The Financial State of Stockton

A new analysis of the latest available audited financial report found Stockton has a Taxpayer Surplus™ of $2,500, earning it a "B" grade based on Truth in Accounting’s grading scale.

Unlike most cities, Stockton's city government has enough resources available to pay all of its bills, including public employees’ retirement benefits. When broken down, the amount available to pay future bills results in a surplus of $2,500 for each Stockton taxpayer.

Here's the truth:

- **$255.1 million**
  - Money available to pay future bills

- **$2,500**
  - Taxpayer Surplus

- **B**
  - Financial grade

Data included in this report is derived from the city of Stockton 2017 audited Comprehensive Annual Financial Report and retirement plans' reports.
FAST FACTS

+ Stockton has $526 million available in assets to pay $270.9 million worth of bills.
+ The outcome is a $255.1 million surplus, which breaks down to $2,500 per taxpayer.
+ Stockton’s reported net position is overstated by $81.1 million, largely because the city delays recognizing losses incurred when the net pension liability increases.

<table>
<thead>
<tr>
<th>Assets</th>
<th>$2,153,014,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minus: Capital assets</td>
<td>-$1,451,297,000</td>
</tr>
<tr>
<td>Restricted assets</td>
<td>-$175,670,000</td>
</tr>
<tr>
<td>Assets available to pay bills</td>
<td>$526,047,000</td>
</tr>
<tr>
<td>Minus: Bills</td>
<td>-$270,900,000</td>
</tr>
<tr>
<td>Money available to pay bills</td>
<td>$255,147,000</td>
</tr>
<tr>
<td>Each taxpayer's share of surplus</td>
<td>$2,500</td>
</tr>
</tbody>
</table>

| Bonds | $377,170,000 |
| Other liabilities | $183,220,000 |
| Minus: Debt related to capital assets | -$757,757,000 |
| Unfunded pension benefits | $468,267,000 |
| Unfunded retiree health care | $0 |
| Bills | $270,900,000 |

GRADE: B

Bottom line: Stockton has enough money to pay its bills, so it has received a "B" for its finances from Truth in Accounting. A "B" grade is given to cities with a Taxpayer Surplus between $100 and $10,000.

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