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Stockton



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2000**

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 includes a sailing vessel on the San Joaquin River and mountains in the background. Common belief is that the mountains depict Mt. Diablo to the west, however, research suggests the mountains may be the Sierra Nevadas to the east.

Through the years, several changes were made to modernize the appearance of the elk. The most recent revision was in March 1994, when the City Council approved the City Clerk's suggestion to bring back part of Stockton's early history by returning to the original elk.



COMPREHENSIVE ANNUAL FINANCIAL REPORT

of

CITY OF STOCKTON, CALIFORNIA

FOR THE FISCAL YEAR ENDED JUNE 30, 2000

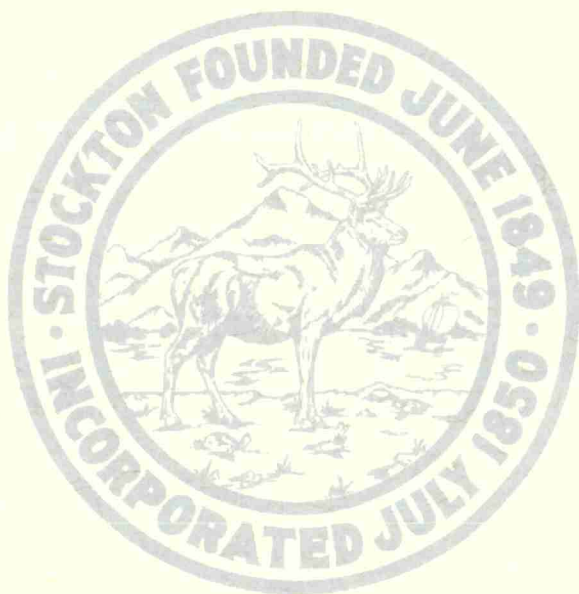
**Prepared and Issued by
The Administrative Services Department**

**JOHN HINSON
Administrative Services Officer**

Stockton



INTRODUCTORY SECTION



CITY OF STOCKTON

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CITY OF STOCKTON

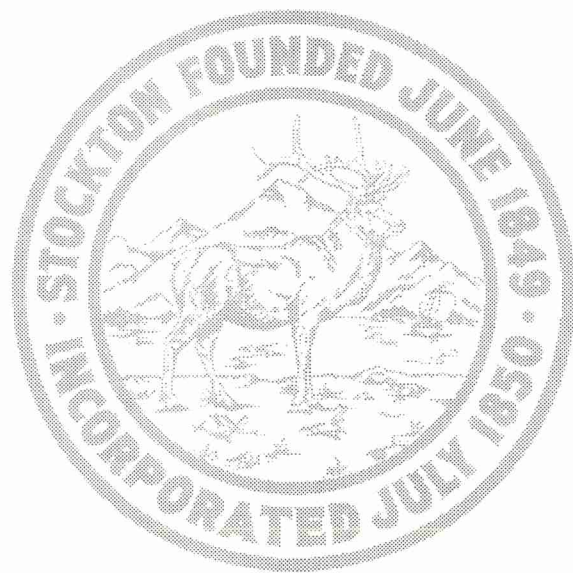
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CITY OF STOCKTON

ADMINISTRATIVE SERVICES DEPARTMENT

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49ERS SUMMER HOME™
UNIVERSITY OF THE PACIFIC & STOCKTON, CALIFORNIA

November 30, 2000

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, 2000. 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, budgetary controls, and fund structure. Included in this section is a transmittal letter (which provides unaudited summarized data reflecting the City's financial condition), financial presentation awards, the government's organizational 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 government's 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. 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 services, parks, and general administrative services.

In conformity with provisions of U.S. Office of Management and Budget's Circular A-133, the City of Stockton is required to prepare an annual single audit. Information relating to this single audit (including a Schedule of Expenditures of Federal Awards, the independent auditors' report on internal controls, report on compliance with applicable laws and regulations, and a schedule of findings and recommendations) are included in a separately prepared and printed single audit report.

ECONOMIC CONDITIONS AND OUTLOOK

Economic Trends

The economic health of the Bay Area is beginning to spill into Stockton as Stockton makes a steady recovery from the recession of the 1990's. The real estate market has been affected by the migration of Bay Area citizens seeking affordable housing to outlying valley towns. Property valuation is up 46% from the previous year. Building permits are up 17%. 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 7% in 1999 and an additional 5% from January to June 2000.

Stockton is an inland deep water port. Stockton began as a shipping and "gold" town, but when artificial irrigation developed in the area, Stockton became part of the State's richest agricultural industry. With an excellent navigable channel, a metropolitan airport, and three interstate railroads, the city is a major shipping point for many of the agricultural products in Northern California. The rich soil and mild temperatures provide a strong agricultural base from within the city.

Jobs/Labor Market

Overall, unemployment is reduced to the lowest point in 10 years. Increases in jobs are attributed to agriculture (which tends to keep the market less volatile), manufacturing, business services, construction, trade, transportation, and public market. Stockton is a fast developing center for manufacturing, warehousing, and distribution. By location, Stockton is attracting the call centers and administrative center operations for major Bay Area financial and development operations.

MAJOR INITIATIVES

For fiscal year 1999-00, 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

Surrounded by a beautiful natural environment, the City's system of parks, trails, and waterways contribute to the beauty of the farmlands, Delta wetlands and Sierra skyline. With mild winters and warm summers, the Parks and Recreation Department provides many recreation opportunities outdoors: boating, fishing, water sports, water skiing, swimming, and sailing and sporting leagues.

In addition to recreational activities, the Parks and Recreation Department also provides opportunities for social and cultural activities. The City's drop in gang and youth violence is made possible by 28 Safe Youth After School Recreation sites, 6 community centers, as well as innovative programs and neighborhood alliances. The planning, development and fund raising for a skateboard park is an example of an innovative program that focuses

youth energy into positive opportunities.

Library and Literacy

The Stockton-San Joaquin County Public Library operates a family literacy program that provides literacy tutoring and reading enhancement services to people of all ages. Programs include free one on one tutoring for adults, Book Buddy reading mentoring program for children from Kindergarten to grade 6, the Reach Out and Read program based in pediatric clinics which integrate healthcare professions in linking early reading experiences to basic child development; and Families Reading Together, which teaches parents the importance of reading stories to their children.

Public Safety

Crime reduction remained one of the City Council's highest priorities during FY 1999/2000. The Stockton Police Department, in partnership with local residents, community-based organizations, and allied agencies, placed increased emphasis on the "Safe Youth" component of the five-year-old "Safe Stockton" Plan. This program combines School Resource Officers, North and South Stockton Co-Ops, Truancy and Curfew Operations, Youth Gang Outreach Workers, Safe Kids Academy, and other youth- and family-focused crime prevention activities with tougher intervention and law enforcement efforts to help reduce juvenile crime--particularly violent assaults and auto theft. Overall, the crime rate for violent crimes dropped 6.3% from 1998 through 1999 and 43% since 1994.

City Events

The population of Stockton reflects the influence of many cultures- waves of immigrants continue to redefine the diverse opportunities. Dozens of events take place each week. From Summer Concert Series, to Farmers Markets, annual festivals, concerts, and events, film festivals, celebrations and shows, the City provides a range of activities for every lifestyle. The City supports the fine arts through a civic center, concert hall, as well as symphony, ballet, and chorale groups. Other major events include: girl's fast pitch tournament, karate championship, golf tournaments, a national wakeboard competition, The Asparagus Festival, Harvest Festival, bass tournaments, Special Olympics and Mudville Nine (a professional baseball club) as well as the Summer Training Camp for the San Francisco 49er's Football Team.

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.

Redevelopment in Downtown

Downtown Stockton is the heart of the city and county activities, the financial district and exists as the main cultural center. Downtown redevelopment and revitalization is one of the main objectives of the City Council. With the support of Council, downtown is coming back to life through a myriad of redevelopment projects currently underway. Through

private and public business partnerships, over 14 different economic incentives are offered to support economic development and growth: from building permit fee reduction to loan opportunities and grants alleviating code violations.

The City is completing construction on the Essential Services Building with an adjoining parking garage. When completed, the Essential Services Building will house several Police divisions, Fire Administration, Fire and Police Telecommunication, MIS and GIS. This building will also provide space for Neighborhood Services until new space has been renovated. Commercial renovation of the historic Hotel Stockton is in the design process. Plans continue for a 18-screen cinema complex with retail, a new transit center, a Mercado district, renovation of the historic Fox Theatre, and plans are being made for several new parking structures. Construction has started on the Weber Block Plaza across the street from the Weber Point Events Center. The City plans to create a 3.9 million dollar open air plaza which will offer seating, a channel, waterfall, space for a restaurant as well as an outdoor ice skating rink. This new project leads the waterfront into a gateway development at the freeway entrance. This new project will link all the major redevelopment projects together. Additionally, the gateway development at the main freeway exit into downtown will greatly enhance this section of the community.

Showing a 50% reduction of downtown crime in the past 10 years, the Stockton Police Department is committed to security and safety. In addition, Neighborhood Services as well as the Fire Department are actively working to resolve the downtown code and violation issues.

Weber Point Events Center

Two of California's major freeways converge at Downtown Stockton, making Weber Point Events Center the centerpiece of redevelopment, a centrally located recreational area in the heart of the historic waterfront. After opening last year, the Events Center has become a very successful venue. Blues, Jazz, R&B, rock, punk, hip hop, and alternative music events, in addition to many non music events, are booked frequently at this center. This past year, the southern portion of the Events Center, including a children's play area was completed, which complements the amphitheater, interactive water structure, main stage, and distinctive shade structure.

Quality of Life

With a unique blend of neighborhoods, affordable housing, diverse recreational activities, strong educational opportunities, and diverse cultural energy; Stockton combines metropolitan and urban lifestyles without congestion, overcrowding and corresponding high cost of living.

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 government's 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, 2000, and the amount and percentage of increase and decrease in relation to prior year revenue.

General Governmental Revenue

<u>Source</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percent Increase (Decrease)</u>
Taxes				
Property	\$ 17,584	8.98 %	\$ 837	5.00 %
Utility	25,468	13.01	1,308	5.41
Sales and Use	31,722	16.21	4,457	16.35
Other	28,226	14.42	(1,321)	(4.47)
Licenses and Permits	3,333	1.70	826	32.95
Federal Grants and Subsidies	8,535	4.36	(3,303)	(27.90)
Intergovernmental	38,588	19.71	13,784	55.57
Charges for Services	26,044	13.31	5,379	26.03
Fines and Forfeitures	1,115	.57	216	24.03
Use of Money and Property	1,467	.75	(234)	(13.76)
*Investment Income				
Interest Income	6,397	3.27	766	13.60
Net (decrease)				
In fair market value	(903)	(.46)	227	20.09
Refunds and Reimbursements	1,250	.64	(5,848)	(82.39)
Miscellaneous	6,908	3.53	1,308	17.68
	<u>\$ 195,734</u>	<u>100.00%</u>	<u>\$ 18,132</u>	<u>10.21%</u>

*The recognition of net increase/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 \$8,632 and increased 3 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, 2000, and the percentage of increase and decrease in relation to prior year amounts.

General Governmental Expenditures

<u>Expenditures</u>	<u>Amount</u>	<u>Percent Of Total</u>	<u>Increase (Decrease) From 1999</u>	<u>Percent Increase (Decrease)</u>
Current:				
General Government	\$ 13,128	6.74%	\$ 1,758	15.46%
Public Safety	85,400	43.85	5,104	6.36
Public Works	12,183	6.26	2124	21.12
Library	8,571	4.40	384	4.69
Parks and Recreation	10,461	5.37	1,012	10.71
Capital Outlay	49,950	25.65	17,751	55.13
Debt Service				
Principal retirement	5,198	2.67	(1,372)	(20.88)
Repayment of advances to other funds	374	0.19	374	100.00
Interest & Fiscal Charges	<u>9,479</u>	<u>4.87</u>	<u>258</u>	<u>2.80</u>
	<u>\$ 194,744</u>	<u>100.00%</u>	<u>\$ 27,393</u>	<u>16.37%</u>

Total expenditures increased by 16.37% or \$27,393. The increase in expenditures is due primarily to increased cost of operations.

GENERAL FUND BALANCE

The fund balance of the General Fund increased by \$3,059. The increase in all revenue sources was due to improved economic conditions. The unreserved fund is 6 percent of fiscal year 1999/00 total expenditures.

ENTERPRISE OPERATIONS (Excluding Central Parking District)

Fiscal year 1999/00 ended with a total net increase of \$24,130 in total fund equity, 10 percent more than last year. An increase in users accounts for most of the net increase. Selected financial data for the current fiscal year are presented below:

Enterprise Operations Summary					
	<u>Water</u>	<u>Sanitary Wastewater</u>	<u>Stormwater</u>	<u>Solid Waste</u>	<u>Golf Courses</u>
Operating Revenue	\$ 13,626	\$ 29,086	\$ 4,115	\$ 3,974	\$ 1,919
Operating Income (loss)	2,465	4,469	35	(1,042)	(89)
Bonds and Other Long- Term Liabilities Payable From					
Operating Revenue	17,078	108,692	927	10,011	-
Net Book Value of					
Fixed Assets	51,747	217,960	33,121	1,094	973
Total Assets	75,546	296,349	40,323	10,076	1,514
Fund Equity	56,878	179,929	39,258	(781)	1,224

FIDUCIARY OPERATIONS

The City contributed (in thousands) to the Public Employees' Retirement System (PERS) \$11,799, (for employer and employees). The gross reportable payroll for employees covered by PERS was \$80,785. The 1999/00 combined employer-employee rates as a percentage of payroll are as follows:

	FY 6/30/00
Miscellaneous Members	9.600
Public Safety	
Police	20.656
Fire	20.656

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 1999/00, 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 US 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 of pooled cash was \$13,419. \$1,199 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 \$250 with excess coverage to \$10,000. General liability is self-insured to \$1,000 with excess coverage to \$15,000. 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 final 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, 1999. 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 eleven 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 ninth consecutive year from the California Society of Municipal Finance Officers (CSMFO) for its CAFR for the fiscal year ended June 30, 1999. 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 the entire Accounting Staff under the direction of Cathy Lucas, Accounting Manager, and Lynne Farrar, Supervising Accountant, 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,



JOHN HINSON
ADMINISTRATIVE SERVICES OFFICER



JANET SALVETTI
FINANCE 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, 1999**

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.



Anne Spray Kinsey
President

Jeffrey L. Esser
Executive Director

California Society of Municipal Finance Officers

Certificate of Award

Outstanding Financial Reporting 1998-99

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.*

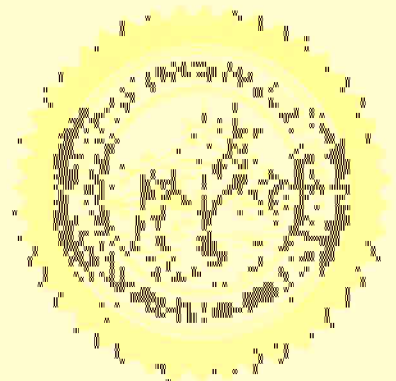
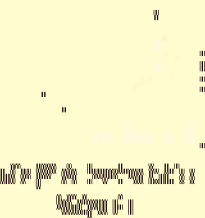
February 28, 2000




Chair, Professional & Technical Standards Committee

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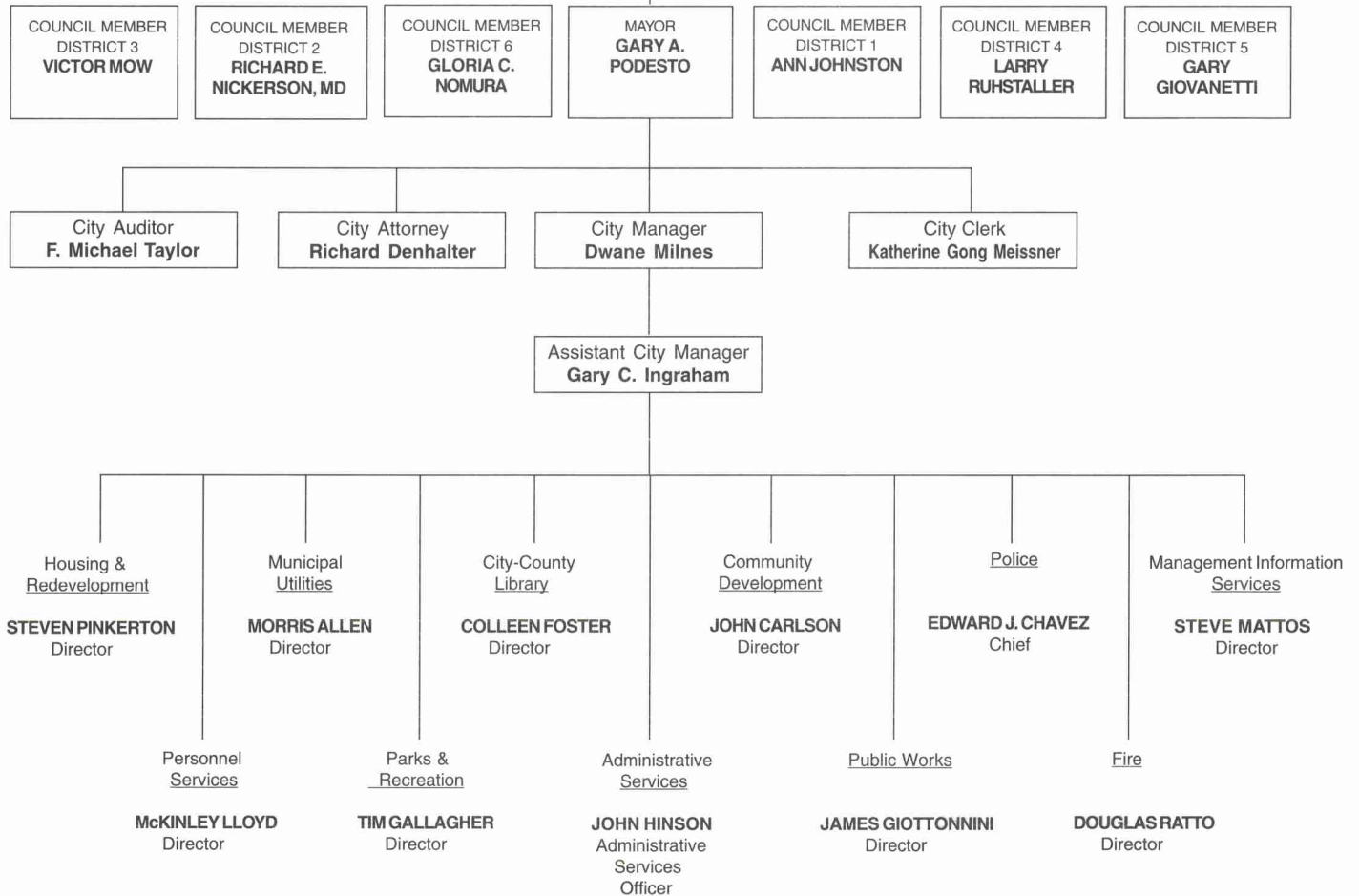
CITY OF STOCKTON CITY COUNCIL



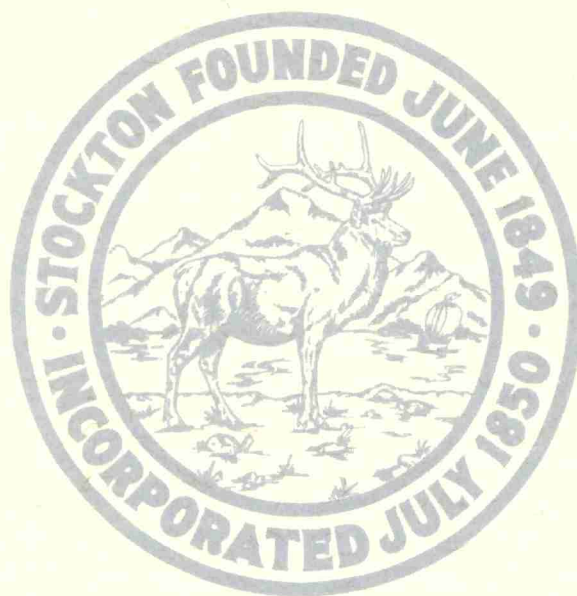
CITY OF STOCKTON
ORGANIZATION CHART / LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2000

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, 2000, 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 auditing standards generally accepted in the United States of America 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, 2000, and the results of its operations and the cash flows of its proprietary fund types and nonexpendable trust fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2000 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

November 13, 2000

CITY OF STOCKTON

**COMBINED BALANCE SHEET
ALL FUND TYPES, ACCOUNT GROUPS AND
DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)**

	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
ASSETS AND OTHER DEBITS						
ASSETS:						
Cash and temporary investments	\$ 6,159	\$11,082	\$ 17,060	\$ 57,855	\$ 80,357	\$21,791
Cash with fiscal agents	-	-	11,014	12,991	209	-
Receivables:						
Interest	360	(28)	-	1,037	1,354	-
Taxes and special assessments	41	-	886	-	-	-
Accounts and other receivables	7,631	143	211	7,890	6,469	599
Allowance for uncollectibles	(1,191)	-	-	-	(907)	(355)
Prepaid expenses	-	-	-	-	-	36
Due from other funds	4,272	-	-	519	-	-
Due from other governments	2,284	10,099	(112)	1,391	-	121
Due from other agencies	620	-	-	-	-	-
Inventory of supplies	308	-	-	-	1,228	-
Restricted assets:						
Cash and temporary investments	-	-	-	-	7,057	-
Cash and temporary investments with fiscal agents	-	-	-	-	20,727	-
Interest receivable	-	-	-	-	549	-
Accounts and other receivables	-	-	-	-	-	-
Deposits	-	-	-	38	-	-
Loans receivable	-	-	-	-	85	-
Advances to other funds	720	15,554	-	26,015	-	-
Advances to property owners	-	33,845	-	446	-	-
Property held for resale	-	108	-	-	-	-
Net fixed assets	-	-	-	-	304,895	13,524
Deferred charges	-	-	-	-	1,785	61
OTHER DEBITS:						
Amounts available in the debt service funds	-	-	-	-	-	-
Amounts to be provided for retirement of long-term debt	-	-	-	-	-	-
Total assets and other debits	<u>\$21,204</u>	<u>\$70,803</u>	<u>\$ 29,059</u>	<u>\$108,182</u>	<u>\$423,808</u>	<u>\$35,777</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			2000	1999
\$ 8,218	\$ -	\$ -	\$ 202,522	\$ 789	\$ 203,311	\$ 186,542
-	-	-	24,214	-	24,214	11,292
-	-	-	2,723	27	2,750	2,130
-	-	-	927	-	927	983
218	-	-	23,161	42	23,203	18,978
-	-	-	(2,453)	(8)	(2,461)	(2,058)
-	-	-	36	-	36	36
-	-	-	4,791	-	4,791	13,177
7	-	-	13,790	-	13,790	22,952
-	-	-	620	-	620	1,605
-	-	-	1,536	-	1,536	1,600
-	-	-	7,057	969	8,026	7,331
-	-	-	20,727	289	21,016	36,337
-	-	-	549	-	549	996
-	-	-	-	-	-	56
-	-	-	38	-	38	40
-	-	-	85	-	85	107
-	-	-	42,289	-	42,289	36,434
-	-	-	34,291	-	34,291	32,946
-	-	-	108	-	108	108
-	83,517	-	401,936	12,654	414,590	368,998
-	-	-	1,846	59	1,905	1,980
-	-	28,158	28,158	-	28,158	26,360
-	-	203,851	203,851	-	203,851	194,147
<u>\$ 8,443</u>	<u>\$83,517</u>	<u>\$ 232,009</u>	<u>\$ 1,012,802</u>	<u>\$ 14,821</u>	<u>\$ 1,027,623</u>	<u>\$ 963,077</u>

(continues)

CITY OF STOCKTON

COMBINED BALANCE SHEET ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT (Continued) JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

