

***Restricted Cash and Investments*** - Certain proceeds of Enterprise Funds and certificates of participation ("COP") are classified as restricted cash and investments 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 ordinances, 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, but also includes reserves for payment of debt service as required by the bond indentures and payment of landfill closure and post-closure costs.

At June 30, 1999, restricted cash and investments are as follows for the Enterprise Funds:

Primary Government:	
Water Utility	\$ 1,577
Sanitary Wastewater Utility	34,715
Solid Waste	6,412
	<hr/>
	42,704
Component Unit:	
Central Parking District	964
	<hr/>
Total	<u>\$ 43,668</u>

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 3. INTERFUND ASSETS / LIABILITIES

Interfund receivables and payables are as follows at June 30, 1999:

	Due From	Due To	Advances To	Advances From
General Fund	\$ 73	\$ -	\$ 470	\$ -
Special Revenue Funds:				
Revenue Sharing	-	5	-	-
Gas Tax	-	1,994	-	-
Measure K Sales Tax	-	877	-	-
Urban Development Action Grant	-	-	4,686	-
Community Development Block Grant	-	5,343	10,324	-
Community Development Loan	3,536	-	563	-
Home Program	-	4,384	-	-
Other Special Revenue	-	70	-	-
Capital Projects Funds:				
Public Facilities Impact Fees	200	500	8,948	-
Capital Improvement	8,284	-	9,613	-
Redevelopment Agency	1,084	4	1,830	-
General Long-Term Debt Account Group:				
Other Special Revenue	-	-	-	71
Redevelopment Agency	-	-	-	23,855
Public Facilities Impact Fees	-	-	-	12,508
Total	<u>\$ 13,177</u>	<u>\$ 13,177</u>	<u>\$ 36,434</u>	<u>\$ 36,434</u>

### 4. OPERATING / RESIDUAL EQUITY TRANSFERS

During the year various interfund transfers were made to finance expenditures, subsidize operating losses and service debt. These transfers are reflected as operating or residual equity transfers. Residual equity transfers are included in contributed capital on the balance sheet. The transfers are recorded in the fiscal period in which the transactions are approved.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 4. OPERATING / RESIDUAL EQUITY TRANSFERS (Continued)

Operating transfers for the year ended June 30, 1999 are summarized as follows:

	Operating Transfers	
	In	Out
Primary Government:		
General Fund	\$ 5,525	\$ 4,754
Special Revenue Funds:		
Special Grants	110	63
Revenue Sharing	15	-
Gas Tax	-	4,800
City-County Library	4,452	-
Redevelopment Agency Loan	528	-
Community Development Block Grant	-	487
Community Development Loan	487	1
Home Program	3,296	3,296
Other Special Revenue	19	-
	<u>8,907</u>	<u>8,647</u>
Debt Service Funds:		
Mello-Roos Districts	185	228
1915 Act Assessment District	921	1,464
Redevelopment Agency	383	-
Stockton Public Financing Authority	-	85
	<u>1,489</u>	<u>1,777</u>
Capital Projects Funds:		
Capital Improvement	-	485
Redevelopment Agency	737	1,647
Mello-Roos Districts	228	185
1915 Act Assessment Districts	1,478	935
Stockton Public Financing Authority	85	-
	<u>2,528</u>	<u>3,252</u>
Enterprise Funds:		
Water Utility	1,219	1,219
Sanitary Wastewater Utility	6,185	6,185
	<u>7,404</u>	<u>7,404</u>
Internal Service Funds:		
Computer Equipment	138	-
Other Equipment	-	146
General Insurance	-	498
Health Benefits Insurance	498	-
Other Insurance	-	109
	<u>636</u>	<u>753</u>
Total primary government	26,489	26,587
Component Unit:		
Central Parking District	98	-
Total	<u>\$ 26,587</u>	<u>\$ 26,587</u>

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 4. OPERATING / RESIDUAL EQUITY TRANSFERS (Continued)

Residual equity transfers for the year ended June 30, 1999 were as follows:

	Residual Equity Transfers	
	In	Out
Special revenue funds:		
Special grants	\$ -	\$ 497
Internal service funds:		
Central garage	283	-
Computer equipment	192	-
Radio equipment	22	-
	<u>\$ 497</u>	<u>\$ 497</u>

### 5. FIXED ASSETS

Fixed assets of the primary government at June 30, 1999 are as follows:

	Enterprise Funds	Internal Service Funds	General Fixed Assets	Total
Land	\$ 3,360	\$ -	\$ 12,836	\$ 16,196
Buildings and improvements	283,128	129	47,764	331,021
Machinery and equipment	9,228	36,055	1,728	47,011
Construction in progress	67,385	-	5,521	72,906
Total fixed assets	<u>363,101</u>	<u>36,184</u>	<u>67,849</u>	<u>467,134</u>
Accumulated depreciation	(87,043)	(23,434)	-	(110,477)
Net fixed assets	<u>\$ 276,058</u>	<u>\$ 12,750</u>	<u>\$ 67,849</u>	<u>\$ 356,657</u>

**General Fixed Assets** - A summary of changes in the General Fixed Assets Account Group are as follows:

	Balance July 1, 1998	Additions	Deletions	Transfers	Balance June 30, 1999
Land	\$ 12,836	\$ 862	\$ 862	\$ -	\$ 12,836
Buildings and improvements	47,764	-	-	-	47,764
Machinery and equipment	1,613	153	35	(3)	1,728
Construction in progress	2,168	3,353	-	-	5,521
Total	<u>\$ 64,381</u>	<u>\$ 4,368</u>	<u>\$ 897</u>	<u>\$ (3)</u>	<u>\$ 67,849</u>

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 5. FIXED ASSETS (Continued)

*Capitalized Leases* - Capitalized leased assets included in fixed assets are as follows:

	Internal Service Funds
Machinery and equipment	\$ 492
Accumulated depreciation	(205)
Net fixed assets	<u>\$ 287</u>

The following is a summary of proprietary fund type fixed assets for the Central Parking District (a component unit) at June 30, 1999:

Land	\$ 3,768
Buildings and improvements	12,077
Machinery and equipment	50
Construction in progress	5
Total fixed assets	<u>15,900</u>
Accumulated depreciation	(3,559)
Net fixed assets	<u>\$ 12,341</u>

### 6. GENERAL LONG-TERM DEBT

A summary of the changes in the City's general long-term debt obligations during the year is as follows:

	Balance July 1, 1998	Additions	Reductions	Balance June 30, 1999
1915 Act Special Assessment Bonds	\$ 34,740	\$ 8,775	\$10,370	\$ 33,145
Mello-Roos Special Tax Bonds	24,375	3,100	625	26,850
Revenue Bonds	110,830	-	3,889	106,941
Tax Allocation Bonds	490	-	490	-
Compensated absences	17,076	61	-	17,137
Advance from other funds:				
Other Special Revenue Fund	71	-	-	71
Redevelopment Agency	22,872	1,094	111	23,855
Public Facilities Impact Fees Fund	7,765	5,203	460	12,508
Total	<u>\$218,219</u>	<u>\$18,233</u>	<u>\$15,945</u>	<u>\$220,507</u>



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 6. GENERAL LONG-TERM DEBT (Continued)

A description of each item included in the general long-term debt account group is as follows:

1915 Act Special Assessment Bonds were authorized and issued to finance the improvements of special districts located within the City. There are currently 12 bonds authorized and issued with interest rates ranging from 4.5% to 8.25% and final maturity in September 2023. Remaining debt service will be paid from assessments to property owners.

\$ 33,145

Community Facilities Districts Special Tax Bonds were authorized pursuant to the Mello-Roos Community Facilities Act of 1982, to provide funds to: 1) pay costs of the acquisition and construction of new roads, sewer and water facilities to serve property located within the City of Stockton, 2) pay certain public facilities impact fees charged by the City. There are currently four bonds authorized and issued with interest rates ranging from 4.5% to 7.75% and final maturity in September 2015. Remaining debt service will be paid from assessments to property owners.

\$ 26,850

Refunding Revenue Bonds were issued by the SPFA to purchase two series of location obligation refunding bonds and three limited obligation improvement bonds. Additionally, the City issued Mello-Roos Revenue Bonds to purchase special tax bonds and to finance the acquisition and construction of stormwater lines and pumping plants. The revenue bonds have interest rates ranging from 3.48% to 8% and final maturity on September 1, 2024. Remaining debt service will be paid from revenues of the SPFA or City consisting primarily of payments received by the Authority and City as payments of assessments on the local obligation or special tax bonds.

\$ 106,941

Compensated absences. It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits and unlimited sick leave. A portion of these benefits are paid to the employee upon separation of employment from the City.

\$ 17,137

The advance to the Other Special Revenue Fund represents a loan from the General Fund to the Buckley Cove Marina which will be repaid from user fees.

\$ 71

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 6. GENERAL LONG-TERM DEBT (Continued)

The advances to the Redevelopment Agency represent loans from: 1) the Urban Development Action Grant Fund - \$4,686, to provide funds for the West End (Waterfront) Redevelopment Project. Funds were advanced to the Agency pursuant to the Development Agreement (Waterfront Project) authorized by the City and the Redevelopment Agency in December 1980. The interest rate on this loan is 10% and the loan will be repaid to the Urban Development Action Grant Fund from excess tax increment allocations as they become available. Accumulated interest that totals \$19,038 through June 30, 1999 will be recognized as an expenditure when repaid; 2) the General Fund - \$399, Community Development Block Grant Fund - \$10,324, Community Development Loan Fund - \$563, and Capital Improvement Fund - \$6,053, to provide funds for the McKinley, Sharps Lane Villa, Eastland and West End Redevelopment Projects. These loans are non-interest bearing loans and will be repaid to the respective funds from excess tax increment allocations as they become available; 3) the Redevelopment Agency McKinley Redevelopment Project Area to the West End Redevelopment Project Area - \$1,830. The loans will be repaid, plus interest at a rate equal to the Eleventh District Cost of Funds, from excess tax increment allocations as they become available.

\$ 23,855

The advances to Public Facilities Impact Fees Fund represent loans from: 1) the Capital Improvement fund for construction costs related to the southeast branch library, fire stations 1, 5 and 14, and expansion of city office space; 2) Street Improvements Fee Area #6 to Street Improvements Fee Area #1 for the I-5 March Lane interchange and Davis Road/Bear Creek Bridge, the March Lane - Southern Pacific Railroad crossing, and the Hammer Lane - Union Pacific Railroad crossing; 3) Parkland Fee Area #1 to the Parkland City Wide account for Weber Point Events Center improvements. These loans are interest bearing based on the average annual interest earned by the City of Stockton. The loans will be repaid as excess public facilities impact fees become available.

\$ 12,508

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 6. GENERAL LONG-TERM DEBT (Continued)

#### *Defeasance of Debt*

##### **Weber/Sperry**

On August 12, 1998, the City issued Limited Obligation Refunding Improvement Bonds, Series 232, Weber/Sperry Ranches Assessment District, in the aggregate principal of \$8,775, the proceeds of the issuance were used to defease two prior issues of limited obligation improvement bonds pursuant to the provisions of the Refunding Act of 1984 for 1915 Act Bonds (Division 11.5 of the California Streets and Highways Code), consisting of Weber/Sperry Ranches Assessment District, Project 88-1, Series 213 and Project No. 88-2, Series 215 of \$7,450 and \$1,370, respectively. Funds deposited to defease the two prior limited obligation improvement bonds, together with interest earned thereon, are intended to be fully sufficient to redeem the bonds when due. Accordingly, the prior limited obligation improvement bonds are considered defeased and are not recorded in these financial statements. The City reduced its total debt service over the next 14 years by \$2,410 and realized an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,377.

#### *Prior Year Defeasance of Debt*

In prior years, the City and the SPFA defeased certain General Long-Term Debt Account Group debt by placing the proceeds of new debt in irrevocable trusts to provide for all future debt service payments on the old debt until called. Accordingly, the trust account assets and liabilities for the following defeased debt issues are not included in the City's financial statements. At June 30, 1999, the outstanding balances of the bonds considered defeased were as follows:

Stockton Public Financing Authority Community Facilities District 90-4 (Spanos Park Mello-Ross bonds)	\$ 16,340
City of Stockton Community Facilities District No. 90-2, Series 002 (Brookside Estates Special Tax Bonds)	\$ 21,815
City of Stockton Community Facilities District No. 90-2, Series 305 (Brookside Estates Special Tax Bonds)	\$ 5,270
City of Stockton Community Facilities District No. 1, Series 307 (Weston Ranch Special Tax Bonds)	\$ 5,725
City of Stockton Community Facilities District No. 1, Series 308 (Weston Ranch Special Tax Bonds)	\$ 3,050

The Stockton Airport Business Park Assessment District, Project 84-1, Phase IV; Stockton Airport Business Park Assessment District, Project 84-1, Phase V; the Arch Road Industrial Park Assessment District Special Tax Bonds Project 84-2, Phase I; Series 1989 Community Facilities District No. 1 (Weston Ranch) Special Tax Bonds; and the City of Stockton South Stockton Community Facilities District No. 90-1 Special Tax Bonds were called during fiscal year 1999.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 6. GENERAL LONG-TERM DEBT (Continued)

At June 30, 1999, special assessment, Mello-Roos and revenue bond debt service requirements to maturity are as follows:

	Principal			Total
	Special Assessment	Mello-Roos	Revenue Bonds	
1999-2000	\$ 1,210	\$ 670	\$ 3,405	\$ 5,285
2000-2001	1,355	785	3,620	5,760
2001-2002	1,360	835	3,905	6,100
2002-2003	1,440	1,030	4,145	6,615
2003-2004	1,515	1,095	4,400	7,010
Thereafter	26,265	22,435	87,466	136,166
	<u>\$ 33,145</u>	<u>\$ 26,850</u>	<u>\$ 106,941</u>	<u>\$ 166,936</u>
	Interest			Total
	Special Assessment	Mello-Roos	Revenue Bonds	
1999-2000	\$ 2,235	\$ 1,635	\$ 5,975	\$ 9,845
2000-2001	2,149	1,653	5,812	9,614
2001-2002	2,070	1,607	5,629	9,306
2002-2003	1,987	1,551	5,428	8,966
2003-2004	1,898	1,487	5,209	8,594
Thereafter	16,281	9,774	39,479	65,534
	<u>\$ 26,620</u>	<u>\$ 17,707</u>	<u>\$ 67,532</u>	<u>\$ 111,859</u>
	Principal and Interest			Total
	Special Assessment	Mello-Roos	Revenue Bonds	
1999-2000	\$ 3,445	\$ 2,305	\$ 9,380	\$ 15,130
2000-2001	3,504	2,438	9,432	15,374
2001-2002	3,430	2,442	9,534	15,406
2002-2003	3,427	2,581	9,573	15,581
2003-2004	3,413	2,582	9,609	15,604
Thereafter	42,546	32,209	126,945	201,700
	<u>\$ 59,765</u>	<u>\$ 44,557</u>	<u>\$ 174,473</u>	<u>\$ 278,795</u>



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 7. LONG-TERM DEBT - ENTERPRISE FUNDS

The following is a summary of all long-term debt in the primary government Enterprise Funds at June 30, 1999:

	Long-Term	Current	Total
Compensated absences	\$ 1,716	\$ 801	\$ 2,517
Advances from other governments	2,038	139	2,177
Certificates of Participation	131,370	2,045	133,415
Unamortized discount	(527)	-	(527)
Unamortized extraordinary loss Sanitary Wastewater Utility Fund	(6,932)	-	(6,932)
Water extension agreements	-	13	13
Special assessment bonds	410	555	965
Solid Waste Landfill closure/postclosure liability	9,758	-	9,758
Total	<u>\$ 137,833</u>	<u>\$ 3,553</u>	<u>\$ 141,386</u>

#### *Compensated Absences*

It is the City's policy to permit employees to accumulate a limited amount of earned but unused vacation benefits and unlimited sick leave. A portion of these benefits is paid to the employee upon separation of employment from the City. Both the current and long-term portion of the liability have been recorded.

#### *Advance From Other Governments*

	Water Utility	Stormwater Utility	Total
Federal Drought Relief Act	\$ 1,111	\$ -	\$ 1,111
Federal Clean Water Act	-	1,066	1,066
Total	<u>1,111</u>	<u>1,066</u>	<u>2,177</u>
Less current portion	<u>-</u>	<u>139</u>	<u>139</u>
Long-term portion	<u>\$ 1,111</u>	<u>\$ 927</u>	<u>\$ 2,038</u>

- 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 (Enterprise Fund). As of June 30, 1999, advances totaled \$1,111. The loan will bear interest at 5% per annum and shall be for a term not to exceed 40 years.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

- In September 1992, the City accepted a Federal Clean Water Act loan not to exceed \$1,900 for programs to reduce pollutant loading from urban runoff, which will enable the City to comply with the Clean Water Act of 1987 (Stormwater Enterprise Fund). As of June 30, 1999 advances totaled \$1,066. The loan will bear interest at 3.1% per annum and shall be for a term not to exceed 10 years after the completion of the City's three-year program.

#### *Certificates of Participation*

	Water Utility	Sanitary Waste-water Utility	Total
Principal amount outstanding at June 30, 1999	<u>\$ 16,380</u>	<u>\$ 117,035</u>	<u>\$ 133,415</u>

Annual debt service requirements to maturity for the Certificates of Participation are as follows:

	Principal	Interest	Total
1999-2000	\$ 2,045	\$ 6,730	\$ 8,775
2000-2001	2,135	6,642	8,777
2001-2002	2,225	6,549	8,774
2002-2003	2,325	6,451	8,776
2003-2004	2,430	6,347	8,777
Thereafter	<u>122,255</u>	<u>97,084</u>	<u>219,339</u>
Total	<u>\$ 133,415</u>	<u>\$ 129,803</u>	<u>\$ 263,218</u>

**Water Utility** - The Stockton Public Financing Authority (SPFA) (lessor) issued Certificates of Participation on June 1, 1993, in the amount of \$17,860, with interest rates ranging from 3.0% - 5.8%, the full amount maturing serially through August 1, 2022, in annual principal installments ranging from \$275 to \$1,225.

Principal amount outstanding at June 30, 1999	\$16,380
Less issue discount	54
Less current portion of debt	<u>335</u>
Total long-term portion of Debt	<u>\$ 15,991</u>

The proceeds were used to defease the 1986 Water Certificates of Participation, and the remainder of the unused debt was used to fund new construction and a fund reserve. The proceeds were used to improve a water delivery system serving the City of Stockton. The system is leased to the City and operated by the City's Municipal Utilities Department. Lease payments are made from net revenues of the Water Utility Fund and are used to repay the Certificates. Interest on the Certificates began accruing on the date of issuance. The first interest payment was due February 1, 1994. 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 equal to \$1,262 funded from bond proceeds.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

Under the Lease Agreement, the City covenanted to make all rental payments to the SPFA. These rental payments will be used to service the indebtedness when they become due and payable. In the event of default, the City of Stockton would be held contingently liable. Consistent with NCGA Statement No. 5 and GASB Statement No. 14 capital leases between the primary government and blended component units are eliminated. The debt and assets are reported in the primary government's Water Utility Enterprise Fund.

Cash with fiscal agents of \$1,577 shown on the balance sheet, Enterprise-Water Utility 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.

**Sanitary Wastewater Utility** - The Stockton Public Financing Authority (SPFA) (lessor) issued Certificates of Participation on August 1, 1993, in the amount of \$16,715, with interest rates ranging from 2.75% - 5.75%, the full amount maturing serially through September 1, 2023, in annual principal installments ranging from \$190 to \$1,095.

Principal amount outstanding at June 30, 1999	\$ 15,385
Less unamortized loss on defeasance	834
Less current portion of debt	315
	<hr/>
Total long-term portion of debt	\$ 14,236

The City issued Certificates of Participation on February 1, 1998, in the amount of \$101,650, with interest rates ranging from 4.0% to 5.2%, the full amount maturing serially through September 1, 2029, in annual principal installments ranging from \$1,395 to \$7,325.

Principal amount outstanding at June 30, 1999	\$ 101,650
Less issue discount	476
Less unamortized loss on defeasance	6,095
Less current portion of debt	1,395
	<hr/>
Total long-term portion of debt	\$ 93,684

The proceeds of the 1998 issue were used to finance the design and construction of a sewer interceptor and to make improvements and modifications to the southern industrial sewer trunk line, and to defease the 1995 Certificates of Participation issue that was to finance the design, improvements and modifications to the regional wastewater control facilities serving the citizens of the City of Stockton. The defeasance resulted in an unamortized extraordinary loss of \$6,432, which will be amortized over the life of the 1995 Certificates. Interest with respect to the 1998 Certificates of Participation began on the date of issuance. Restrictive covenants include the requirement of a reserve for debt service by providing a reserve policy provided by an outside insurer. The reserve policy is in the amount of the maximum annual debt service on the 1998 and 1993 Certificates. The Certificates will be prepaid from the net revenues of the Sanitary Wastewater Utility Fund.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

The balance sheet, Enterprise-Sanitary Wastewater Utility Fund (restricted assets) includes \$34,715 cash with fiscal agent held by a fiscal agent (trustee) in charge of investment of idle funds and disbursements for the improvements and modifications of the project being financed.

#### *Water Extension Agreements*

These agreements represent City water lines installed by property owners and dedicated to the City. Upon connection to the City of Stockton water system, the cost of installation is to be reimbursed to the property owners by the City.

