
**TOWN OF PARADISE
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2019**

TOWN OF PARADISE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Paradise
Paradise, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Paradise, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town of Paradise's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Paradise, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, pension related schedules, and other post-employment benefit schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Paradise's basic financial statements. The combining and individual governmental nonmajor fund financial statements and budgetary comparison schedules, and the combining fiduciary fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual governmental nonmajor fund financial statements, budgetary comparison schedules, and the combining fiduciary fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the combining fiduciary fund schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2020, on our consideration of the Town of Paradise's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Paradise's internal control over financial reporting and compliance.

Mann, Ursutia, Nelson CPAs

Sacramento, California
February 27, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Paradise's financial performance provides an overview of the Town's financial activities for the fiscal year ending June 30, 2019. Please read it in conjunction with the Town's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements follow. For governmental activities, the statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts as a trustee or agent for the benefit of those outside the government.

REPORTING THE TOWN AS A WHOLE

The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting which recognizes all the current year's revenues and expenses regardless of when cash is received or paid.

In the Statement of Net Position and the Statement of Activities, the Town is reporting its governmental activities. Most of the Town's basic services are reported here, including police, fire, community development, engineering, and general administration. Property taxes, motor vehicle in lieu, and sales taxes fund most of these activities.

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history swept through the Town of Paradise. Despite the fire, the Town maintains a similar net position as compared to the prior year at \$3.6 million. With insurance and FEMA public assistance claim advances, business and housing loan program payoffs, and recovery grants and donations, the Town's unrestricted and restricted cash and investments increase 351% to \$22.5 million. Accounts and interest receivables, prepaid items, and the advance to the Successor Agency decrease to \$3.0 million a 20% reduction. The before mentioned payoffs of business and housing loans reduce loans receivable 30% to \$9.3 million. Postponement of capital projects, destroyed facilities and equipment, and the continued depreciation of remaining capital assets, decreases total capital assets to \$22.1 million a minor 3% decrease.

The Town reports \$19.0 million of pension liability and pension related net deferred use of resources to its activities as compared to \$18.3 million the prior year. The Town contracts with CalPERS for Pension benefits for its employees. The Town has reduced benefits for new hires and is making the required contributions toward the long-term pension obligation just described. This obligation is being amortized over about a 25-year period.

Accounts payable increased sharply to \$4.2 million from \$0.9 million as it took time for the Town to reconcile and pay Camp Fire related response and recovery vendor finalized invoices, like CAL FIRE. Unearned revenues are \$9.1 million: \$4.1 million from insurance claim advances; \$3.2 million advance from California Office of Emergency Services for FEMA public assistance; \$1.3 million in housing program insurance funds held for Camp Fire survivors; and \$0.5 million in building permit reduction grant monies. Long-term liabilities due within one year increased a modest 3% to \$1.5 million while long-term liabilities due in more than one year decreased 9% to \$9.7 million. The obligation for other post-employment benefits decreased .5% to \$10.4 million.

Table 1
Net Position

| | Governmental Activities | |
|---|--------------------------------|---------------------|
| | 2019 | 2018 |
| Current and other assets | \$34,783,534 | \$22,132,446 |
| Capital assets | 22,126,281 | 22,832,943 |
| Total Assets | <u>56,909,815</u> | <u>44,965,389</u> |
| Long term liabilities (due in more than one year) | (20,108,211) | (21,078,625) |
| Net pension liability | (21,834,378) | (21,713,980) |
| Other liabilities | (14,908,662) | (2,476,881) |
| Total Liabilities | <u>(56,851,251)</u> | <u>(45,269,486)</u> |
| Deferred outflow of resources | 5,520,647 | 6,606,990 |
| Deferred inflow of resources | (1,964,988) | (2,416,719) |
| Net Deferred Use of Resources | <u>3,555,659</u> | <u>4,190,271</u> |
| Net Position: | | |
| Invested in capital assets, net of debt | 21,522,335 | 21,895,912 |
| Restricted | 7,263,687 | 3,194,155 |
| Unrestricted | (25,171,799) | (21,203,893) |
| Total Net Position | <u>\$3,614,223</u> | <u>\$3,886,174</u> |