LIABILITIES, EQUITY AND OTHER CREDITS	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service
LIABILITIES:						
Accounts payable	\$ 1,269	\$ 2,169	\$ 6	\$ 3,967	\$ 5,059	\$ 1,600
Accrued payroll and benefits	3,099	-	-	-	-	482
Due to other funds	-	2,877	-	1,914	-	-
Due to other governments	8	2,693	-	855	54	235
Due to other agencies	278	-	-	-	-	-
Deposits and other liabilities	1	1,448	-	3	585	-
Matured bonds and interest payable	-	-	8	-	20	-
Accrued interest	-	-	-	-	2,349	-
Long-term debt - current	-	-	-	-	2,699	5,782
Compensated absences - current	-	-	-	-	922	279
Deferred revenue	805	-	887	-	18	-
Compensated absences - long-term	-	-	-	-	1,585	595
Advances from other funds	-	-	-	6,228	-	-
Advances from other governments	-	-	-	-	1,855	-
Certificates of participation	-	-	-	-	122,143	-
Lease obligation - long-term	-	-	-	-	-	2
Bonds payable and other long-term debt	-	-	-	-	10,011	15,826
Total liabilities	<u>5,460</u>	<u>9,187</u>	<u>901</u>	<u>12,967</u>	<u>147,300</u>	<u>24,801</u>
EQUITY AND OTHER CREDITS:						
Investment in general fixed assets	-	-	-	-	-	-
Contributed capital	-	-	-	-	213,949	12,668
Retained earnings - unreserved	-	-	-	-	62,559	-
Fund balances (deficit):						
Reserved	2,474	67,032	28,158	95,215	-	-
Unreserved:						
Designated	13,270	4,495	-	-	-	-
Undesignated	-	(9,911)	-	-	-	(1,692)
Total equity and other credits	<u>15,744</u>	<u>61,616</u>	<u>28,158</u>	<u>95,215</u>	<u>276,508</u>	<u>10,976</u>
Total liabilities, equity and other credits	<u>\$21,204</u>	<u>\$70,803</u>	<u>\$29,059</u>	<u>\$108,182</u>	<u>\$423,808</u>	<u>\$35,777</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			2000	1999
\$ 97	\$ -	\$ -	\$ 14,167	\$ 21	\$ 14,188	\$ 12,520
-	-	-	3,581	-	3,581	3,676
-	-	-	4,791	-	4,791	13,177
2,258	-	-	6,103	-	6,103	4,071
-	-	-	278	-	278	111
5,349	-	-	7,386	36	7,422	8,779
-	-	-	28	45	73	73
-	-	-	2,349	244	2,593	2,660
-	-	-	8,481	555	9,036	9,329
-	-	-	1,201	11	1,212	1,039
-	-	-	1,710	-	1,710	1,437
-	-	18,121	20,301	10	20,311	19,373
-	-	36,061	42,289	-	42,289	36,434
-	-	-	1,855	-	1,855	2,038
-	-	-	122,143	-	122,143	123,911
-	-	-	2	-	2	139
-	-	177,827	203,664	7,005	210,669	196,108
<u>7,704</u>	<u>-</u>	<u>232,009</u>	<u>440,329</u>	<u>7,927</u>	<u>448,256</u>	<u>434,875</u>
-	83,517	-	83,517	-	83,517	67,849
-	-	-	226,617	-	226,617	211,086
-	-	-	62,559	6,894	69,453	63,749
739	-	-	193,618	-	193,618	177,129
-	-	-	17,765	-	17,765	13,271
<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,603)</u>	<u>-</u>	<u>(11,603)</u>	<u>(4,882)</u>
<u>739</u>	<u>83,517</u>	<u>-</u>	<u>572,473</u>	<u>6,894</u>	<u>579,367</u>	<u>528,202</u>
<u>\$ 8,443</u>	<u>\$83,517</u>	<u>\$232,009</u>	<u>\$1,012,802</u>	<u>\$ 14,821</u>	<u>\$ 1,027,623</u>	<u>\$ 963,077</u>

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, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)**

	Governmental Fund Types				Fiduciary Fund Type Expendable Trust
	General	Special Revenue	Debt Service	Capital Projects	
REVENUES:					
Taxes:					
Property	\$16,080	\$ -	\$ -	\$ 1,504	\$ -
Utility	25,468	-	-	-	-
Sales and use	28,526	3,196	-	-	-
Other	12,392	215	15,599	20	-
Licenses and permits	3,333	-	-	-	-
Federal grants and subsidies	122	8,302	-	111	-
Intergovernmental	14,398	15,843	-	8,347	-
Charges for services	12,163	1,143	338	12,400	-
Fines and forfeitures	1,113	-	-	2	-
Use of money and property	688	369	-	410	-
Investment income:					
Interest income	1,199	239	951	4,008	25
Net decrease in fair value of investments	(186)	(22)	(104)	(591)	(5)
Refunds and reimbursements	1,193	16	-	41	-
Miscellaneous	6,542	5	-	361	613
Total revenues	<u>123,031</u>	<u>29,306</u>	<u>16,784</u>	<u>26,613</u>	<u>633</u>
EXPENDITURES:					
Current:					
General government	12,109	574	445	-	57
Public safety	83,728	1,672	-	-	62
Public works	11,677	506	-	-	-
Library	-	8,571	-	-	229
Parks and recreation	9,846	615	-	-	192
Capital outlay	61	12,499	-	37,390	-
Debt service:					
Principal retirement	-	-	5,198	-	-
Interest and fiscal charges	-	-	9,479	-	-
Repayment of advances to other funds	-	-	-	374	-
Total expenditures	<u>117,421</u>	<u>24,437</u>	<u>15,122</u>	<u>37,764</u>	<u>540</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,610</u>	<u>4,869</u>	<u>1,662</u>	<u>(11,151)</u>	<u>93</u>

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

Totals	
(Memorandum Only)	
2000	1999

\$ 17,584	\$ 16,747
25,468	24,160
31,722	27,265
28,226	29,547
3,333	2,507
8,535	11,838
38,588	24,804
26,044	20,665
1,115	899
1,467	1,701

6,422	5,654
(908)	(1,136)
1,250	7,098
7,521	6,414

<u>196,367</u>	<u>178,163</u>
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13,185	11,498
85,462	80,322
12,183	10,059
8,800	8,443
10,653	9,638
49,950	32,199

5,198	6,570
9,479	9,221
374	570

<u>195,284</u>	<u>168,520</u>
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<u>1,083</u>	<u>9,643</u>
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(continues)

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, 2000
(With comparative totals for June 30, 1999)
(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	4,068	8,111	2,382	6,048	
Operating transfers out	(5,276)	(8,905)	(2,246)	(4,182)	-
Operating transfers out to component unit	(98)	-	-	-	-
Sale of fixed assets	104	-	-	-	-
Proceeds of long-term debt	-	-	-	16,945	-
Proceeds of refunding bonds	-	-	-	11,610	-
Payment to refunded bond escrow agent	-	-	-	(13,320)	-
Advances from other funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,202)</u>	<u>(794)</u>	<u>136</u>	<u>17,101</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	4,408	4,075	1,798	5,950	93
FUND BALANCES, BEGINNING OF YEAR	11,336	57,887	26,360	89,265	535
Residual equity transfers out	<u>-</u>	<u>(346)</u>	<u>-</u>	<u>-</u>	<u>(29)</u>
FUND BALANCES, END OF YEAR	<u>\$15,744</u>	<u>\$61,616</u>	<u>\$28,158</u>	<u>\$ 95,215</u>	<u>\$ 599</u>

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

Totals	
(Memorandum Only)	
2000	1999

20,609	18,449
(20,609)	(18,332)

(98)	(98)
104	35
16,945	3,100
11,610	8,775
(13,320)	(9,408)
-	5,733

<u>15,241</u>	<u>8,254</u>
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16,324	17,897
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185,383	167,983
<u>(375)</u>	<u>(497)</u>

<u><u>\$201,332</u></u>	<u><u>\$ 185,383</u></u>
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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, 2000
(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	\$ 15,850	\$ 16,080	\$ 230	\$ -	\$ -	\$ -
Utility	24,862	25,468	606	-	-	-
Sales and use	25,500	28,526	3,026	2,465	3,196	731
Other	12,055	12,392	337	181	215	34
Licenses and permits	2,489	3,333	844	-	-	-
Federal grants and subsidies	263	122	(141)	4,233	504	(3,729)
Intergovernmental	11,697	14,398	2,701	26,628	14,253	(12,375)
Charges for services	10,783	12,163	1,380	1,008	981	(27)
Fines and forfeitures	816	1,113	297	-	-	-
Use of money and property	660	688	28	-	-	-
Investment income:						
Interest income	950	1,199	249	47	145	98
Net decrease in fair value of investments	-	(186)	(186)	-	(29)	(29)
Refunds and reimbursements	523	1,193	670	20	16	(4)
Miscellaneous	5,269	6,542	1,273	-	2	2
Total revenues	<u>111,717</u>	<u>123,031</u>	<u>11,314</u>	<u>34,582</u>	<u>19,283</u>	<u>(15,299)</u>
EXPENDITURES:						
Current:						
General government	12,586	12,478	108	107	106	1
Public safety	83,909	83,908	1	70	39	31
Public works	12,098	12,098	-	739	531	208
Library	-	-	-	8,788	8,253	535
Parks and recreation	10,226	10,225	1	194	189	5
Capital outlay	61	61	-	31,497	9,617	21,880
Repayment of advances	-	-	-	-	-	-
Total expenditures	<u>118,880</u>	<u>118,770</u>	<u>110</u>	<u>41,395</u>	<u>18,735</u>	<u>22,660</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,163)</u>	<u>4,261</u>	<u>11,424</u>	<u>(6,813)</u>	<u>548</u>	<u>7,361</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)
\$ -	\$ -	\$ -	\$ 15,850	\$ 16,080	\$ 230
-	-	-	24,862	25,468	606
-	-	-	27,965	31,722	3,757
20	20	-	12,256	12,627	371
-	-	-	2,489	3,333	844
650	52	(598)	5,146	678	(4,468)
16,296	8,347	(7,949)	54,621	36,998	(17,623)
7,544	12,400	4,856	19,335	25,544	6,209
-	2	2	816	1,115	299
-	388	388	660	1,076	416
2,003	3,097	1,094	3,000	4,441	1,441
-	(464)	(464)	-	(679)	(679)
-	-	-	543	1,209	666
286	349	63	5,555	6,893	1,338
<u>26,799</u>	<u>24,191</u>	<u>(2,608)</u>	<u>173,098</u>	<u>166,505</u>	<u>(6,593)</u>
-	-	-	12,693	12,584	109
-	-	-	83,979	83,947	32
-	-	-	12,837	12,629	208
-	-	-	8,788	8,253	535
-	-	-	10,420	10,414	6
73,852	28,758	45,094	105,410	38,436	66,974
220	220	-	220	220	-
<u>74,072</u>	<u>28,978</u>	<u>45,094</u>	<u>234,347</u>	<u>166,483</u>	<u>67,864</u>
<u>(47,273)</u>	<u>(4,787)</u>	<u>42,486</u>	<u>(61,269)</u>	<u>22</u>	<u>61,271</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, 2000
(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	\$ 4,225	\$ 4,068	\$ (157)	\$ 4,587	\$ 4,587	\$ -
Operating transfers out	(5,284)	(5,276)	8	(4,225)	(4,068)	157
Operating transfers out to component unit	(98)	(98)	-	-	-	-
Sale of fixed assets	21	104	83	-	-	-
Proceeds of long-term debt	-	-	-	-	-	-
Total other financing sources (uses)	<u>(1,136)</u>	<u>(1,202)</u>	<u>(66)</u>	<u>362</u>	<u>519</u>	<u>157</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(8,299)	3,059	11,358	(6,451)	1,067	7,518
BASIS ADJUSTMENTS:						
Encumbrances	<u>-</u>	<u>1,349</u>	<u>1,349</u>	<u>-</u>	<u>624</u>	<u>624</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (GAAP BASIS)	(8,299)	4,408	12,707	(6,451)	1,691	8,142
FUND BALANCES, BEGINNING OF YEAR	11,336	11,336	-	8,837	8,837	-
Residual equity transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24)</u>	<u>(24)</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 3,037</u>	<u>\$ 15,744</u>	<u>\$ 12,707</u>	<u>\$ 2,362</u>	<u>\$ 10,504</u>	<u>\$ 8,142</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)
\$ 671 (1,280)	\$ 671 (1,280)	\$ - -	\$ 9,483 (10,789)	\$ 9,326 (10,624)	\$ (157) 165
-	-	-	(98)	(98)	-
-	-	-	21	104	83
<u>14,860</u>	<u>14,860</u>	<u>-</u>	<u>14,860</u>	<u>14,860</u>	<u>-</u>
<u>14,251</u>	<u>14,251</u>	<u>-</u>	<u>13,477</u>	<u>13,568</u>	<u>91</u>
(33,022)	9,464	42,486	(47,772)	13,590	61,362
<u>-</u>	<u>320</u>	<u>320</u>	<u>-</u>	<u>2,293</u>	<u>2,293</u>
(33,022)	9,784	42,806	(47,772)	15,883	63,655
68,472	68,472	-	88,645	88,645	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(24)</u>	<u>(24)</u>	<u>-</u>
<u>\$ 35,450</u>	<u>\$ 78,256</u>	<u>\$ 42,806</u>	<u>\$ 40,849</u>	<u>\$ 104,504</u>	<u>\$ 63,655</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, 2000
(With comparative totals for June 30, 1999)
(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	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1	158	-	159
Charges for services	51,675	32,765	-	84,440
Loans and mortgage interest	43	-	-	43
Miscellaneous	1,001	-	-	1,001
Total operating revenues	52,720	32,923	-	85,643
OPERATING EXPENSES:				
Operation and maintenance	28,818	32,972	-	61,790
General and administrative	8,343	3,605	-	11,948
Depreciation and amortization	6,532	4,045	-	10,577
Purchased water	3,189	-	-	3,189
Total operating expenses	46,882	40,622	-	87,504
OPERATING INCOME (LOSS)	5,838	(7,699)	-	(1,861)
NON-OPERATING REVENUES (EXPENSES):				
Taxes	-	-	-	-
Federal grants and subsidies	-	1,467	-	1,467
Investment income:				
Interest income	6,398	500	4	6,902
Net increase (decrease) in fair value of investments	(821)	(91)	1	(911)
Gain (loss) from disposal of property	(1)	6	-	5
Interest expense and fiscal charges	(2,334)	(19)	-	(2,353)
Other non-operating revenues	-	289	-	289
Total non-operating revenues (expenses)	3,242	2,152	5	5,399

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)	
	2000	1999
\$ -	\$ -	\$ 4
-	159	-
1,666	86,106	81,924
-	43	145
-	1,001	1,009
<u>1,666</u>	<u>87,309</u>	<u>83,082</u>
1,082	62,872	53,006
-	11,948	16,086
318	10,895	10,245
-	3,189	3,245
<u>1,400</u>	<u>88,904</u>	<u>82,582</u>
<u>266</u>	<u>(1,595)</u>	<u>500</u>
600	600	602
-	1,467	252
95	6,997	8,057
(8)	(919)	(1,041)
-	5	12
(573)	(2,926)	(4,428)
-	289	1,026
<u>114</u>	<u>5,513</u>	<u>4,480</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, 2000
(With comparative totals for June 30, 1999)
(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	9,080	(5,547)	5	3,538
Operating transfers in	8,656	-	-	8,656
Operating transfers out	(8,656)	-	-	(8,656)
Operating transfers in from primary government	-	-	-	-
NET INCOME (LOSS)	<u>9,080</u>	<u>(5,547)</u>	<u>5</u>	<u>3,538</u>
FUND EQUITY, BEGINNING OF YEAR	252,378	16,041	135	268,554
Residual equity transfers in	-	450	-	450
Residual equity transfers out	(75)	-	-	(75)
Increase in contributed capital	<u>15,125</u>	<u>32</u>	<u>-</u>	<u>15,157</u>
FUND EQUITY, END OF YEAR	<u>\$276,508</u>	<u>\$10,976</u>	<u>\$ 140</u>	<u>\$ 287,624</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)	
	2000	1999
380	3,918	4,980
-	8,656	8,040
-	(8,656)	(8,157)
<u>98</u>	<u>98</u>	<u>98</u>
<u>478</u>	<u>4,016</u>	<u>4,961</u>
6,416	274,970	258,359
-	450	497
-	(75)	-
<u>-</u>	<u>15,157</u>	<u>11,153</u>
<u>\$ 6,894</u>	<u>\$294,518</u>	<u>\$ 274,970</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, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type
	Enterprise	Internal Service	Nonexpendable Trust
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 5,838	\$ (7,699)	\$ -
Noncash adjustment to operating income:			
Depreciation and amortization	6,532	4,045	-
Provision for uncollectible accounts	171	36	-
Self-insurance	-	4,143	-
Landfill closure	253	-	-
Changes in assets and liabilities:			
Accounts and other receivables	711	(12)	-
Due from other funds	-	-	-
Due from other governments	90	141	-
Inventory of supplies	73	-	-
Loans receivable	22	-	-
Advances to other funds	-	-	-
Deferred charges	70	-	-
Prepays	-	-	-
Accounts payable	(1,767)	916	-
Accrued payroll benefits	-	482	-
Compensated absences	(10)	145	-
Due to other governments	(10)	-	-
Deposits and other liabilities	(1,879)	-	-
Advances from other funds	-	-	-
Advances from other governments	(179)	-	-
Deferred revenue	(1)	-	-
Accrued interest	(53)	-	-
Net cash provided by operating activities	9,861	2,197	-
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	5,579	409	5
Investment purchases	-	-	-
Service fund and capital project fund	-	-	-
Proceeds from sale of investments	14,373	-	-
Net cash provided by investing activities	19,952	409	5

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)	
		2000	1999
\$ (1,861)	\$ 266	\$ (1,595)	\$ 500
10,577	318	10,895	10,245
207	-	207	410
4,143	-	4,143	971
253	-	253	249
699	7	706	(72)
-	-	-	-
231	-	231	(113)
73	-	73	(51)
22	-	22	21
-	-	-	385
70	5	75	67
-	-	-	1
(851)	10	(841)	1,559
482	-	482	-
135	(7)	128	(40)
(10)	6	(4)	(71)
(1,879)	-	(1,879)	1,788
-	-	-	(385)
(179)	-	(179)	(171)
(1)	-	(1)	240
(53)	(14)	(67)	(96)
<u>12,058</u>	<u>591</u>	<u>12,649</u>	<u>15,437</u>
5,993	87	6,080	7,021
-	(50)	(50)	(49)
-	-	-	35,825
<u>14,373</u>	<u>-</u>	<u>14,373</u>	<u>-</u>
<u>20,366</u>	<u>37</u>	<u>20,403</u>	<u>42,797</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, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	Proprietary Fund Types		Fiduciary Fund Type Nonexpendable Trust
	Enterprise	Internal Service	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of property and equipment	2,937	61	-
Repayment of debt	(2,235)	(178)	-
Proceeds from borrowing	-	-	-
Purchases of property and equipment	(31,159)	(4,841)	-
Interest expense on capital debt	(2,334)	(19)	-
Capital contributions	7,898	(328)	-
Residual equity transfers in	-	780	-
Net cash used by capital and related financing activities	<u>(24,893)</u>	<u>(4,525)</u>	<u>-</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating transfers in	8,656	-	-
Operating transfers out	(8,656)	-	-
Other nonoperating revenues	-	289	-
Proceeds from taxes	-	-	-
Proceeds from federal grants	-	1,467	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>1,756</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,920	(163)	5
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>83,435</u>	<u>21,954</u>	<u>135</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 88,355</u></u>	<u><u>\$21,791</u></u>	<u><u>\$ 140</u></u>
NON-CASH TRANSACTIONS:			
Contribution of fixed assets	<u><u>\$ 7,151</u></u>	<u><u>\$ 32</u></u>	<u><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)	
		2000	1999
2,998	-	2,998	5,500
(2,413)	(515)	(2,928)	(6,926)
-	-	-	-
(36,000)	(631)	(36,631)	(57,410)
(2,353)	(573)	(2,926)	(4,428)
7,570	-	7,570	5,504
780	-	780	497
<u>(29,418)</u>	<u>(1,719)</u>	<u>(31,137)</u>	<u>(57,263)</u>
8,656	98	8,754	8,138
(8,656)	-	(8,656)	(8,157)
289	-	289	1,127
-	600	600	602
<u>1,467</u>	<u>-</u>	<u>1,467</u>	<u>146</u>
<u>1,756</u>	<u>698</u>	<u>2,454</u>	<u>1,856</u>
4,762	(393)	4,369	2,827
<u>105,524</u>	<u>1,471</u>	<u>106,995</u>	<u>104,168</u>
<u>\$ 110,286</u>	<u>\$ 1,078</u>	<u>\$ 111,364</u>	<u>\$ 106,995</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,183</u>	<u>\$ 5,649</u>

CITY OF STOCKTON

COMBINED STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES, NONEXPENDABLE
TRUST FUND AND DISCRETELY PRESENTED
COMPONENT UNIT (Continued)
JUNE 30, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

Reconciliation of cash and cash equivalents to the balance sheet:

	Proprietary Fund Types		Fiduciary Fund Type	Discretely Presented Component Unit
	Enterprise	Internal Service	Nonexpendable Trust	Central Parking District
Unrestricted cash and investments on balance sheet:				
Cash and temporary investments	\$ 80,357	\$21,791	\$ 8,218	\$ 789
Cash with fiscal agents	209	-	-	-
Restricted cash and investments on balance sheet:				
Cash and temporary investments	7,057	-	-	-
Cash and temporary investments with fiscal agents	-	-	-	969
	<u>20,727</u>	<u>-</u>	<u>-</u>	<u>289</u>
Total cash and investments	<u>108,350</u>	<u>21,791</u>	<u>8,218</u>	<u>2,047</u>
Less investments:				
Cash and temporary investments with fiscal agents	19,995	-	-	-
Investment pool	-	-	-	969
Less expendable trust and agency funds cash:				
Expendable trust fund	-	-	645	-
Agency funds	<u>-</u>	<u>-</u>	<u>7,433</u>	<u>-</u>
Net cash and cash equivalents	<u>\$ 88,355</u>	<u>\$21,791</u>	<u>\$ 140</u>	<u>\$1,078</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, 2000

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CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2000 (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 ("SJAFCA") 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 SJAFCA.

Blended Component Units - The Redevelopment Agency (the "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 Funds, Debt Service Funds, Capital Projects Funds, and General Long-Term Debt Account Group.

The Stockton Public Financing Authority ("SPFA") was created in June 1990 and carries out lease financing for the City of Stockton Sanitary Wastewater Utility, Water Utility, General Fund, 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 Funds, Capital Projects Funds, General Fixed Account Group 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, 2000 (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, 2000 (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, 2000 (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, 2000 (Dollar amounts in thousands)

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, 2000 (Dollar amounts in thousands)

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 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, 2000 (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	\$ 1,691	\$ 9,784
Unbudgeted Funds:		
Special Grants	314	-
Revenue Sharing	1	-
Community Development Block Grant	1,321	-
Community Development Loan	(742)	-
Home Program	1,490	-
Redevelopment Agency	-	(2,320)
Mello-Roos Districts	-	662
1915 Act Assessment Districts	-	(2,224)
Stockton Public Financing Authority	-	48
	<u>\$ 4,075</u>	<u>\$ 5,950</u>
Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses (GAAP basis) - All Funds	<u>\$ 4,075</u>	<u>\$ 5,950</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, 2000 (Dollar amounts in thousands)

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. In the proprietary funds the payables are classified as "advances from". In the governmental funds, liabilities incurred prior to fiscal year 2000 are reported in the General Long-Term Debt Account Group, and liabilities incurred after fiscal year 1999 are reported as "advances from" in the appropriate government fund.

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, 2000 (Dollar amounts in thousands)

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 laterals)	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, 2000, capitalized interest costs equaled \$4,733 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 up 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, 2000 (Dollar amounts in thousands)

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 (GASB) issued Statement 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 is in the process of determining the effect adopting GASB Statement 33 will have on its financial statements.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 1999, the Governmental Accounting Standards Board issued Statement 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 is in the process of determining the effect adopting GASB Statement 34 will have on its financial statements.

Reclassification – Certain 1999 amounts have been reclassified to conform to the financial statement presentation for the 2000 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, 2000, the recorded amount of the City's deposits were \$2,369; the component units deposits were \$1,078; and the bank balance was \$3,782. The bank balance and carrying amount differ due to deposits in transit of \$2,166 and outstanding checks of \$2,501. 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, 2000. 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 \$670 in Category 1 deposits at June 30, 2000.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. The City held \$3,112 Category 2 deposits at June 30, 2000.