#### *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. All special assessment bonds are limited obligation type bonds. Therefore, the City is not obligated in any manner to repay the debt from general city revenues. Special assessment bonds currently outstanding at June 30, 1999 are as follows:

	Series	Principal Interest Rate %	Date Issued	Date of Maturity	Authorized and Issued	Amount Outstanding
Water Utility:						
Service facilities	159 A	6.20	07-02-69	07-02-99	\$ 850	\$ 55
Service facilities	159 B	7.32	07-02-74	07-02-99	1,650	125
Sanitary Wastewater Utility:						
Wastewater service facilities	181	7.19	07-02-75	07-02-01	4,700	785
Total						<u>\$ 965</u>

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

Annual debt service requirements to maturity for special assessment bonds are as follows:

	Mature in Fiscal Year		Total
	1999-2000	2000-2001	
Principal:			
Water Utility Fund	\$ 180	\$ -	\$ 180
Sanitary Wastewater Utility Fund	375	410	785
Total principal	<u>\$ 555</u>	<u>\$ 410</u>	<u>\$ 965</u>
Interest:			
Water Utility Fund	\$ 6	\$ -	\$ 6
Sanitary Wastewater Utility Fund	42	15	57
Total interest	<u>\$ 48</u>	<u>\$ 15</u>	<u>\$ 63</u>
Total Principal and Interest:			
Water Utility Fund	\$ 186	\$ -	\$ 186
Sanitary Wastewater Utility Fund	417	425	842
Total	<u>\$ 603</u>	<u>\$ 425</u>	<u>\$ 1,028</u>

#### *Solid Waste Landfill Closure/Postclosure Liability*

The City has recorded the liability for future landfill closure and postclosure costs for the Austin Road and French Camp landfills for the capacity filled as of June 30, 1999. See Note 21 in these financial statements for the specific details of the calculation.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

#### *Component Unit - Long-Term Debt*

The following is a summary of long-term debt of the Central Parking District (component unit) as of June 30, 1999:

	Long-Term	Current	Total
Special assessment bonds	\$ 7,560	\$ 515	\$ 8,075
Compensated absences	21	7	28
Total	<u>\$ 7,581</u>	<u>\$ 522</u>	<u>\$ 8,103</u>

Special assessment bonds of the Central Parking District currently outstanding at June 30, 1999 are as follows:

Enterprise Fund	Series	Principal Interest Rate %	Date Issued	Date of Maturity	Authorized and Issued	Amount Outstanding
Central Parking District:						
Division 1	148 A	4.93	11-02-66	07-02-02	\$ 2,000	\$ 420
Division 2	148 B	5.35	02-02-68	07-02-02	1,000	195
Division 3	148 C	5.47	11-02-68	07-02-05	1,000	195
Division 4	148 D	7.00	04-02-70	07-02-05	583	530
District Bonds of 1991	148 E	5.5-7.9	08-01-91	08-01-11	8,475	6,735
Total						<u>\$ 8,075</u>

Annual debt service requirements to maturity for the Central Parking District special assessment bonds are as follows:

	Principal	Interest	Total
1999-2000	\$ 515	\$ 600	\$ 1,115
2000-2001	555	566	1,121
2001-2002	590	530	1,120
2002-2003	615	491	1,106
2003-2004	450	453	903
Thereafter	<u>5,350</u>	<u>1,923</u>	<u>7,273</u>
Total	<u>\$ 8,075</u>	<u>\$ 4,563</u>	<u>\$ 12,638</u>



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 7. LONG-TERM DEBT - ENTERPRISE FUNDS (Continued)

#### *Prior Year Defeasance of Debt*

In prior years, the City defeased certain proprietary fund debt by placing the proceeds of new debt in an irrevocable trust to provide for all future debt service payments on the old debt until called. Accordingly, the trust account assets and liabilities for the following defeased debt issues are not included in the City's financial statements. The 1990 Certificates of Participation – Sanitary Wastewater Utility Fund were called during fiscal year 1999. At June 30, 1999, the outstanding balances considered defeased are as follows:

	Amount
Primary Government:	
1995 Certificates of Participation - Sanitary Wastewater Utility Fund	<u>\$42,275</u>

### 8. LONG-TERM DEBT - INTERNAL SERVICE FUNDS

The following is a summary of all long-term debt included in the Internal Service Fund as of June 30, 1999:

	Long-Term	Current	Total
Self-insurance liabilities	\$ 11,444	\$ 5,884	\$ 17,328
Capitalized lease payable	139	178	317
Compensated absences	<u>499</u>	<u>231</u>	<u>730</u>
Total	<u>\$ 12,082</u>	<u>\$ 6,293</u>	<u>\$ 18,375</u>

***Self-Insurance Liabilities*** - In accordance with GASB 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* and GASB No. 30 *Risk Financing Omnibus* liabilities have been accrued representing estimates of amounts to be paid for reported, as well as incurred but not reported claims. The City contracts with independent actuaries to compute the estimated liabilities of the City's self-insurance programs. The estimated liabilities include allocated loss adjustment expenses and exclude unallocated loss adjustment expenses. The effect of specific incremental claim adjustment expenses is included in the allocated loss adjustment expenses and is not specifically identifiable. The effect of salvage and subrogation are minimal. The liability for unpaid claims for general liability and workers' compensation is discounted to reflect the City's settlement rate and anticipated future investment earnings, using a discount rate of 5%. 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:

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 8. LONG-TERM DEBT - INTERNAL SERVICE FUNDS (Continued)

	Long-Term	Current	Total
General liability	\$ 2,493	\$ 1,225	\$ 3,718
Workers' compensation	8,951	2,907	11,858
Health insurance	-	1,752	1,752
	<hr/>	<hr/>	<hr/>
Total	\$ 11,444	\$ 5,884	\$ 17,328
	<hr/>	<hr/>	<hr/>

**Capitalized Lease Payable** - The City has entered into various capitalized lease agreements for computer equipment. These leases expire in various years through March 2001.

Future minimum lease payments under capitalized leases are as follows:

1999-2000	\$ 185
2000-2001	139
	<hr/>
	324
Less amounts representing interest	7
	<hr/>
Present value of future minimum lease payments	317
Less current portion	178
	<hr/>
Long-term portion	\$ 139
	<hr/>

### 9. CONDUIT DEBT OBLIGATIONS

From time-to-time, the City has issued revenue bonds to provide financial assistance to public and private sector entities for the funding of mortgage loans, capital improvements to medical facilities and refinancing of previously existing debt deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying assets. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 1999, there were six series of revenue bonds outstanding, with an aggregate principal amount payable of \$81,090.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 10. NATURE AND PURPOSE OF REPORTED RESERVES AND DESIGNATIONS

A summary of reported reserves and designations by fund at June 30, 1999 follows:

Account Title:	Governmental Fund Types				Fiduciary Fund Type Trust and Agency
	General	Special Revenue	Debt Service	Capital Projects	
Reserves:					
Encumbrances	\$ 1,149	\$ 9,184	\$ -	\$ 6,248	\$ 5
Special district maintenance	-	1,010	-	-	-
Capital projects	-	192	-	62,140	-
Debt service	-	-	26,360	-	-
Advances to other funds	470	15,573	-	20,391	-
Advances for loans	-	32,500	-	-	-
Other items	376	380	-	486	665
Total reserves	<u>\$ 1,995</u>	<u>\$ 58,839</u>	<u>\$ 26,360</u>	<u>\$ 89,265</u>	<u>\$ 670</u>
Designations:					
Administrative contingency	\$ 9,341	\$ -			
Loans	-	3,136			
Library	-	517			
Compensated absences contingency	-	277			
Total designations	<u>\$ 9,341</u>	<u>\$ 3,930</u>			

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. Designations are portions of the fund balance which have been identified by management to reflect tentative plans or commitments of governmental resources.

**Encumbrances** - Represent approved purchase orders, contracts, and other commitments not completed at the end of the fiscal year.

**Special District Maintenance** - For special district maintenance services.

**Capital Projects** - For current and future infrastructure projects.

**Debt Service** - For payment of long-term debt principal, interest and related fiscal charges.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 10. NATURE AND PURPOSE OF REPORTED RESERVES AND DESIGNATIONS (Continued)

*Advances to Other Funds* - Council approved loans made for the following purposes: 1) loan to the Redevelopment Agency for redevelopment of blighted areas; 2) administer the public facilities fees program and to begin the construction of planned infrastructure; 3) advance for construction of facilities at Buckley Cove Marina.

*Advances for Loans* - Outstanding balance of loans approved and disbursed as of fiscal year end.

*Other Items* - To offset miscellaneous assets that do not represent expendable available financial resources.

*Administrative Contingency* - Set aside for unforeseen budgetary requirements of the City.

*Loans* - Set aside for future loan activities.

*Library* - Set aside for the City-County Library expenditures.

*Compensated Absences Contingency* - Set aside for unused vacation, sick leave, and earned time pay-off.

### 11. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintained six active enterprise funds effective this fiscal year. The Central Parking District is reported as a discrete component unit in the Combined Financial Statements. Segment information for the year ended June 30, 1999 is as follows:

	Water Utility	Sanitary Waste- water Utility	Storm- water Utility	Solid Waste	Golf Courses	Central Parking District
Operating revenue	\$ 12,951	\$ 29,306	\$ 3,832	\$ 5,448	\$ 1,900	\$ 1,537
Depreciation and amortization expense	1,254	4,103	944	51	116	318
Operating income (loss)	1,403	5,113	(325)	23	(217)	132
Operating transfers in	1,219	6,185	-	-	-	98
Operating transfers (out)	(1,219)	(6,185)	-	-	-	-
Net income (loss)	1,264	7,507	(179)	422	(217)	317
Current capital contributions/(deletions)	2,056	8,642	2,143	-	-	-
Fixed assets:						
Additions	2,028	54,966	2,143	-	19	-
Deletions	-	5,481	-	-	16	-
Net working capital	17,221	44,651	5,752	2,148	463	629
Total assets	71,014	286,037	36,492	10,408	1,610	14,863
Bonds and other long-term liabilities payable from operating revenue	17,630	110,415	1,066	9,758	-	8,075
Total equity	51,638	166,095	35,284	(152)	1,313	6,416



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 11. SEGMENT INFORMATION FOR ENTERPRISE FUNDS (Continued)

#### *Types of Goods and Services*

##### *Primary Government*

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

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

Stormwater Utility - Operates a regional storm drainage system for the Stockton metropolitan area. This entails operating and maintaining the system.

Solid Waste - Operates landfill operations and maintenance, closure and postclosure costs at the Austin Road and French Camp landfill disposal sites, and garden refuse collection.

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

##### *Component Unit*

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

### 12. DEFERRED COMPENSATION

The City offers its employees a deferred compensation plan. The City's contribution ranges from 1% to 5.5% of the employees' base salary, except for the City Manager, whose contribution is \$7.5 annually. The employee may contribute up to a combined City and employee total of 25% of their gross pay, not to exceed a total of \$8 annually.

In prior years, the City set up trusts to hold assets and income of its deferred compensation plan for the exclusive benefit of the participants. Management of the City has determined that the City does not have fiduciary accountability since amounts accumulated by the City, under the plan, have been invested at the direction of the employees in several investment options. Accordingly, assets and activity related to the plan are excluded from the City's financial statements.

### 13. PENSION PLAN

**Plan Description** - The City contributes to the Safety Plan of the City of Stockton and the Miscellaneous Plan of the City of Stockton (the Plans) which are part of 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. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 13. PENSION PLAN (Continued)

All City employees are eligible to participate in PERS. Part-time employees must meet specific criteria for participation. City employees are eligible for retirement at age 50 or older with five years of service. Benefits are payable monthly for life in an amount equal to a certain percent of their average salary during their highest year of employment. Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS' comprehensive annual financial report may be obtained from their executive office of 400 P Street, Sacramento, California, 95814.

**Funding Policy** – Safety Plan participants are required to contribute 9% of their annual covered salary. Miscellaneous Plan participants are required to contribute 7% of their annual covered salary. As part of the city employees' benefit package, the City pays the employees' contribution. The City is required to contribute at an actuarially determined rate; the rate for the year ended June 30, 1999 was 15.184% of annual covered payroll for Safety members and 10.381% of annual covered payroll for Miscellaneous members. The contribution requirements of the Plans' members and the City are established and may be amended by PERS.

**Annual Pension Cost** - For the year ended June 30, 1999, the City's annual pension cost of \$5,380 for the Safety Plan and \$4,464 for the Miscellaneous Plan was equal to the City's required and actual contributions. The required contributions were determined as part of the June 30, 1996 actuarial valuations using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 8.5% investment rate of return (net of administrative expenses); and (b) projected salary increases that vary by duration of service ranging from 4.5% to 14.95%. Both (a) and (b) include an inflation component of 4.5%. The actuarial value of the Plans' assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a two to five year period depending on the size of investment gains and/or losses. The Plans' initial unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll in a closed basis. The remaining amortization period at June 30, 1999 was 10 years for the Safety Plan and 15 years for the Miscellaneous Plan.

#### SAFETY PLAN Three-Year Trend Information for (Dollar Amount in Thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/98	\$4,265	100%	\$0
6/30/97	4,786	100	0
6/30/96	3,053	100	0

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 13. PENSION PLAN (Continued)

#### MISCELLANEOUS PLAN Three-Year Trend Information for (Dollar Amount in Thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/98	\$3,788	100%	\$0
6/30/97	3,672	100	0
6/30/96	3,379	100	0

### 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City established a Risk Management Fund (Internal Service Fund) to account for its uninsured risk of loss. Under this program, the Risk Management Fund provides coverage up to a maximum of \$1,000 for each general liability claim, \$250 for each worker's compensation claim and \$150 for each health insurance claim. The City purchases commercial insurance for claims in excess of the coverage provided by the fund and for all other risks of loss for worker's compensation and health claims. The City joined together with other cities in 1987 to form the California Joint Powers Risk Management Authority ("CJPRMA"), a public entity risk pool currently operating as a risk management and insurance program for 23 member entities which represent in excess of 150 cities. The City pays an annual premium to CJPRMA for its general liability excess insurance coverage for claims over \$1,000.

The worker's compensation and health insurance are administered by service agents who are experts in their respective fields. The general liability is self administered by the City of Stockton.

At June 30, 1999, \$3,718, \$11,858, and \$1,752 have been accrued for general liability, workers' compensation, and health insurance, respectively. All funds of the City participate in the program and make payments to the Risk Management Internal Service Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The City contracts with independent actuaries to compute the estimated liabilities of the City's self-insurance programs. The liability for unpaid claims for general liability and workers' compensation is discounted to reflect anticipated future investment earnings, assuming a five percent interest rate.

The claims liabilities above, reported in the fund at June 30, 1999, are based on requirements of GASB 10 and GASB 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. 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, 1999 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.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 14. RISK MANAGEMENT (Continued)

Reconciliation of the changes in the City's aggregate liabilities for the current and prior fiscal year:

	Liability	Workers' Compensation	Health	Total
Balance, July 1, 1997	\$3,274	\$ 9,411	\$ 1,742	\$14,427
Claims provision	651	4,620	10,902	16,173
Claims paid	(387)	(3,232)	(10,624)	(14,243)
Balance, June 30, 1998	3,538	10,799	2,020	16,357
Claims provision	756	4,419	10,565	15,740
Claims paid	(576)	(3,360)	(10,833)	(14,769)
Balance, June 30, 1999	<u>\$3,718</u>	<u>\$11,858</u>	<u>\$ 1,752</u>	<u>\$17,328</u>

### 15. RISK POOL

The City is a member of the California Joint Powers Risk Management Authority, a risk pool, described as follows:

**Description of Joint Powers Authority** - The Authority is comprised of 23 California member entities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The City has no equity interest in the Joint Powers Authority. 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.

The Authority is dedicated to maintaining a commitment to excellence in the protection of its member entities from catastrophic liability and other financial losses through a stable, high quality, comprehensive, cost effective, long-term risk management program.

#### **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 \$500 or \$1,000. The City'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 coverage. 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 \$500 and \$10,000. These deposits are subject to retrospective adjustments.



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 15. RISK POOL (Continued)

*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. There have been no significant reductions in any of the City's insurance coverage and no settlement amounts have exceeded commercial or CJPRMA insurance coverage each of the past three years.

### 16. 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 under contractual obligations negotiated between the City and various employee bargaining units. All City management and public safety employees who receive a PERS retirement allowance upon separation are eligible for coverage under the Retiree Medical Plan at age 50. Some management/safety employees retired for disability may qualify at a younger age. All other employees who receive a PERS retirement allowance and have 15 or more years of service are eligible at age 55. Full medical benefits are continued until age 65. Such coverage includes the retiree and one dependent. At age 65, eligible retirees are covered under a Medicare Supplemental Plan. This is a lifetime benefit provided to the retired employee and his or her eligible spouse. Currently, 371 retirees meet these eligibility requirements and participate in the Plan.

The City's contributions are financed on a pay-as-you-go basis. During the year, expenditures of approximately \$2,504 were recognized for post-employment health care.

Most retirees do not contribute to the plan. Those that qualify for City paid benefits may purchase coverage for additional dependents not covered by the City's contribution to the Plan. During the year, \$74 of dependent coverage was purchased by retirees and terminated employees.

### 17. CONTINGENT LIABILITIES

*General Liability* - There are various claims and legal actions pending against the City for which no provision has been made in the financial statements. In the opinion of the City Attorney and City Management, liabilities arising from these claims and legal actions, if any, will not be material to these financial statements.

The City has received federal grants for specific purposes that are subject to review and audit by the federal government. Although such audits could result in expenditure disallowances under grant terms, any required reimbursements are not expected to be material.

During fiscal year 1997, as part of ongoing groundwater monitoring at the Austin Road landfill, there was an indication of contaminants from the landfill migrating beyond the 1000 foot plume boundary established in the 1991 Correction Action Plan. The Central Valley Regional Water Quality Control Board ("Board") directed the City to submit an amended report and bring the landfill into compliance with state regulations. As a result, a consultant was hired to prepare an amended report of waste discharge. During the fiscal year 1999, the City submitted the amended report and received verbal approval from the Board. However, due to the pending sale of the Austin Road landfill, the City has not

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 17. CONTINGENT LIABILITIES (Continued)

taken any further action as the sale agreement includes language requiring the purchaser to take corrective action to mitigate the contamination. The City does retain potential liability related to third party tort claims and inverse condemnation; however, the amount of potential liability cannot be determined at this time.

The City is in the process of settling a lawsuit for the refund of increases to the combined treatment capacity portion of the wastewater connection fee. Any refunds for fee increases effective March 1, 1997 and January 1, 1998 will be charged to the Sanitary Wastewater Utility Fund (Enterprise). Management believes the amount recorded in the general purpose financial statements is adequate to cover the estimated cost of the settlement.

The City is self-insured and participates in a Public Entity Risk Pool. Details of this are covered in Notes 14 and 15.

#### *Accumulated Deficit and Unfunded Liabilities*

- The Stormwater Utility Fund (Enterprise) had a deficit retained earnings of \$3,355 at June 30, 1999 and \$3,177 at June 30, 1998. The Stormwater Utility Fund's net operations have resulted in a deficit retained earnings at June 30, 1999 partly due to depreciation of \$6,768 charged to earnings since inception of the Fund. However, at June 30, 1999, this fund had a positive net working capital of \$5,752, taking into consideration other components such as contributions from other sources and loans, that have an affect on total fund equity.
- The Solid Waste Fund (Enterprise) had a deficit retained earnings of \$845 at June 30, 1999 and \$1,267 at June 30, 1998. The deficit is due to the expansion of the Austin Road landfill and increases in the estimated closure and postclosure costs. See Note 21.
- The City budgets revenues and projects expenses in the Workers' Compensation Insurance Fund (Internal Service) based upon an analysis of the cash flows with the fund. On an accrual basis of accounting, the Workers' Compensation Insurance Fund has a long-term liability of \$8,951 and an unfunded liability of \$6,925. The cash balance of the fund at June 30, 1999 is \$4,904. The City will fund the unfunded liability over time by adjusting the rates paid by city funds.

**Construction Commitments** - The City is undertaking a number of capital improvement projects, the most significant of which include the following at June 30, 1999:

• Regional Wastewater Control Facility expansion	\$14,037
• Street improvements	9,397
• Waterfront improvements	1,765
• Westside Sewer Interceptor	3,101
• Parking Structure	1,265



# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

### 18. CHANGES IN CONTRIBUTED CAPITAL

#### *Enterprise Funds*

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility	Solid Waste	Golf Courses	Total
Balance, July 1, 1998	\$ 30,108	\$ 120,162	\$ 36,496	\$ 693	\$ 400	\$ 187,859
Additions	<u>2,056</u>	<u>6,842</u>	<u>2,143</u>	<u>-</u>	<u>-</u>	<u>11,041</u>
Balance, June 30, 1999	<u>\$ 32,164</u>	<u>\$ 127,004</u>	<u>\$ 38,639</u>	<u>\$ 693</u>	<u>\$ 400</u>	<u>\$ 198,900</u>

#### *Internal Service Funds*

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment	Total
Balance, July 1, 1998	\$ 3,631	\$ 5,027	\$ 2,173	\$ 746	\$ 11,577
Additions	<u>283</u>	<u>223</u>	<u>22</u>	<u>81</u>	<u>609</u>
Balance, June 30, 1999	<u>\$ 3,914</u>	<u>\$ 5,250</u>	<u>\$ 2,195</u>	<u>\$ 827</u>	<u>\$ 12,186</u>

### 19. RECONCILIATION OF OPERATIONS ON A BUDGETARY BASIS TO MODIFIED ACCRUAL BASIS

The "All Governmental Fund Types and Expendable Trust Funds Combined Statement of Revenues, Expenditures and Changes in Fund Balances" has been prepared on the modified accrual basis of accounting in accordance with GAAP. The "Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual on a Budgetary Basis General, Special Revenue, and Capital Projects Funds" has been prepared on the budgetary basis, which is different from GAAP.

The variation from GAAP is that for budgetary purposes, outstanding commitments relating to construction contracts and other purchases of goods and services are recorded as expenditures at the time contracts or purchase agreements are entered into. Under GAAP, these obligations are recognized when goods are received or services are rendered. See the Budgetary Basis of Accounting section of Note 1 for a reconciliation of GAAP basis to budgetary basis for the Special Revenue and Capital Project funds.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### 20. OPERATING LEASES

Operating lease obligations are primarily for rental of parking facilities space. The future minimum lease payments required for those operating leases are as follows:

June 30,	Amount
2000	\$ 231
2001	201
2002	110
2003	111
2004	113
Thereafter	<u>1,612</u>
Total	<u>\$2,378</u>

### 21. LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the City to place a final cover on its Austin Road and French Camp landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after the closure (per California state regulations subtitle d). Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$6,959 and \$2,799 for the Austin Road and French Camp landfill closure and postclosure care liability at June 30, 1999, represents the cumulative amount reported to date based on the use of 28% and 69% for Austin Road and French Camp of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$17,879 and \$1,231 for Austin Road and French Camp respectively as the remaining capacity is filled. Amounts are based on what it would cost to perform all closure and postclosure care in 1999. Actual cost may be higher due to inflation, changes in technology, or changes in state or federal regulations. The City expects to close the Austin Road and French Camp landfill in the years 2053 and 2013 respectively. See Note 22.

The City is required by state and federal laws and regulations to make annual contributions to finance closure and postclosure care. The City is in compliance with these requirements, and, at June 30, 1999, \$4,980 for Austin Road and \$1,578 for French Camp are held for these purposes. Contributions are reported as restricted assets in the financial statements. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations), these costs may need to be covered by charges to future landfill users or from future tax revenues.

# CITY OF STOCKTON

## NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 1999

(Dollar amounts in thousands)

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### 22. SUBSEQUENT EVENTS

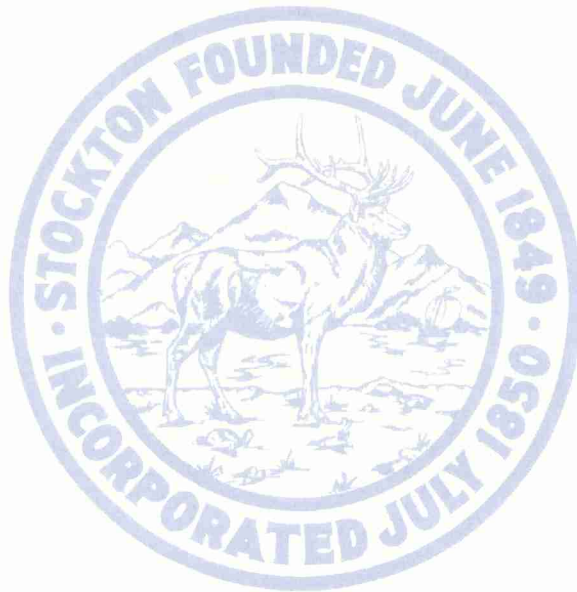
Subsequent to June 30, 1999, the Stockton Public Financing Authority authorized the issuance of 1999 West Eighth Street Reassessment Revenue Bonds dated August 5, 1999. The new bonds are being issued to refund two prior issues of limited obligation improvement bonds consisting of City of Stockton Limited Obligation Improvement Bonds – West Eighth Street Assessment District No. 90-5 Phase I, Series 217, and Phase II, Series 220. The bonds are issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985 of the State of California and under an Indenture of Trust dated as of August 1, 1999. The bonds are issued in the par amount of \$11,610 with interest ranging from 4.10% - 6.30% and mature September 2, 2021.