Table 2 below shows another perspective of the net assets of the Town. The Town's total general revenues which includes property taxes, sales taxes, and motor vehicle in-lieu decrease 6% to \$11.7 million. The State of California is backfilling property based revenues like property taxes and motor vehicle in-lieu for three years. However, sales tax, franchise fees, and other taxes and fees are not backfilled and result in decreases. Charges for services increased 15% from rebuild activities. Operating grants and contributions increased 59% from recovery grants, but capital grants and contributions decreased 84% because capital improvement projects were postponed. The Town recognizes a net \$534,419 in extraordinary items that include insurance proceeds and Camp Fire donations which are offset by housing loan program interest forgiveness. In total revenues decreased 9% to \$19.8 million

Expenses increased 35% to \$20 million. General government expenses increased 421% to \$5.6 million in response to and recovery from the Camp Fire. Community development, public safety, public works increased 32%, 1% and 60% also in response to the Camp Fire. Parks and recreation and streets decrease 3% and 11% as resources are temporarily shifted to support recovery.

Even with the extraordinary activities of responding to and recovering from the Camp Fire the Town's net position decreases only \$271,951 to \$3.6 million.

Table 2
Changes in Net Position

| | Governmental Activities | |
|--|--------------------------------|---------------------------|
| | 2019 | 2018 |
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$2,116,616 | \$1,839,151 |
| Operating Contributions & Grants | 4,683,362 | 2,927,382 |
| Capital Contributions & Grants | 739,741 | 4,537,278 |
| General Revenues: | | |
| Property Taxes | 5,283,203 | 5,028,233 |
| Other Taxes | 3,215,176 | 4,753,052 |
| Motor vehicle in-lieu | 2,459,689 | 2,342,664 |
| Other general revenues | 725,368 | 298,782 |
| Extraordinary items (Note 16) | <u>534,419</u> | <u>0</u> |
| Total Revenues | <u>19,757,574</u> | <u>21,726,542</u> |
| Program expenses | | |
| General Government | 5,568,692 | 1,068,046 |
| Community Development | 1,014,480 | 766,065 |
| Public Safety | 9,099,764 | 8,973,187 |
| Public Works | 1,517,873 | 948,220 |
| Parks & Recreation | 187,243 | 193,293 |
| Streets | 2,006,990 | 2,249,447 |
| Interest on Long Term Debt | <u>634,483</u> | <u>680,251</u> |
| Total Expenses | <u>20,029,525</u> | <u>14,878,509</u> |
| Change in Net Position before prior period adjustments | (271,951) | 6,848,033 |
| Prior period adjustments | <u>0</u> | <u>(3,502,967)</u> |
| Change in net position | <u>(\$271,951)</u> | <u>\$3,345,066</u> |

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds, (as presented in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances), reported a combined fund balance of \$12.02 million. This is a 57% increase in governmental fund balances. However, most of those balances are nonspendable, restricted or assigned for specific purposes. Unassigned fund balances improve to \$2.1 million a 35% increase. Unassigned funds provide critical cash flow for government operations.

General Fund Highlights

The Camp Fire had immediate and long-lasting impacts to the finances of the general fund. As the effects were unprecedented, the Town Council approved budget revisions for material changes as they were

identified. A thorough mid-year budget review was completed which reflected revised revenues, personnel costs, and other operating expenditures where needed.

The Town's general fund revenues reflect a 6% percent decrease or \$797,061. Taxes and assessments provide 92% of the general fund revenues. Lost property taxes and motor vehicle in-lieu were back filled by the State of California, but other taxes and revenue sources were not. The Town is eligible for \$5 million in lost tax revenue through insurance. The Town recognized \$434,884 of the insurance proceeds this fiscal year.