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, 2000.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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, 2000, 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, 2000 (Dollar amounts in thousands)

2. CASH AND INVESTMENTS (Continued)

A summary of cash and investments by such categories at June 30, 2000 is as follows:

Investment Type	Category 1	Non Categorized	Fair Value
Primary government investments:			
U.S. Government securities	\$ 174,285	\$ -	\$ 174,285
Commercial paper	9,850	-	9,850
LAIF	-	10,399	10,399
Money market funds	-	25,344	25,344
Guaranteed investment contracts	-	32,273	32,273
Component unit investments:			
LAIF	-	969	969
Total investments	<u>\$ 184,135</u>	<u>\$ 68,985</u>	<u>\$ 253,120</u>

Summary of GASB 3 disclosure carrying amounts:

Primary government deposits	\$ 2,369
Component unit deposits	1,078
Investments	<u>253,120</u>
Total cash and investments	<u>\$ 256,567</u>

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

Cash and temporary investments	\$ 203,311
Cash with fiscal agents	24,214
Restricted cash and temporary investments	8,026
Restricted cash and temporary investments with fiscal agents	<u>21,016</u>
	<u>\$ 256,567</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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, 2000, restricted cash and investments are as follows for the Enterprise Funds:

Primary Government:	
Water Utility	\$ 1,545
Sanitary Wastewater Utility	19,182
Solid Waste	<u>7,057</u>
	27,784
Component Unit:	
Central Parking District	<u>1,258</u>
Total	<u><u>\$ 29,042</u></u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

3. INTERFUND ASSETS / LIABILITIES

Interfund receivables and payables are as follows at June 30, 2000:

	Due From	Due To	Advances To	Advances From
General Fund	\$ 4,272	\$ -	\$ 720	\$ -
Special Revenue Funds:				
Special Grants	-	8	-	-
Gas Tax	-	1,160	-	-
Urban Development Action Grant	-	-	4,686	-
Community Development Block Grant	-	1,561	10,304	-
Community Development Loan	-	-	564	-
Home Program	-	78	-	-
Other Special Revenue	-	70	-	-
Capital Projects Funds:				
Public Facilities Impact Fees	-	300	11,509	5,395
Capital Improvement	300	1,614	12,196	-
Redevelopment Agency	219	-	2,310	833
General Long-Term Debt Account Group:				
General Fund	-	-	-	71
Redevelopment Agency	-	-	-	23,702
Public Facilities Impact Fees	-	-	-	12,288
Total	<u>\$ 4,791</u>	<u>\$ 4,791</u>	<u>\$ 42,289</u>	<u>\$ 42,289</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, 2000 (Dollar amounts in thousands)

4. OPERATING / RESIDUAL EQUITY TRANSFERS (Continued)

Operating transfers for the year ended June 30, 2000 are summarized as follows:

	Operating Transfers	
	In	Out
Primary Government:		
General Fund	\$ 4,068	\$ 5,276
Special Revenue Funds:		
Special Grants	144	106
Gas Tax	-	4,068
City-County Library	4,561	-
Community Development Block Grant	609	1,349
Community Development Loan	(2)	609
Home Program	2,773	2,773
Other Special Revenue	26	-
Total special revenue funds	<u>8,111</u>	<u>8,905</u>
Debt Service Funds:		
Mello-Roos Districts	83	-
1915 Act Assessment District	1,039	2,246
Stockton Public Financing Authority	1,260	-
Total debt service funds	<u>2,382</u>	<u>2,246</u>
Capital Projects Funds:		
Public Facilities Fees	21	21
Capital Improvement	650	1,259
Redevelopment Agency	2,201	850
Mello-Roos Districts	-	83
1915 Act Assessment Districts	3,176	1,969
Total capital projects funds	<u>6,048</u>	<u>4,182</u>
Enterprise Funds:		
Water Utility	1,145	1,145
Sanitary Wastewater Utility	7,511	7,511
Total enterprise funds	<u>8,656</u>	<u>8,656</u>
Component Unit:		
Central Parking District	98	98
Total	<u>\$ 29,363</u>	<u>\$ 29,363</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

4. OPERATING / RESIDUAL EQUITY TRANSFERS (Continued)

Residual equity transfers for the year ended June 30, 2000 were as follows:

	Residual Equity Transfers	
	In	Out
Special revenue funds:		
Special grants	\$ -	\$ 322
City-county library	-	24
Enterprise funds:		
Wastewater	-	75
Internal service funds:		
Central garage	104	-
Computer equipment	283	-
Radio equipment	30	-
Other equipment	33	-
Trust and agency funds:		
General government expendable trust	-	29
	<u>\$ 450</u>	<u>\$ 450</u>

5. FIXED ASSETS

Fixed assets of the primary government at June 30, 2000 are as follows:

	Enterprise Funds	Internal Service Funds	General Fixed Assets	Total
Land	\$ 3,360	\$ -	\$ 13,890	\$ 17,250
Buildings and improvements	294,300	129	48,357	342,186
Machinery and equipment	9,203	38,801	1,693	49,697
Construction in progress	91,489	-	19,577	111,066
Total fixed assets	398,352	38,930	83,517	520,799
Accumulated depreciation	(93,457)	(25,406)	-	(118,863)
Net fixed assets	<u>\$ 304,895</u>	<u>\$ 13,524</u>	<u>\$ 83,517</u>	<u>\$ 401,936</u>

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

	Balance July 1, 1999	Additions	Deletions	Transfers	Balance June 30, 2000
Land	\$ 12,836	\$ 1,054	\$ -	\$ -	\$ 13,890
Buildings and improvements	47,764	593	-	-	48,357
Machinery and equipment	1,728	76	111	-	1,693
Construction in progress	5,521	14,571	515	-	19,577
Total	<u>\$ 67,849</u>	<u>\$ 16,294</u>	<u>\$ 626</u>	<u>\$ -</u>	<u>\$ 83,517</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (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	(369)
Net fixed assets	<u>\$ 123</u>

The following is a summary of proprietary fund type fixed assets for the Central Parking District (a component unit) at June 30, 2000:

Land	\$ 3,768
Buildings and improvements	12,076
Machinery and equipment	37
Construction in progress	628
Total fixed assets	16,510
Accumulated depreciation	(3,856)
Net fixed assets	<u>\$ 12,654</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, 1999	Additions	Reductions	Balance June 30, 2000
1915 Act Special Assessment Bonds	\$ 33,145	\$ -	\$ 13,588	\$ 19,557
Mello-Roos Special Tax Bonds	26,850	2,085	670	28,265
Revenue Bonds	106,941	11,610	3,406	115,145
Certificates of participation	-	14,860	-	14,860
Compensated absences	17,137	984	-	18,121
Advance from other funds:				
Other Special Revenue Fund	71	-	-	71
Redevelopment Agency	23,855	-	153	23,702
Public Facilities Impact Fees Fund	12,508	-	220	12,288
Total	<u>\$ 220,507</u>	<u>\$ 29,539</u>	<u>\$ 18,037</u>	<u>\$ 232,009</u>

In July 1998, the Special Review Executive Committee issued a program policy decision related to the general long-term debt account group ("GLTDAG"). The effect of this policy decision is that all governments reporting long-term interfund liabilities in the GLTDAG may continue to report those specific liabilities incurred before fiscal year 2000 in the GLTDAG. However, all such liabilities incurred after fiscal year 1999 need to be reported in the appropriate governmental fund. The City has adopted this reporting policy and it is effective for the year ended June 30, 2000.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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 10 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.

\$ 19,557

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 six bonds authorized and issued, four of which have interest rates ranging from 4.5% to 7.75% and one issue at a variable interest rate not to exceed 12%. The final maturity for those bonds is December 2024. Remaining debt service will be paid from assessments to property owners.

\$ 28,265

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. On August 5, 1999, the SPFA issued assessment Revenue Bonds (West Eighth Street Series 1999) in the amount of \$11,610 to refund two prior issues of limited obligation improvement bonds. There are currently six bonds authorized and issued with 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.

\$ 115,145

1999 Certificates of Participation were authorized and issued to finance a portion of the acquisition and construction of an essentials services building and an adjacent public parking facility located within the City. The certificates have interest rates ranging from 4.6% to 6.0% and final maturity on August 1, 2031. The City will lease the essential services building and adjacent parking facility from the SPFA. Lease payments will be used to repay the certificates. 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 it becomes due and payable. 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 General Fixed Asset Account Group and General Long-Term Debt Account Group.

\$ 14,860

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

6. GENERAL LONG-TERM DEBT (Continued)

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

\$ 18,121

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

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 \$21,410 through June 30, 1999 will be recognized as an expenditure when repaid; 2) the General Fund - \$297, Community Development Block Grant Fund - \$10,304, Community Development Loan Fund - \$563, and Capital Improvement Fund - \$6,022, 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.

\$ 23,702

The advances to the Redevelopment Agency recorded within that fund represents loans of \$480, from RDA McKinley to RDA West End and \$353 from the General Fund to RDA West End.

\$ 833

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.

\$ 12,288

Street Improvements Fee Area #3 and #6 to Street Improvements Fee Area #1 for the Hammer Lane Widening Project. Capital Improvement Fund to Police Station Expansion for the Essential Services Building.

\$ 5,395

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

6. GENERAL LONG-TERM DEBT (Continued)

Defeasance of Debt

West Eighth Street

On August 5, 1999, the SPFA issued Reassessment Bonds, West Eighth Street, Series 1999, in the aggregate principal of \$11,610. 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 West Eighth Street Reassessment District, Project 90-5 Phase I, Series 217 and 90-5 Phase II, Series 220 of \$8,075 and \$4,820, respectively. Funds deposited to defease the two prior limited obligation improvement bonds, including approximately \$3,000 from reserve funds remaining for the prior 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 20 years by \$7,034 and realized an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,420.

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, 2000, 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)	\$ 15,920
City of Stockton Community Facilities District No. 90-2, Series 002 (Brookside Estates Special Tax Bonds)	\$21,170
City of Stockton Community Facilities District No. 90-2, Series 305 (Brookside Estates Special Tax Bonds)	\$ 5,115
City of Stockton Community Facilities District No. 1, Series 307 (Weston Ranch Special Tax Bonds)	\$ 5,640
City of Stockton Community Facilities District No. 1, Series 308 (Weston Ranch Special Tax Bonds)	\$ 3,050
City of Stockton Limited Obligation Improvement Bonds, 88-1, Series 213 (Weber/Sperry)	\$ 7,135
City of Stockton Limited Obligation Improvement Bonds, 88-2, Series 215 (Weber/Sperry)	\$ 1,305

West Eighth Street Phase I and II were called during fiscal year 2000.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

6. GENERAL LONG-TERM DEBT (Continued)

At June 30, 2000, special assessment, Mello-Roos and revenue bond debt service requirements to maturity are as follows:

	Principal				Total
	Certificates of Participation	Special Assessment	Mello-Roos	Revenue Bonds	
2000-2001	\$ -	\$ 1,125	\$ 785	\$ 3,895	\$ 5,805
2001-2002	195	1,115	835	4,220	6,365
2002-2003	205	1,175	1,030	4,475	6,885
2003-2004	210	1,225	1,095	4,745	7,275
2004-2005	220	1,280	3,245	5,060	9,805
Thereafter	14,030	13,637	21,275	92,750	141,692
	<u>\$ 14,860</u>	<u>\$ 19,557</u>	<u>\$ 28,265</u>	<u>\$ 115,145</u>	<u>\$ 177,827</u>

	Interest				Total
	Certificates of Participation	Special Assessment	Mello-Roos	Revenue Bonds	
2000-2001	\$ 849	\$ 1,151	\$ 1,653	\$ 6,504	\$ 10,157
2001-2002	844	1,090	1,607	6,296	9,837
2002-2003	835	1,026	1,551	6,079	9,491
2003-2004	825	959	1,487	5,843	9,114
2004-2005	815	887	1,418	5,587	8,707
Thereafter	14,207	5,538	8,356	40,367	68,468
	<u>\$ 18,375</u>	<u>\$ 10,651</u>	<u>\$ 16,072</u>	<u>\$ 70,676</u>	<u>\$ 115,774</u>

	Principal and Interest				Total
	Certificates of Participation	Special Assessment	Mello-Roos	Revenue Bonds	
2000-2001	\$ 849	\$ 2,276	\$ 2,438	\$ 10,399	\$ 15,962
2001-2002	1,039	2,205	2,442	10,516	16,202
2002-2003	1,040	2,201	2,581	10,554	16,376
2003-2004	1,035	2,184	2,582	10,588	16,389
2004-2005	1,035	2,167	4,663	10,647	18,512
Thereafter	28,237	19,175	29,631	133,117	210,160
	<u>\$ 33,235</u>	<u>\$ 30,208</u>	<u>\$ 44,337</u>	<u>\$ 185,821</u>	<u>\$ 293,601</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (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, 2000:

	Long-Term	Current	Total
Compensated absences	\$ 1,585	\$ 922	\$ 2,507
Advances from other governments	1,855	143	1,998
Certificates of Participation	122,143	2,135	124,278
Water extension agreements	-	11	11
Special assessment bonds	-	410	410
Solid Waste Landfill closure/postclosure liability	10,011	-	10,011
Total	<u>\$ 135,594</u>	<u>\$ 3,621</u>	<u>\$ 139,215</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	\$ 1,071	\$ -	\$ 1,071
Federal Clean Water Act	-	927	927
Total	1,071	927	1,998
Less current portion	-	143	143
Long-term portion	<u>\$ 1,071</u>	<u>\$ 784</u>	<u>\$ 1,855</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, 2000, advances totaled \$1,071. 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, 2000 (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, 2000 advances totaled \$927. The loan will bear interest at 3.1% per annum and shall be for a term not to exceed 10 years after completion of the City's three-year program.

Certificates of Participation

	Water Utility	Sanitary Waste-water Utility	Total
Principal amount outstanding at June 30, 2000	<u>\$ 16,045</u>	<u>\$ 115,325</u>	<u>\$ 131,370</u>

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

	Principal	Interest	Total
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
2004-2005	2,535	6,238	8,773
Thereafter	<u>119,720</u>	<u>90,846</u>	<u>710,566</u>
Total	<u>\$ 131,370</u>	<u>\$ 123,073</u>	<u>\$ 254,443</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, 2000	\$16,045
Less issue discount	49
Less current portion of debt	<u>355</u>
Total long-term portion of Debt	<u>\$ 15,641</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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

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.

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 \$1,545 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, 2000	\$ 15,070
Less unamortized loss on defeasance	741
Less current portion of debt	<u>330</u>
Total long-term portion of debt	<u>\$ 13,999</u>

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, 2000	\$ 100,255
Less issue discount	459
Less unamortized loss on defeasance	5,843
Less current portion of debt	<u>1,450</u>
Total long-term portion of debt	<u>\$ 92,503</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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

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.

The balance sheet, Enterprise-Sanitary Wastewater Utility Fund (restricted assets) includes \$19,182 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, 2000 are as follows:

	Series	Principal Interest Rate %	Date Issued	Date of Maturity	Authorized and Issued	Amount Outstanding
Sanitary Wastewater Utility - Wastewater service facilities	181	7.19	07-02-95	07-02-01	4,700	<u>\$ 410</u>
Total						<u><u>\$ 410</u></u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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

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

	Mature in Fiscal Year		
	2000-2001	2001-2002	Total
Principal:			
Sanitary Wastewater Utility Fund	\$ 410	\$ -	\$ 410
Total principal	<u>\$ 410</u>	<u>\$ -</u>	<u>\$ 410</u>
Interest:			
Sanitary Wastewater Utility Fund	\$ 15	\$ -	\$ 15
Total interest	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 15</u>
Total Principal and Interest:			
Sanitary Wastewater Utility Fund	\$ 425	\$ -	\$ 425
Total	<u>\$ 425</u>	<u>\$ -</u>	<u>\$ 425</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, 2000. 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, 2000 (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, 2000:

	Long-Term	Current	Total
Special assessment bonds	\$ 7,005	\$ 555	\$ 7,560
Compensated absences	10	11	21
Total	<u>\$ 7,015</u>	<u>\$ 566</u>	<u>\$ 7,581</u>

Special assessment bonds of the Central Parking District currently outstanding at June 30, 2000 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	11/2/1966	7/2/2002	\$ 2,000	\$ 320
Division 2	148 B	5.35	2/2/1968	7/2/2002	1,000	150
Division 3	148 C	5.47	11/2/1968	7/2/2005	1,000	150
Division 4	148 D	7.00	4/2/1970	7/2/2005	583	525
District Bonds of 1991	148 E	5.5 - 7.9	8/1/1991	8/1/2011	8,475	6,415
Total						<u>\$ 7,560</u>

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

	Principal	Interest	Total
2000-2001	\$ 555	\$ 553	\$ 1,108
2001-2002	590	516	1,106
2002-2003	615	475	1,090
2003-2004	450	436	886
2004-2005	675	393	1,068
Thereafter	<u>4,675</u>	<u>1,337</u>	<u>6,012</u>
Total	<u>\$ 7,560</u>	<u>\$ 3,710</u>	<u>\$ 11,270</u>

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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 1995 Certificates of Participation – Sanitary Wastewater Utility Fund were called during fiscal year 2000. At June 30, 2000, the outstanding balances considered defeased are as follows:

	Amount
City of Stockton Limited Obligation Improvement Bonds Series 215	<u>\$ 1,305</u>
City of Stockton Limited Obligation Improvement Bonds Series 213	<u>\$ 7,135</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, 2000:

	Long-Term	Current	Total
Self-insurance liabilities	\$ 15,826	\$ 5,645	\$ 21,471
Capitalized lease payable	2	137	139
Compensated absences	<u>595</u>	<u>279</u>	<u>874</u>
Total	<u>\$ 16,423</u>	<u>\$ 6,061</u>	<u>\$ 22,484</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, 2000 (Dollar amounts in thousands)

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

	Long-Term	Current	Total
General liability	\$ 1,908	\$ 858	\$ 2,766
Workers' compensation	13,918	3,081	16,999
Health insurance	<u>-</u>	<u>1,706</u>	<u>1,706</u>
Total	<u>\$ 15,826</u>	<u>\$ 5,645</u>	<u>\$ 21,471</u>

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:

2000-2001	\$ 141
Less amounts representing interest	<u>2</u>
Present value of future minimum lease payments	139
Less current portion	<u>137</u>
Long-term portion	<u>\$ 2</u>

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, 2000, there were seven series of revenue bonds outstanding, with an aggregate principal amount payable of \$80,925.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS (Continued) YEAR ENDED JUNE 30, 2000 (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, 2000 follows:

	Governmental Fund Types				Fiduciary Fund Type Trust and Agency
	General	Special Revenue	Debt Service	Capital Projects	
Account Title:					
Reserves:					
Encumbrances	\$ 1,353	\$ 16,475	\$ 10	\$ 23,794	\$ 11
Special district maintenance	-	1,116	-	-	-
Capital projects	-	304	-	44,920	-
Debt service	-	-	28,148	-	-
Advances to other funds	720	14,990	-	26,015	-
Advances for loans	-	33,845	-	-	-
Other items	401	302	-	486	728
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total reserves	<u>\$ 2,474</u>	<u>\$ 67,032</u>	<u>\$ 28,158</u>	<u>\$ 95,215</u>	<u>\$ 739</u>
Designations:					
Administrative contingency	\$ 13,270	\$ -			
Loans	-	3,647			
Library	-	589			
Compensated absences contingency	-	-			
	<u> </u>	<u> </u>			
Total designations	<u>\$ 13,270</u>	<u>\$ 4,495</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, 2000 (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, 2000 is as follows:

	Water Utility	Sanitary Waste- water Utility	Storm- water Utility	Solid Waste	Golf Courses	Central Parking District
Operating revenue	\$ 13,626	\$ 29,086	\$ 4,115	\$ 3,974	\$ 1,919	\$ 1,666
Depreciation and amortization expense	1,288	4,113	999	50	82	318
Operating income (loss)	2,465	4,469	35	(1,042)	(89)	260
Operating transfers in	1,145	7,511	-	-	-	98
Operating transfers (out)	(1,145)	(7,511)	-	-	-	-
Net income (loss)	2,539	6,933	326	(629)	(89)	478
Current capital contributions/(deletions)	2,701	8,776	3,648	-	-	-
Fixed assets:						
Additions	3,211	28,405	3,648	-	16	-
Deletions	-	-	-	-	26	-
Net working capital	20,157	48,277	6,939	1,214	417	(62)
Total assets	75,546	296,349	40,323	10,076	1,514	14,821
Bonds and other long-term liabilities payable from						
operating revenue	17,078	108,692	927	10,011	-	7,560
Total equity	56,878	179,929	39,258	(781)	1,224	6,894

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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 makes contributions up to 5.5% of the employees' base salary. 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.

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, 2000 (Dollar amounts in thousands)

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, 2000 was 11.656% of annual covered payroll for Safety members and 2.60% 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, 2000, the City's annual pension cost of \$4,513 for the Safety Plan and \$1,167 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, 1997 actuarial valuations using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 8.25% investment rate of return (net of administrative expenses); and (b) projected salary increases that vary by duration of service ranging from 3.75% to 14.20%. Both (a) and (b) include an inflation component of 3.5%. 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, 2000 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
6/30/99	\$5,380	100%	\$0
6/30/98	4,265	100	0
6/30/97	4,786	100	0

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

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
6/30/99	\$4,464	100%	\$0
6/30/98	3,788	100	0
6/30/97	3,672	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 \$175 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 20 member entities which represent in excess of 80 cities. The City pays an annual premium to CJPRMA for its general liability excess insurance coverage for claims over the City's \$1,000 self-insured retention level.

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, 2000, \$2,766, \$16,999, and \$1,706 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, 2000, 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, 2000 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, 2000 (Dollar amounts in thousands)

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, June 30, 1998	\$3,538	\$10,799	\$ 2,020	\$16,357
Claims provision	756	4,419	10,565	15,740
Claims paid	<u>(576)</u>	<u>(3,360)</u>	<u>(10,833)</u>	<u>(14,769)</u>
Balance, June 30, 1999	3,718	11,858	1,752	17,328
Claims provision	674	8,976	10,636	20,286
Claims paid	<u>(1,626)</u>	<u>(3,835)</u>	<u>(10,682)</u>	<u>(16,143)</u>
Balance, June 30, 2000	<u>\$2,766</u>	<u>\$16,999</u>	<u>\$ 1,706</u>	<u>\$21,471</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 20 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 purchases excess coverage for general liability for losses between \$10,000 and \$15,000. 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, 2000 (Dollar amounts in thousands)

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 \$2,555 were recognized for post-employment health care.

Most retirees do not contribute to the plan. Retirees who exhaust their City-paid benefit before reaching age 65 can purchase coverage until they reach age 65. 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, retirees contributed \$73 toward their own coverage or to cover their dependents.

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

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

17. CONTINGENT LIABILITIES (Continued)

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 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 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 \$3,029 at June 30, 2000 and \$3,355 at June 30, 1999. The Stormwater Utility Fund's net operations have resulted in a deficit retained earnings at June 30, 2000 partly due to depreciation of \$7,767 charged to earnings since inception of the Fund. However, at June 30, 2000, this fund had a positive net working capital of \$6,938, 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 \$1,473 at June 30, 2000 and \$845 at June 30, 1999. 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 \$13,918 and an unfunded liability of \$12,510. The cash balance of the fund at June 30, 2000 is \$4,467. The City will fund the unfunded liability over time by adjusting the rates paid by city funds.
- The City budgets revenues and projects expenses in the General Liability Insurance Fund (Internal Service) based upon an analysis of the cash flows with the fund. On an accrual basis of accounting, the General Liability Insurance Fund has a long-term liability of \$1,908 and an unfunded liability of \$270. The cash balance of the fund at June 30, 2000 is \$2,417. The City will fund the unfunded liability over time by adjusting the rates paid by city funds.
- The City budgets revenues and projects expenses in the Health Benefits 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 current liability of \$1,706 and an unfunded liability of \$614. The cash balance of the fund at June 30, 2000 is \$1,421. The City will fund the unfunded liability over time by adjusting the rates paid by city funds.

CITY OF STOCKTON

NOTES TO GENERAL PURPOSE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

Construction Commitments - The City is undertaking a number of capital improvement projects, the most significant of which include the following at June 30, 2000:

• Regional Wastewater Control Facility expansion	\$ 3,425
• Street improvements	25,493
• Waterfront improvements	625
• Westside Sewer Interceptor	725
• Parking Structure	9,774
• Traffic Signals	1,380

18. CHANGES IN CONTRIBUTED CAPITAL

Enterprise Funds

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility	Solid Waste	Golf Courses	Total
Balance, June 30, 1999	\$ 32,164	\$ 127,004	\$ 38,639	\$ 693	\$ 400	\$ 198,900
Additions	<u>2,701</u>	<u>8,700</u>	<u>3,648</u>	<u>-</u>	<u>-</u>	<u>15,049</u>
Balance, June 30, 2000	<u>\$ 34,865</u>	<u>\$ 135,704</u>	<u>\$ 42,287</u>	<u>\$ 693</u>	<u>\$ 400</u>	<u>\$ 213,949</u>

Internal Service Funds

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment	Total
Balance, June 30, 1999	\$ 3,914	\$ 5,250	\$ 2,195	\$ 827	\$ 12,186
Additions	<u>104</u>	<u>315</u>	<u>30</u>	<u>33</u>	<u>482</u>
Balance, June 30, 2000	<u>\$ 4,018</u>	<u>\$ 5,565</u>	<u>\$ 2,225</u>	<u>\$ 860</u>	<u>\$ 12,668</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, 2000 (Dollar amounts in thousands)

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
2001	\$ 201
2002	110
2003	111
2004	113
2005	115
Thereafter	<u>1,496</u>
Total	<u>\$2,146</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 \$7,139 and \$2,872 for the Austin Road and French Camp landfill closure and postclosure care liability at June 30, 2000, represents the cumulative amount reported to date based on the use of 28% and 70% 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 \$17,699 and \$1,199 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 2000. Actual cost may be higher due to inflation, changes in technology, or changes in state or federal regulations. The City expects the Austin Road and French Camp landfill to be closed in the years 2053 and 2013 respectively. Subsequent to year end, the City sold the landfills - 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, 2000, \$5,558 for Austin Road and \$1,752 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, 2000 (Dollar amounts in thousands)

22. SUBSEQUENT EVENTS

On September 2, 2000, the City authorized the issuance of Limited Obligation Improvement Bonds for Morada Ranch Assessment District No. 2000-1, Series 229. The new bonds are being issued to finance the construction of certain infrastructure improvements within the Morada Ranch assessment district and acquire existing assessments with respect to \$795,000 of outstanding principal amount of the City's La Morada Assessment District No. 96-04 Limited Obligation Improvement Bonds, Series 227. The bonds are issued pursuant to provisions of the Improvement Bond Act of 1915 division 10 of the California Streets and Highways Code of the State of California. The bonds were issued in the par amount of \$7,030 with interest rates ranging from 4.75% to 6.63% and mature September 2, 2027.

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. Due to those issues, the sale was finalized in late summer 2000.