Subsequent to June 30, 1999, the Stockton Public Financing Authority authorized the issuance of 1999 Essential Services Certificates of Participation dated October 25, 1999. The new certificates of participation are being issued to provide funds for the acquisition, construction and equipping of a new essential services building and adjacent public parking facility located in the City. The City intends to house its police department, detective and property units in the building and to, at a future date, additionally house police and fire department dispatch functions, the city emergency operations center and its management information systems department. The certificates of participation are issued in the par amount of \$14,860 with interest ranging from 4.60% - 6.00% and mature August 1, 2031.

On October 29, 1999 the City authorized the sale of the Austin Road and French Camp landfills. Under the terms of the contract the City will retain liability for third party tort claims, personal injury or property damage that result from the preclosing environmental conditions. The purchaser will assume all other preclosing and postclosing environmental liabilities. The sale is contingent on obtaining a county land use permit when the land is sold and de-annexed from the City to the county. The purchaser has agreed to relocate a stream bed near the landfill, which will require submission of plans and regulatory approval. Management expects the sale to be finalized early in 2000.

\* \* \* \* \*

# Stockton



**REQUIRED SUPPLEMENTARY  
INFORMATION**





# CITY OF STOCKTON

## REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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The following tables display a historical summary of the Entry Age Normal Accrued Liability, the Actuarial Value of Assets, the Unfunded Actuarial Accrued Liability (UAAL) or Excess Assets, the Funded Ratio, the estimated annual covered payroll and the UAAL as a percentage of covered payroll for each of the City's defined benefit pension plans.

### FUNDED STATUS OF MISCELLANEOUS PLAN

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (1)	Actuarial Value Asset (2)	Unfunded Actuarial Accrued Liability (Surplus) (1)-(2)	Funded Ratio (2)-(1)	Covered Payroll	UAAL Percentage of Covered Payroll (Surplus)
6/30/97	\$ 184,744	\$ 204,602	\$ (19,858)	110.7 %	\$40,191	(49.41)%
6/30/96	182,931	177,677	5,254	97.1 %	37,683	13.94 %
6/30/95	157,746	156,671	1,075	99.3 %	39,006	2.76 %

### FUNDED STATUS OF SAFETY PLAN

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (1)	Actuarial Value Asset (2)	Unfunded Actuarial Accrued Liability (1)-(2)	Funded Ratio (2)-(1)	Covered Payroll	UAAL Percentage of Covered Payroll
6/30/97	\$261,217	\$260,639	\$ 578	99.8 %	\$34,672	1.67 %
6/30/96	231,555	226,407	5,148	97.8 %	31,048	16.58 %
6/30/95	203,421	202,769	652	99.7 %	29,857	2.18 %

# CITY OF STOCKTON

## REQUIRED SUPPLEMENTARY INFORMATION YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

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### DISCLOSURE OF YEAR 2000 ISSUES AND ACTIVITY (UNAUDITED)

The year 2000 problem affects a wide range of governmental activities and could have a significant impact on an entity's future financial resources. In response to this concern, the GASB directed governmental entities to disclose information concerning the general description of the Year 2000 issue as it relates to their organization, the resources committed to resolving the Year 2000 problem, and the stage or stages the organization is at in resolving this problem.

The City identified various systems and pieces of equipment that needed to be looked at for Year 2000 compliance. Systems utilized by the component unit have been included in this analysis. The following is a list of the identified mission critical and non-mission critical systems and equipment to assess and remediate, as necessary, to ensure the systems are Year 2000 compliant.

- Computer equipment, operating systems and software
- Radio and communication systems and switches
- Equipment with embedded chips
- Banking systems
- Office equipment
- Other agencies

#### Stages of Work

In 1998, the City's Management Information Systems Department established a team to coordinate Year 2000 compliance activities. The City has initiated a complete review of the organization by department. Individual end-users from each department have the opportunity and responsibility to identify potential operations or services requiring Year 2000 compliance. The departments then established the plan for ensuring Year 2000 compliance. The City has monitored Year 2000 mission critical issues on a quarterly basis and has made changes to systems and equipment, as needed.

#### Assessment and Remediation Stages

The City installed Year 2000 compliant servers, operating environments and hardware. At that time, an assessment was performed and all the date related processing in the system was modified to use a four-digit year. The City has also assessed the software, equipment, systems and switches. Additionally, the City has corresponded with vendors and others regarding their state of Year 2000 readiness as to matters affecting the City.

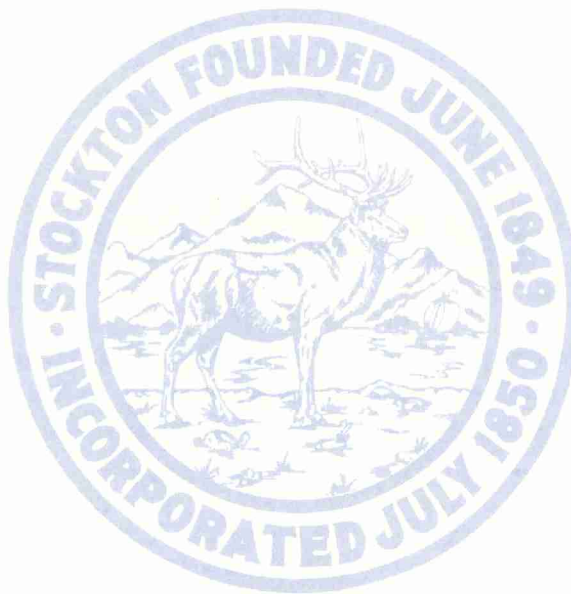
#### Validation and Testing Stage

As of September 1999, the City completed an extensive and comprehensive testing and analysis to validate the changes made during the remediation stage.

#### Contingency Planning

The City has assessed alternative courses of action in the event Year 2000 issues arise.

# Stockton



**GENERAL FUND**

## ***GENERAL FUND***

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

# CITY OF STOCKTON

## GENERAL FUND BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	1999	1998
<b>ASSETS</b>		
ASSETS:		
Cash and temporary investments	\$ 5,078	\$ 3,186
Cash with fiscal agents	-	74
Receivables:		
Interest	106	246
Taxes and special assessments	41	43
Accounts and others	8,229	6,770
Allowance for uncollectibles	(995)	(895)
Due from other funds	73	1,330
Due from other governments	2,005	2,497
Due from other agencies	1,605	-
Inventory of supplies	299	300
Advances to other funds	470	533
Total assets	<u>\$16,911</u>	<u>\$ 14,084</u>
<b>LIABILITIES AND FUND BALANCES</b>		
LIABILITIES:		
Accounts payable	\$ 1,296	\$ 885
Accrued payroll and benefits	3,676	3,418
Due to other agencies	111	111
Deposits and other liabilities	17	10
Deferred revenue	475	342
Total liabilities	<u>5,575</u>	<u>4,766</u>
FUND BALANCES:		
Reserved:		
Encumbrances	1,149	1,435
Advances to other funds	470	533
Other items	376	382
Unreserved:		
Designated for administrative contingency	9,341	6,521
Designated for compensated absences contingency	-	447
Total fund balances	<u>11,336</u>	<u>9,318</u>
Total liabilities and fund balances	<u>\$16,911</u>	<u>\$ 14,084</u>



# CITY OF STOCKTON

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
ON A BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	1999		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes:			
Property	\$ 15,523	\$ 15,413	\$ (110)
Utility	23,045	24,160	1,115
Sales and use	24,147	24,739	592
Other	11,396	12,824	1,428
Licenses and permits	2,342	2,507	165
Federal grants and subsidies	513	417	(96)
Intergovernmental	10,863	11,447	584
Charges for services	9,466	10,601	1,135
Fines and forfeitures	777	893	116
Use of money and property	632	768	136
Investment income:			
Interest income	1,100	1,041	(59)
Net increase (decrease) in fair value of investments	-	(271)	(271)
Refunds and reimbursements	504	640	136
Miscellaneous	4,993	5,023	30
Total revenues	<u>105,301</u>	<u>110,202</u>	<u>4,901</u>
EXPENDITURES:			
Current:			
General government:			
City council	302	240	62
City manager	1,950	1,895	55
City attorney	1,143	1,142	1
City clerk	883	726	157
City auditor	320	307	13
Finance	2,786	2,700	86
Management information services	-	-	-
Personnel	1,449	1,277	172
Housing and redevelopment	115	60	55
Community development	1,931	1,843	88
Non-departmental	1,172	999	173
Total general government	<u>12,051</u>	<u>11,189</u>	<u>862</u>
Public safety:			
Police	48,625	48,386	239
Fire	27,779	27,654	125
Housing and redevelopment	1,382	1,183	199
Community development	2,604	2,273	331
Total public safety	<u>80,390</u>	<u>79,496</u>	<u>894</u>

1998		
Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 15,183	\$ 15,108	\$ (75)
22,011	22,994	983
22,580	22,943	363
11,607	12,269	662
2,340	2,337	(3)
1,407	779	(628)
10,306	10,563	257
9,378	9,514	136
587	508	(79)
592	1,041	449
1,300	932	(368)
-	142	142
408	943	535
4,919	5,051	132
<u>102,618</u>	<u>105,124</u>	<u>2,506</u>
304	219	85
1,790	1,655	135
1,284	1,057	227
814	631	183
299	257	42
2,820	2,595	225
1,169	1,160	9
1,472	1,180	292
58	53	5
1,821	1,557	264
933	783	150
<u>12,764</u>	<u>11,147</u>	<u>1,617</u>
47,552	47,433	119
27,734	27,734	-
-	-	-
3,331	3,022	309
<u>78,617</u>	<u>78,189</u>	<u>428</u>

(continues)

# CITY OF STOCKTON

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
ON A BUDGETARY BASIS (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

	1999		
	Final Budget	Actual	Variance Favorable (Unfavorable)
Public works	11,727	9,848	1,879
Parks and recreation	<u>9,667</u>	<u>9,456</u>	<u>211</u>
Total current expenditures	113,835	109,989	3,846
Capital outlay	<u>178</u>	<u>150</u>	<u>28</u>
Total expenditures	<u>114,013</u>	<u>110,139</u>	<u>3,874</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES (BUDGETARY BASIS)	<u>(8,712)</u>	<u>63</u>	<u>8,775</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	5,525	5,525	-
Operating transfers out	(4,656)	(4,656)	-
Operating transfers out to component unit	(98)	(98)	-
Sale of fixed assets	15	35	20
Advances from other funds	-	-	-
Repayments of advances from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>786</u>	<u>806</u>	<u>20</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	<u>(7,926)</u>	<u>869</u>	<u>8,795</u>

1998		
Final Budget	Actual	Variance Favorable (Unfavorable)
11,338	10,986	352
<u>9,413</u>	<u>9,033</u>	<u>380</u>
112,132	109,355	2,777
<u>109</u>	<u>102</u>	<u>7</u>
<u>112,241</u>	<u>109,457</u>	<u>2,784</u>
 <u>(9,623)</u>	 <u>(4,333)</u>	 <u>5,290</u>
 5,441	 5,441	 -
(4,480)	(4,480)	-
(98)	(98)	-
24	2	(22)
-	-	-
<u>(1,300)</u>	<u>(1,300)</u>	<u>-</u>
 <u>(413)</u>	 <u>(435)</u>	 <u>(22)</u>
 <u>(10,036)</u>	 <u>(4,768)</u>	 <u>5,268</u>

(continues)

## CITY OF STOCKTON

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
ON A BUDGETARY BASIS (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)

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	1999		Variance Favorable (Unfavorable)
	Final Budget	Actual	
BASIS ADJUSTMENTS:			
Encumbrances	<u>-</u>	<u>1,149</u>	<u>1,149</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(7,926)	2,018	9,944
FUND BALANCES, BEGINNING OF YEAR	<u>9,318</u>	<u>9,318</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,392</u>	<u>\$ 11,336</u>	<u>\$ 9,944</u>

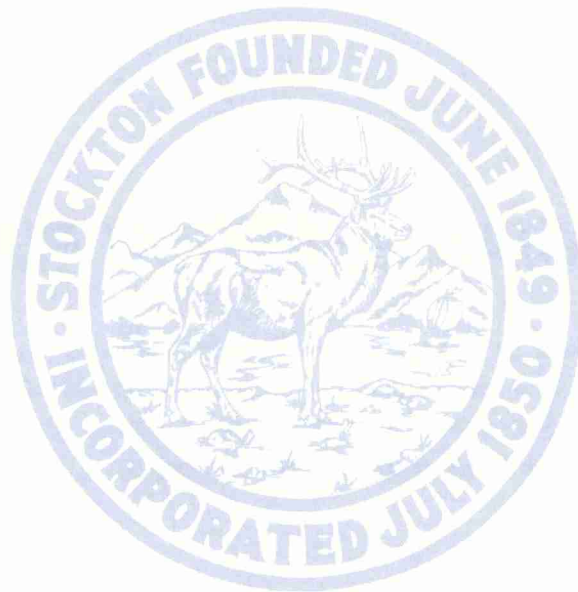


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1998		
Final Budget	Actual	Variance Favorable (Unfavorable)
<u>-</u>	<u>1,435</u>	<u>1,435</u>
(10,036)	(3,333)	6,703
<u>12,651</u>	<u>12,651</u>	<u>-</u>
<u>\$ 2,615</u>	<u>\$ 9,318</u>	<u>\$ 6,703</u>



# Stockton



**SPECIAL REVENUE FUNDS**

## ***SPECIAL REVENUE FUNDS***

The funds used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditures for specified purposes, other than those from expendable trusts or for major capital projects.

## **SPECIAL REVENUE FUNDS**

### **Special Grants**

To account for miscellaneous, comparatively smaller grants, from federal and state governments, not otherwise established as a stand-alone special revenue fund.

### **Revenue Sharing**

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

### **Gas Tax**

To account for revenues and expenditures apportioned to the City under the Streets and Highway Code, Sections 2105, 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, Intermodal Surface Transportation Efficiency Act and SB325 Non-Transit revenues.

### **Measure K Sales Tax**

To account for revenues and expenditures apportioned to the City for sales tax collections under Measure K. Expenditures for administration, maintenance and construction must be for street-related projects.

### **Cooperative Library**

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

### **City-County Library**

To account for the public library system for the City of Stockton and San Joaquin County branch libraries. The libraries are funded in cooperation with San Joaquin County, which provides approximately 50% of the funding.

### **Special Assessments**

To account for revenues and expenditures related to levies on property owners for special types of services - basic lighting, landscape, and stormwater drainage maintenance services.

### **Redevelopment Agency Loan**

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

### **Urban Development Action Grant**

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

### **Community Development Block Grant**

To account for the annual federal grant that provides for development of a viable urban community by providing a suitable living environment and expansion of economic opportunities, principally for low and moderate income residents.

### **Community Development Loan**

To account for the City's Community Rehabilitation Loan Program that provides adequate housing and suitable living environments for low and moderate income residents.

### **Home Program**

To account for the City's Home Program that provides adequate and affordable housing for low and very low income residents.

### **Other Special Revenue**

To account for comparatively smaller special revenue funds including Asset Seizure, Fourth of July Event, and Boat Launching Facilities.



# CITY OF STOCKTON

## SPECIAL REVENUE FUNDS COMBINING BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Gas Tax	Measure K Sales Tax	Cooperative Library	City- County Library	Special Assessments
<b>ASSETS</b>							
ASSETS:							
Cash and temporary investments	\$ 1,106	\$ 25	\$ -	\$ -	\$ 146	\$ 1,028	\$ 1,230
Receivables:							
Interest	25	-	13	-	-	-	-
Accounts and other receivables	10	-	-	-	-	7	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	388	-	3,319	8,243	-	-	-
Advances to other funds	-	-	-	-	-	-	-
Advances to property owners	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-
Total assets	<u>\$ 1,529</u>	<u>\$ 25</u>	<u>\$ 3,332</u>	<u>\$ 8,243</u>	<u>\$ 146</u>	<u>\$ 1,035</u>	<u>\$ 1,230</u>
<b>LIABILITIES AND FUND BALANCES</b>							
LIABILITIES:							
Accounts payable	\$ 55	\$ -	\$ 178	\$ 1,128	\$ 5	\$ 75	\$ 36
Due to other funds	-	5	1,994	877	-	-	-
Due to other governments	1,340	-	123	711	141	65	-
Deferred revenues	-	-	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-	-	-
Total liabilities	<u>1,395</u>	<u>5</u>	<u>2,295</u>	<u>2,716</u>	<u>146</u>	<u>140</u>	<u>36</u>
FUND BALANCES:							
Reserved:							
Special district maintenance	-	-	-	-	-	-	1,010
Capital Projects	-	-	192	-	-	-	-
Encumbrances	117	-	845	7,971	-	101	3
Advances to other funds	-	-	-	-	-	-	-
Advances for loans	-	-	-	-	-	-	-
Other items	17	-	-	-	-	-	181
Unreserved:							
Designated for library	-	-	-	-	-	517	-
Designated for loans	-	-	-	-	-	-	-
Designated for compensated absences contingency	-	-	-	-	-	277	-
Undesignated	-	20	-	(2,444)	-	-	-
Total fund balances	<u>134</u>	<u>20</u>	<u>1,037</u>	<u>5,527</u>	<u>-</u>	<u>895</u>	<u>1,194</u>
Total liabilities and fund balances	<u>\$ 1,529</u>	<u>\$ 25</u>	<u>\$ 3,332</u>	<u>\$ 8,243</u>	<u>\$ 146</u>	<u>\$ 1,035</u>	<u>\$ 1,230</u>

Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						1999	1998
\$ 596	\$ -	\$ -	\$ -	\$ -	\$ 246	\$ 4,377	\$ 7,845
-	-	(51)	2	-	3	(8)	65
1	-	-	-	-	10	28	8
-	-	-	3,536	-	-	3,536	-
-	-	3,543	-	4,967	-	20,460	12,955
-	4,686	10,324	563	-	-	15,573	15,028
3,628	-	-	19,551	9,321	-	32,500	29,599
-	-	108	-	-	-	108	54
<u>\$ 4,225</u>	<u>\$ 4,686</u>	<u>\$ 13,924</u>	<u>\$ 23,652</u>	<u>\$ 14,288</u>	<u>\$ 259</u>	<u>\$ 76,574</u>	<u>\$ 65,554</u>
\$ -	\$ -	\$ 524	\$ 34	\$ 44	\$ 5	\$ 2,084	\$ 2,839
-	-	5,343	-	4,384	70	12,673	2,818
-	-	-	-	-	-	2,380	3,158
-	-	-	-	-	-	-	2
239	-	2	726	583	-	1,550	2,629
<u>239</u>	<u>-</u>	<u>5,869</u>	<u>760</u>	<u>5,011</u>	<u>75</u>	<u>18,687</u>	<u>11,446</u>
-	-	-	-	-	-	1,010	897
-	-	-	-	-	-	192	598
-	-	145	-	-	2	9,184	14,459
-	4,686	10,324	563	-	-	15,573	15,028
3,628	-	-	19,551	9,321	-	32,500	26,171
-	-	-	-	-	182	380	467
-	-	-	-	-	-	517	659
358	-	-	2,778	-	-	3,136	6,314
-	-	-	-	-	-	277	329
-	-	(2,414)	-	(44)	-	(4,882)	(10,814)
<u>3,986</u>	<u>4,686</u>	<u>8,055</u>	<u>22,892</u>	<u>9,277</u>	<u>184</u>	<u>57,887</u>	<u>54,108</u>
<u>\$ 4,225</u>	<u>\$ 4,686</u>	<u>\$ 13,924</u>	<u>\$ 23,652</u>	<u>\$ 14,288</u>	<u>\$ 259</u>	<u>\$ 76,574</u>	<u>\$ 65,554</u>

# CITY OF STOCKTON

## SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Gas Tax	Measure K Sales Tax	Cooperative Library	City- County Library	Special Assessments
REVENUES:							
Sales and use tax	\$ -	\$ -	\$ -	\$ 2,526	\$ -	\$ -	\$ -
Taxes - transportation	-	-	111	-	-	-	-
Taxes - business improvement	-	-	-	-	-	-	46
Federal grants and subsidies	870	-	1,065	-	230	-	-
Intergovernmental	1,121	-	4,396	4,898	148	2,776	-
Charges for services	-	-	-	-	148	195	649
Use of money and property	-	-	-	-	-	-	-
Investment income:							
Interest income	2	1	52	22	-	-	-
Net increase (decrease) in fair value of investments	(19)	-	(13)	(8)	-	-	-
Refunds and reimbursements	-	-	83	-	-	35	-
Miscellaneous	-	-	-	-	-	-	5
Total revenues	<u>1,974</u>	<u>1</u>	<u>5,694</u>	<u>7,438</u>	<u>526</u>	<u>3,006</u>	<u>700</u>
EXPENDITURES:							
Current:							
General government	-	-	-	-	-	-	62
Public safety	909	-	-	-	-	-	-
Public works	-	-	-	-	-	-	517
Library	64	-	-	-	491	7,632	-
Parks and recreation	104	-	-	-	-	-	16
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	2	-	-	-	-	-	-
Public works	61	-	1,549	8,415	-	-	-
Library	2	-	-	-	35	12	-
Parks and recreation	<u>358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,500</u>	<u>-</u>	<u>1,549</u>	<u>8,415</u>	<u>526</u>	<u>7,644</u>	<u>595</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>474</u>	<u>1</u>	<u>4,145</u>	<u>(977)</u>	<u>-</u>	<u>(4,638)</u>	<u>105</u>

Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						1999	1998
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,526	\$ 2,347
-	-	-	-	-	-	111	114
-	-	-	-	-	-	46	109
-	-	5,072	-	4,140	-	11,377	12,404
-	-	-	-	-	18	13,357	15,712
-	-	-	-	-	152	1,144	993
-	-	-	377	37	-	414	249
-	-	6	8	-	12	103	204
-	-	23	(2)	-	(1)	(20)	15
-	-	-	-	-	3	121	44
-	-	-	-	-	-	5	34
-	-	5,101	383	4,177	184	29,184	32,225
-	-	-	196	50	19	327	246
-	-	-	-	-	55	964	1,383
-	-	-	-	-	-	517	456
-	-	-	-	-	-	8,187	7,619
-	-	-	-	-	133	253	122
-	-	1,418	-	-	-	1,418	14
-	-	-	-	-	60	62	-
-	-	2,915	-	91	-	13,031	15,787
-	-	-	-	-	-	49	18
-	-	-	-	-	2	360	20
-	-	4,333	196	141	269	25,168	25,665
-	-	768	187	4,036	(85)	4,016	6,560

(continues)

# CITY OF STOCKTON

## SPECIAL REVENUE FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued) FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Gas Tax	Measure K Sales Tax	Cooperative Library	City- County Library	Special Assessments
OTHER FINANCING SOURCES							
(USES):							
Operating transfers in	110	15	-	-	-	4,452	-
Operating transfers out	(63)	-	(4,800)	-	-	-	-
Repayment of advances from other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>47</u>	<u>15</u>	<u>(4,800)</u>	<u>-</u>	<u>-</u>	<u>4,452</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	521	16	(655)	(977)	-	(186)	105
FUND BALANCES, BEGINNING OF YEAR	110	4	1,692	6,504	-	1,081	1,089
Residual equity transfers out	<u>(497)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 134</u>	<u>\$ 20</u>	<u>\$ 1,037</u>	<u>\$ 5,527</u>	<u>\$ -</u>	<u>\$ 895</u>	<u>\$ 1,194</u>



Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						1999	1998
528	-	-	487	3,296	19	8,907	10,108
-	-	(487)	(1)	(3,296)	-	(8,647)	(11,035)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>
528	-	(487)	486	-	19	260	(929)
<u>528</u>	<u>-</u>	<u>(487)</u>	<u>486</u>	<u>-</u>	<u>19</u>	<u>260</u>	<u>(929)</u>
528	-	281	673	4,036	(66)	4,276	5,631
3,458	4,686	7,774	22,219	5,241	250	54,108	48,669
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(497)</u>	<u>(192)</u>
<u>\$ 3,986</u>	<u>\$ 4,686</u>	<u>\$ 8,055</u>	<u>\$ 22,892</u>	<u>\$ 9,277</u>	<u>\$ 184</u>	<u>\$ 57,887</u>	<u>\$ 54,108</u>

# CITY OF STOCKTON

## SPECIAL REVENUE FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ON A BUDGETARY BASIS FOR THE YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

	Gas Tax		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Sales and use tax	\$ -	\$ -	\$ -
Taxes - transportation	100	111	11
Taxes - business improvement	-	-	-
Federal grants and subsidies	3,144	1,065	(2,079)
Intergovernmental	4,680	4,396	(284)
Charges for services	-	-	-
Use of money and property	-	-	-
Investment income:			
Interest income	65	52	(13)
Net increase (decrease) in fair value of investments	-	(13)	(13)
Refunds and reimbursements	84	83	(1)
Miscellaneous	-	-	-
	<u>8,073</u>	<u>5,694</u>	<u>(2,379)</u>
Total revenues			
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Library	-	-	-
Parks and recreation	-	-	-
Capital outlay:			
General government	-	-	-
Public safety	-	-	-
Public works	4,263	1,585	2,678
Library	-	-	-
Parks and recreation	-	-	-
	<u>4,263</u>	<u>1,585</u>	<u>2,678</u>
Total expenditures			
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,810</u>	<u>4,109</u>	<u>299</u>

Measure K Sales Tax			City-County Library			Special Assessments		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 2,259	\$2,526	\$ 267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	168	46	(122)
-	-	-	-	-	-	-	-	-
28,771	4,898	(23,873)	2,968	2,776	(192)	-	-	-
-	-	-	184	195	11	647	649	2
-	-	-	-	-	-	-	-	-
196	22	(174)	-	-	-	-	-	-
-	(8)	(8)	-	-	-	-	-	-
-	-	-	41	35	(6)	-	-	-
-	-	-	-	-	-	2	5	3
<u>31,226</u>	<u>7,438</u>	<u>(23,788)</u>	<u>3,193</u>	<u>3,006</u>	<u>(187)</u>	<u>817</u>	<u>700</u>	<u>(117)</u>
-	-	-	-	-	-	168	62	106
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	578	520	58
-	-	-	7,978	7,731	247	-	-	-
-	-	-	-	-	-	53	16	37
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
37,339	9,037	28,302	-	-	-	-	-	-
-	-	-	68	14	54	-	-	-
-	-	-	-	-	-	-	-	-
<u>37,339</u>	<u>9,037</u>	<u>28,302</u>	<u>8,046</u>	<u>7,745</u>	<u>301</u>	<u>799</u>	<u>598</u>	<u>201</u>
<u>(6,113)</u>	<u>(1,599)</u>	<u>4,514</u>	<u>(4,853)</u>	<u>(4,739)</u>	<u>114</u>	<u>18</u>	<u>102</u>	<u>84</u>

(continues)

# CITY OF STOCKTON

## SPECIAL REVENUE FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ON A BUDGETARY BASIS (Continued) FOR THE YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

	Other Special Revenue			Totals		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:						
Sales and use tax	\$ -	\$ -	\$ -	\$ 2,259	\$ 2,526	\$ 267
Taxes - transportation	-	-	-	100	111	11
Taxes - business improvement	-	-	-	168	46	(122)
Federal grants and subsidies	-	-	-	3,144	1,065	(2,079)
Intergovernmental	48	18	(30)	36,467	12,088	(24,379)
Charges for services	141	152	11	972	996	24
Use of money and property	-	-	-	-	-	-
Investment income:						
Interest income	10	12	2	271	86	(185)
Net increase (decrease) in net investments	-	(1)	(1)	-	(22)	(22)
Refunds and reimbursements	-	3	3	125	121	(4)
Miscellaneous	-	-	-	2	5	3
	<u>199</u>	<u>184</u>	<u>(15)</u>	<u>43,508</u>	<u>17,022</u>	<u>(26,486)</u>
Total revenues						
EXPENDITURES:						
Current:						
General government	19	19	-	187	81	106
Public safety	63	57	6	63	57	6
Public works	-	-	-	578	520	58
Library	-	-	-	7,978	7,731	247
Parks and recreation	141	133	8	194	149	45
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	62	60	2	62	60	2
Public works	-	-	-	41,602	10,622	30,980
Library	-	-	-	68	14	54
Parks and recreation	2	2	-	2	2	-
	<u>287</u>	<u>271</u>	<u>16</u>	<u>50,734</u>	<u>19,236</u>	<u>31,498</u>
Total expenditures						
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(88)</u>	<u>(87)</u>	<u>1</u>	<u>(7,226)</u>	<u>(2,214)</u>	<u>5,012</u>

(continues)





# CITY OF STOCKTON

**SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL ON A BUDGETARY BASIS (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(Dollar amounts in thousands)**

	<b>Gas Tax</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
OTHER FINANCING SOURCES			
(USES):			
Operating transfers in	-	-	-
Operating transfers out	<u>(4,800)</u>	<u>(4,800)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,800)</u>	<u>(4,800)</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(990)	(691)	299
BASIS ADJUSTMENTS:			
Encumbrances	<u>-</u>	<u>36</u>	<u>36</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(990)	(655)	335
FUND BALANCES, BEGINNING OF YEAR	<u>1,692</u>	<u>1,692</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 702</u>	<u>\$1,037</u>	<u>\$ 335</u>

Measure K Sales Tax			City-County Library			Special Assessments		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
-	-	-	4,452	4,452	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	4,452	4,452	-	-	-	-
(6,113)	(1,599)	4,514	(401)	(287)	114	18	102	84
-	622	622	-	101	101	-	3	3
(6,113)	(977)	5,136	(401)	(186)	215	18	105	87
6,504	6,504	-	1,081	1,081	-	1,089	1,089	-
<u>\$ 391</u>	<u>\$5,527</u>	<u>\$ 5,136</u>	<u>\$ 680</u>	<u>\$ 895</u>	<u>\$ 215</u>	<u>\$1,107</u>	<u>\$ 1,194</u>	<u>\$ 87</u>

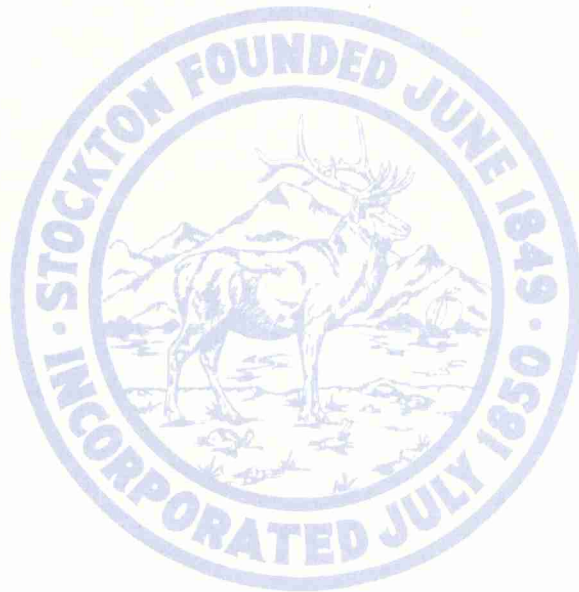
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# CITY OF STOCKTON

**SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL ON A BUDGETARY BASIS (Continued)  
FOR THE YEAR ENDED JUNE 30, 1999  
(Dollar amounts in thousands)**

	Other Special Revenue			Totals		
	Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES						
(USES):						
Operating transfers in	19	19	-	4,471	4,471	-
Operating transfers out	-	-	-	(4,800)	(4,800)	-
Repayment of advances to other funds	-	-	-	-	-	-
Total other financing sources (uses)	19	19	-	(329)	(329)	-
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(69)	(68)	1	(7,555)	(2,543)	5,012
BASIS ADJUSTMENTS:						
Encumbrances	-	2	2	-	764	764
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(69)	(66)	3	(7,555)	(1,779)	5,776
FUND BALANCES, BEGINNING OF YEAR	250	250	-	10,616	10,616	-
FUND BALANCES, END OF YEAR	\$ 181	\$ 184	\$ 3	\$ 3,061	\$ 8,837	\$5,776

# Stockton



**DEBT SERVICE FUNDS**

## ***DEBT SERVICE FUNDS***

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

## **DEBT SERVICE FUNDS**

### **Mello-Roos Districts**

To account for the accumulation of resources for, and the retirement of principal and interest on general long-term debt for Mello-Roos District bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982.

### **1915 Act Assessment District**

The fund established to account for the accumulation of resources for, and the retirement of principal and interest on general long-term debt for 1915 Act Assessment District bonds.

### **Redevelopment Agency**

The fund established to account for the accumulation of resources for, and the retirement of principal and interest on general long-term debt for revenue bonds issued by the City Redevelopment Agency to repay debt previously issued to finance the West End Urban Renewal Project.

### **Stockton Public Financing Authority**

To account for the accumulation of resources for, and the retirement of principle and interest on general long-term debt for Mello-Roos and Mark-Roos district bonds.



# CITY OF STOCKTON

## DEBT SERVICE FUNDS

### COMBINING BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Mello- Roos Districts	1915 Act Assessment District	Redevelopment Agency
<b>ASSETS</b>			
ASSETS:			
Cash and temporary investments	\$ 8,300	\$ 8,515	\$ -
Cash with fiscal agents	4,874	1,464	-
Receivables:			
Special assessments	538	404	-
Accounts and other receivables	86	119	-
Due from other governments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 13,798</u>	<u>\$ 10,502</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>			
LIABILITIES:			
Accounts payable	\$ -	\$ 1	\$ -
Matured bonds and interest payable	-	8	-
Deferred revenue	538	405	-
	<u>538</u>	<u>414</u>	<u>-</u>
Total liabilities	<u>538</u>	<u>414</u>	<u>-</u>
FUND BALANCES:			
Reserved:			
Debt service	13,260	10,088	-
Encumbrances	-	-	-
	<u>13,260</u>	<u>10,088</u>	<u>-</u>
Total fund balances	<u>13,260</u>	<u>10,088</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 13,798</u>	<u>\$ 10,502</u>	<u>\$ -</u>

Stockton Public Financing Authority	Totals	
	1999	1998
\$ 340	\$ 17,155	\$ 16,441
2,668	9,006	8,469
-	942	1,726
4	209	165
-	-	(3)
<u>\$ 3,012</u>	<u>\$ 27,312</u>	<u>\$ 26,798</u>
\$ -	\$ 1	\$ 3
-	8	8
-	943	1,752
<u>-</u>	<u>952</u>	<u>1,763</u>
3,012	26,360	25,034
-	-	1
<u>3,012</u>	<u>26,360</u>	<u>25,035</u>
<u>\$ 3,012</u>	<u>\$ 27,312</u>	<u>\$ 26,798</u>

# CITY OF STOCKTON

## DEBT SERVICE FUNDS

### COMBINING STATEMENT OF REVENUES, EXPENDITURES AND

### CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 1999

(With comparative totals for June 30, 1998)

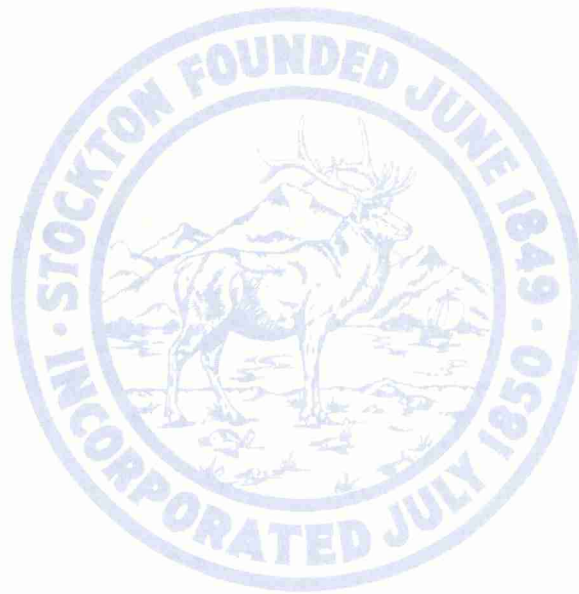
(Dollar amounts in thousands)

	Mello- Roos Districts	1915 Act Assessment District	Redevelopment Agency
REVENUES:			
Taxes	\$ 8,487	\$ 6,499	\$ -
Use of money and property	-	-	-
Investment income:			
Interest income	496	398	-
Net increase (decrease) in fair value of investments	(54)	(70)	-
Miscellaneous	-	160	-
Total revenues	<u>8,929</u>	<u>6,987</u>	<u>-</u>
EXPENDITURES:			
General government	-	214	-
Debt service:			
Principal retirement	3,150	2,375	490
Interest and fiscal charges	<u>4,940</u>	<u>3,276</u>	<u>18</u>
Total expenditures	<u>8,090</u>	<u>5,865</u>	<u>508</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>839</u>	<u>1,122</u>	<u>(508)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	185	921	383
Operating transfers out	<u>(228)</u>	<u>(1,464)</u>	<u>-</u>
Total other financing sources (uses)	<u>(43)</u>	<u>(543)</u>	<u>383</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	796	579	(125)
FUND BALANCES, BEGINNING OF YEAR	<u>12,464</u>	<u>9,509</u>	<u>125</u>
FUND BALANCES, END OF YEAR	<u>\$ 13,260</u>	<u>\$ 10,088</u>	<u>\$ -</u>

Stockton Public Financing Authority	Totals	
	1999	1998
\$ 1,559	\$ 16,545	\$ 16,836
-	-	-
146	1,040	594
(3)	(127)	20
-	160	-
<u>1,702</u>	<u>17,618</u>	<u>17,450</u>
-	214	319
555	6,570	5,623
987	9,221	10,816
<u>1,542</u>	<u>16,005</u>	<u>16,758</u>
<u>160</u>	<u>1,613</u>	<u>692</u>
-	1,489	11,358
(85)	(1,777)	(579)
<u>(85)</u>	<u>(288)</u>	<u>10,779</u>
75	1,325	11,471
<u>2,937</u>	<u>25,035</u>	<u>13,564</u>
<u>\$ 3,012</u>	<u>\$ 26,360</u>	<u>\$ 25,035</u>



# Stockton



**CAPITAL PROJECTS FUNDS**



## ***CAPITAL PROJECTS FUNDS***

The funds used to account for the financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds.

## **CAPITAL PROJECTS FUNDS**

### **Public Facilities Impact Fees**

To account for the collection of and expenditure of fees imposed as a condition of new development within the City. Impact fees have been established for each of the following types of public facilities:

Traffic Signal  
Street Improvement  
Community Recreation Centers  
City Office Space  
Fire Station  
Library  
Police Station  
Parkland, Street Tree/Street Sign  
Street Light In-Lieu  
Air Quality Mitigation  
Habitat & Open Space Conservation  
Infrastructure Financing District 92-1  
Administration  
Public Facilities Fees - Administration

### **Capital Improvement**

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

### **Mello-Roos Districts**

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

### **1915 Act Assessment Districts**

To account for the acquisition and construction 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.

### **Stockton Public Financing Authority**

To account for the refunding of existing debt in various districts. Financing is provided by property owners through issuance of reassessment revenue bonds as provided in Mark-Roos Local Bond Pooling Act of 1985.

# CITY OF STOCKTON

## CAPITAL PROJECTS FUNDS COMBINING BALANCE SHEET JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
<b>ASSETS</b>			
ASSETS:			
Cash and temporary investments	\$ 38,816	\$ 164	\$ 1,297
Cash with fiscal agents	-	-	-
Receivables:			
Interest	570	126	29
Accounts and other receivables	2,635	2	1
Due from other funds	200	8,284	1,084
Due from other governments	-	271	99
Deposits	-	-	40
Advances to other funds	8,948	9,613	1,830
Advances to property owners	406	40	-
	<u>51,575</u>	<u>18,500</u>	<u>4,380</u>
Total assets			
	<u>\$ 51,575</u>	<u>\$ 18,500</u>	<u>\$ 4,380</u>
<b>LIABILITIES AND FUND BALANCES</b>			
LIABILITIES:			
Accounts payable	\$ 785	\$ 288	\$ 365
Due to other funds	500	-	4
Due to other governments	-	30	-
Deposits and other liabilities	-	-	3
	<u>1,285</u>	<u>318</u>	<u>372</u>
Total liabilities			
	<u>1,285</u>	<u>318</u>	<u>372</u>
FUND BALANCES:			
Reserved:			
Capital projects	36,274	8,362	882
Encumbrances	4,662	167	1,256
Advances to other funds	8,948	9,613	1,830
Other items	406	40	40
	<u>50,290</u>	<u>18,182</u>	<u>4,008</u>
Total fund balances			
	<u>50,290</u>	<u>18,182</u>	<u>4,008</u>
Total liabilities and fund balances			
	<u>\$ 51,575</u>	<u>\$ 18,500</u>	<u>\$ 4,380</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			1999	1998
\$ 7,787	\$ 6,752	\$ 10	\$ 54,826	\$ 57,862
1,690	-	394	2,084	2,248
92	100	-	917	856
-	-	-	2,638	2,318
-	-	-	9,568	1,499
-	-	-	370	50
-	-	-	40	40
-	-	-	20,391	15,930
-	-	-	446	40
<u>\$ 9,569</u>	<u>\$ 6,852</u>	<u>\$ 404</u>	<u>\$ 91,280</u>	<u>\$ 80,843</u>
\$ 37	\$ -	\$ 3	\$ 1,478	\$ 1,067
-	-	-	504	11
-	-	-	30	30
-	-	-	3	3
<u>37</u>	<u>-</u>	<u>3</u>	<u>2,015</u>	<u>1,111</u>
9,369	6,852	401	62,140	58,984
163	-	-	6,248	4,738
-	-	-	20,391	15,930
-	-	-	486	80
<u>9,532</u>	<u>6,852</u>	<u>401</u>	<u>89,265</u>	<u>79,732</u>
<u>\$ 9,569</u>	<u>\$ 6,852</u>	<u>\$ 404</u>	<u>\$ 91,280</u>	<u>\$ 80,843</u>

# CITY OF STOCKTON

## CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
REVENUES:			
Taxes:			
Property	\$ -	\$ -	\$ 1,311
Amusement	-	21	-
Federal grants and subsidies	-	-	44
Charges for services	8,901	-	-
Fines and forfeitures	6	-	-
Use of money and property	47	431	41
Investment income:			
Interest income	2,197	216	130
Net increase (decrease) in fair value of investments	(450)	(84)	(24)
Refunds and reimbursements	-	-	605
Miscellaneous	62	233	387
Total revenues	<u>10,763</u>	<u>817</u>	<u>2,494</u>
EXPENDITURES:			
Capital outlay:			
General government	414	1,179	506
Public safety	547	106	-
Public works	4,862	22	2,325
Library	19	-	-
Parks and recreation	1,239	46	-
Total expenditures	<u>7,081</u>	<u>1,353</u>	<u>2,831</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>3,682</u>	<u>(536)</u>	<u>(337)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	-	-	737
Operating transfers out	-	(485)	(1,647)
Proceeds of long-term debt	-	-	-
Proceeds of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Advances from other funds	5,203	-	530
Repayment of advances from other funds	(460)	-	(110)
Total other financing sources (uses)	<u>4,743</u>	<u>(485)</u>	<u>(490)</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			1999	1998
\$ 23	\$ -	\$ -	\$ 1,334	\$ 1,162
-	-	-	21	20
-	-	-	44	86
19	-	-	8,920	8,544
-	-	-	6	3
-	-	-	519	880
432	460	12	3,447	3,467
(72)	(82)	-	(712)	222
-	5,586	146	6,337	1
-	-	-	682	141
<u>402</u>	<u>5,964</u>	<u>158</u>	<u>20,598</u>	<u>14,526</u>
456	321	48	2,924	4,636
-	-	-	653	315
1,668	3,430	-	12,307	7,015
-	-	-	19	28
-	-	-	1,285	1,460
<u>2,124</u>	<u>3,751</u>	<u>48</u>	<u>17,188</u>	<u>13,454</u>
<u>(1,722)</u>	<u>2,213</u>	<u>110</u>	<u>3,410</u>	<u>1,072</u>
228	1,478	85	2,528	2,628
(185)	(935)	-	(3,252)	(12,782)
3,100	-	-	3,100	17,060
-	8,775	-	8,775	71,100
-	(9,408)	-	(9,408)	(81,203)
-	-	-	5,733	3,356
-	-	-	(570)	(503)
<u>3,143</u>	<u>(90)</u>	<u>85</u>	<u>6,906</u>	<u>(344)</u>

(continues)



## CITY OF STOCKTON

**CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 1999  
(With comparative totals for June 30, 1998)  
(Dollar amounts in thousands)**

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	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	8,425	(1,021)	(827)
FUND BALANCES, BEGINNING OF YEAR	<u>41,865</u>	<u>19,203</u>	<u>4,835</u>
FUND BALANCES, END OF YEAR	<u>\$ 50,290</u>	<u>\$ 18,182</u>	<u>\$ 4,008</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			1999	1998
1,421	2,123	195	10,316	728
<u>8,111</u>	<u>4,729</u>	<u>206</u>	<u>78,949</u>	<u>79,004</u>
<u>\$ 9,532</u>	<u>\$ 6,852</u>	<u>\$ 401</u>	<u>\$ 89,265</u>	<u>\$ 79,732</u>

# CITY OF STOCKTON

## CAPITAL PROJECTS FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ON A BUDGETARY BASIS FOR THE YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

	Public Facilities Impact Fees		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes:			
Amusement	\$ -	\$ -	\$ -
Intergovernmental	66	-	(66)
Charges for services	7,057	8,901	1,844
Fines and forfeitures	-	6	6
Use of money and property	-	47	47
Investment income:			
Interest income	1,548	2,197	649
Net increase (decrease) in fair value of investments	-	(450)	(450)
Refunds and reimbursement	-	-	-
Miscellaneous	62	62	-
Total revenues	8,733	10,763	2,030
EXPENDITURES:			
Capital outlay:			
General government	501	416	85
Public safety	5,753	551	5,202
Public works	15,994	5,071	10,923
Library	561	33	528
Parks and recreation	4,068	1,239	2,829
Total expenditures	26,877	7,310	19,567
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	(18,144)	3,453	21,597

Capital Improvement			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 19	\$ 21	\$ 2	\$ 19	\$ 21	\$ 2
-	-	-	66	-	(66)
-	-	-	7,057	8,901	1,844
-	-	-	-	6	6
-	431	431	-	478	478
87	216	129	1,635	2,413	778
-	(84)	(84)	-	(534)	(534)
-	-	-	-	-	-
751	233	(518)	813	295	(518)
857	817	(40)	9,590	11,580	1,990
1,894	1,231	663	2,395	1,647	748
283	188	95	6,036	739	5,297
803	25	778	16,797	5,096	11,701
-	-	-	561	33	528
85	50	35	4,153	1,289	2,864
3,065	1,494	1,571	29,942	8,804	21,138
(2,208)	(677)	1,531	(20,352)	2,776	23,128
					(continues)

# CITY OF STOCKTON

## CAPITAL PROJECTS FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ON A BUDGETARY BASIS FOR THE YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

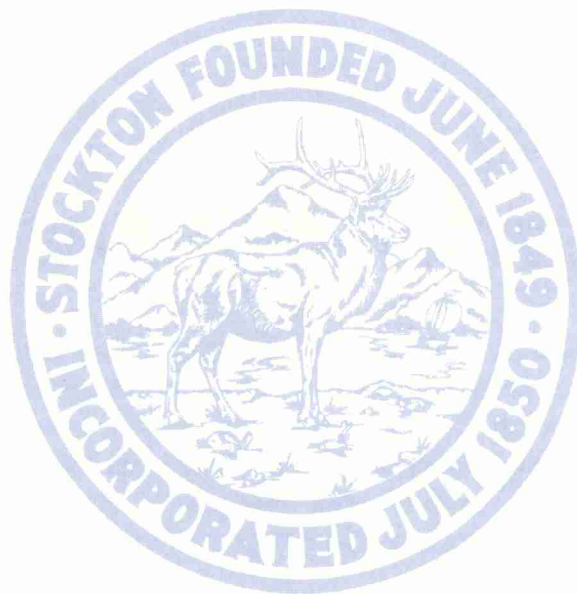
	Public Facilities Impact Fees		
	Final Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	-	-	-
Advances from other funds	3,050	5,203	2,153
Repayment of advances	(460)	(460)	-
Total other financing sources (uses)	2,590	4,743	2,153
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (BUDGETARY BASIS)	(15,554)	8,196	23,750
BASIS ADJUSTMENTS:			
Encumbrances	-	229	229
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(15,554)	8,425	23,979
FUND BALANCES, BEGINNING OF YEAR	41,865	41,865	-
FUND BALANCES, END OF YEAR	\$ 26,311	\$ 50,290	\$ 23,979

Capital Improvement			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(485)	(485)	-	(485)	(485)	-
-	-	-	3,050	5,203	2,153
-	-	-	(460)	(460)	-
<u>(485)</u>	<u>(485)</u>	<u>-</u>	<u>2,105</u>	<u>4,258</u>	<u>2,153</u>
(2,693)	(1,162)	1,531	(18,247)	7,034	25,281
<u>-</u>	<u>141</u>	<u>141</u>	<u>-</u>	<u>370</u>	<u>370</u>
(2,693)	(1,021)	1,672	(18,247)	7,404	25,651
<u>19,203</u>	<u>19,203</u>	<u>-</u>	<u>61,068</u>	<u>61,068</u>	<u>-</u>
<u>\$ 16,510</u>	<u>\$ 18,182</u>	<u>\$ 1,672</u>	<u>\$ 42,821</u>	<u>\$ 68,472</u>	<u>\$ 25,651</u>





# Stockton



**ENTERPRISE FUNDS**

## ***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 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 had decided that periodic determination of income is appropriate for accountability purposes.