Expenses decrease less than 1%. Some of the extraordinary personnel costs related to Camp Fire activities were reclassified. Also, the Town experienced tremendous employee turnover as employees who lost their homes in the fire struggled to secure housing in the resulting housing crisis. Otherwise, the Town maintained critical public services to aid the community in recovery. Public safety represents 67% of general fund expenditures. Debt service principal and interest reflect almost no change at \$1.4 million.

Expenses exceed revenues by \$554,735 before transfers are reported. After transfers, the net change in general fund balance is \$351,188. The ending general fund balance for June 30, 2019 is \$4.2 million. Most importantly unassigned reserves are \$2.31 million. The unassigned reserves reduce the amount of cash needed to be borrowed annually to fund operations. This is a significant improvement compared to five years ago when there were no unassigned reserves available.

Other Major Governmental Funds

The home grant fund is a federal grant funding source to allow the Town to provide income eligible community members grants and loans for housing purposes. The Town provides low interest and interest forgivable loans to first time home buyers. Also, the Town can provide loans and grants for housing rehabilitation projects. Finally, the Town has provided funding for multi-family housing projects. The Town received \$1.5 million in insurance proceeds and loan payoffs from grantees from homes destroyed in the Camp Fire. \$1.3 million is held in trust and restricted until those families decide about rebuilding. \$7.7 million in loans remain outstanding.

The Camp Fire 2018 fund was created to track specific response and recovery activities primarily funded by insurance proceeds and FEMA public assistance related to the Camp Fire. The Town received an advance against its insurance property loss claim of \$2.5 million. It recognized \$1.2 million of the advance as extraordinary gain from demonstrating that expenses such as facility restoration, water testing, and equipment repairs or replacement are insurance eligible. The State of California advanced \$5 million for FEMA public assistance grant eligible projects. The Town recognized \$1.8 million as extraordinary gain from demonstrating FEMA public assistance eligible expenses such as emergency response, tree removal and road and culvert repairs. The FEMA public assistance grant comes with a 2.5% match requirement which was covered by other grants and donations. In total, \$3.3 million was expended during this first year. The deficit \$148,819 fund balance represents expenses incurred to apply for FEMA hazard mitigation grants. Upon award of the grant, those expenses can be reimbursed to the Town.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At fiscal year-end 2019, the Town had \$22.1 million, net of depreciation, in a broad range of capital assets, including police and fire equipment, buildings, roads, and vehicles. This amount represents a net decrease of \$706,662 after depreciation, or 3 percent compared to the prior year. Capital projects were postponed because of the Camp Fire, the Town lost facilities and equipment in the Camp Fire, and another year of depreciation was recorded on remaining capital assets.

The Town's fiscal year 2019 capital budget included \$4.1 million in street maintenance, rehabilitation, and new construction and design. However, due to postponements, The Town added to construction in progress \$848,046 and transferred \$2.0 million to infrastructure completed. Some projects are in the final stages before completion, while others are starting preliminary engineering and design. The capital improvement projects are primarily funded through federal and state grants. This year's capital assets additions are:

- Construction in Process:
 - Almond Street Multi-Modal Improvements 12,435
 - Almond Underground Utility District 25,299
 - Downtown Gap Closure Complex 40,123
 - Downtown Paradise Equal Mobility 510,109
 - Memorial Trailway Enhancements 165,128
 - Ponderosa School Connectivity 16,571
 - Skyway/Black Olive Signal 5,335
 - Systemic Safety Analysis 73,046

- Buildings and Improvements
 - Animal Control Shelter Epoxy 6,200
 - Fire Station 81 Electrical 8,250
 - Fleet Maintenance Bay Construction 32,812
 - Police Department HVAC and Flooring 16,627

- Machinery and Equipment
 - Disaster Recovery Software 8,750
 - IT Hardware 6,219
 - Public Works Sprayer with Attachments 5,124

- Vehicles
 - Police Explorers & Equipment (3) 132,997

Table 3 below shows the \$22.1 million, net of depreciation, in a broad range of capital assets, including police and fire equipment, buildings, roads, and vehicles.