* * * * *

Stockton



**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF STOCKTON

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

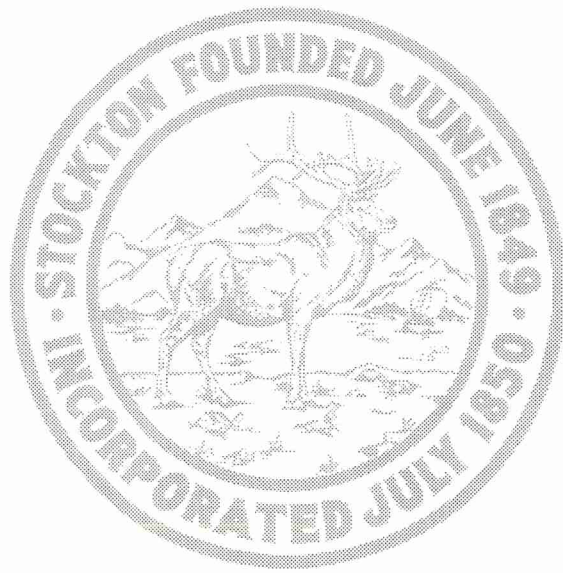
The following tables display a historical summary of the Entry Age Normal Accrued Liability, the Actuarial Value of Assets, the Unfunded Actuarial Accrued Liability ("UAAL") or Excess Assets, the Funded Ratio, the estimated annual covered payroll and the UAAL as a percentage of covered payroll for each 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)
6/30/98	\$ 197,803	\$ 244,397	\$ (46,594)	123.6 %	\$41,112	(113.335)%
6/30/97	184,744	204,602	(19,858)	110.7 %	40,191	(49.408)%
6/30/96	182,931	177,677	5,254	97.1 %	37,683	13.942 %

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
6/30/98	\$ 297,436	\$ 308,177	\$ (10,740)	103.6 %	\$35,083	(30.614)%
6/30/97	261,217	260,639	578	99.8 %	34,672	1.667 %
6/30/96	231,555	226,407	5,148	97.8 %	31,048	16.580 %



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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	2000	1999
ASSETS		
ASSETS:		
Cash and temporary investments	\$ 6,159	\$ 5,078
Receivables:		
Interest	360	106
Taxes and special assessments	41	41
Accounts and others	7,631	8,229
Allowance for uncollectibles	(1,191)	(995)
Due from other funds	4,272	73
Due from other governments	2,284	2,005
Due from other agencies	620	1,605
Inventory of supplies	308	299
Advances to other funds	720	470
Total assets	<u>\$ 21,204</u>	<u>\$ 16,911</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts payable	\$ 1,269	\$ 1,296
Accrued payroll and benefits	3,099	3,676
Due to other governments	8	-
Due to other agencies	278	111
Deposits and other liabilities	1	17
Deferred revenue	805	475
Total liabilities	<u>5,460</u>	<u>5,575</u>
FUND BALANCES:		
Reserved:		
Encumbrances	1,353	1,149
Advances to other funds	720	470
Other items	401	376
Unreserved:		
Designated for administrative contingency	13,270	9,341
Total fund balances	<u>15,744</u>	<u>11,336</u>
Total liabilities and fund balances	<u>\$ 21,204</u>	<u>\$ 16,911</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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	2000		Variance Favorable (Unfavorable)
	Final Budget	Actual	
REVENUES:			
Taxes:			
Property	\$ 15,850	\$ 16,080	\$ 230
Utility	24,862	25,468	606
Sales and use	25,500	28,526	3,026
Other	12,055	12,392	337
Licenses and permits	2,489	3,333	844
Federal grants and subsidies	263	122	(141)
Intergovernmental	11,697	14,398	2,701
Charges for services	10,783	12,163	1,380
Fines and forfeitures	816	1,113	297
Use of money and property	660	688	28
Investment income:			
Interest income	950	1,199	249
Net increase (decrease) in fair value of investments	-	(186)	(186)
Refunds and reimbursements	523	1,193	670
Miscellaneous	5,269	6,542	1,273
Total revenues	<u>111,717</u>	<u>123,031</u>	<u>11,314</u>
EXPENDITURES:			
Current:			
General government:			
City council	248	248	-
City manager	1,748	1,748	-
City attorney	972	896	76
City clerk	811	787	24
City auditor	310	304	6
Finance	-	-	-
Administrative Services	4,322	4,322	-
Management information services	-	-	-
Personnel	1,299	1,297	2
Housing and redevelopment	60	60	-
Community development	1,928	1,928	-
Non-departmental	888	888	-
Total general government	<u>12,586</u>	<u>12,478</u>	<u>108</u>
Public safety:			
Police	51,052	51,052	-
Fire	28,627	28,627	-
Housing and redevelopment	1,652	1,652	-
Community development	2,578	2,577	1
Total public safety	<u>83,909</u>	<u>83,908</u>	<u>1</u>

1999		
Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 15,523	\$ 15,413	\$ (110)
23,045	24,160	1,115
24,147	24,739	592
11,396	12,824	1,428
2,342	2,507	165
513	417	(96)
10,863	11,447	584
9,466	10,601	1,135
777	893	116
632	768	136
1,100	1,041	(59)
-	(271)	(271)
504	640	136
4,993	5,023	30
<u>105,301</u>	<u>110,202</u>	<u>4,901</u>
302	240	62
1,950	1,895	55
1,143	1,142	1
883	726	157
320	307	13
2,786	2,700	86
-	-	-
-	-	-
1,449	1,277	172
115	60	55
1,931	1,843	88
1,172	999	173
<u>12,051</u>	<u>11,189</u>	<u>862</u>
48,625	48,386	239
27,779	27,654	125
1,382	1,183	199
2,604	2,273	331
<u>80,390</u>	<u>79,496</u>	<u>894</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, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	2000		Variance
	Final Budget	Actual	Favorable (Unfavorable)
Public works	12,098	12,098	-
Parks and recreation	10,226	10,225	1
Total current expenditures	118,819	118,709	110
Capital outlay	61	61	-
Total expenditures	118,880	118,770	110
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES (BUDGETARY BASIS)	(7,163)	4,261	11,424
OTHER FINANCING SOURCES (USES):			
Operating transfers in	4,225	4,068	(157)
Operating transfers out	(5,284)	(5,276)	8
Operating transfers out to component unit	(98)	(98)	-
Sale of fixed assets	21	104	83
Advances from other funds	-	-	-
Repayments of advances from other funds	-	-	-
Total other financing sources (uses)	(1,136)	(1,202)	(66)
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(8,299)	3,059	11,358

1999		
Final Budget	Actual	Variance Favorable (Unfavorable)
11,727	9,848	1,879
<u>9,667</u>	<u>9,456</u>	<u>211</u>
113,835	109,989	3,846
<u>178</u>	<u>150</u>	<u>28</u>
<u>114,013</u>	<u>110,139</u>	<u>3,874</u>
<u>(8,712)</u>	<u>63</u>	<u>8,775</u>
5,525	5,525	-
(4,656)	(4,656)	-
(98)	(98)	-
15	35	20
-	-	-
<u>-</u>	<u>-</u>	<u>-</u>
<u>786</u>	<u>806</u>	<u>20</u>
<u>(7,926)</u>	<u>869</u>	<u>8,795</u>

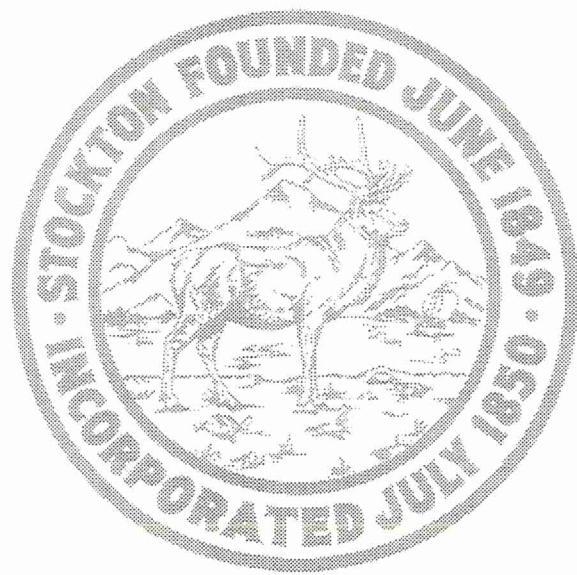
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CITY OF STOCKTON

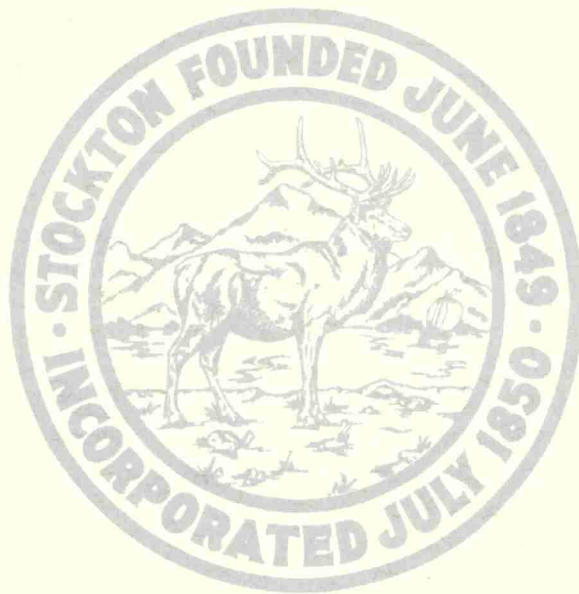
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ON A BUDGETARY BASIS (Continued)
FOR THE YEAR ENDED JUNE 30, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	2000		Variance
	Final Budget	Actual	Favorable (Unfavorable)
BASIS ADJUSTMENTS:			
Encumbrances	-	1,349	1,349
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(8,299)	4,408	12,707
FUND BALANCES, BEGINNING OF YEAR	11,336	11,336	-
FUND BALANCES, END OF YEAR	\$ 3,037	\$ 15,744	\$ 12,707

1999		
Final Budget	Actual	Variance Favorable (Unfavorable)
-	1,149	1,149
(7,926)	2,018	9,944
9,318	9,318	-
<u>\$ 1,392</u>	<u>\$ 11,336</u>	<u>\$ 9,944</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, 2000

(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	Special Grants	Revenue Sharing	Gas Tax	Measure K Sales Tax	Cooperative Library	City- County Library	Special Assessments
ASSETS							
ASSETS:							
Cash and temporary investments	\$ 1,194	\$ 21	\$ -	\$ 3,208	\$ 11	\$ 1,177	\$ 1,357
Receivables:							
Interest	26	-	(15)	(23)	-	-	-
Accounts and other receivables	-	-	134	-	-	7	-
Due from other funds	-	-	-	-	-	-	-
Due from other governments	644	-	2,333	6,224	-	-	-
Advances to other funds	-	-	-	-	-	-	-
Advances to property owners	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,864</u>	<u>\$ 21</u>	<u>\$ 2,452</u>	<u>\$ 9,409</u>	<u>\$ 11</u>	<u>\$ 1,184</u>	<u>\$ 1,357</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable	\$ 222	\$ -	\$ 31	\$ 1,604	\$ -	\$ 81	\$ 32
Due to other funds	8	-	1,160	-	-	-	-
Due to other governments	1,508	-	41	1,047	11	86	-
Deferred revenues	-	-	-	-	-	-	-
Deposits and other liabilities	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,738</u>	<u>-</u>	<u>1,232</u>	<u>2,651</u>	<u>11</u>	<u>167</u>	<u>32</u>
FUND BALANCES:							
Reserved:							
Special district maintenance	-	-	-	-	-	-	1,116
Capital Projects	-	-	304	-	-	-	-
Encumbrances	289	-	916	14,152	-	169	25
Advances to other funds	-	-	-	-	-	-	-
Advances for loans	-	-	-	-	-	-	-
Other items	(163)	-	-	-	-	-	184
Unreserved:							
Designated for library	-	-	-	-	-	589	-
Designated for loans	-	-	-	-	-	-	-
Designated for compensated absences contingency	-	-	-	-	-	259	-
Undesignated	-	21	-	(7,394)	-	-	-
	<u>-</u>	<u>21</u>	<u>-</u>	<u>(7,394)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>126</u>	<u>21</u>	<u>1,220</u>	<u>6,758</u>	<u>-</u>	<u>1,017</u>	<u>1,325</u>
Total liabilities and fund balances	<u>\$ 1,864</u>	<u>\$ 21</u>	<u>\$ 2,452</u>	<u>\$ 9,409</u>	<u>\$ 11</u>	<u>\$ 1,184</u>	<u>\$ 1,357</u>

Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						2000	1999
\$ 427	\$ -	\$ -	\$ 3,417	\$ -	\$ 270	\$ 11,082	\$ 4,377
-	-	(4)	3	(18)	3	(28)	(8)
2	-	-	-	-	-	143	28
-	-	-	-	-	-	-	3,536
-	-	683	-	215	-	10,099	20,460
-	4,686	10,304	564	-	-	15,554	15,573
3,615	-	-	18,874	11,356	-	33,845	32,500
-	-	108	-	-	-	108	108
<u>\$ 4,044</u>	<u>\$ 4,686</u>	<u>\$ 11,091</u>	<u>\$ 22,858</u>	<u>\$ 11,553</u>	<u>\$ 273</u>	<u>\$ 70,803</u>	<u>\$ 76,574</u>
\$ -	\$ -	\$ 152	\$ 6	\$ 22	\$ 19	\$ 2,169	\$ 2,084
-	-	1,561	-	78	70	2,877	12,673
-	-	-	-	-	-	2,693	2,380
-	-	-	-	-	-	-	-
58	-	2	702	686	-	1,448	1,550
<u>58</u>	<u>-</u>	<u>2</u>	<u>702</u>	<u>686</u>	<u>-</u>	<u>1,448</u>	<u>1,550</u>
<u>58</u>	<u>-</u>	<u>1,715</u>	<u>708</u>	<u>786</u>	<u>89</u>	<u>9,187</u>	<u>18,687</u>
-	-	-	-	-	-	1,116	1,010
-	-	-	-	-	-	304	192
-	-	889	-	24	11	16,475	9,184
-	4,686	10,304	-	-	-	14,990	15,573
3,615	-	-	18,874	11,356	-	33,845	32,500
-	-	108	-	-	173	302	380
-	-	-	-	-	-	589	517
371	-	-	3,276	-	-	3,647	3,136
-	-	-	-	-	-	-	-
-	-	-	-	-	-	259	277
-	-	(1,925)	-	(613)	-	(9,911)	(4,882)
<u>3,986</u>	<u>4,686</u>	<u>9,376</u>	<u>22,150</u>	<u>10,767</u>	<u>184</u>	<u>61,616</u>	<u>57,887</u>
<u>\$ 4,044</u>	<u>\$ 4,686</u>	<u>\$ 11,091</u>	<u>\$ 22,858</u>	<u>\$ 11,553</u>	<u>\$ 273</u>	<u>\$ 70,803</u>	<u>\$ 76,574</u>

CITY OF STOCKTON

SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000
 (With comparative totals for June 30, 1999)
 (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	\$ -	\$ -	\$ -	\$3,196	\$ -	\$ -	\$ -
Taxes - transportation	-	-	134	-	-	-	-
Taxes - business improvement	-	-	-	-	-	-	81
Federal grants and subsidies	1,380	-	504	-	109	-	-
Intergovernmental	1,443	-	4,404	6,323	147	3,506	-
Charges for services	-	-	-	-	162	153	672
Use of money and property	-	-	-	-	-	-	-
Investment income:							
Interest income	80	1	47	88	-	-	-
Net increase (decrease) in fair value of investments	(14)	-	(8)	(19)	-	-	-
Refunds and reimbursements	-	-	1	-	-	12	-
Miscellaneous	-	-	-	-	-	-	2
	<u>2,889</u>	<u>1</u>	<u>5,082</u>	<u>9,588</u>	<u>418</u>	<u>3,671</u>	<u>755</u>
Total revenues							
EXPENDITURES:							
Current:							
General government	3	-	-	-	-	-	80
Public safety	1,638	-	-	-	-	-	-
Public works	-	-	-	-	-	-	506
Library	67	-	-	-	418	8,086	-
Parks and recreation	430	-	-	-	-	-	38
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	36	-	-	-	-	-	-
Public works	441	-	831	8,357	-	-	-
Library	-	-	-	-	-	-	-
Parks and recreation	(2)	-	-	-	-	-	-
	<u>2,613</u>	<u>-</u>	<u>831</u>	<u>8,357</u>	<u>418</u>	<u>8,086</u>	<u>624</u>
Total expenditures							
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>276</u>	<u>1</u>	<u>4,251</u>	<u>1,231</u>	<u>-</u>	<u>(4,415)</u>	<u>131</u>

Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						2000	1999
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,196	\$ 2,526
-	-	-	-	-	-	134	111
-	-	-	-	-	-	81	46
-	-	4,696	-	1,613	-	8,302	11,377
-	-	-	-	-	20	15,843	13,357
-	-	-	-	-	156	1,143	1,144
-	-	-	326	43	-	369	414
-	-	47	9	(43)	10	239	103
-	-	22	(1)	-	(2)	(22)	(20)
-	-	-	-	-	3	16	121
-	-	3	-	-	-	5	5
-	-	4,768	334	1,613	187	29,306	29,184
-	-	-	465	-	26	574	327
-	-	-	-	-	34	1,672	964
-	-	-	-	-	-	506	517
-	-	-	-	-	-	8,571	8,187
-	-	-	-	-	147	615	253
-	-	-	-	-	-	-	1,418
-	-	-	-	-	6	42	62
-	-	2,707	-	123	-	12,459	13,031
-	-	-	-	-	-	-	49
-	-	-	-	-	-	(2)	360
-	-	2,707	465	123	213	24,437	25,168
-	-	2,061	(131)	1,490	(26)	4,869	4,016

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CITY OF STOCKTON

SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES (Continued)

FOR THE YEAR ENDED JUNE 30, 2000

(With comparative totals for June 30, 1999)

(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	\$ 144	\$ -	\$ -	\$ -	\$ -	\$4,561	\$ -
Operating transfers out	(106)	-	(4,068)	-	-	-	-
Total other financing sources (uses)	38	-	(4,068)	-	-	4,561	-
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	314	1	183	1,231	-	146	131
FUND BALANCES, BEGINNING OF YEAR	134	20	1,037	5,527	-	895	1,194
Residual equity transfers out	(322)	-	-	-	-	(24)	-
FUND BALANCES, END OF YEAR	\$ 126	\$ 21	\$ 1,220	\$ 6,758	\$ -	\$ 1,017	\$ 1,325

Redevelopment Agency Loan	Urban Development Action Grant	Community Development Block Grant	Community Development Loan	Home Program	Other Special Revenue	Totals	
						2000	1999
\$ - <u>-</u>	\$ - <u>-</u>	\$ 609 <u>(1,349)</u>	\$ (2) <u>(609)</u>	\$ 2,773 <u>(2,773)</u>	\$ 26 <u>-</u>	\$ 8,111 <u>(8,905)</u>	\$ 8,907 <u>(8,647)</u>
<u>-</u>	<u>-</u>	<u>(740)</u>	<u>(611)</u>	<u>-</u>	<u>26</u>	<u>(794)</u>	<u>260</u>
-	-	1,321	(742)	1,490	-	4,075	4,276
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>(346)</u>	54,108 <u>(497)</u>
<u>\$3,986</u>	<u>\$4,686</u>	<u>\$9,376</u>	<u>\$ 22,150</u>	<u>\$ 10,767</u>	<u>\$184</u>	<u>\$ 61,616</u>	<u>\$ 57,887</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, 2000
(Dollar amounts in thousands)

	Gas Tax		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Sales and use tax	\$ -	\$ -	\$ -
Taxes - transportation	100	134	34
Taxes - business improvement	-	-	-
Federal grants and subsidies	4,233	504	(3,729)
Intergovernmental	4,296	4,404	108
Charges for services	-	-	-
Use of money and property	-	-	-
Investment income:			
Interest income	39	47	8
Net increase (decrease) in fair value of investments	-	(8)	(8)
Refunds and reimbursements	-	1	1
Miscellaneous	-	-	-
	<u>8,668</u>	<u>5,082</u>	<u>(3,586)</u>
Total revenues			
EXPENDITURES:			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Library	-	-	-
Parks and recreation	-	-	-
Capital outlay:			
General government	-	-	-
Public safety	-	-	-
Public works	4,880	843	4,037
Library	-	-	-
Parks and recreation	-	-	-
	<u>4,880</u>	<u>843</u>	<u>4,037</u>
Total expenditures			
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,788</u>	<u>4,239</u>	<u>451</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)
\$2,465	\$3,196	\$ 731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	81	81	-
-	-	-	-	-	-	-	-	-
18,769	6,323	(12,446)	3,526	3,506	(20)	-	-	-
-	-	-	174	153	(21)	672	672	-
-	-	-	-	-	-	-	-	-
-	88	88	-	-	-	-	-	-
-	(19)	(19)	-	-	-	-	-	-
-	-	-	20	12	(8)	-	-	-
-	-	-	-	-	-	-	2	2
<u>21,234</u>	<u>9,588</u>	<u>(11,646)</u>	<u>3,720</u>	<u>3,671</u>	<u>(49)</u>	<u>753</u>	<u>755</u>	<u>2</u>
-	-	-	-	-	-	81	80	1
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	739	531	208
-	-	-	8,788	8,253	535	-	-	-
-	-	-	-	-	-	43	38	5
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
26,552	8,764	17,788	-	-	-	-	-	-
-	-	-	56	2	54	-	-	-
-	-	-	-	-	-	-	-	-
<u>26,552</u>	<u>8,764</u>	<u>17,788</u>	<u>8,844</u>	<u>8,255</u>	<u>589</u>	<u>863</u>	<u>649</u>	<u>214</u>
<u>(5,318)</u>	<u>824</u>	<u>6,142</u>	<u>(5,124)</u>	<u>(4,584)</u>	<u>540</u>	<u>(110)</u>	<u>106</u>	<u>216</u>

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CITY OF STOCKTON

SPECIAL REVENUE FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES -

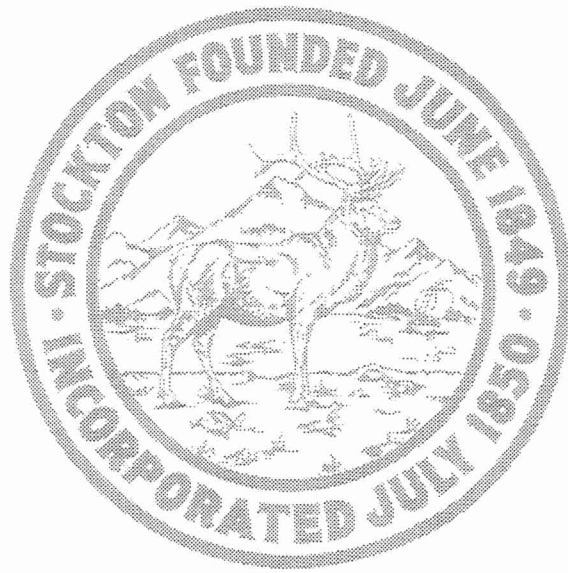
BUDGET AND ACTUAL ON A BUDGETARY BASIS (Continued)

FOR THE YEAR ENDED JUNE 30, 2000

(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	\$ -	\$ -	\$ -	\$2,465	\$3,196	\$ 731
Taxes - transportation	-	-	-	100	134	34
Taxes - business improvement	-	-	-	81	81	-
Federal grants and subsidies	-	-	-	4,233	504	(3,729)
Intergovernmental	37	20	(17)	26,628	14,253	(12,375)
Charges for services	162	156	(6)	1,008	981	(27)
Use of money and property	-	-	-	-	-	-
Investment income:						
Interest income	8	10	2	47	145	98
Net increase (decrease) in net investments	-	(2)	(2)	-	(29)	(29)
Refunds and reimbursements	-	3	3	20	16	(4)
Miscellaneous	-	-	-	-	2	2
Total revenues	<u>207</u>	<u>187</u>	<u>(20)</u>	<u>34,582</u>	<u>19,283</u>	<u>(15,299)</u>
EXPENDITURES:						
Current:						
General government	26	26	-	107	106	1
Public safety	70	39	31	70	39	31
Public works	-	-	-	739	531	208
Library	-	-	-	8,788	8,253	535
Parks and recreation	151	151	-	194	189	5
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	9	8	1	9	8	1
Public works	-	-	-	31,432	9,607	21,825
Library	-	-	-	56	2	54
Parks and recreation	-	-	-	-	-	-
Total expenditures	<u>256</u>	<u>224</u>	<u>32</u>	<u>41,395</u>	<u>18,735</u>	<u>22,660</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(49)</u>	<u>(37)</u>	<u>12</u>	<u>(6,813)</u>	<u>548</u>	<u>7,361</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, 2000
(Dollar amounts in thousands)**

	Gas Tax		
	Final Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ -	\$ -	\$ -
Operating transfers out	(4,225)	(4,068)	157
Total other financing sources (uses)	(4,225)	(4,068)	157
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(437)	171	608
BASIS ADJUSTMENTS:			
Encumbrances	-	12	12
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(437)	183	620
FUND BALANCES, BEGINNING OF YEAR	1,037	1,037	-
Residual equity transfer out	-	-	-
FUND BALANCES, END OF YEAR	\$ 600	\$1,220	\$ 620