## **ENTERPRISE FUNDS**

### **Water Utility**

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

### **Sanitary Wastewater Utility**

To account for activities associated with the acquisition or construction, and operation and maintenance of wastewater facilities, for drainage, treatment, and disposal of sanitary wastewater.

### **Stormwater Utility**

To account for activities associated with the acquisition or construction, and operation and maintenance of stormwater facilities for drainage and disposal of stormwater wastewater.

### **Solid Waste**

To account for activities associated with the operation and maintenance, closure and post-closure of the Austin Road and French Camp landfill sites, and garden refuse collection.

### **Golf Courses**

To account for activities associated with the improvement, and operation and maintenance of Swenson, Van Buskirk and Lyons golf courses.

# CITY OF STOCKTON

## ENTERPRISE FUNDS COMBINING BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and temporary investments	\$ 17,868	\$ 48,857	\$ 5,429
Cash with fiscal agents	-	202	-
Receivables:			
Interest	254	728	74
Accounts and other receivables	1,305	4,652	494
Allowance for uncollectibles	(177)	(507)	(39)
Due from other governments	-	4	60
Inventory of supplies	-	1,301	-
Total current assets	<u>19,250</u>	<u>55,237</u>	<u>6,018</u>
<b>RESTRICTED ASSETS:</b>			
Cash and temporary investments	-	-	-
Cash and temporary investments with fiscal agents	1,577	34,715	-
Receivables:			
Interest	-	906	-
Accounts and other receivables	-	-	-
Total restricted assets	<u>1,577</u>	<u>35,621</u>	<u>-</u>
<b>NONCURRENT ASSETS:</b>			
Loans receivable	27	80	-
Advances to other funds	-	-	-
Total noncurrent assets	<u>27</u>	<u>80</u>	<u>-</u>
<b>FIXED ASSETS:</b>			
Land	1,022	758	412
Buildings and improvements	57,519	174,221	47,245
Machinery and equipment	4,434	4,364	65
Construction in progress	1,638	65,653	70
Total fixed assets	64,613	244,996	47,792
Accumulated depreciation	<u>(14,807)</u>	<u>(51,398)</u>	<u>(17,318)</u>
Net fixed assets	49,806	193,598	30,474
<b>DEFERRED CHARGES</b>	<u>354</u>	<u>1,501</u>	<u>-</u>
Total assets	<u>\$ 71,014</u>	<u>\$ 286,037</u>	<u>\$ 36,492</u>

Solid Waste	Golf Courses	Totals	
		1999	1998
\$ 2,186	\$ 557	\$ 74,897	\$ 69,016
-	-	202	201
31	-	1,087	1,048
477	16	6,944	6,643
(13)	-	(736)	(379)
26	-	90	-
-	-	1,301	1,250
<u>2,707</u>	<u>573</u>	<u>83,785</u>	<u>77,779</u>
6,412	-	6,412	5,425
-	-	36,292	72,267
90	-	996	1,260
56	-	56	24
<u>6,558</u>	<u>-</u>	<u>43,756</u>	<u>78,976</u>
-	-	107	128
-	-	-	385
<u>-</u>	<u>-</u>	<u>107</u>	<u>513</u>
808	360	3,360	3,360
410	3,733	283,128	277,062
258	107	9,228	9,250
-	24	67,385	19,770
<u>1,476</u>	<u>4,224</u>	<u>363,101</u>	<u>309,442</u>
<u>(333)</u>	<u>(3,187)</u>	<u>(87,043)</u>	<u>(80,707)</u>
1,143	1,037	276,058	228,735
-	-	1,855	1,917
<u>\$ 10,408</u>	<u>\$ 1,610</u>	<u>\$ 405,561</u>	<u>\$ 387,920</u>



# CITY OF STOCKTON

## ENTERPRISE FUNDS

### COMBINING BALANCE SHEET (Continued)

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable	\$ 283	\$ 5,975	\$ 62
Due to other governments	38	26	-
Deposits and other liabilities	664	1,800	-
Matured bonds and interest payable	5	15	-
Accrued interest	394	1,975	33
Long-term debt - current	528	2,085	139
Compensated absences - current	116	492	32
Deferred revenue	1	18	-
Total current liabilities	<u>2,029</u>	<u>12,386</u>	<u>266</u>
<b>LONG-TERM DEBT (LESS CURRENT PORTION):</b>			
Compensated absences	245	1,026	15
Advances from other funds	-	-	-
Advances from other governments	1,111	-	927
Certificates of participation	15,991	107,920	-
Water extension agreements	-	-	-
Bonds payable and other long-term debt	-	410	-
Landfill closure/postclosure	-	-	-
Total long-term debt	<u>17,347</u>	<u>109,356</u>	<u>942</u>
Total liabilities	<u>19,376</u>	<u>121,742</u>	<u>1,208</u>
<b>FUND EQUITY:</b>			
Contributed capital	32,164	127,004	38,639
Retained earnings:			
Unreserved	<u>19,474</u>	<u>37,291</u>	<u>(3,355)</u>
Total fund equity	<u>51,638</u>	<u>164,295</u>	<u>35,284</u>
Total liabilities and fund equity	<u>\$ 71,014</u>	<u>\$ 286,037</u>	<u>\$ 36,492</u>

Solid Waste	Golf Courses	Totals	
		1999	1998
\$ 455	\$ 53	\$ 6,828	\$ 4,049
-	-	64	135
-	-	2,464	675
-	-	20	20
-	-	2,402	2,484
-	-	2,752	1,294
104	57	801	793
-	-	19	18
<u>559</u>	<u>110</u>	<u>15,350</u>	<u>9,468</u>
243	187	1,716	1,803
-	-	-	385
-	-	2,038	2,214
-	-	123,911	125,599
-	-	-	2
-	-	410	6,400
9,758	-	9,758	9,509
<u>10,001</u>	<u>187</u>	<u>137,833</u>	<u>145,912</u>
<u>10,560</u>	<u>297</u>	<u>153,183</u>	<u>155,380</u>
693	400	198,900	187,859
<u>(845)</u>	<u>913</u>	<u>53,478</u>	<u>44,681</u>
<u>(152)</u>	<u>1,313</u>	<u>252,378</u>	<u>232,540</u>
<u>\$ 10,408</u>	<u>\$ 1,610</u>	<u>\$ 405,561</u>	<u>\$ 387,920</u>

**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
OPERATING REVENUES:			
Federal grants and subsidies	\$ -	\$ 4	\$ -
Intergovernmental	-	-	-
Charges for services	12,727	28,716	3,709
Loans and mortgage interest	3	83	59
Miscellaneous	221	503	64
Total operating revenues	<u>12,951</u>	<u>29,306</u>	<u>3,832</u>
OPERATING EXPENSES:			
Operation and maintenance	4,100	11,899	1,848
General and administrative	2,949	8,191	1,365
Depreciation and amortization	1,254	4,103	944
Purchased water	3,245	-	-
Total operating expenses	<u>11,548</u>	<u>24,193</u>	<u>4,157</u>
OPERATING INCOME (LOSS)	<u>1,403</u>	<u>5,113</u>	<u>(325)</u>
NONOPERATING REVENUES (EXPENSES):			
Federal grants and subsidies	-	150	-
Investment income:			
Interest income	1,070	5,472	301
Net increase (decrease) in fair value of investments	(207)	(523)	(62)
Gain (loss) from disposal of property	-	(1)	-
Interest and fiscal charges	(1,002)	(2,704)	(93)
Total nonoperating revenues (expenses)	<u>(139)</u>	<u>2,394</u>	<u>146</u>
INCOME BEFORE OPERATING TRANSFERS	1,264	7,507	(179)
Operating transfers in	1,219	6,185	-
Operating transfers out	(1,219)	(6,185)	-
NET INCOME	<u>1,264</u>	<u>7,507</u>	<u>(179)</u>
FUND EQUITY, BEGINNING OF YEAR	48,318	149,946	33,320
Contributed capital from developers	2,056	6,842	2,143
FUND EQUITY, END OF YEAR	<u>\$ 51,638</u>	<u>\$ 164,295</u>	<u>\$ 35,284</u>

Solid Waste	Golf Courses	Totals	
		1999	1998
\$ -	\$ -	\$ 4	\$ 29
-	-	-	10
5,392	1,737	52,281	49,307
-	-	145	135
56	163	1,007	881
<u>5,448</u>	<u>1,900</u>	<u>53,437</u>	<u>50,362</u>
5,374	2,001	25,222	27,285
-	-	12,505	11,353
51	116	6,468	6,362
-	-	3,245	3,157
<u>5,425</u>	<u>2,117</u>	<u>47,440</u>	<u>48,157</u>
<u>23</u>	<u>(217)</u>	<u>5,997</u>	<u>2,205</u>
-	-	150	-
498	-	7,341	6,135
(99)	-	(891)	168
-	-	(1)	(2)
-	-	(3,799)	(3,282)
<u>399</u>	<u>-</u>	<u>2,800</u>	<u>3,019</u>
422	(217)	8,797	5,224
-	-	7,404	4,360
-	-	(7,404)	(4,360)
<u>422</u>	<u>(217)</u>	<u>8,797</u>	<u>5,224</u>
(574)	1,530	232,540	218,516
-	-	11,041	8,800
<u>\$ (152)</u>	<u>\$ 1,313</u>	<u>\$ 252,378</u>	<u>\$ 232,540</u>

# CITY OF STOCKTON

## ENTERPRISE FUNDS COMBINING STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 1,403	\$ 5,113	\$ (325)
Noncash adjustment to operating income:			
Depreciation and amortization	1,254	4,103	944
Allowance for estimated uncollectible accounts	8	346	-
Landfill closure/postclosure	-	-	-
Changes in assets and liabilities:			
Accounts and other receivables	(165)	92	129
Due from other funds	-	-	-
Due from other governments	-	(4)	(60)
Inventory of supplies	-	(51)	-
Loans receivable	5	16	-
Advances to other funds	-	385	-
Deferred charges	15	47	-
Accounts payable	47	2,545	23
Compensated absences	26	(87)	(44)
Due to other governments	(71)	-	-
Deposits and other liabilities	(11)	1,800	-
Advances from other funds	-	-	(385)
Advances from other governments	(38)	-	(133)
Deferred revenue	1	-	-
Accrued interest	(12)	(72)	2
Net cash provided (used) by operating activities	<u>2,462</u>	<u>14,233</u>	<u>151</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	863	4,953	239
Investment purchases	-	-	-
Proceeds from sale of investments	-	35,825	-
Net cash provided (used) by investing activities	<u>863</u>	<u>40,778</u>	<u>239</u>

Solid Waste	Golf Courses	Totals	
		1999	1998
\$ 23	\$ (217)	\$ 5,997	\$ 2,205
51	116	6,468	6,362
3	-	357	24
249	-	249	2,255
(160)	(4)	(108)	(1,713)
-	-	-	1,000
(26)	-	(90)	-
-	-	(51)	(18)
-	-	21	19
-	-	385	-
-	-	62	(610)
129	35	2,779	1,864
(20)	46	(79)	217
-	-	(71)	68
-	-	1,789	(50)
-	-	(385)	-
-	-	(171)	(301)
-	-	1	7
-	-	(82)	770
<u>249</u>	<u>(24)</u>	<u>17,071</u>	<u>12,099</u>
399	-	6,454	6,303
-	-	-	(68,893)
-	-	35,825	20
<u>399</u>	<u>-</u>	<u>42,279</u>	<u>(62,570)</u>

(continues)



# CITY OF STOCKTON

## ENTERPRISE FUNDS

### COMBINING STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEAR ENDED JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of property and equipment	-	5,371	-
Repayment of debt	(494)	(5,733)	-
Proceeds from borrowing	-	-	-
Purchases of property and equipment	(592)	(53,032)	-
Interest expense on capital debt	(1,002)	(2,704)	(93)
Capital contributions	598	4,906	-
Residual equity transfers in	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(1,490)</u>	<u>(51,192)</u>	<u>(93)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating transfers in	1,219	6,185	-
Operating transfers out	(1,219)	(6,185)	-
Proceeds from federal grants	-	146	-
Residual equity transfers out	-	-	-
Net cash (used) by noncapital financing activities	<u>-</u>	<u>146</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>1,835</u>	<u>3,965</u>	<u>297</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>16,310</u>	<u>46,741</u>	<u>5,132</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 18,145</u>	<u>\$ 50,706</u>	<u>\$ 5,429</u>
NONCASH TRANSACTIONS:			
Contributions of fixed assets	<u>\$ 1,458</u>	<u>\$ 1,936</u>	<u>\$ 2,143</u>

Solid Waste	Golf Courses	Totals	
		1999	1998
-	-	5,371	36,536
-	-	(6,227)	(1,403)
-	-	-	52,316
-	(2)	(53,626)	(46,644)
-	-	(3,799)	(3,282)
-	-	5,504	5,735
-	-	-	-
-	(2)	(52,777)	43,258
-	-	7,404	4,360
-	-	(7,404)	(4,360)
-	-	146	-
-	-	-	-
-	-	146	-
648	(26)	6,719	(7,213)
7,950	583	76,716	83,929
<u>\$ 8,598</u>	<u>\$ 557</u>	<u>\$ 83,435</u>	<u>\$ 76,716</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,537</u>	<u>\$ 3,067</u>

(continues)

# CITY OF STOCKTON

## ENTERPRISE FUNDS

### COMBINING STATEMENT OF CASH FLOWS (Continued)

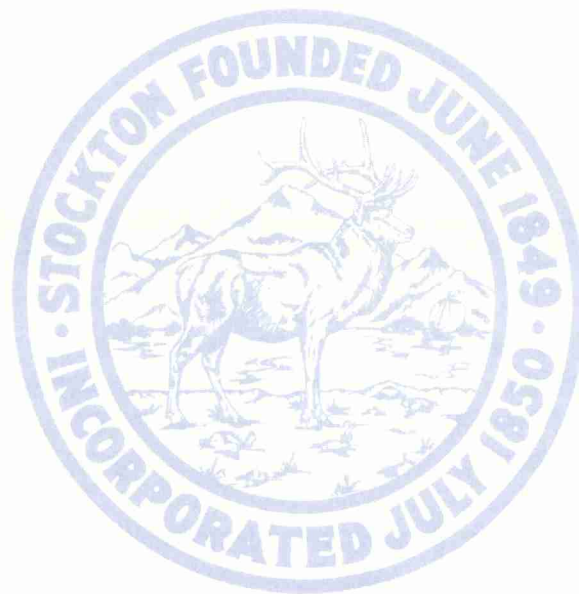
FOR THE YEAR ENDED JUNE 30, 1999

(Dollar amounts in thousands)

Reconciliation of cash and cash equivalents to the balance sheet:

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility	Solid Waste	Golf Courses
Unrestricted cash and investments on balance sheet:					
Cash and temporary investments	\$ 17,868	\$ 48,857	\$ 5,429	\$ 2,186	\$ 557
Cash with fiscal agents	-	202	-	-	-
Restricted cash and investments on balance sheet:					
Cash and temporary investments	1,577	34,715	-	6,412	-
Cash and temporary investments with fiscal agents	-	-	-	-	-
Total cash and investments	<u>19,445</u>	<u>83,774</u>	<u>5,429</u>	<u>8,598</u>	<u>557</u>
Less investments:					
Cash and temporary investments with fiscal agents	<u>1,300</u>	<u>33,068</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash and cash equivalents	<u>\$ 18,145</u>	<u>\$ 50,706</u>	<u>\$ 5,429</u>	<u>\$ 8,598</u>	<u>\$ 557</u>

# Stockton



**INTERNAL SERVICE FUNDS**

## ***INTERNAL SERVICE FUNDS***

The funds 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.

The Internal Service Funds are comprised of Central Services, consisting of automotive, telephone, radio, computers, other office equipment, and printing and mailing; Risk Management consisting of general liability insurance; Personnel/Benefits consisting of worker's compensation, unemployment insurance, long term disability, life insurance, medical, dental and vision.

## **INTERNAL SERVICE FUNDS**

### **Central Garage**

The fund established to account for the financing, and operating and maintenance of, vehicles and similar equipment, provided to City departments on a cost reimbursement basis.

### **Computer Equipment**

To provide accounting of the financing, service and maintenance of, all computer and related equipment to City departments on a cost reimbursement basis.

### **Radio Equipment**

To account for the financing, service, and maintenance of radio equipment provided to various City departments on a cost reimbursement basis.

### **Other Equipment**

The fund established to account for financing, operation and maintenance of other, comparatively smaller equipment funds on a cost reimbursement basis. Included are telephone, other office equipment and printing and mailing.

### **General Insurance**

To account for premiums and claims paid, and administration of the fund established to provide general liability insurance coverage to City departments on a cost reimbursement basis.

### **Workers' Compensation Insurance**

The fund established to account for workers' compensation premiums and claims paid, and administration of the fund on behalf of all City departments on a cost reimbursement basis.

### **Health Benefits Insurance**

The fund established to account for health benefits insurance premiums and claims paid, and administration of the fund on behalf of all City departments on a cost reimbursement basis.

### **Other Insurance**

To account for the premiums and claims paid, and administration of comparatively smaller insurance funds on a cost reimbursement basis. Included are unemployment, long-term disability and life insurance.