Table 3
Capital Assets at Year-end
(Net of Depreciation)

| | Governmental Activities | |
|----------------------------|--------------------------------|---------------------|
| | 2019 | 2018 |
| Land | \$1,375,284 | \$1,375,284 |
| Construction in progress | 1,115,868 | 2,239,385 |
| Buildings and improvements | 574,894 | 644,875 |
| Infrastructure | 17,743,685 | 17,053,290 |
| Machinery and equipment | 189,907 | 300,938 |
| Vehicles | <u>1,126,643</u> | <u>1,219,171</u> |
| Totals | \$22,126,281 | \$22,832,943 |

Debt

At year-end, the Town had \$43.4 million in notes, bonds, capital leases, other post-employment benefits (OPEB), CalPERS pension liability, and compensated absences. Total liabilities decreased 2% compared to the prior year. \$1.5 million of the obligations shown in table 4 are due within one year.

Table 4
Outstanding Debt at Year-end

| | Governmental Activities | |
|-----------------------------------|--------------------------------|---------------------|
| | 2019 | 2018 |
| Bonds payable & accreted interest | \$9,960,293 | \$10,389,129 |
| Loans payable | 0 | 16,476 |
| Capital leases | 603,946 | 920,555 |
| OPEB | 10,394,086 | 10,446,476 |
| CAL FIRE OPEB Note | 272,345 | 339,785 |
| Net pension liability | 21,834,378 | 21,713,980 |
| Compensated absences | <u>361,714</u> | <u>409,469</u> |
| Total Liabilities | \$43,426,762 | \$44,235,870 |

No additional debt was issued in 2018/19. One loan and one capital lease were paid off. By capping benefits for all employee groups and by starting an irrevocable trust to begin funding the future obligation, the Town is containing the OPEB obligation and it remains at \$10.4 million. The Town was not able to contribute to the trust in 2018/19 due to the Camp Fire. The Town contributed toward the net pension liability as dictated by CalPERS, and the net pension liability increased less than 1%. The Town has taken measures to mitigate these benefits in the future and the obligation is being amortized over a period of about 25 years.

Please refer to Notes 7, 8 and 9 for more detailed information about the obligations outstanding.

THE TOWN AS TRUSTEE

The Town is the trustee, or fiduciary, for an employee bank fund and a police department fund money fund. As of January 2012, it elected to become the successor agency of the former Paradise Redevelopment Agency (Agency). The Town's current role is to manage the receipt and disbursement of monies related to debt service of enforceable obligations of the Agency. The Town also manages a general trust fund. All the related activity is being accounted for in private-purpose trust funds. The Town is responsible for the assets in these funds and must only use these funds as indicated in the trust arrangements. The Town's fiduciary activities related to the Agency and the general trust fund are reported in a Statement of Fiduciary Net Position and Changes in Fiduciary Net Position. The other fiduciary activities are reported under a Statement of Fiduciary Assets and Liabilities and Changes in Fiduciary Assets and Liabilities. The activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Fiduciary funds total assets are \$5,606 and the private-purpose trust funds net position is negative \$6.37 million as of June 30, 2019.

NEXT YEAR'S BUDGET AND ASSUMPTIONS

The Camp Fire, of November 8, 2018, was the most destructive wildfire in California State history. Rebuilding of the 10,000 structures destroyed has begun, but it will take over a decade before the Town of Paradise is restored. A community visioning process was completed with a consensus that a more resilient fire-resistant town be rebuilt. With the help of Federal, State and local partners, the Town has started long term recovery planning and projects.

The Town has reached a settlement with Pacific Gas and Electric Company (PG&E), on the Camp Fire for the sum of \$270 million. After attorney and other fees are processed, the Town is expected to receive about \$240 million. Currently, the Town expects to receive these monies by the spring of 2021. The Town will establish a formal process for planning the use of the funds. The majority is expected to be used to maintain appropriate service levels until the Town's tax base is restored. Funds will also be used to leverage grant monies for recovery projects.