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)
\$ -	\$ -	\$ -	\$4,561	\$4,561	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	4,561	4,561	-	-	-	-
(5,318)	824	6,142	(563)	(23)	540	(110)	106	216
-	407	407	-	169	169	-	25	25
(5,318)	1,231	6,549	(563)	146	709	(110)	131	241
5,527	5,527	-	895	895	-	1,194	1,194	-
-	-	-	(24)	(24)	-	-	-	-
<u>\$ 209</u>	<u>\$ 6,758</u>	<u>\$6,549</u>	<u>\$ 308</u>	<u>\$1,017</u>	<u>\$ 709</u>	<u>\$ 1,084</u>	<u>\$ 1,325</u>	<u>\$ 241</u>

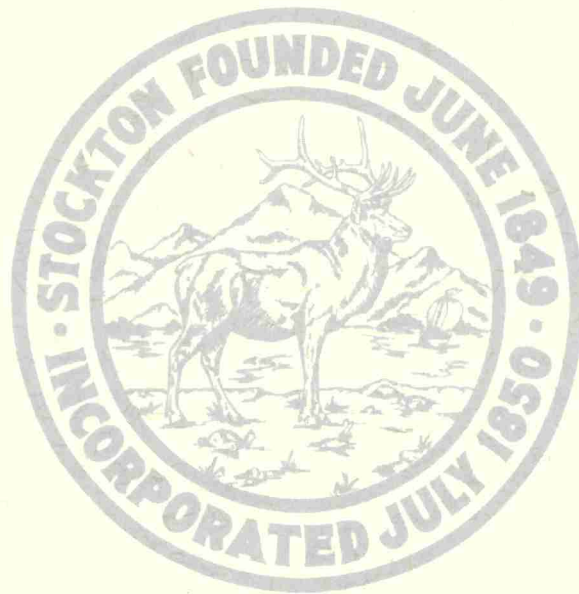
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CITY OF STOCKTON

**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, 2000
(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	\$ 26	\$ 26	\$ -	\$4,587	\$ 4,587	\$ -
Operating transfers out	-	-	-	(4,225)	(4,068)	157
Repayment of advances to other funds	-	-	-	-	-	-
Total other financing sources (uses)	<u>26</u>	<u>26</u>	<u>-</u>	<u>362</u>	<u>519</u>	<u>157</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES, AND OTHER FINANCING USES (BUDGETARY BASIS)	(23)	(11)	12	(6,451)	1,067	7,518
BASIS ADJUSTMENTS:						
Encumbrances	<u>-</u>	<u>11</u>	<u>11</u>	<u>-</u>	<u>624</u>	<u>624</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(23)	-	23	(6,451)	1,691	8,142
FUND BALANCES, BEGINNING OF YEAR	<u>184</u>	<u>184</u>	<u>-</u>	<u>8,837</u>	<u>8,837</u>	<u>-</u>
Residual equity transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(24)</u>	<u>(24)</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 161</u>	<u>\$ 184</u>	<u>\$ 23</u>	<u>\$2,362</u>	<u>\$10,504</u>	<u>\$8,142</u>

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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	Mello- Roos Districts	1915 Act Assessment District
ASSETS		
ASSETS:		
Cash and temporary investments	\$ 8,690	\$ 7,617
Cash with fiscal agents	5,028	2,547
Receivables:		
Special assessments	482	404
Accounts and other receivables	101	103
Due from other governments	<u>(51)</u>	<u>(61)</u>
Total assets	<u>\$ 14,250</u>	<u>\$ 10,610</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts payable	\$ 3	\$ 2
Matured bonds and interest payable	-	8
Deferred revenue	<u>483</u>	<u>404</u>
Total liabilities	<u>486</u>	<u>414</u>
FUND BALANCES:		
Reserved:		
Debt service	13,755	10,195
Encumbrances	<u>9</u>	<u>1</u>
Total fund balances	<u>13,764</u>	<u>10,196</u>
Total liabilities and fund balances	<u>\$ 14,250</u>	<u>\$ 10,610</u>

Stockton Public Financing Authority	Totals	
	2000	1999

\$ 753	\$ 17,060	\$ 17,155
3,439	11,014	9,006

-	886	942
7	211	209
-	(112)	-

<u>\$4,199</u>	<u>\$ 29,059</u>	<u>\$ 27,312</u>
----------------	------------------	------------------

\$ 1	\$ 6	\$ 1
-	8	8
-	887	943

<u>1</u>	<u>901</u>	<u>952</u>
----------	------------	------------

4,198	28,148	26,360
-	10	-

<u>4,198</u>	<u>28,158</u>	<u>26,360</u>
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<u>\$4,199</u>	<u>\$ 29,059</u>	<u>\$ 27,312</u>
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CITY OF STOCKTON

DEBT SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES

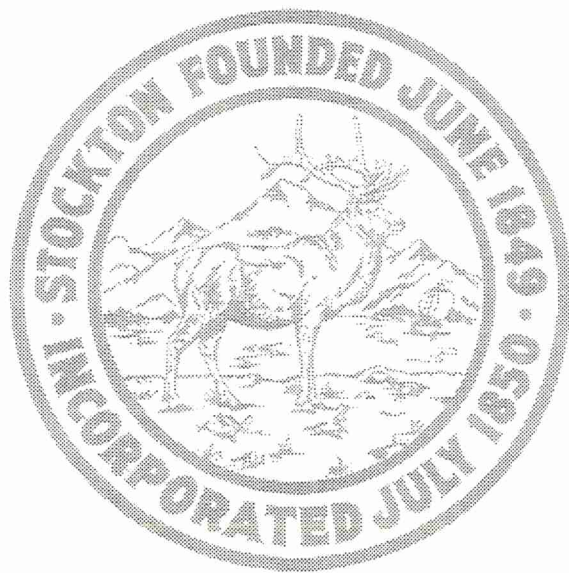
FOR THE YEAR ENDED JUNE 30, 2000

(With comparative totals for June 30, 1999)

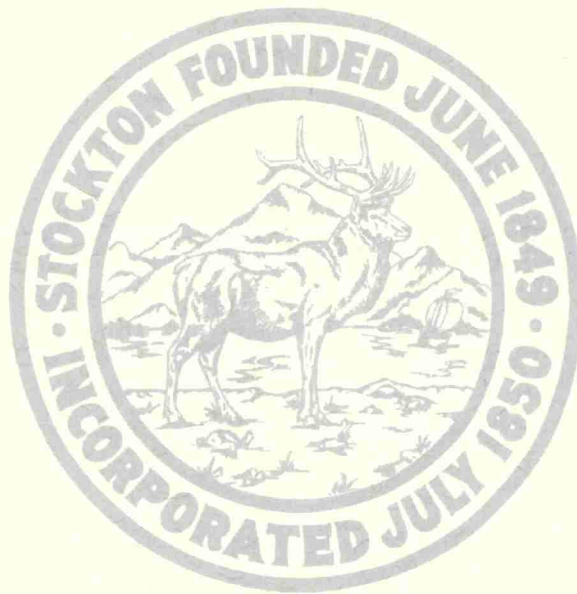
(Dollar amounts in thousands)

	Mello- Roos Districts	1915 Act Assessment District
REVENUES:		
Taxes	\$ 8,244	\$ 5,770
Use of money and property		
Charges for services	334	4
Investment income:		
Interest income	380	408
Net increase (decrease) in fair value of investments	(44)	(57)
Miscellaneous	-	-
Total revenues	<u>8,914</u>	<u>6,125</u>
EXPENDITURES:		
General government	209	191
Debt service:		
Principal retirement	2,790	1,838
Interest and fiscal charges	<u>5,494</u>	<u>2,781</u>
Total expenditures	<u>8,493</u>	<u>4,810</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>421</u>	<u>1,315</u>
OTHER FINANCING SOURCES (USES):		
Operating transfers in	83	1,039
Operating transfers out	-	<u>(2,246)</u>
Total other financing sources (uses)	<u>83</u>	<u>(1,207)</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	504	108
FUND BALANCES, BEGINNING OF YEAR	<u>13,260</u>	<u>10,088</u>
FUND BALANCES, END OF YEAR	<u>\$ 13,764</u>	<u>\$ 10,196</u>

Stockton Public Financing Authority	Totals	
	2000	1999
\$ 1,585	\$ 15,599	\$ 16,545
	338	-
		160
163	951	1,040
(3)	(104)	(127)
-	-	-
<u>1,745</u>	<u>16,784</u>	<u>17,618</u>
45	445	214
570	5,198	6,570
1,204	9,479	9,221
<u>1,819</u>	<u>15,122</u>	<u>16,005</u>
(74)	1,662	1,613
1,260	2,382	1,489
-	(2,246)	(1,777)
<u>1,260</u>	<u>136</u>	<u>(288)</u>
1,186	1,798	1,325
<u>3,012</u>	<u>26,360</u>	<u>25,035</u>
<u>\$4,198</u>	<u>\$28,158</u>	<u>\$26,360</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.

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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
ASSETS			
ASSETS:			
Cash and temporary investments	\$46,752	\$ -	\$ 116
Cash with fiscal agents	-	8,907	-
Receivables:			
Interest	783	26	12
Accounts and other receivables	2,636	5,253	1
Due from other funds	-	300	219
Due from other governments	-	1,355	36
Deposits	-	-	38
Advances to other funds	11,509	12,196	2,310
Advances to property owners	406	40	-
	<u>\$ 62,086</u>	<u>\$ 28,077</u>	<u>\$ 2,732</u>
Total assets			
	<u>\$ 62,086</u>	<u>\$ 28,077</u>	<u>\$ 2,732</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable	\$ 1,361	\$ 2,382	\$ 208
Due to other funds	300	1,614	-
Due to other governments	-	855	-
Deposits and other liabilities	-	-	3
Advances from other funds	5,395	-	833
	<u>7,056</u>	<u>4,851</u>	<u>1,044</u>
Total liabilities			
	<u>7,056</u>	<u>4,851</u>	<u>1,044</u>
FUND BALANCES:			
Reserved:			
Capital projects	30,904	331	
Encumbrances	12,211	10,659	916
Advances to other funds	11,509	12,196	2,310
Other items	406	40	40
Unreserved:			
Undesignated	-	-	(1,578)
	<u>55,030</u>	<u>23,226</u>	<u>1,688</u>
Total fund balances			
	<u>55,030</u>	<u>23,226</u>	<u>1,688</u>
Total liabilities and fund balances	<u>\$ 62,086</u>	<u>\$ 28,077</u>	<u>\$ 2,732</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			2000	1999
\$ 6,470	\$ 4,510	\$ 7	\$ 57,855	\$54,826
3,602	40	442	12,991	2,084
138	78	-	1,037	917
-	-	-	7,890	2,638
-	-	-	519	9,568
-	-	-	1,391	370
-	-	-	38	40
-	-	-	26,015	20,391
-	-	-	446	446
<u>\$10,210</u>	<u>\$ 4,628</u>	<u>\$ 449</u>	<u>\$108,182</u>	<u>\$91,280</u>
\$ 16	\$ -	\$ -	\$ 3,967	\$ 1,478
-	-	-	1,914	504
-	-	-	855	30
-	-	-	3	3
-	-	-	6,228	-
<u>16</u>	<u>-</u>	<u>-</u>	<u>12,967</u>	<u>2,015</u>
10,186	4,628	449	46,498	62,140
8	-	-	23,794	6,248
-	-	-	26,015	20,391
-	-	-	486	486
-	-	-	-	-
-	-	-	(1,578)	-
<u>10,194</u>	<u>4,628</u>	<u>449</u>	<u>95,215</u>	<u>89,265</u>
<u>\$10,210</u>	<u>\$ 4,628</u>	<u>\$ 449</u>	<u>\$108,182</u>	<u>\$91,280</u>

CITY OF STOCKTON

CAPITAL PROJECTS FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
REVENUES:			
Taxes:			
Property	\$ -	\$ -	\$ 1,475
Amusement	-	20	-
Federal grants and subsidies	-	52	59
Intergovernmental	-	8,347	-
Charges for services	12,400	-	-
Fines and forfeitures	2	-	-
Use of money and property	100	288	22
Investment income:			
Interest income	2,492	605	13
Net increase (decrease) in fair value of investments	(412)	(52)	(5)
Refunds and reimbursements	-	-	-
Miscellaneous	-	349	12
Total revenues	<u>14,582</u>	<u>9,609</u>	<u>1,576</u>
EXPENDITURES:			
Capital outlay:			
General government	392	9,978	641
Public safety	3,941	85	-
Public works	2,751	8,628	4,452
Library	251	-	-
Parks and recreation	2,287	125	-
Debt service:			
Repayment of advances from other funds	220	-	154
Total expenditures	<u>9,842</u>	<u>18,816</u>	<u>5,247</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>4,740</u>	<u>(9,207)</u>	<u>(3,671)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	21	650	2,201
Operating transfers out	(21)	(1,259)	(850)
Proceeds of long-term debt	-	14,860	-
Proceeds of refunding bonds	-	-	-
Payment to refunded bond escrow agent	-	-	-
Advances from other funds	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>14,251</u>	<u>1,351</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			2000	1999
\$ 29	\$ -	\$ -	\$ 1,504	\$ 1,334
-	-	-	20	21
-	-	-	111	44
-	-	-	8,347	-
-	-	-	12,400	8,920
-	-	-	2	6
-	-	-	410	519
600	250	48	4,008	3,447
(76)	(46)	-	(591)	(712)
-	41	-	41	6,337
-	-	-	361	682
<u>553</u>	<u>245</u>	<u>48</u>	<u>26,613</u>	<u>20,598</u>
256	424	-	11,691	2,924
-	-	-	4,026	653
1,637	1,542	-	19,010	12,307
-	-	-	251	19
-	-	-	2,412	1,285
-	-	-	374	570
<u>1,893</u>	<u>1,966</u>	<u>-</u>	<u>37,764</u>	<u>17,758</u>
<u>(1,340)</u>	<u>(1,721)</u>	<u>48</u>	<u>(11,151)</u>	<u>2,840</u>
-	3,176	-	6,048	2,528
(83)	(1,969)	-	(4,182)	(3,252)
2,085	-	-	16,945	3,100
-	11,610	-	11,610	8,775
-	(13,320)	-	(13,320)	(9,408)
-	-	-	-	5,733
<u>2,002</u>	<u>(503)</u>	<u>-</u>	<u>17,101</u>	<u>7,476</u>

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CITY OF STOCKTON

**CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)**

	Public Facilities Impact Fees	Capital Improvement	Redevelopment Agency
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	4,740	5,044	(2,320)
FUND BALANCES, BEGINNING OF YEAR	<u>50,290</u>	<u>18,182</u>	<u>4,008</u>
FUND BALANCES, END OF YEAR	<u>\$ 55,030</u>	<u>\$ 23,226</u>	<u>\$ 1,688</u>

Mello-Roos Districts	1915 Act Assessment Districts	Stockton Public Financing Authority	Totals	
			2000	1999
662	(2,224)	48	5,950	10,316
<u>9,532</u>	<u>6,852</u>	<u>401</u>	<u>89,265</u>	<u>78,949</u>
<u>\$ 10,194</u>	<u>\$ 4,628</u>	<u>\$ 449</u>	<u>\$ 95,215</u>	<u>\$ 89,265</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, 2000 (Dollar amounts in thousands)

	Public Facilities Impact Fees		
	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes:			
Amusement	\$ -	\$ -	\$ -
Federal grants and subsidies	-	-	-
Intergovernmental	66	-	(66)
Charges for services	7,544	12,400	4,856
Fines and forfeitures	-	2	2
Use of money and property	-	100	100
Investment income:			
Interest income	1,782	2,492	710
Net increase (decrease) in fair value of investments	-	(412)	(412)
Refunds and reimbursement	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>9,392</u>	<u>14,582</u>	<u>5,190</u>
EXPENDITURES:			
Capital outlay:			
General government	488	392	96
Public safety	9,220	3,941	5,279
Public works	20,888	2,754	18,134
Library	794	284	510
Parks and recreation	5,719	2,308	3,411
Debt service:			
Repayment of advances	<u>220</u>	<u>220</u>	<u>-</u>
Total expenditures	<u>37,329</u>	<u>9,899</u>	<u>27,430</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(27,937)</u>	<u>4,683</u>	<u>32,620</u>

Capital Improvement			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 20	\$ 20	\$ -	\$ 20	\$ 20	\$ -
650	52	(598)	650	52	(598)
16,230	8,347	(7,883)	16,296	8,347	(7,949)
-	-	-	7,544	12,400	4,856
-	-	-	-	2	2
-	288	288	-	388	388
221	605	384	2,003	3,097	1,094
-	(52)	(52)	-	(464)	(464)
-	-	-	-	-	-
286	349	63	286	349	63
<u>17,407</u>	<u>9,609</u>	<u>(7,798)</u>	<u>26,799</u>	<u>24,191</u>	<u>(2,608)</u>
19,136	10,013	9,123	19,624	10,405	9,219
202	189	13	9,422	4,130	5,292
16,910	8,752	8,158	37,798	11,506	26,292
-	-	-	794	284	510
495	125	370	6,214	2,433	3,781
-	-	-	220	220	-
<u>36,743</u>	<u>19,079</u>	<u>17,664</u>	<u>74,072</u>	<u>28,978</u>	<u>45,094</u>
<u>(19,336)</u>	<u>(9,470)</u>	<u>9,866</u>	<u>(47,273)</u>	<u>(4,787)</u>	<u>42,486</u>

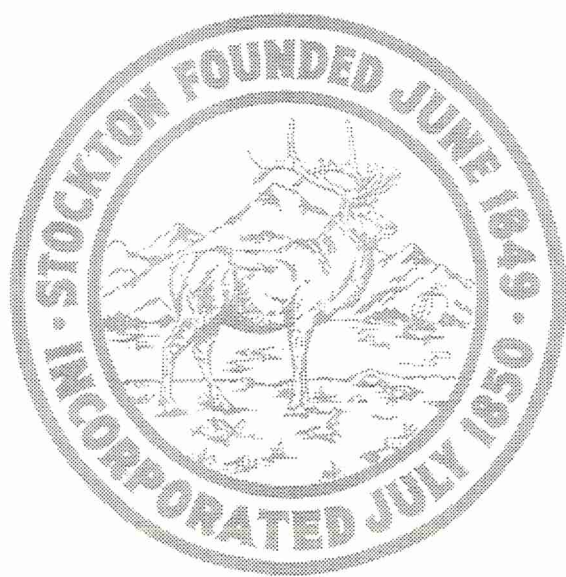
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CITY OF STOCKTON

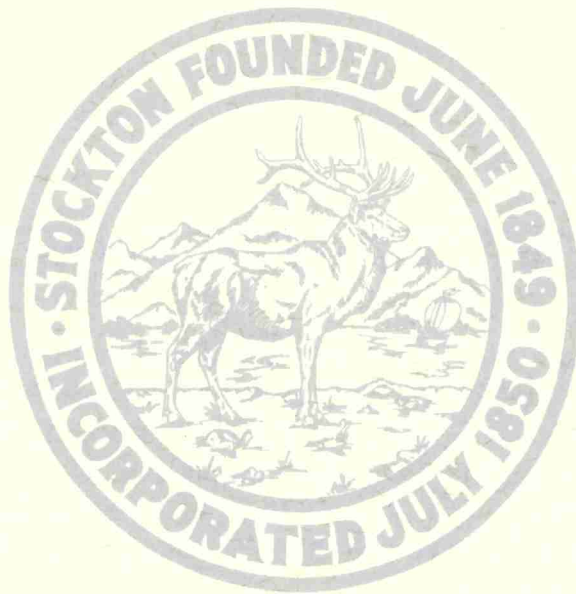
CAPITAL PROJECTS FUNDS COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL ON A BUDGETARY BASIS FOR THE YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

	Public Facilities Impact Fees		
	Final Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 21	\$ 21	\$ -
Operating transfers out	(21)	(21)	-
Proceeds of long-term debt	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (BUDGETARY BASIS)	(27,937)	4,683	32,620
BASIS ADJUSTMENTS:			
Encumbrances	<u>-</u>	<u>57</u>	<u>57</u>
EXCESS (DEFICIT) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES (GAAP BASIS)	(27,937)	4,740	32,677
FUND BALANCES, BEGINNING OF YEAR	<u>50,290</u>	<u>50,290</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 22,353</u>	<u>\$ 55,030</u>	<u>\$ 32,677</u>

Capital Improvement			Totals		
Final Budget	Actual	Variance Favorable (Unfavorable)	Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 650	\$ 650	\$ -	\$ 671	\$ 671	\$ -
(1,259)	(1,259)	-	(1,280)	(1,280)	-
<u>14,860</u>	<u>14,860</u>	<u>-</u>	<u>14,860</u>	<u>14,860</u>	<u>-</u>
<u>14,251</u>	<u>14,251</u>	<u>-</u>	<u>14,251</u>	<u>14,251</u>	<u>-</u>
(5,085)	4,781	9,866	(33,022)	9,464	42,486
<u>-</u>	<u>263</u>	<u>263</u>	<u>-</u>	<u>320</u>	<u>320</u>
(5,085)	5,044	10,129	(33,022)	9,784	42,806
<u>18,182</u>	<u>18,182</u>	<u>-</u>	<u>68,472</u>	<u>68,472</u>	<u>-</u>
<u>\$ 13,097</u>	<u>\$ 23,226</u>	<u>\$ 10,129</u>	<u>\$ 35,450</u>	<u>\$ 78,256</u>	<u>\$ 42,806</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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
ASSETS			
CURRENT ASSETS:			
Cash and temporary investments	\$ 20,439	\$ 51,319	\$ 6,556
Cash with fiscal agents	-	209	-
Receivables:			
Interest	341	876	108
Accounts and other receivables	1,318	4,281	577
Allowance for uncollectibles	(203)	(647)	(39)
Due from other governments	-	-	-
Inventory of supplies	-	1,228	-
Total current assets	<u>21,895</u>	<u>57,266</u>	<u>7,202</u>
RESTRICTED ASSETS:			
Cash and temporary investments	-	-	-
Cash and temporary investments with fiscal agents	1,545	19,182	-
Receivables:			
Interest	-	430	-
Accounts and other receivables	-	-	-
Total restricted assets	<u>1,545</u>	<u>19,612</u>	<u>-</u>
NONCURRENT ASSETS:			
Loans receivable	21	64	-
Advances to other funds	-	-	-
Total noncurrent assets	<u>21</u>	<u>64</u>	<u>-</u>
FIXED ASSETS:			
Land	1,022	758	412
Buildings and improvements	59,912	179,353	50,892
Machinery and equipment	4,435	4,364	65
Construction in progress	2,455	88,923	70
Total fixed assets	<u>67,824</u>	<u>273,398</u>	<u>51,439</u>
Accumulated depreciation	<u>(16,077)</u>	<u>(55,438)</u>	<u>(18,318)</u>
Net fixed assets	<u>51,747</u>	<u>217,960</u>	<u>33,121</u>
DEFERRED CHARGES	<u>338</u>	<u>1,447</u>	<u>-</u>
Total assets	<u>\$ 75,546</u>	<u>\$ 296,349</u>	<u>\$ 40,323</u>

Solid Waste	Golf Courses	Totals	
		2000	1999
\$ 1,512	\$ 531	\$ 80,357	\$ 74,897
-	-	209	202
29	-	1,354	1,087
283	10	6,469	6,944
(18)	-	(907)	(736)
-	-		90
-	-	1,228	1,301
<u>1,806</u>	<u>541</u>	<u>88,710</u>	<u>83,785</u>
7,057	-	7,057	6,412
-	-	20,727	36,292
119	-	549	996
-	-	-	56
<u>7,176</u>	<u>-</u>	<u>28,333</u>	<u>43,756</u>
-	-	85	107
-	-	-	-
-	-	85	107
808	360	3,360	3,360
410	3,733	294,300	283,128
258	81	9,203	9,228
-	41	91,489	67,385
1,476	4,215	398,352	363,101
(382)	(3,242)	(93,457)	(87,043)
1,094	973	304,895	276,058
-	-	1,785	1,855
<u>\$ 10,076</u>	<u>\$ 1,514</u>	<u>\$ 423,808</u>	<u>\$ 405,561</u>

CITY OF STOCKTON

ENTERPRISE FUNDS

COMBINING BALANCE SHEET (Continued)

JUNE 30, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
LIABILITIES AND FUND EQUITY			
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 216	\$ 4,261	\$ 51
Due to other governments	54	-	-
Deposits and other liabilities	585	-	-
Matured bonds and interest payable	5	15	-
Accrued interest	381	1,939	29
Long-term debt - current	366	2,190	143
Compensated absences - current	130	567	40
Deferred revenue	1	17	-
Total current liabilities	<u>1,738</u>	<u>8,989</u>	<u>263</u>
LONG-TERM DEBT (LESS CURRENT PORTION):			
Compensated absences	218	929	18
Advances from other governments	1,071	-	784
Certificates of participation	15,641	106,502	-
Bonds payable and other long-term debt	-	-	-
Landfill closure/postclosure	-	-	-
Total long-term debt	<u>16,930</u>	<u>107,431</u>	<u>802</u>
Total liabilities	<u>18,668</u>	<u>116,420</u>	<u>1,065</u>
FUND EQUITY:			
Contributed capital	34,865	135,704	42,287
Retained earnings:			
Unreserved	<u>22,013</u>	<u>44,225</u>	<u>(3,029)</u>
Total fund equity	<u>56,878</u>	<u>179,929</u>	<u>39,258</u>
Total liabilities and fund equity	<u>\$ 75,546</u>	<u>\$ 296,349</u>	<u>\$ 40,323</u>