# CITY OF STOCKTON

## INTERNAL SERVICE FUNDS COMBINING BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and temporary investments	\$ 3,190	\$ 2,417	\$ 4,057	\$ 1,211
Accounts and other receivables	373	2	-	-
Allowance for uncollectibles	(319)	-	-	-
Prepaid expenses	-	36	-	-
Due from other governments	-	27	-	-
Total current assets	<u>3,244</u>	<u>2,482</u>	<u>4,057</u>	<u>1,211</u>
FIXED ASSETS:				
Improvements other than buildings	129	-	-	-
Machinery and equipment	<u>21,851</u>	<u>8,735</u>	<u>4,135</u>	<u>1,332</u>
Total fixed assets	21,980	8,735	4,135	1,332
Accumulated depreciation	<u>(13,774)</u>	<u>(5,943)</u>	<u>(2,961)</u>	<u>(754)</u>
Net fixed assets	<u>8,206</u>	<u>2,792</u>	<u>1,174</u>	<u>578</u>
DEFERRED CHARGES				
	-	-	-	-
Total assets	<u>\$ 11,450</u>	<u>\$ 5,274</u>	<u>\$ 5,231</u>	<u>\$ 1,789</u>
<b>LIABILITIES AND FUND EQUITY</b>				
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 66	\$ 142	\$ 11	\$ 50
Long-term debt - current	-	178	-	-
Compensated absences - current	110	89	-	11
Deferred revenue	-	-	-	-
Total current liabilities	<u>176</u>	<u>409</u>	<u>11</u>	<u>61</u>
LONG-TERM DEBT (LESS CURRENT PORTION):				
Compensated absences	270	166	-	43
Lease obligation	-	139	-	-
Self-insurance claims and judgments	-	-	-	-
Total long-term debt	<u>270</u>	<u>305</u>	<u>-</u>	<u>43</u>
Total liabilities	<u>446</u>	<u>714</u>	<u>11</u>	<u>104</u>
FUND EQUITY:				
Contributed capital	3,914	5,250	2,195	827
Retained earnings:				
Unreserved	<u>7,090</u>	<u>(690)</u>	<u>3,025</u>	<u>858</u>
Total fund equity	<u>11,004</u>	<u>4,560</u>	<u>5,220</u>	<u>1,685</u>
Total liabilities and fund equity	<u>\$ 11,450</u>	<u>\$ 5,274</u>	<u>\$ 5,231</u>	<u>\$ 1,789</u>

General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				1999	1998
\$ 3,779	\$ 4,904	\$ 1,942	\$ 454	\$21,954	\$25,930
107	77	28	-	587	638
-	-	-	-	(319)	(269)
-	-	-	-	36	36
-	-	-	-	27	4
<u>3,886</u>	<u>4,981</u>	<u>1,970</u>	<u>454</u>	<u>22,285</u>	<u>26,339</u>
-	-	-	-	129	129
2	-	-	-	36,055	34,789
<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,184</u>	<u>34,918</u>
(2)	-	-	-	(23,434)	(22,484)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,750</u>	<u>12,434</u>
-	-	61	-	61	61
<u>\$ 3,886</u>	<u>\$ 4,981</u>	<u>\$ 2,031</u>	<u>\$ 454</u>	<u>\$35,096</u>	<u>\$38,834</u>
\$ 46	\$ 19	\$ 276	\$ 70	\$ 680	\$ 1,899
1,225	2,907	1,752	-	6,062	5,634
6	15	-	-	231	141
-	-	-	-	-	1
<u>1,277</u>	<u>2,941</u>	<u>2,028</u>	<u>70</u>	<u>6,973</u>	<u>7,675</u>
6	14	-	-	499	326
-	-	-	-	139	317
<u>2,493</u>	<u>8,951</u>	<u>-</u>	<u>-</u>	<u>11,444</u>	<u>10,932</u>
<u>2,499</u>	<u>8,965</u>	<u>-</u>	<u>-</u>	<u>12,082</u>	<u>11,575</u>
<u>3,776</u>	<u>11,906</u>	<u>2,028</u>	<u>70</u>	<u>19,055</u>	<u>19,250</u>
-	-	-	-	12,186	11,577
110	(6,925)	3	384	3,855	8,007
<u>110</u>	<u>(6,925)</u>	<u>3</u>	<u>384</u>	<u>16,041</u>	<u>19,584</u>
<u>\$ 3,886</u>	<u>\$ 4,981</u>	<u>\$ 2,031</u>	<u>\$ 454</u>	<u>\$35,096</u>	<u>\$38,834</u>

# CITY OF STOCKTON

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
OPERATING REVENUES:				
Charges for services	\$ 4,897	\$ 3,307	\$ 700	\$ 1,059
Total operating revenues	<u>4,897</u>	<u>3,307</u>	<u>700</u>	<u>1,059</u>
OPERATING EXPENSES:				
Operation and maintenance	2,720	3,237	272	947
General and administration	1,643	-	-	-
Depreciation	<u>1,591</u>	<u>1,269</u>	<u>372</u>	<u>227</u>
Total operating expenses	<u>5,954</u>	<u>4,506</u>	<u>644</u>	<u>1,174</u>
OPERATING INCOME (LOSS)	<u>(1,057)</u>	<u>(1,199)</u>	<u>56</u>	<u>(115)</u>
NONOPERATING REVENUES (EXPENSES):				
Federal grants and subsidies	-	102	-	-
Investment Income:				
Interest Income	-	-	-	-
Net increase (decrease) in fair value of investments	-	-	-	-
Gain (loss) from disposal of property	110	(75)	(5)	(17)
Interest expense and fiscal charges	-	(23)	-	-
Other nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>110</u>	<u>4</u>	<u>(5)</u>	<u>(17)</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(947)	(1,195)	51	(132)
Operating transfers in	-	138	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(146)</u>
NET INCOME (LOSS)	<u>(947)</u>	<u>(1,057)</u>	<u>51</u>	<u>(278)</u>
FUND EQUITY, BEGINNING OF YEAR	11,668	5,394	5,147	1,882
Residual equity transfers in	283	192	22	-
Residual equity transfers out	-	-	-	-
Increase (decrease) in contributed capital	<u>-</u>	<u>31</u>	<u>-</u>	<u>81</u>
FUND EQUITY, END OF YEAR	<u>\$ 11,004</u>	<u>\$ 4,560</u>	<u>\$ 5,220</u>	<u>\$ 1,685</u>

General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				1999	1998
\$ 2,004	\$ 3,701	\$11,237	\$ 1,203	\$28,108	\$26,438
<u>2,004</u>	<u>3,701</u>	<u>11,237</u>	<u>1,203</u>	<u>28,108</u>	<u>26,438</u>
1,702	5,185	11,701	933	26,697	24,631
770	962	206	-	3,581	3,592
-	-	-	-	3,459	3,424
<u>2,472</u>	<u>6,147</u>	<u>11,907</u>	<u>933</u>	<u>33,737</u>	<u>31,647</u>
<u>(468)</u>	<u>(2,446)</u>	<u>(670)</u>	<u>270</u>	<u>(5,629)</u>	<u>(5,209)</u>
-	-	-	-	102	66
208	289	112	-	609	686
(45)	(64)	(24)	-	(133)	26
-	-	-	-	13	(147)
-	-	-	-	(23)	(16)
<u>-</u>	<u>-</u>	<u>1,026</u>	<u>-</u>	<u>1,026</u>	<u>751</u>
<u>163</u>	<u>225</u>	<u>1,114</u>	<u>-</u>	<u>1,594</u>	<u>1,366</u>
(305)	(2,221)	444	270	(4,035)	(3,843)
-	-	498	-	636	713
<u>(498)</u>	<u>-</u>	<u>-</u>	<u>(109)</u>	<u>(753)</u>	<u>(1,372)</u>
<u>(803)</u>	<u>(2,221)</u>	<u>942</u>	<u>161</u>	<u>(4,152)</u>	<u>(4,502)</u>
913	(4,704)	(939)	223	19,584	23,890
-	-	-	-	497	216
-	-	-	-	-	(24)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>112</u>	<u>4</u>
\$ 110	\$ (6,925)	\$ 3	\$ 384	\$16,041	\$19,584

# CITY OF STOCKTON

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

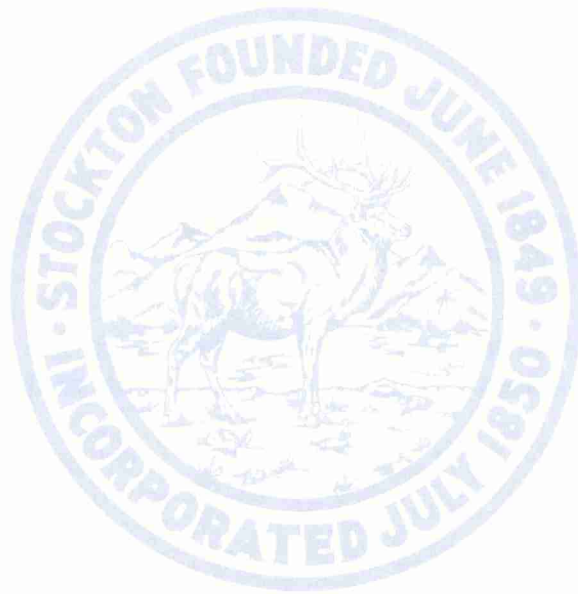
	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income	\$ (1,057)	\$ (1,199)	\$ 56	\$ (115)
Other nonoperating revenues	-	102	-	-
Noncash adjustments to operating income:				
Depreciation	1,591	1,269	372	227
Provision for uncollectible accounts	50	-	-	-
Self-insurance	-	-	-	-
Changes in assets and liabilities:				
Accounts receivable	(12)	26	-	-
Due from other governments	-	(23)	-	-
Prepays	-	-	-	-
Accounts payable	(76)	-	(2)	25
Compensated absences	10	1	-	6
Deferred revenue	-	240	-	-
Net cash provided (used) by operating activities	<u>506</u>	<u>416</u>	<u>426</u>	<u>143</u>
CASH FLOW FROM INVESTING ACTIVITIES:				
Investment earnings	-	-	-	-
Net cash provided by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sale of property and equipment	119	6	2	2
Repayment of debt	-	(209)	-	-
Purchases of property and equipment	(2,315)	(902)	(135)	(427)
Interest expense on capital debt	-	(23)	-	-
Capital contributions	-	-	-	-
Residual equity transfer in	283	192	22	-
Net cash used by capital and related financing activities	<u>(1,913)</u>	<u>(936)</u>	<u>(111)</u>	<u>(425)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers in	-	138	-	-
Operating transfers out	-	-	-	(146)
Residual equity transfers out	-	-	-	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>138</u>	<u>-</u>	<u>(146)</u>
NET INCREASE (DECREASE) IN CASH CASH EQUIVALENTS	(1,407)	(382)	315	(428)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,597</u>	<u>2,799</u>	<u>3,742</u>	<u>1,639</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,190</u>	<u>\$ 2,417</u>	<u>\$ 4,057</u>	<u>\$ 1,211</u>
NONCASH TRANSACTIONS:				
Contribution of fixed assets	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ -</u>	<u>\$ 81</u>

General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				1999	1998
\$ (468)	\$ (2,446)	\$ (670)	\$ 270	\$ (5,629)	\$ (5,209)
-	-	1,026	-	1,128	817
-	-	-	-	3,459	3,424
-	-	-	-	50	170
180	1,059	(268)	-	971	1,930
15	29	(7)	-	51	(26)
-	-	-	-	(23)	16
-	-	-	-	-	(2)
30	3	(1,066)	(134)	(1,220)	1,252
1	6	-	-	24	(10)
-	(1)	-	-	239	-
<u>(242)</u>	<u>(1,350)</u>	<u>(985)</u>	<u>136</u>	<u>(950)</u>	<u>2,362</u>
<u>163</u>	<u>225</u>	<u>88</u>	<u>-</u>	<u>476</u>	<u>712</u>
<u>163</u>	<u>225</u>	<u>88</u>	<u>-</u>	<u>476</u>	<u>712</u>
-	-	-	-	129	88
-	-	-	-	(209)	(181)
-	-	-	-	(3,779)	(2,228)
-	-	-	-	(23)	(16)
-	-	-	-	-	-
-	-	-	-	497	216
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,385)</u>	<u>(2,121)</u>
-	-	498	-	636	713
(498)	-	-	(109)	(753)	(1,372)
-	-	-	-	-	(24)
<u>(498)</u>	<u>-</u>	<u>498</u>	<u>(109)</u>	<u>(117)</u>	<u>(683)</u>
(577)	(1,125)	(399)	27	(3,976)	270
<u>4,356</u>	<u>6,029</u>	<u>2,341</u>	<u>427</u>	<u>25,930</u>	<u>25,660</u>
<u>\$ 3,779</u>	<u>\$ 4,904</u>	<u>\$ 1,942</u>	<u>\$ 454</u>	<u>\$ 21,954</u>	<u>\$ 25,930</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 4</u>





# Stockton



**TRUST AND AGENCY FUNDS**

## ***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.

## TRUST AND AGENCY FUNDS

### Nonexpendable Trust Fund

#### **Miscellaneous**

To account for assets wherein the principal must remain intact, but earnings may be spent.

### Expendable Trust Fund

#### **Miscellaneous**

To account for assets held by the City as trustee. The principal and interest earnings of the trust may be spent by the City in accordance with the trust agreement.

### Agency Funds

#### **Holiday Park**

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

#### **City as Agent**

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

# CITY OF STOCKTON

## TRUST AND AGENCY FUNDS COMBINING BALANCE SHEET

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	Nonexpendable Trust Fund Miscellaneous	Expendable Trust Fund Miscellaneous	Agency Funds	
			Holiday Park	City As Agent
<b>ASSETS</b>				
ASSETS:				
Cash and temporary investments	\$ 135	\$ 607	\$ 13	\$ 6,074
Accounts and other receivables	-	9	-	286
	<u>135</u>	<u>616</u>	<u>13</u>	<u>6,360</u>
Total assets	\$ 135	\$ 616	\$ 13	\$ 6,360
<b>LIABILITIES AND FUND BALANCES</b>				
LIABILITIES:				
Accounts payable	\$ -	\$ 81	\$ -	\$ 61
Due to other governments	-	-	-	1,597
Deposits and other liabilities	-	-	13	4,702
	<u>-</u>	<u>81</u>	<u>13</u>	<u>6,360</u>
Total liabilities	-	81	13	6,360
FUNDS BALANCES:				
Reserved:				
Encumbrances	-	5	-	-
Other items	135	530	-	-
	<u>135</u>	<u>535</u>	<u>-</u>	<u>-</u>
Total fund balances	135	535	-	-
Total liabilities and fund balances	\$ 135	\$ 616	\$ 13	\$ 6,360

Totals	
1999	1998

\$ 6,829	\$ 6,657
295	273
<u>        </u>	<u>        </u>

\$ 7,124	\$ 6,930
<u>        </u>	<u>        </u>

\$ 142	\$ 87
1,597	1,384
4,715	4,750
<u>        </u>	<u>        </u>
6,454	6,221
<u>        </u>	<u>        </u>

5	4
665	705
<u>        </u>	<u>        </u>
670	709
<u>        </u>	<u>        </u>
\$ 7,124	\$ 6,930
<u>        </u>	<u>        </u>



## CITY OF STOCKTON

**MISCELLANEOUS NONEXPENDABLE TRUST FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED JUNE 30, 1999**  
**(With comparative totals for June 30, 1998)**  
**(Dollar amounts in thousands)**

---

	1999	1998
NONOPERATING REVENUES:		
Investment income:		
Interest income	\$ 4	\$ 4
Net increase (decrease) in fair value of investments	(5)	6
	<u>(1)</u>	<u>10</u>
NONOPERATING INCOME		
	<u>(1)</u>	<u>10</u>
NET INCOME		
	<u>136</u>	<u>126</u>
FUND BALANCE, BEGINNING OF YEAR		
	<u>136</u>	<u>126</u>
FUND BALANCE, END OF YEAR	<u>\$ 135</u>	<u>\$ 136</u>

## CITY OF STOCKTON

### MISCELLANEOUS NONEXPENDABLE TRUST FUND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

---

	1999	1998
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	\$ (1)	\$ 10
Net cash (used) provided by investing activities	(1)	10
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1)	10
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	136	126
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 135</u>	<u>\$ 136</u>

# CITY OF STOCKTON

## MISCELLANEOUS EXPENDABLE TRUST FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 1999 (With comparative totals for June 30, 1998) (Dollar amounts in thousands)

	1999	1998
REVENUES:		
Investment income:		
Interest income	\$ 23	\$ 25
Net increase in fair value of investments	(6)	1
Miscellaneous	<u>544</u>	<u>470</u>
Total revenues	<u>561</u>	<u>496</u>
EXPENDITURES:		
Current:		
General government	128	43
Public safety	26	40
Library	256	140
Parks and recreation	189	138
Capital Outlay:		
Parks and recreation	<u>-</u>	<u>2</u>
Total expenditures	<u>599</u>	<u>363</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(38)</u>	<u>133</u>
FUND BALANCE, BEGINNING OF YEAR	<u>573</u>	<u>440</u>
FUND BALANCE, END OF YEAR	<u>\$ 535</u>	<u>\$ 573</u>



# CITY OF STOCKTON

## AGENCY FUNDS

### COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 1999

(Dollar amounts in thousands)

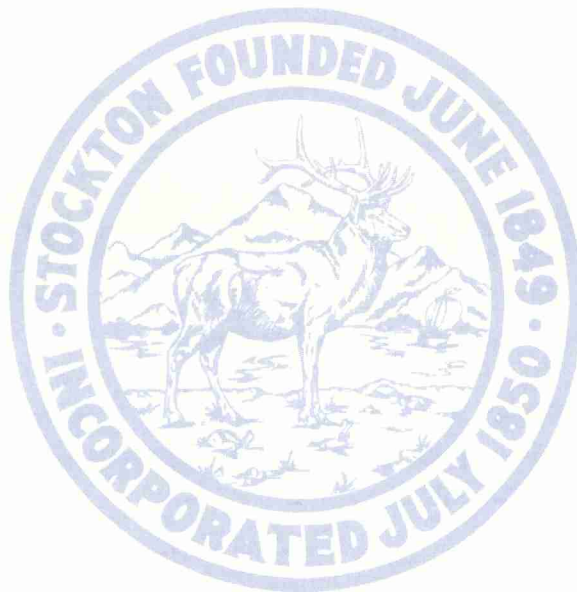
	Holiday Park			
	Balance 7/1/98	Additions	Deductions	Balance 6/30/99
<b>ASSETS</b>				
Cash and temporary investments	\$ 10	\$ 46	\$ 43	\$ 13
Receivables:				
Taxes and special assessments	-	47	47	-
Accounts and other	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 10</u>	<u>\$ 93</u>	<u>\$ 90</u>	<u>\$ 13</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 35	\$ 35	\$ -
Due to other governments	-	-	-	-
Deposits and other liabilities	10	46	43	13
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>\$ 10</u>	<u>\$ 81</u>	<u>\$ 78</u>	<u>\$ 13</u>

City as Agent				Total Agency Funds			
Balance 7/1/98	Additions	Deductions	Balance 6/30/99	Balance 7/1/98	Additions	Deductions	Balance 6/30/99
\$ 5,935	\$ 5,887	\$ 5,748	\$ 6,074	\$ 5,945	\$ 5,933	\$ 5,791	\$ 6,087
-	-	-	-	-	47	47	-
<u>265</u>	<u>145</u>	<u>124</u>	<u>286</u>	<u>265</u>	<u>145</u>	<u>124</u>	<u>286</u>
<u>\$ 6,200</u>	<u>\$ 6,032</u>	<u>\$ 5,872</u>	<u>\$ 6,360</u>	<u>\$ 6,210</u>	<u>\$ 6,125</u>	<u>\$ 5,962</u>	<u>\$ 6,373</u>
\$ 76	\$ 4,381	\$ 4,396	\$ 61	\$ 76	\$ 4,416	\$ 4,431	\$ 61
1,384	4,394	4,181	1,597	1,384	4,394	4,181	1,597
<u>4,740</u>	<u>1,818</u>	<u>1,856</u>	<u>4,702</u>	<u>4,750</u>	<u>1,864</u>	<u>1,899</u>	<u>4,715</u>
<u>\$ 6,200</u>	<u>\$ 10,593</u>	<u>\$ 10,433</u>	<u>\$ 6,360</u>	<u>\$ 6,210</u>	<u>\$ 10,674</u>	<u>\$ 10,511</u>	<u>\$ 6,373</u>





# Stockton



**ACCOUNT GROUPS**

# ***ACCOUNT GROUPS***

## **General Fixed Assets Account Group**

The General Fixed Assets account group is established to record the City's assets other than those accounted for in proprietary fund types or trust funds.

## **General Long - Term Debt Account Group**

The General Long - Term Debt account group is established to account for the principal amount of all general long -term liabilities,excluding those of proprietary fund types and trust funds.

# CITY OF STOCKTON

## SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCE

JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	1999	1998
GENERAL FIXED ASSETS:		
Land	\$ 12,836	\$ 12,836
Buildings and improvements	47,764	47,764
Equipment	1,728	1,613
Construction in progress	5,521	2,168
Total	<u>\$ 67,849</u>	<u>\$ 64,381</u>
INVESTMENT IN GENERAL FIXED ASSETS:		
From governmental fund types	\$ 67,245	\$ 63,777
From other sources	604	604
Total	<u>\$ 67,849</u>	<u>\$ 64,381</u>

# CITY OF STOCKTON

## SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION FOR THE YEAR ENDED JUNE 30, 1999 (Dollar amounts in thousands)

	Balance 7/1/98	Additions	Deletions	Transfers & Adjustments	Balance 6/30/99
General government	\$ 4,177	\$ 4	\$ -	\$ 1	\$ 4,182
Public safety	12,066	359	17	(30)	12,378
Public works	2,388	11	3	(5)	2,391
Library	8,109	2	-	(15)	8,096
Parks and recreation	32,384	349	862	16	31,887
Other property	3,089	290	15	30	3,394
Construction in progress	<u>2,168</u>	<u>3,353</u>	<u>-</u>	<u>-</u>	<u>5,521</u>
Total	<u>\$64,381</u>	<u>\$4,368</u>	<u>\$ 897</u>	<u>\$ (3)</u>	<u>\$67,849</u>

# CITY OF STOCKTON

## SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION

JUNE 30, 1999

(Dollar amounts in thousands)

	Land	Buildings & Improvements	Equipment	Total
General government	\$ 357	\$ 3,699	\$ 126	\$ 4,182
Public safety	1,342	10,083	953	12,378
Public works	66	2,097	228	2,391
Library	1,122	6,873	101	8,096
Parks and recreation	6,918	24,721	248	31,887
Other property	3,031	291	72	3,394
Construction in progress	-	5,521	-	5,521
Total	<u>\$ 12,836</u>	<u>\$ 53,285</u>	<u>\$ 1,728</u>	<u>\$ 67,849</u>



# CITY OF STOCKTON

## STATEMENT OF GENERAL LONG-TERM DEBT

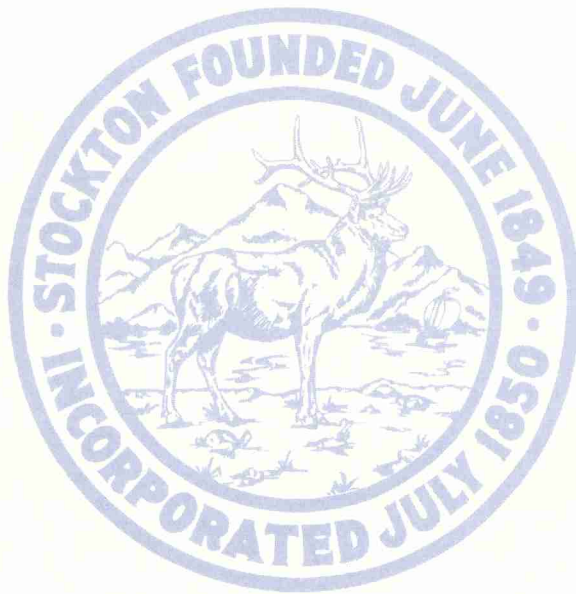
JUNE 30, 1999

(With comparative totals for June 30, 1998)

(Dollar amounts in thousands)

	1999	1998
AMOUNTS AVAILABLE IN DEBT SERVICE FUNDS FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	\$ 10,088	\$ 9,508
Mello-Roos Special Tax Bonds	13,260	12,464
Revenue Bonds	3,012	2,937
Tax Allocation Bonds	-	125
AMOUNTS TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	23,056	25,232
Mello-Roos Special Tax Bonds	13,590	11,911
Revenue Bonds	103,930	107,893
Tax Allocation Bonds	-	365
Compensated Absences	17,137	17,076
Payable from General Fund	-	-
Payable from Other Special Revenue Fund	71	71
Payable from Redevelopment Agency	23,855	22,872
Payable from Public Facilities Impact Fees Fund	12,508	8,548
Total	<u>\$ 220,507</u>	<u>\$ 219,002</u>
GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	\$ 33,145	\$ 34,740
Mello-Roos Special Tax Bonds	26,850	24,375
Revenue Bonds	106,941	110,830
Tax Allocation Bonds	-	490
Compensated Absences	17,137	17,076
Advance payable to General Fund	470	533
Advance payable to Urban Development Actions Grant Fund	4,686	4,686
Advance payable to Community Development Block Grant Fund	10,324	10,342
Advance payable to Community Development Loan Fund	563	-
Advance payable to Public Facilities Impact Fees Fund	8,948	4,528
Advance payable to Capital Improvement Fund	9,613	10,102
Advance payable to Redevelopment Agency	1,830	1,300
Total	<u>\$ 220,507</u>	<u>\$ 219,002</u>

# Stockton



**STATISTICAL SECTION**



## **STATISTICAL SECTION**

The contents of the statistical section are presented for the purposes of additional analysis and are not a required part of the general purpose financial statements. However, this section does contain data that may provide the viewer with valuable insight regarding the demographic and financial position of the City.