The Town will restore the facilities and equipment lost during the fire through insurance claims. Insurance, to date, has given the Town \$2.5 million toward those losses. FEMA and California Governor's Office of Emergency Services will assist the Town with infrastructure restoration through public assistance and hazard mitigation grants. The Town received a \$5 million advance of public assistance grant funds.

At the issuance of these financial statements, over eight months have been completed of the 2019/20 fiscal year. The Town will maintain services and appropriate reserves for 2019/20 by using \$2.4 million of a \$5 million insurance claim for lost tax revenue. This leaves \$2.1 million for 2020/21. The State of California is backfilling lost property tax revenue for 2018/19, 2019/20 and 2020/21. This will allow the Town to maintain unassigned general fund cash flow reserves of \$1.2 million. In addition, it will have reserves from Measure C revenues of \$1.2 million. Combined, these reserves are \$2.4 million and are 18% of the 2019/20 general fund financial uses.

The Town has enough funding to maintain services, pay personnel and operating costs, and pay debt service obligations until the PG&E settlement is received and a long-term financial recovery plan is implemented.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town's Finance Department at 5555 Skyway, Paradise, California.

TOWN OF PARADISE
STATEMENT OF NET POSITION
JUNE 30, 2019

| | Governmental Activities |
|--|------------------------------------|
| <u>ASSETS</u> | |
| Cash and investments (Note 3) | \$ 19,048,944 |
| Restricted cash and investments (Note 3) | 3,410,497 |
| Accounts receivable | 1,599,923 |
| Interest receivable | 74,003 |
| Prepaid items | 18,242 |
| Advance to the Successor Agency (Note 14) | 1,295,104 |
| Loans receivable (Note 4) | 9,336,821 |
| Capital assets (Note 5): | |
| Non-depreciable: | |
| Land and construction in progress | 2,491,152 |
| Depreciable: | |
| Infrastructure, buildings, vehicles, and equipment | 34,882,374 |
| Accumulated depreciation | <u>(15,247,245)</u> |
| Total capital assets | <u>22,126,281</u> |
| Total Assets | <u>56,909,815</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | |
| 2019 Pension contributions (Note 8) | 1,610,515 |
| Changes in the net pension liability (Note 8) | 3,208,712 |
| Changes in the net OPEB liability (Note 9) | <u>701,420</u> |
| Total Deferred Outflows of Resources | <u>5,520,647</u> |
| <u>LIABILITIES</u> | |
| Accounts payable | 4,213,154 |
| Accrued wages | 90,825 |
| Unearned revenue (Note 16) | 9,120,510 |
| Long-term liabilities (Note 7): | |
| Due within one year | 1,484,173 |
| Due in more than one year | 9,714,125 |
| Other post employment benefits (Note 9) | |
| Due in more than one year | 10,394,086 |
| Net pension liability (Note 8) | |
| Due in more than one year | <u>21,834,378</u> |
| Total Liabilities | <u>56,851,251</u> |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | |
| Changes in the net pension liability (Note 8) | 1,959,651 |
| Changes in the net OPEB liability (Note 9) | <u>5,337</u> |
| Total Deferred Inflows of Resources | <u>1,964,988</u> |
| <u>NET POSITION</u> | |
| Net investment in capital assets | 21,522,335 |
| Restricted for: | |
| Public safety | 421,555 |
| Streets and roads | 1,155,582 |
| Community development | 3,160,114 |
| Wastewater and drainage | 1,869,458 |
| Capital projects | 656,978 |
| Unrestricted | <u>(25,171,799)</u> |
| Total Net Position | <u>\$ 3,614,223</u> |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