Solid Waste	Golf Courses	Totals	
		2000	1999
\$ 485	\$ 46	\$ 5,059	\$ 6,828
-	-	54	64
-	-	585	2,464
-	-	20	20
-	-	2,349	2,402
-	-	2,699	2,752
107	78	922	801
-	-	18	19
<u>592</u>	<u>124</u>	<u>11,706</u>	<u>15,350</u>
254	166	1,585	1,716
-	-	1,855	2,038
-	-	122,143	123,911
-	-	-	410
<u>10,011</u>	<u>-</u>	<u>10,011</u>	<u>9,758</u>
<u>10,265</u>	<u>166</u>	<u>135,594</u>	<u>137,833</u>
<u>10,857</u>	<u>290</u>	<u>147,300</u>	<u>153,183</u>
693	400	213,949	198,900
<u>(1,474)</u>	<u>824</u>	<u>62,559</u>	<u>53,478</u>
<u>(781)</u>	<u>1,224</u>	<u>276,508</u>	<u>252,378</u>
<u>\$ 10,076</u>	<u>\$ 1,514</u>	<u>\$ 423,808</u>	<u>\$ 405,561</u>

CITY OF STOCKTON

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY

FOR THE YEAR ENDED JUNE 30, 2000 ,
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
OPERATING REVENUES:			
Federal grants and subsidies	\$ -	\$ -	\$ -
Intergovernmental	-	1	-
Charges for services	13,399	28,562	4,050
Loans and mortgage interest	4	39	-
Miscellaneous	223	484	65
Total operating revenues	13,626	29,086	4,115
OPERATING EXPENSES:			
Operation and maintenance	3,749	16,431	1,746
General and administrative	2,935	4,073	1,335
Depreciation and amortization	1,288	4,113	999
Purchased water	3,189	-	-
Total operating expenses	11,161	24,617	4,080
OPERATING INCOME (LOSS)	2,465	4,469	35
NONOPERATING REVENUES (EXPENSES):			
Federal grants and subsidies	-	-	-
Investment income:			
Interest income	1,176	4,382	343
Net increase (decrease) in fair value of investments	(186)	(495)	(56)
Gain (loss) from disposal of property	-	(1)	-
Interest and fiscal charges	(916)	(1,422)	4
Total nonoperating revenues (expenses)	74	2,464	291
INCOME BEFORE OPERATING TRANSFERS	2,539	6,933	326
Operating transfers in	1,145	7,511	-
Operating transfers out	(1,145)	(7,511)	-
NET INCOME	2,539	6,933	326
FUND EQUITY, BEGINNING OF YEAR	51,638	164,295	35,284
Residual equity transfers out		(75)	
Contributed capital from developers	2,701	8,776	3,648
FUND EQUITY, END OF YEAR	\$ 56,878	\$ 179,929	\$ 39,258

Solid Waste	Golf Courses	Totals	
		2000	1999
\$ -	\$ -	\$ -	\$ 4
-	-	1	-
3,916	1,748	51,675	52,281
-	-	43	145
58	171	1,001	1,007
<u>3,974</u>	<u>1,919</u>	<u>52,720</u>	<u>53,437</u>
4,966	1,926	28,818	25,222
-	-	8,343	12,505
50	82	6,532	6,468
-	-	3,189	3,245
<u>5,016</u>	<u>2,008</u>	<u>46,882</u>	<u>47,440</u>
<u>(1,042)</u>	<u>(89)</u>	<u>5,838</u>	<u>5,997</u>
-	-	-	150
497	-	6,398	7,341
(84)	-	(821)	(891)
-	-	(1)	(1)
-	-	(2,334)	(3,799)
<u>413</u>	<u>-</u>	<u>3,242</u>	<u>2,800</u>
(629)	(89)	9,080	8,797
-	-	8,656	7,404
-	-	(8,656)	(7,404)
<u>(629)</u>	<u>(89)</u>	<u>9,080</u>	<u>8,797</u>
(152)	1,313	252,378	232,540
-	-	(75)	-
-	-	15,125	11,041
<u>\$ (781)</u>	<u>\$ 1,224</u>	<u>\$ 276,508</u>	<u>\$ 252,378</u>

CITY OF STOCKTON

ENTERPRISE FUNDS COMBINING STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	Water Utility	Sanitary Wastewater Utility	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 2,465	\$ 4,469	\$ 35
Noncash adjustment to operating income:			
Depreciation and amortization	1,288	4,113	999
Provision for uncollectible accounts	26	140	-
Landfill closure/postclosure	-	-	-
Changes in assets and liabilities:			
Accounts and other receivables	(100)	699	(117)
Due from other governments	-	4	60
Inventory of supplies	-	73	-
Loans receivable	6	16	-
Advances to other funds	-	-	-
Deferred charges	16	54	-
Accounts payable	(66)	(1,715)	(11)
Compensated absences	(13)	(22)	11
Due to other governments	16	(26)	-
Deposits and other liabilities	(79)	(1,800)	-
Advances from other funds	-	-	-
Advances from other governments	(40)	-	(139)
Deferred revenue	-	(1)	-
Accrued interest	(13)	(36)	(4)
Net cash provided (used) by operating activities	<u>3,506</u>	<u>5,968</u>	<u>834</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment earnings	990	3,887	289
Proceeds from sale of investments	-	14,373	-
Net cash provided by investing activities	<u>990</u>	<u>18,260</u>	<u>289</u>

Solid Waste	Golf Courses	Totals	
		2000	1999
\$ (1,042)	\$ (89)	\$ 5,838	\$ 5,997
50	82	6,532	6,468
5		171	357
253	-	253	249
223	6	711	(108)
26	-	90	(90)
-	-	73	(51)
-	-	22	21
-	-	-	385
-	-	70	62
29	(4)	(1,767)	2,779
14	-	(10)	(79)
-	-	(10)	(71)
-	-	(1,879)	1,789
-	-		(385)
-	-	(179)	(171)
-	-	(1)	1
-	-	(53)	(82)
<u>(442)</u>	<u>(5)</u>	<u>9,861</u>	<u>17,071</u>
413	-	5,579	6,454
<u>-</u>	<u>-</u>	<u>14,373</u>	<u>35,825</u>
<u>413</u>	<u>-</u>	<u>19,952</u>	<u>42,279</u>

(continues)

CITY OF STOCKTON

ENTERPRISE FUNDS

COMBINING STATEMENTS OF CASH FLOWS (Continued)

FOR THE YEAR ENDED JUNE 30, 2000

(With comparative totals for June 30, 1999)

(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	1,123	1,814	-
Repayment of debt	(512)	(1,723)	-
Purchases of property and equipment	(2,459)	(28,679)	-
Interest expense on capital debt	(916)	(1,422)	4
Capital contributions	808	7,090	-
	<u>808</u>	<u>7,090</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(1,956)</u>	<u>(22,920)</u>	<u>4</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating transfers in	1,145	7,511	-
Operating transfers out	(1,145)	(7,511)	-
Proceeds from federal grants	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net cash (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>2,540</u>	<u>1,308</u>	<u>1,127</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>18,145</u>	<u>50,706</u>	<u>5,429</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 20,685</u>	<u>\$ 52,014</u>	<u>\$ 6,556</u>
NONCASH TRANSACTIONS:			
Contributions of fixed assets	<u>\$ 1,893</u>	<u>\$ 1,611</u>	<u>\$ 3,647</u>

Solid Waste	Golf Courses	Totals	
		2000	1999
-	-	2,937	5,371
-	-	(2,235)	(6,227)
-	(21)	(31,159)	(53,626)
-	-	(2,334)	(3,799)
-	-	7,898	5,504
-	(21)	(24,893)	(52,777)
-	-	8,656	7,404
-	-	(8,656)	(7,404)
-	-	-	146
-	-	-	146
(29)	(26)	4,920	6,719
8,598	557	83,435	76,716
<u>\$ 8,569</u>	<u>\$ 531</u>	<u>\$ 88,355</u>	<u>\$ 83,435</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,151</u>	<u>\$ 5,537</u>

(continues)

CITY OF STOCKTON

ENTERPRISE FUNDS

COMBINING STATEMENT OF CASH FLOWS (Continued)

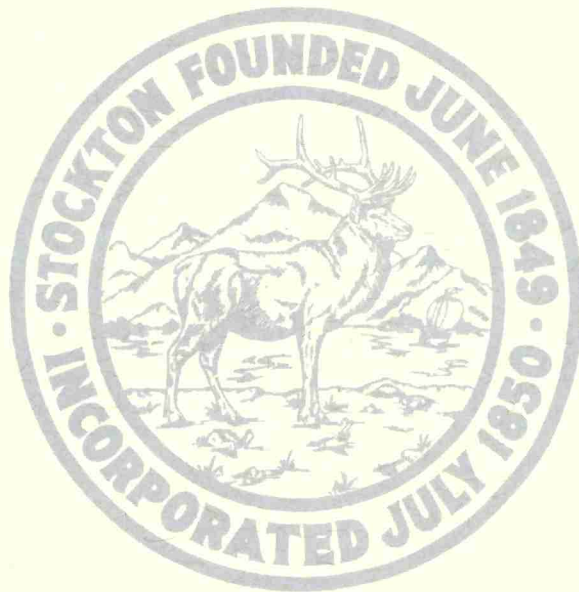
FOR THE YEAR ENDED JUNE 30, 2000

(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	\$20,439	\$51,319	\$ 6,556	\$ 1,512	\$ 531
Cash with fiscal agents	-	209	-	-	-
Restricted cash and investments on balance sheet:					
Cash and temporary investments	-	-	-	7,057	-
Cash and temporary investments with fiscal agents	<u>1,545</u>	<u>19,182</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash and investments	<u>21,984</u>	<u>70,710</u>	<u>6,556</u>	<u>8,569</u>	<u>531</u>
Less investments:					
Cash and temporary investments with fiscal agents	<u>1,299</u>	<u>18,696</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash and cash equivalents	<u>\$20,685</u>	<u>\$52,014</u>	<u>\$ 6,556</u>	<u>\$ 8,569</u>	<u>\$ 531</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.

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 reimbursements basis.

Other Equipment

The fund established to account for financing, operating 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, long-term disability, life insurance and retirements.

CITY OF STOCKTON

INTERNAL SERVICE FUNDS COMBINING BALANCE SHEET

JUNE 30, 2000

(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)

ASSETS	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
CURRENT ASSETS:				
Cash and temporary investments	\$ 3,145	\$ 3,339	\$ 4,367	\$ 1,003
Accounts and other receivables	394	-	-	-
Allowance for uncollectibles	(355)	-	-	-
Prepaid expenses	-	36	-	-
Due from other governments	-	121	-	-
Total current assets	<u>3,184</u>	<u>3,496</u>	<u>4,367</u>	<u>1,003</u>
FIXED ASSETS:				
Improvements other than buildings	129	-	-	-
Machinery and equipment	<u>22,915</u>	<u>10,452</u>	<u>3,680</u>	<u>1,754</u>
Total fixed assets	23,044	10,452	3,680	1,754
Accumulated depreciation	<u>(15,590)</u>	<u>(6,426)</u>	<u>(2,539)</u>	<u>(851)</u>
Net fixed assets	<u>7,454</u>	<u>4,026</u>	<u>1,141</u>	<u>903</u>
DEFERRED CHARGES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 10,638</u>	<u>\$ 7,522</u>	<u>\$ 5,508</u>	<u>\$ 1,906</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Current liabilities:				
Accounts payable	\$ 71	\$ 306	\$ 650	\$ 42
Accrued payroll benefits	-	-	-	-
Due to other governments	-	-	-	-
Long-term debt - current	-	137	-	-
Compensated absences - current	<u>141</u>	<u>99</u>	<u>-</u>	<u>16</u>
Total current liabilities	<u>212</u>	<u>542</u>	<u>650</u>	<u>58</u>
LONG-TERM DEBT (LESS CURRENT PORTION):				
Compensated absences	296	240	-	40
Lease obligation	-	2	-	-
Self-insurance claims and judgments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term debt	<u>296</u>	<u>242</u>	<u>-</u>	<u>40</u>
Total liabilities	<u>508</u>	<u>784</u>	<u>650</u>	<u>98</u>
FUND EQUITY:				
Contributed capital	4,018	5,565	2,225	860
Retained earnings:				
Unreserved	<u>6,112</u>	<u>1,173</u>	<u>2,633</u>	<u>948</u>
Total fund equity	<u>10,130</u>	<u>6,738</u>	<u>4,858</u>	<u>1,808</u>
Total liabilities and fund equity	<u>\$ 10,638</u>	<u>\$ 7,522</u>	<u>\$ 5,508</u>	<u>\$ 1,906</u>

General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				2000	1999
\$ 2,417	\$ 4,467	\$ 1,421	\$ 1,632	\$21,791	\$21,954
98	80	25	2	599	587
-	-	-	-	(355)	(319)
-	-	-	-	36	36
-	-	-	-	121	27
<u>2,515</u>	<u>4,547</u>	<u>1,446</u>	<u>1,634</u>	<u>22,192</u>	<u>22,285</u>
-	-	-	-	129	129
-	-	-	-	<u>38,801</u>	<u>36,055</u>
-	-	-	-	38,930	36,184
-	-	-	-	<u>(25,406)</u>	<u>(23,434)</u>
-	-	-	-	<u>13,524</u>	<u>12,750</u>
-	-	61	-	<u>61</u>	<u>61</u>
<u>\$ 2,515</u>	<u>\$ 4,547</u>	<u>\$ 1,507</u>	<u>\$ 1,634</u>	<u>\$35,777</u>	<u>\$35,096</u>
\$ 9	\$ 26	\$ 415	\$ 81	\$ 1,600	\$ 680
-	-	-	482	482	-
-	-	-	235	235	-
858	3,081	1,706	-	5,782	6,062
5	18	-	-	279	231
<u>872</u>	<u>3,125</u>	<u>2,121</u>	<u>798</u>	<u>8,378</u>	<u>6,973</u>
5	14	-	-	595	499
-	-	-	-	2	139
<u>1,908</u>	<u>13,918</u>	-	-	<u>15,826</u>	<u>11,444</u>
<u>1,913</u>	<u>13,932</u>	-	-	<u>16,423</u>	<u>12,082</u>
<u>2,785</u>	<u>17,057</u>	<u>2,121</u>	<u>798</u>	<u>24,801</u>	<u>19,055</u>
-	-	-	-	12,668	12,186
<u>(270)</u>	<u>(12,510)</u>	<u>(614)</u>	<u>836</u>	<u>(1,692)</u>	<u>3,855</u>
<u>(270)</u>	<u>(12,510)</u>	<u>(614)</u>	<u>836</u>	<u>10,976</u>	<u>16,041</u>
<u>\$ 2,515</u>	<u>\$ 4,547</u>	<u>\$ 1,507</u>	<u>\$ 1,634</u>	<u>\$35,777</u>	<u>\$35,096</u>

CITY OF STOCKTON

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
OPERATING REVENUES:				
Intergovernmental	\$ -	\$ 158	\$ -	\$ -
Charges for services	5,807	5,021	857	1,196
Total operating revenues	5,807	5,179	857	1,196
OPERATING EXPENSES:				
Operation and maintenance	2,894	3,519	926	935
General and administration	1,591	-	-	-
Depreciation	2,346	1,221	306	172
Total operating expenses	6,831	4,740	1,232	1,107
OPERATING INCOME (LOSS)	(1,024)	439	(375)	89
NONOPERATING REVENUES (EXPENSES):				
Federal grants and subsidies	-	1,467	-	-
Investment Income:				
Interest Income	-	-	-	-
Net increase (decrease) in fair value of investments	-	-	-	-
Gain (loss) from disposal of property	46	(24)	(17)	1
Interest expense and fiscal charges	-	(19)	-	-
Other nonoperating revenues	-	-	-	-
Total nonoperating revenues (expenses)	46	1,424	(17)	1
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(978)	1,863	(392)	90
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
NET INCOME (LOSS)	(978)	1,863	(392)	90
FUND EQUITY, BEGINNING OF YEAR	11,004	4,560	5,220	1,685
Residual equity transfers in	104	283	30	33
Residual equity transfers out	-	-	-	-
Increase (decrease) in contributed capital	-	32	-	-
FUND EQUITY, END OF YEAR	\$ 10,130	\$ 6,738	\$ 4,858	\$ 1,808

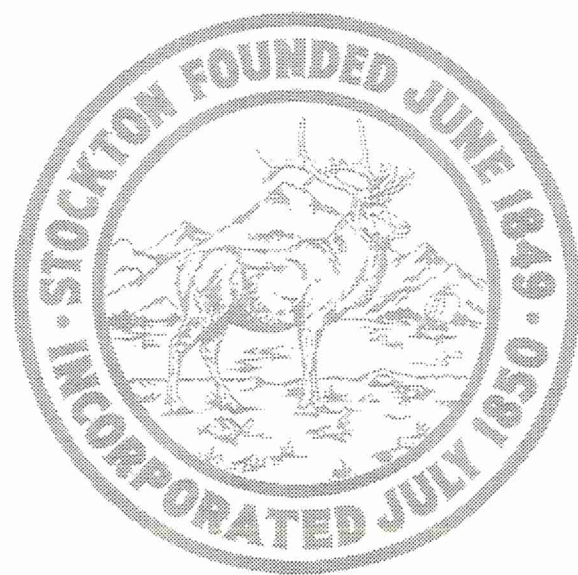
General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				2000	1999
\$ - <u>1,765</u>	\$ - <u>5,054</u>	\$ - <u>11,414</u>	\$ - <u>1,651</u>	\$ 158 <u>32,765</u>	\$ - <u>28,108</u>
<u>1,765</u>	<u>5,054</u>	<u>11,414</u>	<u>1,651</u>	<u>32,923</u>	<u>28,108</u>
1,447 816 <u>-</u>	9,847 992 <u>-</u>	12,199 206 <u>-</u>	1,205 <u>-</u>	32,972 3,605 <u>4,045</u>	26,697 3,581 <u>3,459</u>
<u>2,263</u>	<u>10,839</u>	<u>12,405</u>	<u>1,205</u>	<u>40,622</u>	<u>33,737</u>
<u>(498)</u>	<u>(5,785)</u>	<u>(991)</u>	<u>446</u>	<u>(7,699)</u>	<u>(5,629)</u>
-	-	-	-	1,467	102
146 (28) <u>-</u>	243 (43) <u>-</u>	104 (19) <u>-</u>	7 (1) <u>-</u>	500 (91) 6	609 (133) 13
- <u>-</u>	- <u>-</u>	- <u>289</u>	- <u>-</u>	(19) <u>289</u>	(23) <u>1,026</u>
<u>118</u>	<u>200</u>	<u>374</u>	<u>6</u>	<u>2,152</u>	<u>1,594</u>
(380)	(5,585)	(617)	452	(5,547)	(4,035)
- <u>-</u>	- <u>-</u>	- <u>-</u>	- <u>-</u>	- <u>-</u>	636 <u>(753)</u>
<u>(380)</u>	<u>(5,585)</u>	<u>(617)</u>	<u>452</u>	<u>(5,547)</u>	<u>(4,152)</u>
110 <u>-</u>	(6,925) <u>-</u>	3 <u>-</u>	384 <u>-</u>	16,041 450	19,584 497
- <u>-</u>	- <u>-</u>	- <u>-</u>	- <u>-</u>	- <u>32</u>	- <u>112</u>
<u>\$ (270)</u>	<u>\$ (12,510)</u>	<u>\$ (614)</u>	<u>\$ 836</u>	<u>\$10,976</u>	<u>\$16,041</u>

CITY OF STOCKTON

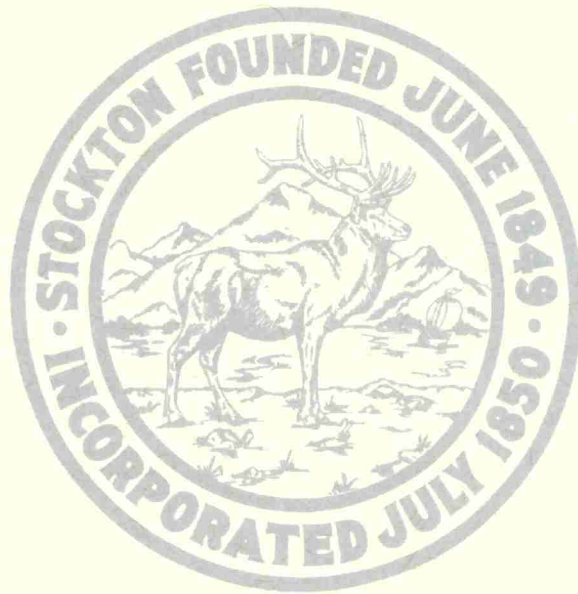
INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	Central Garage	Computer Equipment	Radio Equipment	Other Equipment
CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating income	\$ (1,024)	\$ 439	\$ (375)	\$ 89
Noncash adjustments to operating income:				
Depreciation	2,346	1,221	306	172
Provision for uncollectible accounts	36	-	-	-
Self-insurance	-	-	-	-
Changes in assets and liabilities:				
Accounts receivable	(21)	2	-	-
Due from other governments	-	(94)	-	-
Prepays	-	-	-	-
Accounts payable	3	164	638	(9)
Accrued payroll benefits	-	-	-	-
Compensated absences	58	84	-	2
Deferred revenue	-	-	-	-
Net cash provided (used) by operating activities	<u>1,398</u>	<u>1,816</u>	<u>569</u>	<u>254</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	60	-	-	1
Repayment of debt	-	(178)	-	-
Purchases of property and equipment	(1,608)	(2,447)	(290)	(496)
Interest expense on capital debt	-	(19)	-	-
Capital contributions	-	(328)	-	-
Residual equity transfer in	105	611	31	33
Net cash used by capital and related financing activities	<u>(1,443)</u>	<u>(2,361)</u>	<u>(259)</u>	<u>(462)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Other nonoperating revenues	-	-	-	-
Proceeds from federal grants	-	1,467	-	-
Net cash provided by noncapital financing activities	<u>-</u>	<u>1,467</u>	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH CASH EQUIVALENTS	(45)	922	310	(208)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,190</u>	<u>2,417</u>	<u>4,057</u>	<u>1,211</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,145</u>	<u>\$ 3,339</u>	<u>\$ 4,367</u>	<u>\$ 1,003</u>
NONCASH TRANSACTIONS:				
Contribution of fixed assets	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ -</u>	<u>\$ -</u>

General Insurance	Workers' Compensation Insurance	Health Benefits Insurance	Other Insurance	Totals	
				2000	1999
\$ (498)	\$ (5,785)	\$ (991)	\$ 446	\$ (7,699)	\$ (5,629)
-	-	-	-	4,045	3,459
-	-	-	-	36	50
(952)	5,141	(46)	-	4,143	971
9	(3)	3	(2)	(12)	51
-	-	-	235	141	(23)
-	-	-	-	-	-
(37)	7	139	11	916	(1,220)
-	-	-	482	482	-
(2)	3	-	-	145	24
-	-	-	-	-	239
<u>(1,480)</u>	<u>(637)</u>	<u>(895)</u>	<u>1,172</u>	<u>2,197</u>	<u>(2,078)</u>
<u>118</u>	<u>200</u>	<u>85</u>	<u>6</u>	<u>409</u>	<u>476</u>
<u>118</u>	<u>200</u>	<u>85</u>	<u>6</u>	<u>409</u>	<u>476</u>
-	-	-	-	61	129
-	-	-	-	(178)	(209)
-	-	-	-	(4,841)	(3,779)
-	-	-	-	(19)	(23)
-	-	-	-	(328)	-
-	-	-	-	780	497
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,525)</u>	<u>(3,385)</u>
-	-	-	-	-	636
-	-	-	-	-	(753)
-	-	289	-	289	1,128
-	-	-	-	1,467	-
<u>-</u>	<u>-</u>	<u>289</u>	<u>-</u>	<u>1,756</u>	<u>1,011</u>
(1,362)	(437)	(521)	1,178	(163)	(3,976)
<u>3,779</u>	<u>4,904</u>	<u>1,942</u>	<u>454</u>	<u>21,954</u>	<u>25,930</u>
<u>\$ 2,417</u>	<u>\$ 4,467</u>	<u>\$ 1,421</u>	<u>\$ 1,632</u>	<u>\$ 21,791</u>	<u>\$ 21,954</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 112</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 earning 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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	Nonexpendable Trust Fund Miscellaneous	Expendable Trust Fund Miscellaneous	Agency Funds	
			Holiday Park	City As Agent
ASSETS				
ASSETS:				
Cash and temporary investments	\$ 140	\$ 645	\$ 10	\$ 7,423
Accounts and other receivables	-	10	-	208
Due from other governments	-	-	-	7
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7</u>
Total assets	<u>\$ 140</u>	<u>\$ 655</u>	<u>\$ 10</u>	<u>\$ 7,638</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
Accounts payable	\$ -	\$ 56	\$ -	\$ 41
Due to other governments	-	-	-	2,258
Deposits and other liabilities	-	-	10	5,339
	<u>-</u>	<u>-</u>	<u>10</u>	<u>5,339</u>
Total liabilities	<u>-</u>	<u>56</u>	<u>10</u>	<u>7,638</u>
FUNDS BALANCES:				
Reserved:				
Encumbrances	-	11	-	-
Other items	140	588	-	-
	<u>140</u>	<u>588</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>140</u>	<u>599</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 140</u>	<u>\$ 655</u>	<u>\$ 10</u>	<u>\$ 7,638</u>