# CITY OF STOCKTON

**TABLE 1**  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

Fiscal Year	General Governmental	Public Safety	Public Works	Library	Parks and Recreation	Capital Outlay	Debt Service	Total (1)
1990	\$ 9,138	\$ 48,696	\$ 9,286	\$ 6,482	\$ 5,987	\$37,840	\$10,439	\$ 127,868 <i>127,868</i>
1991	9,135	54,855	9,137	7,489	7,671	50,788	14,694	153,769 <i>147,902</i>
1992	10,168	59,649	10,442	8,272	8,076	43,578	17,051	157,236 <i>146,611</i>
1993	9,841	61,037	8,721	7,978	8,054	27,087	17,407	140,125 <i>127,306</i>
1994	9,806	63,283	9,393	7,225	8,048	25,554	34,280	157,589 <i>141,216</i>
1995	10,356	67,433	9,359	7,015	8,148	23,970	18,569	144,850 <i>127,192</i>
1996	11,131	69,566	10,912	6,908	7,932	20,098	17,636	144,183 <i>124,112</i>
1997	11,038	77,107	11,264	7,526	8,300	37,214	18,470	170,919 <i>142,360</i>
1998	11,037	79,432	11,152	7,619	8,905	29,315	16,439	163,899 <i>132,800</i>
1999	11,370	80,296	10,059	8,187	9,449	32,199	15,791	167,351 <i>130,361</i>

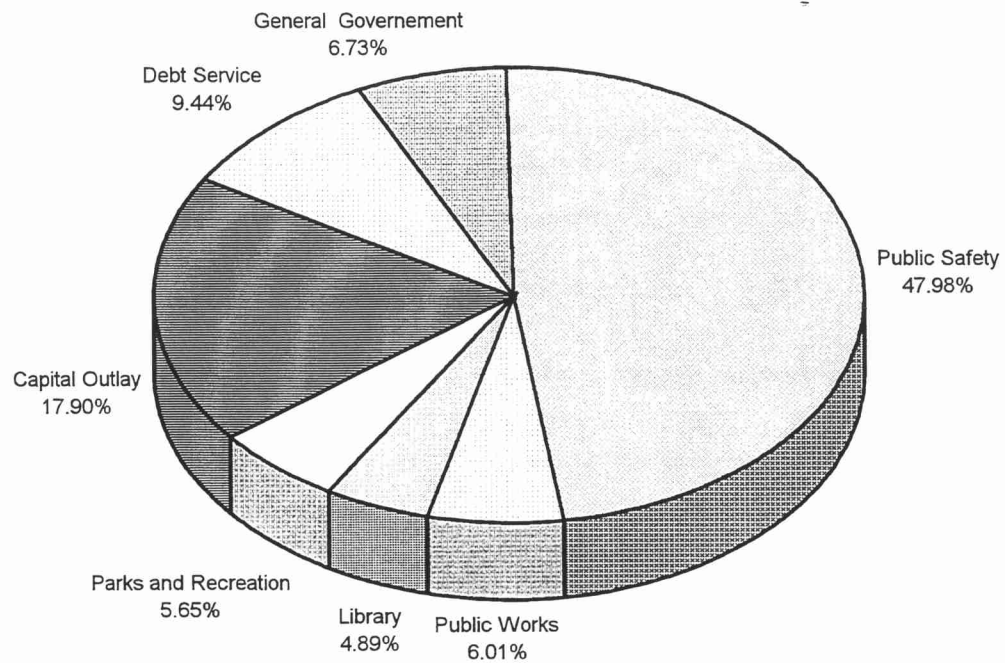
General Governmental Expenditures includes General, Special Revenue, Capital Projects, Debt Service Funds; excludes Expendable Trust

(1) Italicized numbers represent "constant dollars" based on the annual average (June to July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1990 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Statistics.

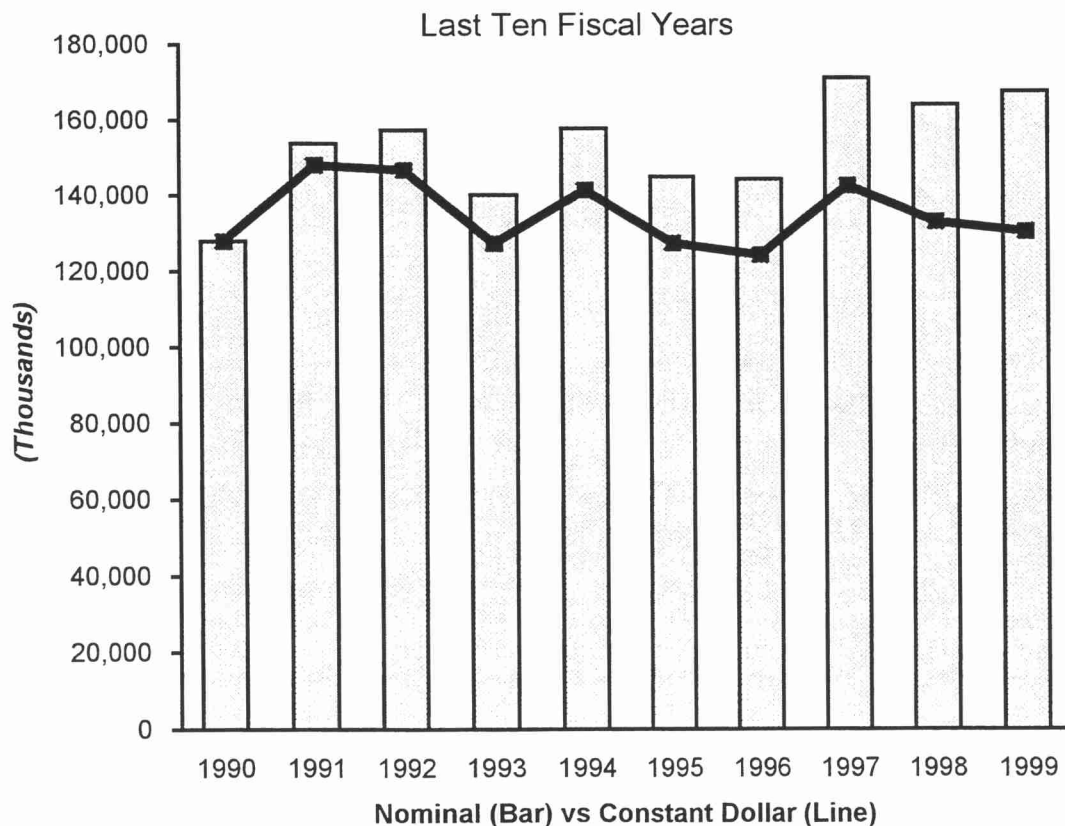
Source: City of Stockton Finance Department

# General Governmental Expenditures

By Function  
(in Thousands)



**Total Expenditures = \$167,351**



# CITY OF STOCKTON

**TABLE 2**  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

Fiscal Year	Taxes	Licenses and Permits	Federal Grants & Subsidies	Inter-governmental	Charges for Services	Fines and Forfeitures	Use of Money & Property	Investment Income (1)	Refunds & Reimbursements (2)	Misc.	Total (3)
1990	\$63,657	\$1,947	\$2,827	\$13,166	\$15,972	\$670	\$7,561	\$ -	\$ -	\$3,188	\$108,988 <i>108,988</i>
1991	70,437	2,594	3,992	18,625	14,375	821	10,007	-	-	2,667	123,518 <i>118,805</i>
1992	76,883	2,198	4,565	16,660	11,144	786	8,030	-	5,031	1,773	127,070 <i>118,484</i>
1993	84,557	2,216	4,428	16,770	12,799	733	5,980	-	6,514	4,424	138,421 <i>125,758</i>
1994	89,530	2,217	3,301	16,557	14,033	632	4,673	-	2,065	4,060	137,068 <i>122,827</i>
1995	90,481	2,127	6,583	16,898	13,482	575	5,656	-	1,783	3,874	141,459 <i>124,214</i>
1996	89,402	2,281	9,943	17,977	16,051	612	6,809	-	6,611	5,017	154,703 <i>133,168</i>
1997	91,381	2,064	12,996	18,657	16,789	545	1,373	5,861	5,717	4,221	159,604 <i>132,935</i>
1998	93,902	2,337	13,269	26,275	19,051	511	2,170	5,596	988	5,226	169,325 <i>137,197</i>
1999	97,719	2,507	11,838	24,804	20,665	899	1,701	4,501	7,098	5,870	177,602 <i>138,345</i>

General Governmental Revenues include General, Special Revenue, Capital Projects, and Debt Service Funds; excludes Expendable Trust

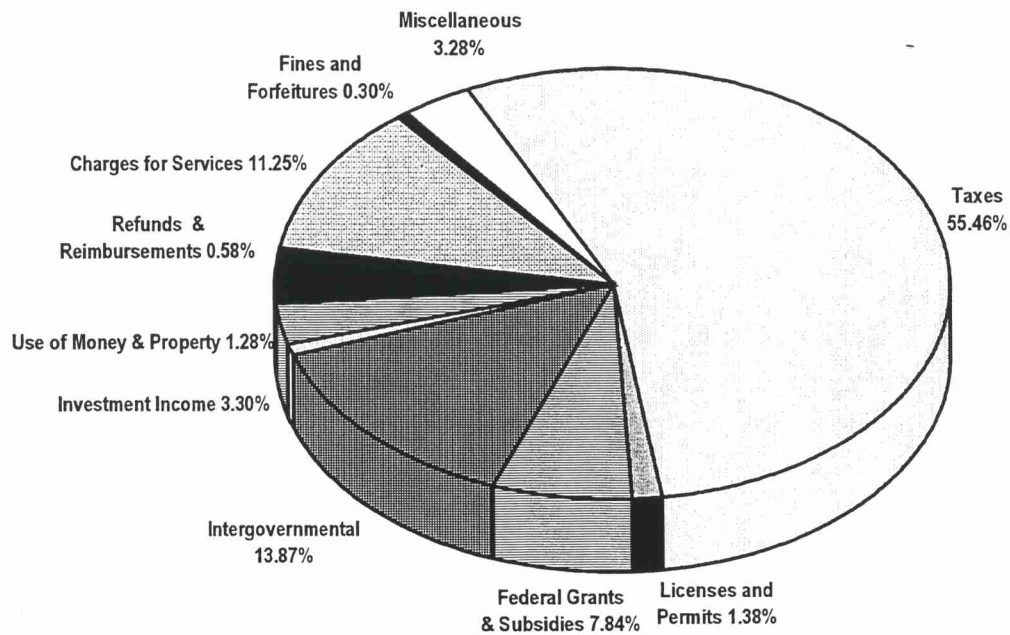
- (1) The recognition of fair value as an element of investment income, beginning in fiscal year 1997 (as restated) is a result of the implementation of GASB 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools".
- (2) Prior to fiscal year 1992, "Refunds and Reimbursements" were not reported as revenues.
- (3) Italicized numbers represent "constant dollars" based on the annual average (June to July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1990 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Labor Statistics.

Source: City of Stockton Finance Department

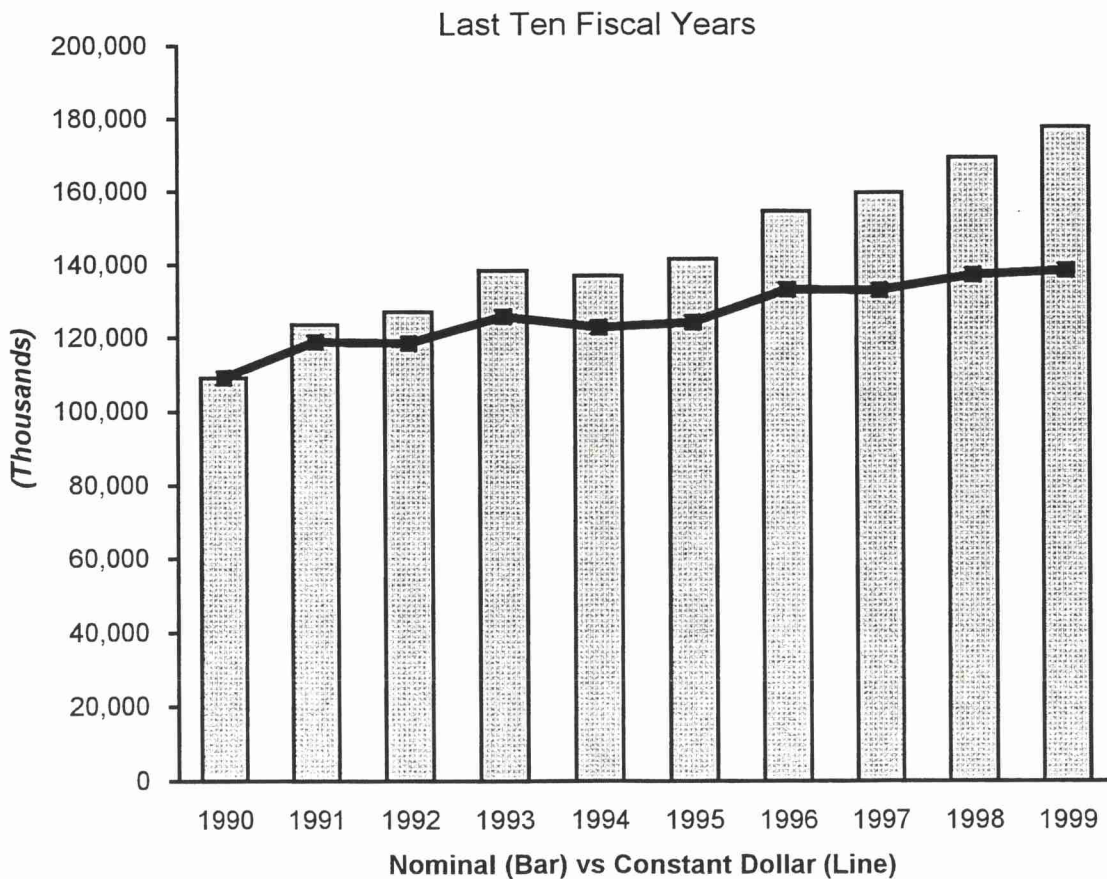


# General Governmental Revenues

By Source  
(in Thousands)



**Total Governmental Revenues = \$177,602**



# CITY OF STOCKTON

**TABLE 2A**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

Fiscal Year	Property	Sales & Use	Utility	Franchise	Business License	OTHER					Total (1)
						Transient Occupancy	Document Transfer	Special Assmts.	Transit	Misc.	
1990	\$ 15,298	\$ 20,258	\$12,459	\$ 2,883	\$4,012	\$ 1,274	\$ 560	\$ 6,817	\$ 78	\$ 18	\$63,657 63,657
1991	16,853	20,689	14,531	2,981	4,520	1,274	381	9,102	83	23	70,437 67,749
1992	18,231	20,528	16,731	3,097	4,733	1,149	1,092	11,220	87	15	76,883 71,688
1993	17,703	21,017	18,719	3,414	4,990	1,107	1,266	16,237	83	21	84,557 76,822
1994	18,841	22,416	20,466	3,203	4,820	1,044	1,469	17,253	-	18	89,530 80,228
1995	15,684	22,984	21,706	3,935	4,927	1,121	1,395	18,470	176	83	90,481 79,451
1996	16,207	23,710	21,141	3,350	4,964	1,106	1,230	17,439	-	255	89,402 76,957
1997	15,820	23,983	22,271	3,951	5,459	1,136	1,391	17,160	192	18	91,381 76,112
1998	16,270	25,290	22,994	4,056	5,244	1,280	1,689	16,945	114	20	93,902 76,085
1999	16,747	27,265	24,160	4,630	5,714	1,385	1,095	16,591	111	21	97,719 76,119

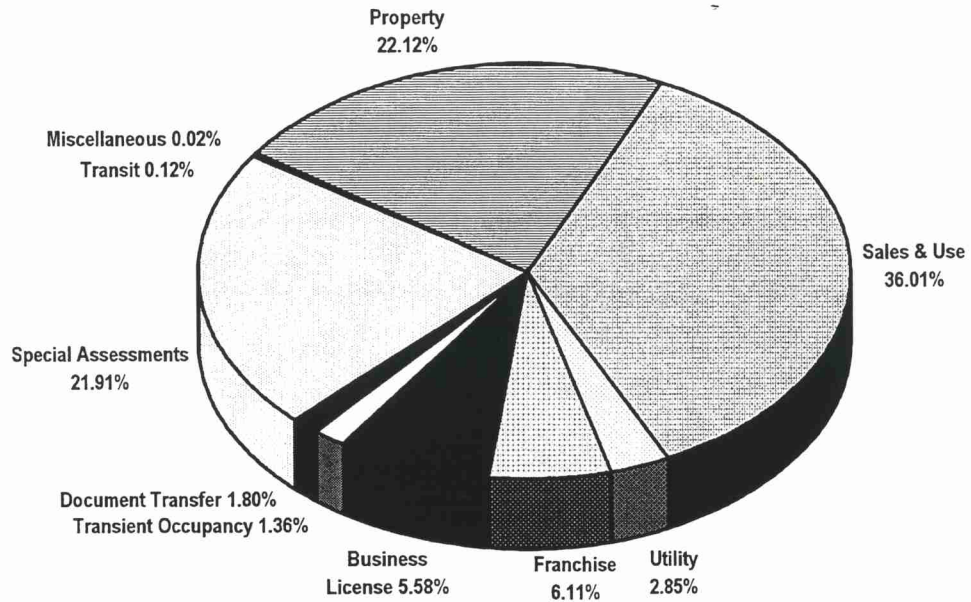
General Governmental Tax Revenues includes General, Special Revenue, Capital Projects, and Debt Service Funds; excludes Expendable Trust

(1) Italicized numbers represent "constant dollars" based on the annual average (June – July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1990 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Labor Statistics.

Source: City of Stockton Finance Department

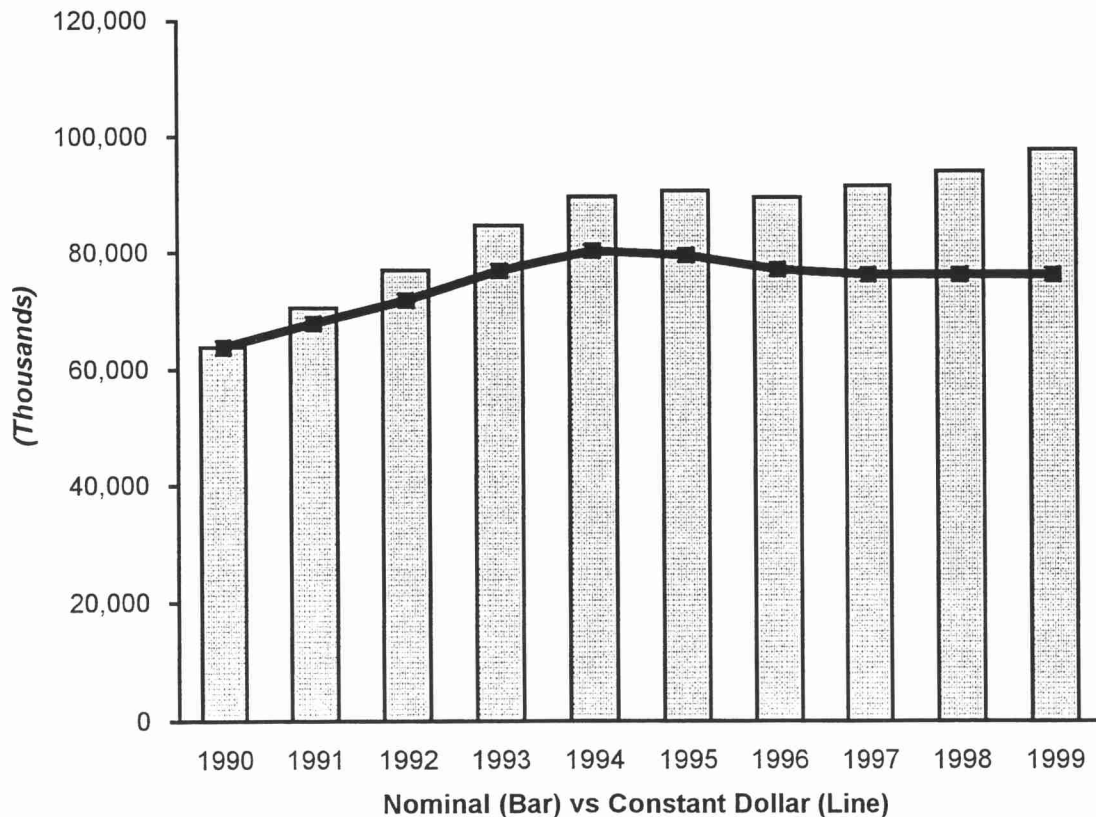
# General Governmental Tax Revenues

By Source  
(in Thousands)



**Total Governmental Tax Revenues = \$97,719**

Last Ten Fiscal Years



## CITY OF STOCKTON

**TABLE 3**  
**SECURED PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected (1)</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Collections to Tax Levy</b>
1990	\$11,939	\$ 11,342	95.00 %	\$ 727	\$ 12,069	101.09 %
1991	13,591	12,911	95.00	742	13,653	100.46
1992	15,333	14,567	95.00	595	15,162	98.88
1993	14,758	14,021	95.01	746	14,767	100.06
1994	14,959	13,237	88.49	2,319	15,556	103.99
1995	13,539	13,146	97.10	-	13,146	97.10
1996	13,763	13,763	100.00	-	13,763	100.00
1997	13,626	13,626	100.00	-	13,626	100.00
1998	14,268	14,268	100.00	-	14,268	100.00
1999	14,518	14,518	100.00	-	14,518	100.00

- (1) Per agreement with San Joaquin County, the County provides the City of Stockton with 100% of the amount of collections owed to the City of Stockton for secured properties, regardless of collection status. In exchange, the County is entitled to 100% of revenues collected for interest and penalties. This agreement is commonly referred to as the Teeter Plan.

Source: San Joaquin County Auditor/Controller's Office



# CITY OF STOCKTON

**TABLE 4**  
**ASSESSED FULL CASH VALUE OF ALL TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

<b>Fiscal Year</b>	<b>Secured Roll</b>	<b>Mineral</b>	<b>Utility Roll</b>	<b>Unsecured Roll</b>	<b>Gross Assessed Value</b>	<b>Less Exemptions (1)</b>	<b>Net Assessed Value</b>
1990	\$ 5,494,755	\$ 4,406	\$ 13,826	\$ 630,184	\$ 6,143,171	\$ 544,353	\$ 5,598,818
1991	6,189,799	77	13,407	685,871	6,889,154	580,050	6,309,104
1992	6,898,650	47	12,390	695,175	7,606,262	621,045	6,985,217
1993	7,332,787	47	8,628	714,270	8,055,732	640,394	7,415,338
1994	7,701,613	0	10,645	730,770	8,443,029	647,588	7,795,441
1995	7,808,294	0	11,171	755,919	8,575,384	678,052	7,897,332
1996	8,001,731	0	11,523	801,470	8,814,724	710,256	8,104,468
1997	7,995,188	0	11,644	783,505	8,790,337	733,337	8,057,000
1998	8,165,852	0	14,893	786,120	8,966,865	755,604	8,211,261
1999	8,347,987	0	17,038	775,627	9,140,653	780,309	8,360,344

<b>Fiscal Year</b>	<b>Land</b>	<b>Improvements</b>	<b>Personal Property</b>	<b>Gross Assessed Value</b>	<b>Less Exemptions (1)</b>	<b>Net Assessed Value</b>
1990	\$ 1,538,089	\$ 4,054,916	\$ 550,166	\$ 6,143,171	\$ 544,353	\$ 5,598,818
1991	1,853,170	4,434,840	601,144	6,889,154	580,050	6,309,104
1992	2,080,789	4,914,778	610,695	7,606,262	621,045	6,985,217
1993	2,224,227	5,214,891	616,614	8,055,732	640,394	7,415,338
1994	2,308,510	5,511,138	623,380	8,443,029	647,588	7,795,441
1995	2,296,566	5,659,621	619,197	8,575,384	678,052	7,897,332
1996	2,348,413	5,802,491	663,820	8,814,724	710,256	8,104,468
1997	2,297,478	5,848,754	644,105	8,790,337	733,337	8,057,000
1998	2,329,276	5,984,645	652,944	8,966,865	755,604	8,211,261
1999	2,373,758	6,089,228	677,666	9,140,653	780,309	8,360,344

Note: Net assessed value includes homeowners and other exemptions, and excludes redevelopment area incremental credits.