Totals	
2000	1999

\$8,218	\$6,829
218	295
7	-

<u>\$8,443</u>	<u>\$7,124</u>
----------------	----------------

\$ 97	\$ 142
2,258	1,597
5,349	4,715
<u>7,704</u>	<u>6,454</u>

11	5
728	665

<u>739</u>	<u>670</u>
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<u>\$8,443</u>	<u>\$7,124</u>
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CITY OF STOCKTON

**MISCELLANEOUS NONEXPENDABLE TRUST FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2000
(With comparative totals for June 30, 1999)
(Dollar amounts in thousands)**

	2000	1999
NONOPERATING REVENUES:		
Investment income:		
Interest income	\$ 4	\$ 4
Net increase (decrease) in fair value of investments	<u>1</u>	<u>(5)</u>
NONOPERATING INCOME	<u>5</u>	<u>(1)</u>
NET INCOME	<u>5</u>	<u>(1)</u>
FUND BALANCE, BEGINNING OF YEAR	<u>135</u>	<u>136</u>
FUND BALANCE, END OF YEAR	<u>\$ 140</u>	<u>\$ 135</u>

CITY OF STOCKTON

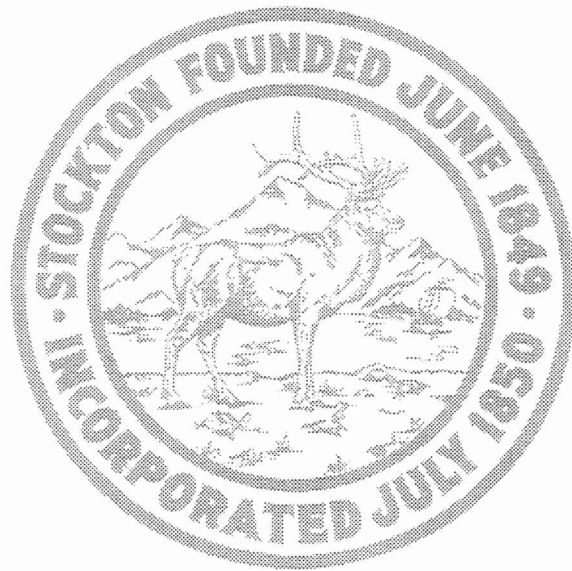
MISCELLANEOUS NONEXPENDABLE TRUST FUND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	2000	1999
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	\$ 5	\$ (1)
Net cash (used) provided by investing activities	5	(1)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5	(1)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	135	136
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 140</u>	<u>\$ 135</u>

CITY OF STOCKTON

MISCELLANEOUS EXPENDABLE TRUST FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2000 (With comparative totals for June 30, 1999) (Dollar amounts in thousands)

	2000	1999
REVENUES:		
Investment income:		
Interest income	\$ 25	\$ 23
Net increase in fair value of investments	(5)	(6)
Miscellaneous	<u>613</u>	<u>544</u>
Total revenues	<u>633</u>	<u>561</u>
EXPENDITURES:		
Current:		
General government	57	128
Public safety	62	26
Library	229	256
Parks and recreation	192	189
Capital Outlay:		
Parks and recreation	<u>-</u>	<u>-</u>
Total expenditures	<u>540</u>	<u>599</u>
EXCESS (DEFICIT) OF REVENUES OVER (UNDER) EXPENDITURES	<u>93</u>	<u>(38)</u>
FUND BALANCE, BEGINNING OF YEAR	535	573
RESIDUAL EQUITY TRANSFERS OUT	<u>(29)</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 599</u>	<u>\$ 535</u>



CITY OF STOCKTON

AGENCY FUNDS

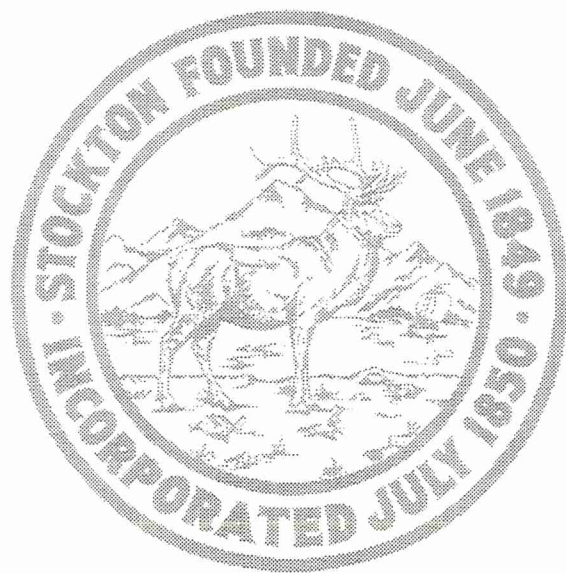
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2000

(Dollar amounts in thousands)

	Holiday Park		
	Balance 7/1/99	Additions	Deductions
ASSETS			
Cash and temporary investments	\$ 13	\$ 46	\$ 49
Receivables:			
Taxes and special assessments	-	47	47
Accounts and other	-	-	-
Total assets	<u>\$ 13</u>	<u>\$ 93</u>	<u>\$ 96</u>
			<u>\$ 10</u>
LIABILITIES			
Accounts payable	\$ -	\$ 52	\$ 52
Due to other governments	-	-	-
Deposits and other liabilities	13	47	50
Total liabilities	<u>\$ 13</u>	<u>\$ 99</u>	<u>\$ 102</u>
			<u>\$ 10</u>

City as Agent				Total Agency Funds			
Balance 7/1/99	Additions	Deductions	Balance 6/30/2000	Balance 7/1/99	Additions	Deductions	Balance 6/30/00
\$ 6,074	\$ 7,560	\$ 6,211	\$ 7,423	\$ 6,087	\$ 7,606	\$ 6,260	\$ 7,433
- 286	- 191	- 262	- 215	- 286	47 191	47 262	- 215
<u>\$ 6,360</u>	<u>\$ 7,751</u>	<u>\$ 6,473</u>	<u>\$ 7,638</u>	<u>\$ 6,373</u>	<u>\$ 7,844</u>	<u>\$ 6,569</u>	<u>\$ 7,648</u>
 \$ 61	 \$ 4,158	 \$ 4,179	 \$ 40	 \$ 61	 \$ 4,210	 \$ 4,231	 \$ 40
1,597	5,057	4,397	2,257	1,597	5,057	4,397	2,257
4,702	1,816	1,177	5,341	4,715	1,863	1,227	5,351
<u>\$ 6,360</u>	<u>\$ 11,031</u>	<u>\$ 9,753</u>	<u>\$ 7,638</u>	<u>\$ 6,373</u>	<u>\$ 11,130</u>	<u>\$ 9,855</u>	<u>\$ 7,648</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, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	2000	1999
GENERAL FIXED ASSETS:		
Land	\$ 13,890	\$ 12,836
Buildings and improvements	48,357	47,764
Equipment	1,693	1,728
Construction in progress	<u>19,577</u>	<u>5,521</u>
Total	<u>\$ 83,517</u>	<u>\$ 67,849</u>
INVESTMENT IN GENERAL FIXED ASSETS:		
From governmental fund types	\$ 82,913	\$ 67,245
From other sources	<u>604</u>	<u>604</u>
Total	<u>\$ 83,517</u>	<u>\$ 67,849</u>

CITY OF STOCKTON

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION FOR THE YEAR ENDED JUNE 30, 2000 (Dollar amounts in thousands)

	Balance 7/1/1999	Additions	Deletions	Transfers & Adjustments	Balance 6/30/2000
General government	\$ 4,182	\$ -	\$ 19	\$ 9	\$ 4,172
Public safety	12,378	486	57	(12)	12,795
Public works	2,391	-	17	(21)	2,353
Library	8,096	-	17	(21)	8,058
Parks and recreation	31,887	1,236	1	7	33,129
Other property	3,394	1	-	38	3,433
Construction in progress	<u>5,521</u>	<u>14,571</u>	<u>515</u>	<u>-</u>	<u>19,577</u>
Total	<u>\$ 67,849</u>	<u>\$ 16,294</u>	<u>\$ 626</u>	<u>\$ -</u>	<u>\$ 83,517</u>

CITY OF STOCKTON

SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION

JUNE 30, 2000

(Dollar amounts in thousands)

	Land	Buildings & Improvements	Equipment	Total
General government	\$ 357	\$ 3,699	\$ 116	\$ 4,172
Public safety	1,355	10,480	960	12,795
Public works	66	2,097	190	2,353
Library	1,122	6,873	63	8,058
Parks and recreation	7,958	24,917	254	33,129
Other property	3,032	291	110	3,433
Construction in progress	<u>-</u>	<u>19,577</u>	<u>-</u>	<u>19,577</u>
Total	<u>\$ 13,890</u>	<u>\$ 67,934</u>	<u>\$ 1,693</u>	<u>\$ 83,517</u>

CITY OF STOCKTON

STATEMENT OF GENERAL LONG-TERM DEBT

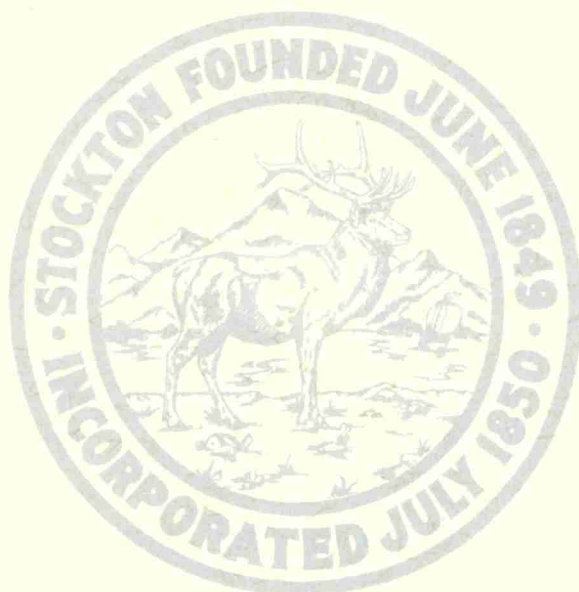
JUNE 30, 2000

(With comparative totals for June 30, 1999)

(Dollar amounts in thousands)

	2000	1999
AMOUNTS AVAILABLE IN DEBT SERVICE FUNDS FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	\$ 10,196	\$ 10,088
Mello-Roos Special Tax Bonds	13,764	13,260
Revenue Bonds	3,144	3,012
Certificates of Participation	1,054	-
AMOUNTS TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	9,361	23,056
Mello-Roos Special Tax Bonds	14,501	13,590
Revenue Bonds	112,001	103,930
Certificates of Participation	13,806	-
Compensated Absences	18,121	17,137
Payable from Other Special Revenue Fund	71	71
Payable from Redevelopment Agency	23,702	23,855
Payable from Public Facilities Impact Fees Fund	12,288	12,508
Total	<u>\$ 232,009</u>	<u>\$ 220,507</u>
GENERAL LONG-TERM DEBT:		
1915 Act Special Assessment Bonds	\$ 19,557	\$ 33,145
Mello-Roos Special Tax Bonds	28,265	26,850
Revenue Bonds	115,145	106,941
Certificates of Participation	14,860	-
Compensated Absences	18,121	17,137
Advance payable to General Fund	368	470
Advance payable to Urban Development Actions Grant Fund	4,686	4,686
Advance payable to Community Development Block Grant Fund	10,304	10,324
Advance payable to Community Development Loan Fund	564	563
Advance payable to Public Facilities Impact Fees Fund	8,947	8,948
Advance payable to Capital Improvement Fund	9,362	9,613
Advance payable to Redevelopment Agency	1,830	1,830
Total	<u>\$ 232,009</u>	<u>\$ 220,507</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)
1991	\$ 9,135	\$ 54,855	\$ 9,137	\$ 7,489	\$ 7,671	\$ 50,788	\$ 14,694	\$ 153,769 153,769
1992	10,168	59,649	10,442	8,272	8,076	43,578	17,051	157,236 152,471
1993	9,841	61,037	8,721	7,978	8,054	27,087	17,407	140,125 131,973
1994	9,806	63,283	9,393	7,225	8,048	25,554	34,280	157,589 146,416
1995	10,356	67,433	9,359	7,015	8,148	23,970	18,569	144,850 131,387
1996	11,131	69,566	10,912	6,908	7,932	20,098	17,636	144,183 127,832
1997	11,038	77,107	11,264	7,526	8,300	37,214	18,470	170,919 146,990
1998	11,037	79,432	11,152	7,619	8,905	29,315	16,439	163,899 136,269
1999	11,370	80,296	10,059	8,187	9,449	32,199	15,791	167,351 134,037
2000	13,128	85,400	12,183	8,571	10,461	49,950	15,051	194,744 149,619

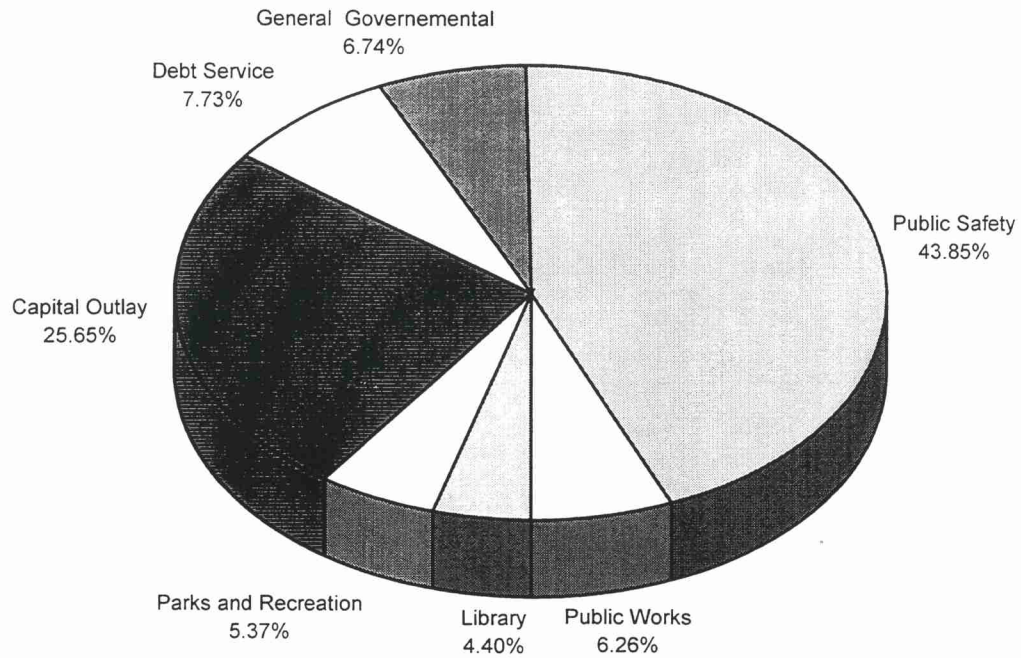
General Governmental Expenditures includes General, Special Revenue, Capital Projects, Debt Service Funds; excludes Expendable Trust

- (1) Italicized numbers represent "constant dollars" based on the annual average (June to July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1991 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Labor Statistics.

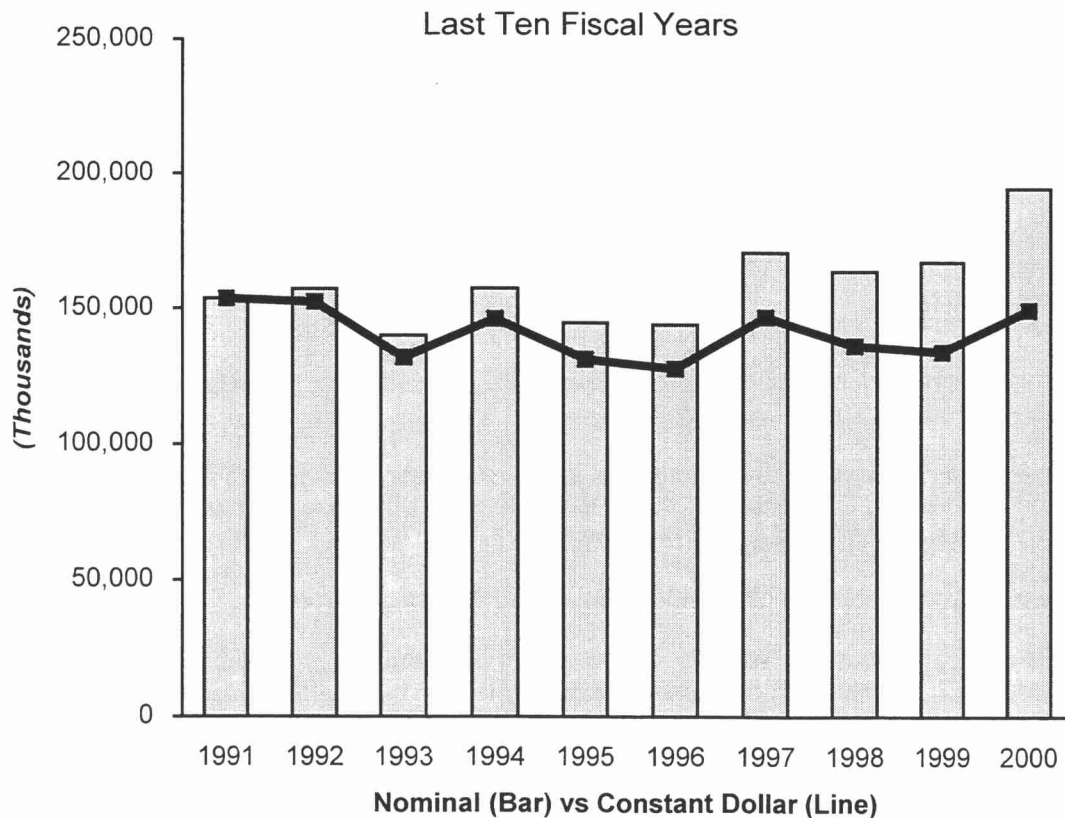
Source: City of Stockton Administrative Services Department

General Governmental Expenditures

By Function
(in Thousands)



Total Expenditures = \$194,744



CITY OF STOCKTON

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

Fiscal Year	Taxes	Licenses & Permits	Federal Grants & Subsidies	Inter-governmental	Charges for Services	Fines & Forfeitures	Use of Money & Property	Investment Income (1)	Refunds & Reimbursements (2)	Misc .	Totals (3)
1991	\$70,437	\$ 2,594	\$ 3,992	\$ 18,625	\$ 14,375	\$ 821	\$ 10,007	\$ -	\$ -	\$ 2,667	\$ 123,518 123,518
1992	76,883	2,198	4,565	16,660	11,144	786	8,030	-	5,031	1,773	127,070 123,219
1993	84,557	2,216	4,428	16,770	12,799	733	5,980	-	6,514	4,424	138,421 130,368
1994	89,530	2,217	3,301	16,557	14,033	632	4,673	-	2,065	4,060	137,068 127,350
1995	90,481	2,127	6,583	16,898	13,482	575	5,656	-	1,783	3,874	141,459 128,311
1996	89,402	2,281	9,943	17,977	16,051	612	6,809	-	6,611	5,017	154,703 137,159
1997	91,381	2,064	12,996	18,657	16,789	545	1,373	5,861	5,717	4,221	159,604 137,259
1998	93,902	2,337	13,269	26,275	19,051	511	2,170	5,596	988	5,226	169,325 140,780
1999	97,719	2,507	11,838	24,804	20,665	899	1,701	4,501	7,098	5,870	177,602 142,247
2000	103,000	3,333	8,535	38,588	26,044	1,115	1,467	5,494	1,250	6,908	195,734 150,905

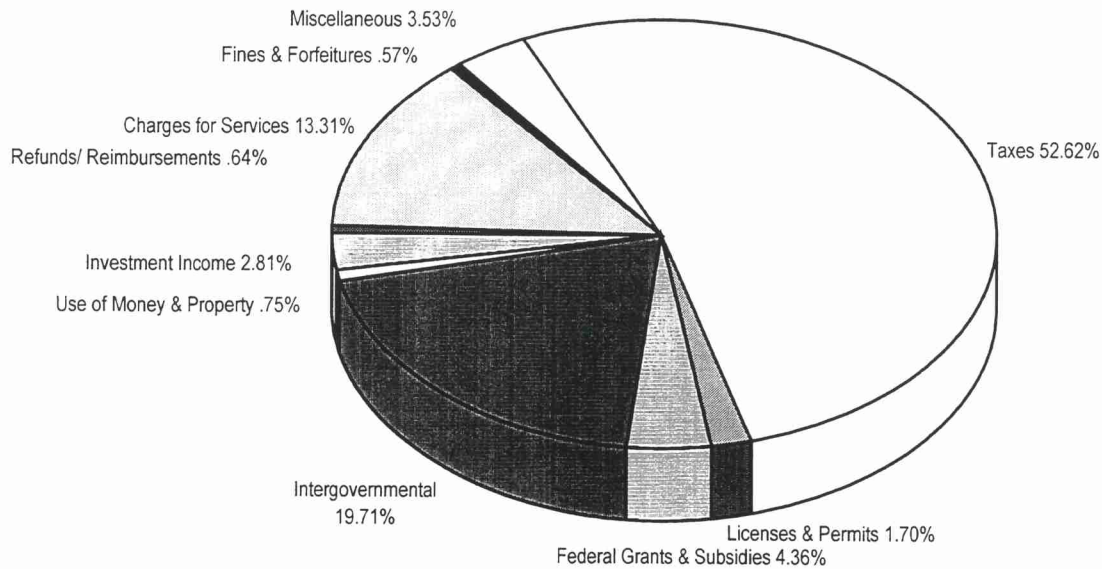
General Governmental Revenues include General, Special Revenue, Capital Projects, and Debt Service Funds; excludes Expendable Trust

- (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 revenue.
- (3) Italicized numbers represent "constant dollars" based on annual average (June to July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1991 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Labor Statistics.

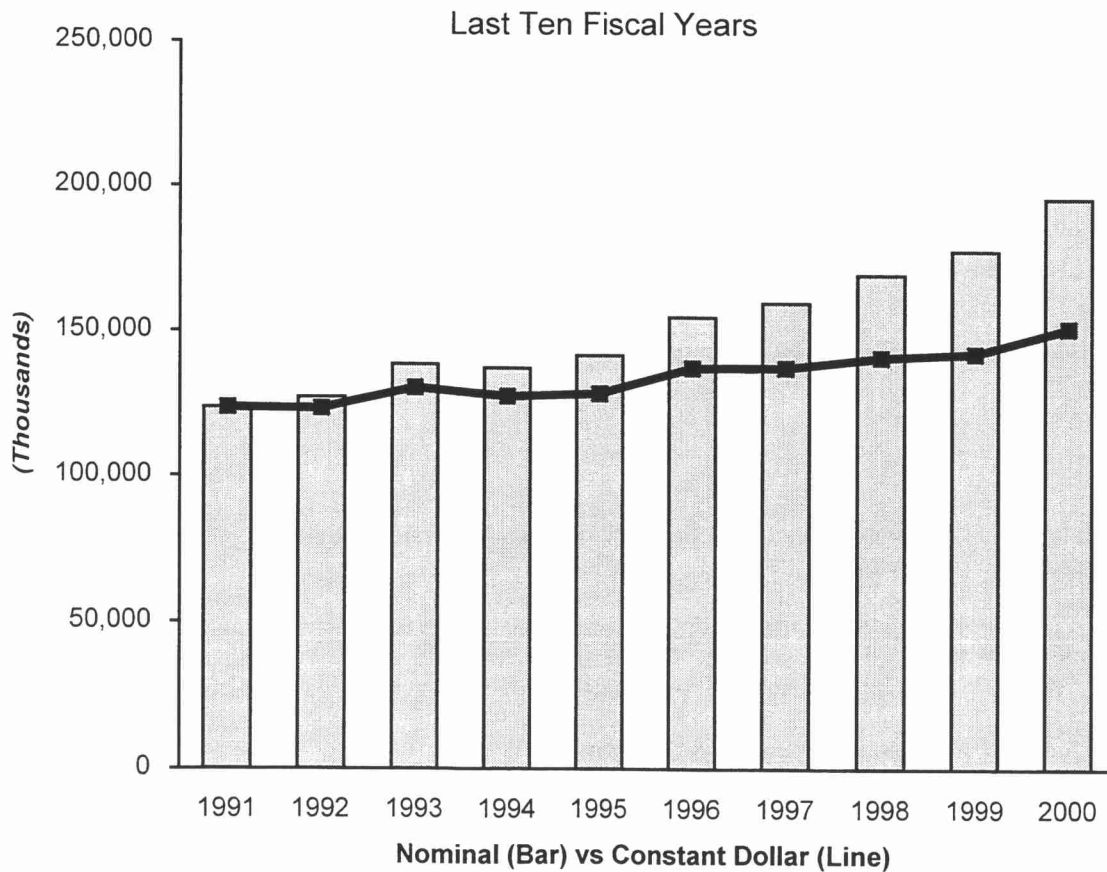
Source: City of Stockton Administrative Services Department

General Governmental Revenues

By Source
(in Thousands)



Total Governmental Revenues = \$195,734



CITY OF STOCKTON

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

Fiscal Year	OTHER										Total (1)
	Property	Sales & Use	Utility	Franchise	Business License	Transient Occupancy	Document Transfer	Special Assmts.	Transit	Misc.	
1991	\$16,853	\$20,689	\$14,531	\$ 2,981	\$ 4,520	\$ 1,274	\$ 381	\$ 9,102	\$ 83	\$ 23	\$ 70,437 \$ 70,437
1992	18,231	20,528	16,731	3,097	4,733	1,149	1,092	11,220	87	15	76,883 74,553
1993	17,703	21,017	18,719	3,414	4,990	1,107	1,266	16,237	83	21	84,557 79,638
1994	18,841	22,416	20,466	3,203	4,820	1,044	1,469	17,253	-	18	89,530 83,183
1995	15,684	22,984	21,706	3,935	4,927	1,121	1,395	18,470	176	83	90,481 82,071
1996	16,207	23,710	21,141	3,350	4,964	1,106	1,230	17,439	-	255	89,402 79,264
1997	15,820	23,983	22,271	3,951	5,459	1,136	1,391	17,160	192	18	91,381 78,588
1998	16,270	25,290	22,994	4,056	5,244	1,280	1,689	16,945	114	20	93,902 78,072
1999	16,747	27,265	24,160	4,630	5,714	1,385	1,095	16,591	111	21	97,719 78,266
2000	17,584	31,722	25,468	4,222	6,133	1,559	478	15,680	134	20	103,000 79,133

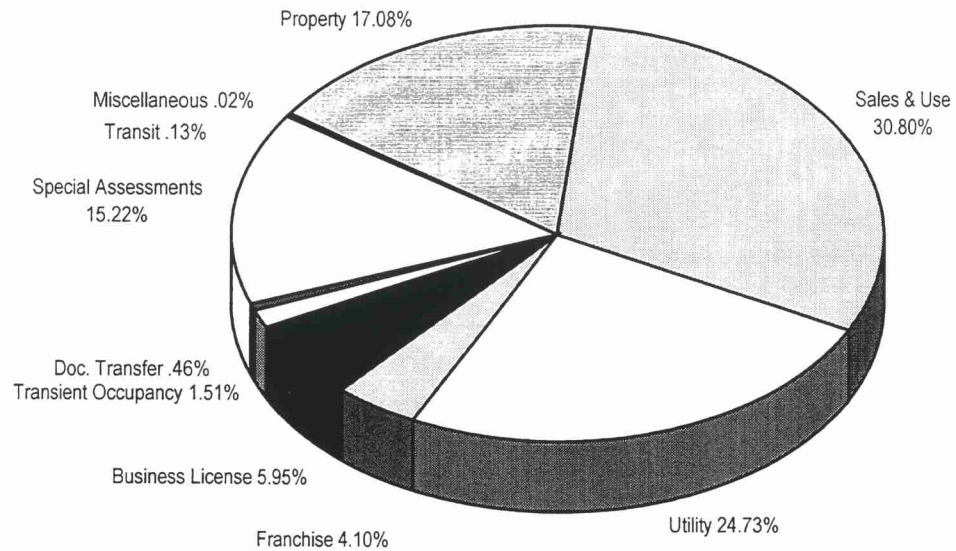
General Governmental Tax Revenues includes General, Special Revenue, Capital Projects, and Debt Service Funds; excludes Expendable Trust

- (1) Italicized numbers represent "constant dollars" based on the annual average (June – July) Consumer Price Index (CPI) for all urban consumers utilizing June, 1991 as the base period (100%). Data provided by the United States Department of Labor, Bureau of Labor Statistics.

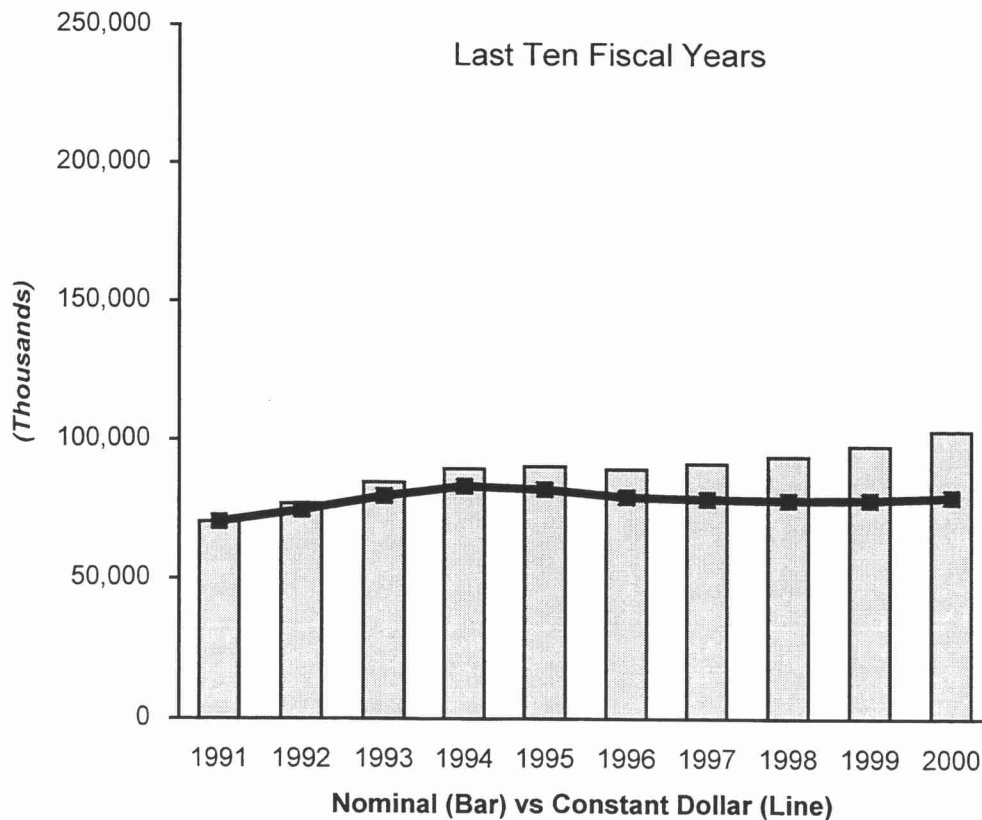
Source: City of Stockton Administrative Services Department

General Governmental Tax Revenues

By Source
(in Thousands)



Total Governmental Tax Revenues = \$103,000



CITY OF STOCKTON

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

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected (1)	Delinquent Tax Collections	Total Tax Collections	Percent of Total Collections to Tax Levy
1991	\$ 13,591	\$ 12,911	95.00 %	\$ 742	\$ 13,653	100.40 %
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
2000	15,164	15,164	100.00	-	15,164	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)

Fiscal Year	Secured Roll	Mineral	Utility Roll	Unsecured Roll	Gross Assessed Value	Less Exemptions (1)	Net Assessed Value
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
2000	8,719,177	0	15,364	799,923	9,534,464	902,370	8,631,886

Fiscal Year	Land	Improvements	Personal Property	Gross Assessed Value	Less Exemptions (1)	Net Assessed Value
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
2000	2,439,069	6,384,457	713,937	9,534,464	902,370	8,631,886

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

(1) Exemptions are: homeowners (\$232,977) and other (\$669,393)

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
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
2000	1.0000	0.0000	0.0003	0.0034	1.0037

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, 1999/00

CITY OF STOCKTON

TABLE 6
PRINCIPAL SECURED PROPERTY TAXPAYERS
June 30, 2000
(Dollar amounts in thousands)

Taxpayer	Nature of Business	2000 Assessed Valuation	Percentage of Total Assessed Valuation
Corn Products, Inc.	Food Processing	\$ 86,039	1.099 %
Diamond Walnut Growers, Inc.	Food Processing	49,843	0.636
Washington Mutual Bank	Office Building	26,896	0.343
TRU Properties	Warehouse	24,664	0.315
Cargill Inc.	Flour Mill	23,609	0.301
Newark Group	Paper Co.	23,025	0.294
American Honda	Warehouse	19,438	0.248
Iris U S A	Light Industrial	17,545	0.224
Sumiden Wire Products	Warehouse	17,485	0.223
Campbell Soup	Food Processing	16,990	0.217
Principal Secured Property Valuation		305,534	3.900
Other Secured Taxpayers		<u>7,526,242</u>	<u>96.10</u>
Total Secured Property Valuation- Net of Exemptions (1)		<u>\$7,831,776</u>	<u>100.000</u> %

(1) Exemptions relative to the secured tax roll are: homeowners (\$232,977) and others (\$669,393)

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)

Fiscal Year	Current Assessments Due	Current Assessments Collected	Total Collection As Percentage of Current Assessments Due	Total Outstanding Current and Delinquent Assessments
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
2000	16,431	16,318	99.00	887

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

Source: City of Stockton Administrative Services Department

CITY OF STOCKTON

TABLE 8
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2000
(Dollar amounts in thousands)

Total Assessed Valuation (less other exemptions)	\$8,865,071
Less: Redevelopment Tax Increments	<u>141,537</u>
Basis of Levy	<u>\$8,723,534</u>
Debt Limit - 15 Percent of Assessed Valuation (1)	\$1,329,761
Amount of Debt Applicable to Debt Limit	<u>0</u>
Legal Debt Margin	<u>\$1,329,761</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
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
2000	247,300	9,534,464	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 Administrative Services 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)

Fiscal Year	Principal	Interest	Total Debt Service (1)	Total General Governmental Expenditures	Ratio of Debt Service to General Governmental Expenditures
1991	\$ 120	\$ 19	\$ 139	\$ 153,769	0.090 %
1992	125	14	139	157,236	0.088
1993	130	9	139	140,125	0.099
1994	135	3	138	157,589	0.087
1995	0	0	0	144,850	N/A
1996	0	0	0	144,183	N/A
1997	0	0	0	170,919	N/A
1998	0	0	0	163,899	N/A
1999	0	0	0	167,351	N/A
2000	0	0	0	194,744	N/A

(1) Excludes debt service expenditures for general obligation bonds for City Enterprise Fund (Sanitary Wastewater Utility Fund) maturing during the 1990/1991 fiscal year.

Source: City of Stockton Administrative Services Department

CITY OF STOCKTON

TABLE 11
DIRECT AND OVERLAPPING BONDED DEBT (1)
June 30, 2000

<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	86.061 %	\$	15,000,432
Manteca Unified School District Community Facilities District #89-1	100.000		11,460,000
Stockton Wastewater Service Facilities District	100.000		410,000
City of Stockton Parking District	100.000		7,560,000
City of Stockton Community Facilities District #1	100.000		36,615,000
City of Stockton Community Facilities District #90-1	100.000		13,828,636
City of Stockton Community Facilities District #90-2	97.282		36,745,000
City of Stockton Community Facilities District #90-4	100.000		16,151,344
City of Stockton Community Facilities District #96-1	100.000		5,060,000
City of Stockton Community Facilities District #99-02	100.000		2,085,000
City of Stockton 1915 Act Bonds	100.000		49,685,000
Reclamation District #2042 Community Facilities District #89-1	40.657		3,327,775
San Joaquin Area Flood Control Assessment District	84.019		41,559,998
TOTAL OVERLAPPING TAX ASSESSEMENT DEBT		\$	239,488,185
 <u>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT</u>			
San Joaquin County Certificates of Participation	34.553	\$	61,855,053
San Joaquin Delta Community College District Certificates of Participation	31.817		2,310,329
Lincoln Unified School District Certificates of Participation	86.061		3,382,197
Lodi Unified School District Certificates of Participation	21.411		1,979,447
Stockton Unified School District Certificates of Participation	84.267		13,739,447
City of Stockton Certificates of Participation	100.000		30,905,000
South San Joaquin Irrigation District Certificates of Participation	0.154		14,114
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT		\$	114,185,874
Less: South San Joaquin Irrigation District (100% self supporting)			(14,114)
City of Stockton Certificates of Participation (100% self supporting)			(16,045,000)
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION		\$	98,126,760
Total Gross Debt		\$	\$353,674,059 (1)
Total Net Debt		\$	\$337,614,945
1999-00 Assessed Valuation:	\$ 8,723,533,318		
(after deducting \$141,537,286 redevelopment incremental valuation and other exemptions of \$669,393,170)			
1999-00 Population	247,300		

		Per Capita	Ratio to Assessed Value
Debt Ratios			
Total Gross Debt	\$ 353,674,059	\$ 1,430	4.05 %
Total Net Debt	\$ 337,614,945	\$ 1,365	3.87 %
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**

Fiscal Year	Square Miles	Population	Population Percent Change	County	City Population Percent of County	Rank in Size of California City
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
2000	56.49	247,300	1.477	566,600	43.646	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
SJ Council of Governments

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
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	4,729,720	46.501
2000	7,397	17.023	406,693	46.472	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, 2000

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	672.4
Miles of Storm Sewers	497
Miles of Sanitary Sewers	1,151
Miles of Water Lines	606
Traffic Signals	224

LIBRARIES

Central Library	1
Branches	3
Library Mobile Units	1
S.J. County Branches	6
Total Volumes Held	1,752,786

BUSINESS TAX CERTIFICATES

Retail Sales & Service	8,182
Wholesalers	334
Manufacturers & Processors	157
Professions	2,212
Misc. Contractors, Peddlers	
Delivery Vehicles, etc.	4,334

DEMOGRAPHIC

Number of Households	81,621
Median Family Income	45,400

POLICE PROTECTION

Personnel:

Sworn	389
Non-Sworn	185
Animal Control	12
Reserve/Volunteer	-
Police Officers	24
Other Volunteers (VIPS)	64

Facilities:

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

Vehicles:

Automobiles	230
Motorcycles	21
Animal Control Vehicles	8
VIPS Vehicles	9
Other Mobile Units	59

FIRE PROTECTION

Firefighters- Sworn	229
Firefighters- Auxillary	30
Non-Sworn Personnel	28
Paramedic Teams (2/Team)	7
Fire Stations	12
Training Facilities	1
Fire Insurance Class	1
Fire Hydrants	6,824

EMPLOYEES- ALL DEPARTMENTS

Full Time-Civil Service	1,539
Full Time- Noncompetitive	76
Part Time- Exempt	1,004
Total	2,619

HOSPITALS

Acute Care Facilities	2
Patient Beds	486

PUBLIC EDUCATION FACILITIES

Elementary Schools	43
Enrollment	28,886
K-8 Schools	15
Enrollment	12,779
Secondary Schools	10
Enrollment	7,774
High Schools	8
Enrollment	13,627
Alternative Education	8
Enrollment	885
Regional Occupational Center	8
Enrollment	350

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- (2,800 capacity)	1
Senior Citizens Centers	3
Ice Rinks	1
Community Centers	6
Swimming Pools	4
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

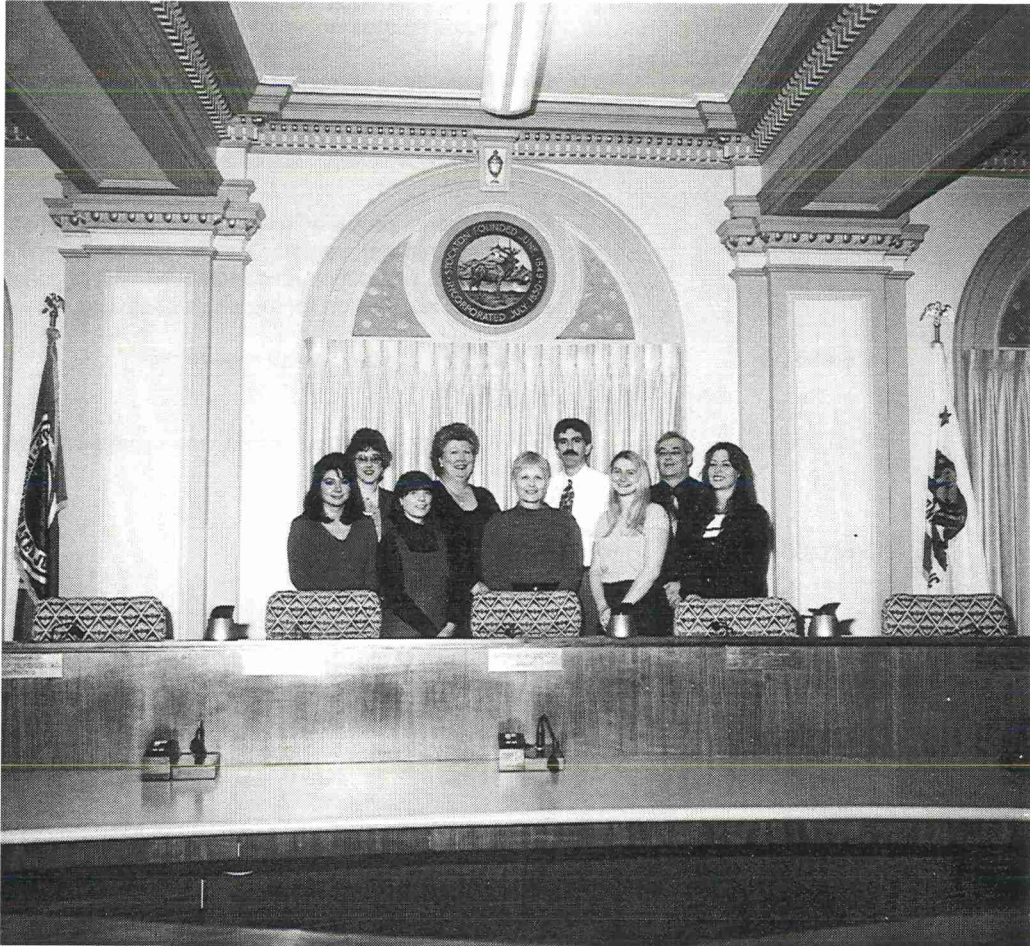
TABLE 15
SCHEDULE OF INSURANCE IN FORCE
June 30, 2000

(continues)

Type of Coverage	Company	Period	Amount/Limits
GENERAL LIABILITY EXCESS	California Joint Powers Authority	07/01/1999 to 07/01/2000	\$5,000,000 XS SIR
WORKER'S COMP EXCESS	Continental Casualty	01/01/1998 to 12/31/2000	\$10,000,000 - per Accident/per employee \$1,000,000 - employer's Liability
PROPERTY COVERAGE Including Library Comprehensive Business Policy	US Fidelity & Guaranty	07/01/1999 to 07/01/2001	\$5,000,000
BOILER & MACHINERY	Hartford Steam Boilers	07/01/1999 to 07/01/2000	\$21,250,000
SWIMMING POOL INSURANCE	Scottsdale Insurance Co	05/11/2000 to 09/15/2000	\$100,000 CSL GI, PL incl \$100,000 Aggregate
ADMIN SERVICES OFFICER/ACCT MGR BOND	The Hartford	07/08/1999 to 07/08/2000	\$100,000
EMPLOYEES BLANKET BOND	Travelers	09/22/1999 to 09/22/2000	\$500,000 \$65,000 inside premises \$25,000 outside premises
PUBLIC OFFICIAL BOND	Continental Insurance	01/01/2000 to 01/01/2001	\$5,000
BLANKET NOTARY	Western Surety	04/19/2000 to 04/18/2001	\$100,000
MEDICAL PLAN STOP LOSS AND CONVERSION PLAN	Zenith Administrators & U.L.L.I.C.O.	05/01/2000 to 04/30/2001	\$825,000 per covered individual per coverage year
TRAVEL POLICY Accident Insurance	AIG Life Insurance	01/24/2000 to 01/24/2001	\$200,000 per person \$600,000 per accident
TRAVEL POLICY Accident Insurance	AIG Life Insurance	03/05/2000 to 03/05/2001	\$200,000 per person \$600,000 per accident

Deductible	Premium	Details of Coverage
\$ 1,000,000 SIR	\$ 466,946.00	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	\$ 43,500.83	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	\$ 6,436.00	Boilers; compressed air storage tanks
\$ 0	\$ 18,069.50	OL&T liability coverage owned, non-owned pools (6)
\$ 0	\$ 500.00	Public Official's Bond
\$ 10,000 \$ 2,500	\$ 10,708.00	Employee dishonesty, forgery, FP, theft, & disappearance
\$ 0	\$ 700.00	Faithful performance by Council members
\$ 0	\$ 1,650.00	Errors and omissions
\$ 175,000 per covered Individual per coverage Year	\$ 19.33 –19.66 per active Employee (or under 65 retiree) per month \$ 4.42-6.42 per retiree over 65 per month	Medical plan claims in excess of self-insured retention, and conversion benefit plan option
\$ 0	\$ 2,017.50	Travel accident coverage when on City business for management employees
\$ 0	\$ 735	Travel accident coverage when on City business for non-management employees

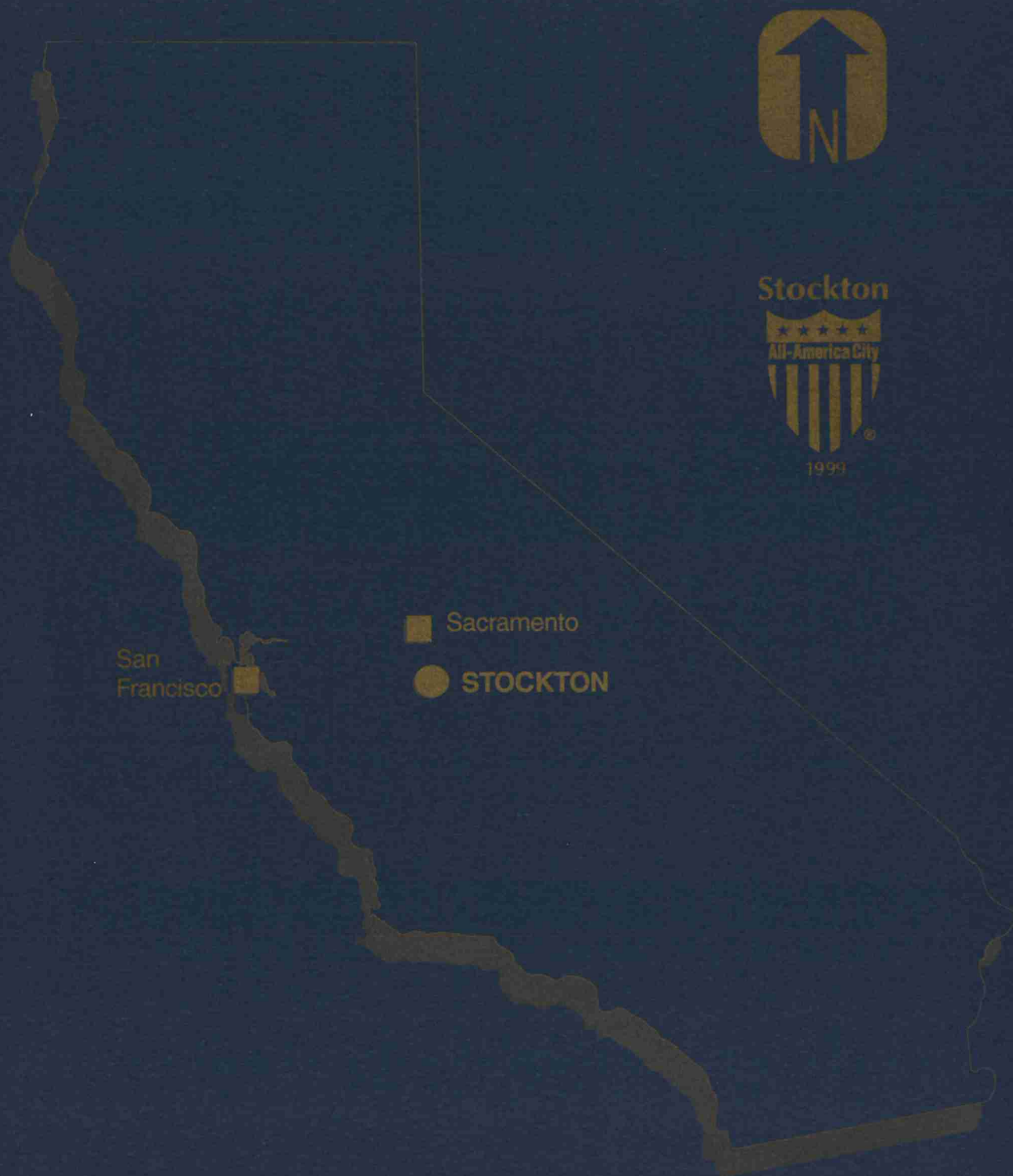
Accounting Section, City of Stockton Administrative Services Department



Pictured (left to right): Front Row: Liz Echeverria, Janice Carlile, Gay Scheile, Diana Sasser, Carolyn Godwin ; Back Row: Lynne Farrar, Cathy Lucas, Jim Malberg, Todd Reich. Not pictured: Shazia Sualeheen. Photo by Jim Watson, City of Stockton Administrative Services Department and Official City Photographer.

The newly remodeled City Council Chambers was chosen as the site of this year's annual CAFR photo. Ben Nozuka acted as Project Manager for the remodel and Stephanie Morales coordinated the interior design. Stephanie, Ben and the Central Building Maintenance Team, all employees of Administrative Services Department, worked hard to restore the historical integrity of the room while accenting the architectural detail.

Location Map



City of Stockton, California