(1) Exemptions are: homeowners (\$230,667) and other (\$549,642)

Source: San Joaquin County Auditor/Controller's Office

# CITY OF STOCKTON

**TABLE 5**  
**PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Basic Countywide Levy	City	Stockton Unified School District (1)	Groundwater Investigation (2)	Total
1990	1.0000 %	0.0032 %	0.0444 %	0.0000 %	1.0476 %
1991	1.0000	0.0029	0.0350	0.0000	1.0379
1992	1.0000	0.0028	0.0313	0.0034	1.0375
1993	1.0000	0.0027	0.0346	0.0034	1.0407
1994	1.0000	0.0024	0.0304	0.0034	1.0362
1995	1.0000	0.0000	0.0129	0.0034	1.0163
1996	1.0000	0.0000	0.0332	0.0034	1.0366
1997	1.0000	0.0000	0.0223	0.0034	1.0257
1998	1.0000	0.0000	0.0103	0.0034	1.0137
1999	1.0000	0.0000	0.0206	0.0034	1.0240

Note: On June 6, 1978, California voters approved an amendment to the Article XIII A of the California Constitution. The amendment, commonly known as Proposition 13, limits the taxing power of California public agencies. The California Legislature enacted legislation to implement Article XIII A (Statutes of 1978, Chapter 292, as amended) providing that local agencies may not levy any property tax except to pay debt service on indebtedness approved by voters prior to July 1, 1978, and that each county will levy the maximum tax permitted of \$1.00 per 100 of full assessed value.

(1) Stockton Unified School District Building Loan Repayment

(2) Approved by the San Joaquin County Board of Supervisors, for testing groundwater quality and investigating causes of contamination.

Source: San Joaquin County Tax Rate Book, 1998/99

## CITY OF STOCKTON

**TABLE 6**  
**PRINCIPAL SECURED PROPERTY TAXPAYERS**  
**June 30, 1999**  
**(Dollar amounts in thousands)**

<b>Taxpayer</b>	<b>Nature of Business</b>	<b>1999 Assessed Valuation</b>	<b>Percentage of Total Assessed Valuation</b>
Corn Products, Inc.	Food Processing	\$ 92,599	1.221 %
Kaiser Foundation	Hospital	84,867	1.119
Diamond Walnut Growers, Inc.	Food Processing	50,154	0.662
Newark Group Industries	Paper Co.	31,980	0.422
Washington Mutual Bank	Office Building	27,746	0.366
Iris USA Inc.	Light Industrial and Warehouse	26,843	0.354
Toys R Us, Inc.	Warehouse	23,539	0.311
Cargill Inc.	Flour Mill	23,337	0.308
Del Monte Corp.	Food Processing	19,776	0.261
American Honda Motor Corp.	Warehouse	19,668	0.259
Principal Secured Property Valuation		400,509	5.283
Other Secured Taxpayers		<u>7,180,624</u>	<u>94.717</u>
Total Secured Property Valuation- Net of Exemptions (1)		\$ <u>7,581,133</u>	<u>100.000</u> %

(1) Exemptions relative to the secured tax roll are: homeowners (\$230,667) and others (\$549,642)

Source: San Joaquin County Assessor's Office



## CITY OF STOCKTON

**TABLE 7**  
**SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

<b>Fiscal Year</b>	<b>Current Assessments Due</b>	<b>Current Assessments Collected</b>	<b>Total Collection As Percentage of Current Assessments Due</b>	<b>Total Outstanding Current and Delinquent Assessments</b>
1990	\$ 7,512	\$ 7,157	95.27 %	\$ 765
1991	9,800	8,296	94.86	1,207
1992	12,880	11,114	86.29	1,766
1993	17,677	14,994	84.82	2,631
1994	18,596	16,441	88.41	2,815
1995	18,941	17,869	94.34	2,168
1996	17,241	16,845	97.70	1,909
1997	16,763	16,379	97.71	1,620
1998	15,928	15,928	100.00	1,748
1999	17,546	17,436	99.00	942

Note: Includes Central Parking District; excludes Water and Sanitary Wastewater Utilities

Source: City of Stockton Finance Department

## CITY OF STOCKTON

**TABLE 8**  
**COMPUTATION OF LEGAL DEBT MARGIN**  
**June 30, 1999**  
**(Dollar amounts in thousands)**

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Total Assessed Valuation (less other exemptions)	\$8,591,011
Less: Redevelopment Tax Increments	122,951
Basis of Levy	<u>\$8,468,060</u>
Debt Limit - 15 Percent of Assessed Valuation (1)	\$1,288,652
Amount of Debt Applicable to Debt Limit	<u>0</u>
Legal Debt Margin	<u>\$1,288,652</u>

(1) Section 43605 California Government Code

Source: San Joaquin County Auditor/Controller's Office and California Municipal Statistics

# CITY OF STOCKTON

**TABLE 9**  
**RATIO OF NET GENERAL OBLIGATION BONDED DEBT**  
**TO TAXABLE ASSESSED VALUE AND**  
**NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

Fiscal Year	Population (1)	Gross Assessed Value	Gross Bonded Debt	Debt Payable from Enterprise Revenue	Net Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1990	210,943	\$ 6,143,171	\$ 1,250	\$ 740	\$ 510	0.008 %	2.6124 %
1991	215,100	6,889,154	390	0	390	0.006	1.8131
1992	221,585	7,606,262	265	0	265	0.003	1.1959
1993	226,300	8,055,732	135	0	135	0.002	0.5966
1994	228,733	8,443,029	0	0	0	0.000	0.0000
1995	232,770	8,575,384	0	0	0	0.000	0.0000
1996	233,600	8,814,724	0	0	0	0.000	0.0000
1997	236,500	8,790,337	0	0	0	0.000	0.0000
1998	240,100	8,966,865	0	0	0	0.000	0.0000
1999	243,700	9,140,653	0	0	0	0.000	0.0000

1990 Federal Census Population - 210,943

(1) Population data estimates are as of January 1 of the corresponding year and are not in thousands.

Source: State of California, Department of Finance, Demographic Research Unit  
City of Stockton Finance Department  
San Joaquin County Auditor/Controller's Office

## CITY OF STOCKTON

**TABLE 10**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL**  
**BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service (1)</b>	<b>Total General Government Expenditures</b>	<b>Ratio of Debt Service to General Government Expenditures</b>
1990	\$ 115	\$ 25	\$ 140	\$ 127,868	0.109 %
1991	120	19	139	153,769	0.090
1992	301	60	361	157,236	0.023
1993	367	51	418	140,125	0.298
1994	290	41	331	157,589	0.210
1995	165	31	196	144,850	0.135
1996	180	19	199	144,183	0.138
1997	190	7	197	170,919	0.115
1998	0	0	0	163,899	N/A
1999	0	0	0	167,351	N/A

(1) Excludes debt service expenditures for general obligation bonds issued for City Enterprise fund (Sanitary Wastewater Utility Fund), maturing during the 90/91 fiscal year

Source: City of Stockton Finance Department

# CITY OF STOCKTON

**TABLE 11**  
**DIRECT AND OVERLAPPING BONDED DEBT (1)**  
**June 30, 1999**

<u>OVERLAPPING TAX AND ASSESSEMENT BONDED DEBT (1)</u>		Percentage Applicable to City	City Share of Debt
Lincoln Unified School District Community Facilities District #1	86.020 %	\$	15,354,570
Manteca Unified School District Community Facilities District #89-1	100.000		11,625,000
Stockton Wastewater Service Facilities District	100.000		785,000
Stockton Water Service Facilities District	100.000		180,000
City of Stockton Parking District	100.000		8,075,000
City of Stockton Community Facilities District #1	100.000		37,570,000
City of Stockton Community Facilities District #90-1	97.282		14,266,405
City of Stockton Community Facilities District #90-2	100.000		38,130,000
City of Stockton Community Facilities District #90-4	100.000		16,714,346
City of Stockton Community Facilities District #96-1	100.000		5,060,000
City of Stockton 1915 Act Bonds	100.000		54,740,000
Reclamation District #2042 Community Facilities District #89-1	40.657		3,386,728
San Joaquin Area Flood Control Assessment District	84.019		43,341,201
<b>TOTAL OVERLAPPING TAX ASSESSMENT DEBT</b>		\$	<b>249,228,250</b>
<u><b>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b></u>			
San Joaquin County Certificates of Participation	35.303	\$	66,085,451
San Joaquin Delta Community College District Certificates of Participation	32.329		2,517,314
Lincoln Unified School District Certificates of Participation	86.020		3,440,800
Lodi Unified School District Certificates of Participation	21.680		2,039,004
Stockton Unified School District Certificates of Participation	84.510		14,113,170
City of Stockton Certificates of Participation	100.000		16,380,000
South San Joaquin Irrigation District Certificates of Participation	0.144		13,874
<b>TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>		\$	<b>104,589,613</b>
Less: South San Joaquin Irrigation District (100% self supporting)			(13,874)
City of Stockton Certificates of Participation (100% self supporting)			(16,380,000)
<b>TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</b>		\$	<b>88,195,739</b>
<b>Total Gross Debt</b>		\$	<b>\$353,817,863 (1)</b>
<b>Total Net Debt</b>		\$	<b>\$337,423,989</b>

1998-99 Assessed Valuation: \$ 9,140,652,389  
(after deducting \$ 122,950,849 redevelopment incremental valuation and other exemptions of \$ 549,941,576)  
1998-99 Population 243,700

Debt Ratios	Per Capita	Ratio to Assessed Value
Total Gross Debt	\$ 353,817,863	\$ 1,452 3.87 %
Total Net Debt	\$ 337,423,989	\$ 1,385 3.58 %

State School Building Aid Repayment as of 6/30/99 \$ 154,854

(1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Source: California Municipal Statistics, Inc. San Francisco, CA  
San Joaquin County Auditor/Controller's Office  
State of California, Department of Finance, Demographic Research Unit

# CITY OF STOCKTON

**TABLE 12  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Square Miles</b>	<b>Population</b>	<b>Population Percent Change</b>	<b>County</b>	<b>City Population Percent of County</b>	<b>Rank in Size of California Cities</b>
1990	54.00	210,493	9.454 %	480,628	44.697 %	12
1991	55.10	215,100	2.189	490,000	43.898	12
1992	55.10	221,585	3.015	502,031	44.138	12
1993	55.50	226,300	2.128	514,500	43.984	12
1994	55.50	228,733	1.075	522,300	43.793	12
1995	55.50	232,770	1.765	530,700	43.861	12
1996	55.50	233,600	0.357	529,300	44.134	12
1997	55.50	236,500	1.241	535,400	44.173	12
1998	55.90	240,100	1.522	545,200	44.039	12
1999	56.49	243,700	1.499	554,400	43.960	12

**1990 Federal Census Population:** 210,943 (City)  
480,628 (County)

Note: Population estimates are as of January 1 of the corresponding year and are not in thousands.

Source: City of Stockton Community Development Department  
State of California, Department of Finance, Demographic Research Unit

## CITY OF STOCKTON

**TABLE 13**  
**CONSTRUCTION ACTIVITY AND BANK DEPOSITS**  
**LAST TEN FISCAL YEARS**  
**(Dollar amounts in thousands)**

Fiscal Year	Building Permits Issued	Percent Change	Estimated Valuation	Percent Change	Deposits: Banks Savings & Loans Credit Unions (1)	Percent Change
1990	4,646	8.097 %	\$ 208,117	7.649 %	\$ 3,870,805	-38.237 %
1991	5,358	15.325	238,298	14.502	3,611,945	-6.687
1992	5,097	-4.871	158,443	-33.511	3,446,481	-4.581
1993	4,890	-4.061	173,374	9.424	3,157,126	-8.396
1994	4,783	-2.188	191,629	10.529	3,008,735	-4.700
1995	4,775	-0.167	149,383	-22.046	3,240,633	7.707
1996	5,841	22.325	211,338	41.474	2,905,214	-10.350
1997	5,730	-1.900	211,016	-0.152	3,029,472	4.277
1998	5,514	-3.770	236,854	12.245	3,228,462	6.568
1999	6,321	14.635	277,659	17.228	N/A	N/A

(1) Current fiscal year data becomes available the following year

Source: City of Stockton Community Development Department  
The Findlay Reports on Financial Institutions, Anaheim, California



# CITY OF STOCKTON

**TABLE 14**  
**MISCELLANEOUS STATISTICS**  
**June 30, 1999**

## GEOGRAPHICAL

### LOCATION

Situated 345 Miles north of Los Angeles and 78 Miles east of San Francisco, Stockton is nestled between the Sierra Nevadas and the Pacific Ocean. It is the seat of San Joaquin County, which is in the heart of the San Joaquin Valley – one of the world's most productive agricultural regions.

### GENERAL

Date of Incorporation	July 25, 1850
City Charter Adopted	January 15, 1889
Form of Government	Council-Manager
Area/Square Miles	56.49
Elevation	23

### LAND USE - SQUARE MILES

Residential	15.06
Commercial	2.94
Industrial	5.94
Institutional	7.78
Vacant/Agricultural	17.00
All Other Use	7.77

### PUBLIC WORKS

Miles of Streets	657.3
Miles of Storm Sewers	490
Miles of Sanitary Sewers	1,126
Miles of Water Lines	582
Traffic Signals	211

### LIBRARIES

Central Library	1
Branches	3
Library Mobile Units	2
S.J. County Branches	6
Total Volumes Held	1,869,633

### BUSINESS TAX CERTIFICATES

Retail Sales & Service	7,318
Wholesalers	310
Manufacturers & Processors	137
Professions	2,004
Misc. Contractors, Peddlers	
Delivery Vehicles, etc.	3,743

### DEMOGRAPHIC

Number of Households	80,465
Median Family Income	44,300

### POLICE PROTECTION

#### Personnel:

Sworn	389
Non-Sworn	173
Animal Control	12
Reserve/Volunteer	-
Police Officers	25
Other Volunteers (VIPS)	73

#### Facilities:

Stations and Substations	4
Animal Control Facility	1
Police Pistol Range	1

#### Vehicles:

Automobiles	250
Motorcycles	26
Animal Control Vehicles	8
VIPS Vehicles	8
Other Mobile Units	60

### FIRE PROTECTION

Firefighters- Sworn	229
Firefighters- Auxillary	24
Non-Sworn Personnel	28
Paramedic Teams (2/Team)	7
Fire Stations	12
Training Facilities	1
Fire Insurance Class	1
Fire Hydrants	6,773

### EMPLOYEES- ALL DEPARTMENTS

Full Time-Civil Service	1,464
Full Time- Noncompetitive	109
Part Time- Exempt	779
Total	2,352

### HOSPITALS

Acute Care Facilities	2
Patient Beds	507

### PUBLIC EDUCATION FACILITIES

Elementary Schools	45
Enrollment	29,564
K-8 Schools	14
Enrollment	8,683
Secondary Schools	10
Enrollment	7,774
High Schools	6
Enrollment	13,345
Alternative Education	6
Enrollment	3,473
Regional Occupational Center	1
Enrollment	1,220

### COLLEGES & UNIVERSITIES

Junior Colleges	1
4-Year Colleges	5
4-Year Colleges (Satellite Campuses)	3

### CULTURE & RECREATION

Parks and Squares	51
Park Acreage	536.75
Boating Facilities- Lane	10
Municipal Golf Courses	4
Golf Course Acreage	408
Family Camps	1
Museums	1
Children's Activities	2
Civic Auditorium- (3,500 capacity)	1
Senior Citizens Centers	2
Ice Rinks	1
Community Centers	6
Swimming Pools	6
Baseball/Softball- Diamonds	40
Tennis Courts	60

Sources: City of Stockton, San Joaquin County Registrar of Voters, San Joaquin County Office of Education

# CITY OF STOCKTON

**TABLE 15**  
**SCHEDULE OF INSURANCE IN FORCE**  
**June 30, 1999**

(continues)

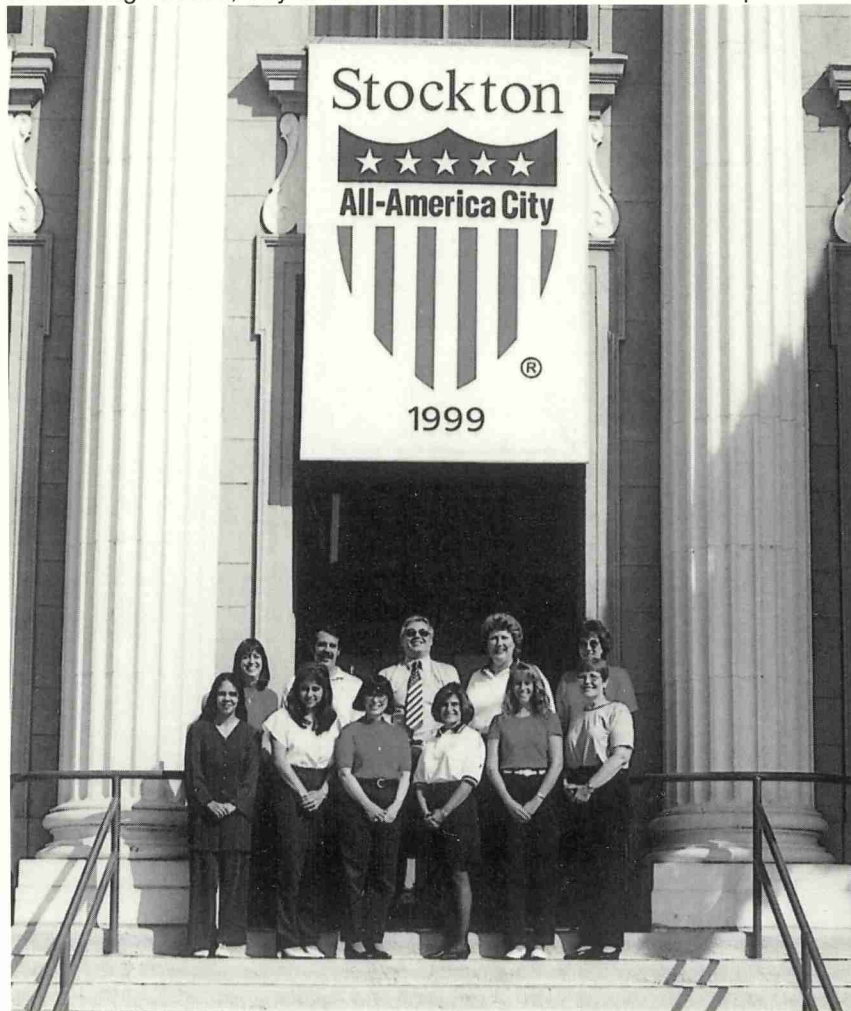
Type of Coverage	Company	Period	Amount/Limits
GENERAL LIABILITY EXCESS	California Joint Powers Authority	07/01/1998 to 06/30/1999	\$9,000,000 XS SIR
WORKER'S COMP EXCESS	Continental Casualty	01/01/1998 to 01/01/2000	\$10,000,000 - per Accident/per employee \$1,000,000 - employer's liability
PROPERTY COVERAGE Including Library Comprehensive Business Policy	Travelers Indemnity  Lexington	07/01/1998 to 06/30/1999	\$200,000,000
BOILER & MACHINERY	American Manufacturers/ Kemper	07/01/1998 to 07/01/1999	\$15,000,000
SWIMMING POOL INSURANCE	Sherwood	05/04/1998 to 09/15/1999	\$500,000 CSL GI, PL incl \$500,000 Aggregate
FINANCE DIRECTOR BOND	The Hartford	07/08/1998 to 07/08/1999	\$100,000
EMPLOYEES BLANKET BOND	Travelers	09/22/1998 to 09/22/1999	\$500,000 \$65,000 inside premises \$25,000 outside premises
PUBLIC OFFICIAL BOND	Continental Insurance	01/01/1998 to 01/01/2000	\$5,000
BLANKET NOTARY	Western Surety	04/19/1998 to 04/18/1999	\$30,000
MEDICAL PLAN STOP LOSS AND CONVERSION PLAN	Zenith Administrators & U.L.L.I.C.O.	05/01/1999 to 04/30/2000	\$850,000 per covered individual per coverage year
TRAVEL POLICY Accident Insurance	AIG Life Insurance	01/24/1999 to 01/24/2000	\$200,000 per person \$600,000 per accident
TRAVEL POLICY Accident Insurance	AIG Life Insurance	03/05/1999 to 03/05/2000	\$200,000 per person \$600,000 per accident

Deductible	Premium	Details of Coverage
\$ 1,000,000 SIR	\$ 539,461	Excess auto-comp., general liability errors and omissions liability and excess non-owned aircraft liability
\$ 250,000 each Accident, each Employee	\$ 0.1269/\$100,00 Payroll	Covers worker's comp claims in excess of self-insured retention
\$ 25,000	\$ 38,032	Real/personal property, rental value, extra expense, leasehold interest, valuable papers & records, A/R, fine arts, transit, demolition, and increased cost of construction. Automatic acquisition for the perils of all risk.
\$ 5,000	\$ 5,712	Boilers; compressed air storage tanks
\$ 0	\$ 10,975	OL&T liability coverage owned, non-owned pools (6)
\$ 0	\$ 500	Public Official's Bond
\$ 10,000 \$ 2,500	\$ 11,929	Employee dishonesty, forgery, FP, theft, & disappearance
\$ 0	\$ 700	Faithful performance by Council members
\$ 0	\$ 811	Errors and omissions
\$ 150,000 per covered Individual per coverage Year	\$ 18.11 per active Employee per month \$ 5.85 per retiree over 65 per month	Medical plan claims in excess of self-insured retention, and conversion benefit plan option
\$ 0	\$ 2,363	Travel accident coverage when on City business for management employees
\$ 0	\$ 735	Travel accident coverage when on City business for non-management employees





Accounting Section, City of Stockton Administrative Services Department



Pictured (left to right): Front Row: Shazia Sualeheen, Liz Lovato, Janice Carlile, Janet Salvetti, Tammy Busby, and Gay Scheile; Back Row: Carolyn Godwin, Ralph Rizzo, Todd Reich, Cathy Lucas, and Lynne Farrar. Photo by Jim Watson

This photo was taken on the south steps of City Hall. The City of Stockton is a 1999 All-America City Award Winner. Stockton received the All-America Award for the work our community has done to create new jobs, reduce crime, improve the Delta's environment and revitalize our downtown. These goals were accomplished through the cooperative efforts of citizens, community leaders and government working together to improve the quality of life in our city.