| <u>Functions/Programs</u> | <u>Program Revenues</u> | | | | Net (Expense) Revenue and Changes in Net Position |
|-------------------------------|-------------------------|---------------------------------|---|---|--|
| | <u>Expenses</u> | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Governmental activities: | | | | | |
| General government | \$ 5,568,692 | \$ 263,019 | \$ 44,816 | \$ - | \$ (5,260,857) |
| Community development | 1,014,480 | 1,611,025 | 330,098 | - | 926,643 |
| Public safety | 9,099,764 | 131,129 | 2,001,130 | - | (6,967,505) |
| Public works | 1,517,873 | 81,193 | 960,478 | - | (476,202) |
| Parks and recreation | 187,243 | 2,333 | - | - | (184,910) |
| Streets | 2,006,990 | 27,917 | 1,346,840 | 739,741 | 107,508 |
| Interest on long term debt | 634,483 | - | - | - | (634,483) |
| Total Governmental Activities | <u>\$ 20,029,525</u> | <u>\$ 2,116,616</u> | <u>\$ 4,683,362</u> | <u>\$ 739,741</u> | <u>\$ (12,489,806)</u> |

General Revenues:

Taxes:

| | |
|--|--------------------|
| Secured and unsecured property taxes | \$ 5,283,203 |
| Sales and usage taxes | 2,337,771 |
| Transient lodging tax | 114,452 |
| Franchise taxes | 564,453 |
| Real property transfer taxes | 66,080 |
| Other taxes | 132,420 |
| Motor vehicle in-lieu, unrestricted | 2,459,689 |
| Homeowners property tax relief, unrestricted | 90,472 |
| Investment income | 118,144 |
| Other | 643,997 |
| Loss on disposal of property | (127,245) |
| Extraordinary items (Note 16): | |
| Insurance proceeds | 1,169,693 |
| Camp Fire donations | 1,089,933 |
| Change in loan balance | <u>(1,725,207)</u> |
| Total General Revenues | <u>12,217,855</u> |

Change in Net Position (271,951)

Net Position - July 1, 2018 3,886,174

Net Position - June 30, 2019 \$ 3,614,223

See accompanying notes to the basic financial statements.

**TOWN OF PARADISE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2019**

| | General Fund | Home Grant Fund | Camp Fire 2018 Fund |
|--|-------------------------|------------------------|--------------------------------|
| <u>ASSETS</u> | | | |
| Cash and investments | \$ 7,573,723 | \$ 2,272,590 | \$ 2,139,621 |
| Restricted cash and investments | 20,111 | - | 3,390,386 |
| Accounts receivable | 553,542 | 259 | - |
| Interest receivable | 34,523 | 9,663 | - |
| Prepaid items | 5,438 | - | 12,804 |
| Due from other funds | 398,522 | - | - |
| Advance to the Successor Agency | 1,295,104 | - | - |
| Loans receivable | - | 7,712,079 | - |
| | - | 7,712,079 | - |
| Total Assets | \$ 9,880,963 | \$ 9,994,591 | \$ 5,542,811 |
| <u>LIABILITIES</u> | | | |
| Accounts payable | \$ 2,784,613 | \$ 1,675 | \$ 1,181,030 |
| Accrued wages | 65,855 | - | - |
| Due to other funds | - | 259 | - |
| Unearned revenue | 2,802,161 | 933,145 | 4,510,600 |
| | 2,802,161 | 933,145 | 4,510,600 |
| Total Liabilities | 5,652,629 | 935,079 | 5,691,630 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | | |
| Deferred inflows of resources | - | 7,712,079 | - |
| | - | 7,712,079 | - |
| <u>FUND BALANCES (DEFICITS)</u> | | | |
| Nonspendable | 1,300,542 | - | 12,804 |
| Restricted | - | 1,347,433 | - |
| Assigned | 614,948 | - | - |
| Unassigned | 2,312,844 | - | (161,623) |
| | 2,312,844 | - | (161,623) |
| Total Fund Balances (Deficits) | 4,228,334 | 1,347,433 | (148,819) |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | \$ 9,880,963 | \$ 9,994,591 | \$ 5,542,811 |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2019

| | Other Governmental Funds | Total Governmental Funds |
|--|---|---|
| <u>ASSETS</u> | | |
| Cash and investments | \$ 7,063,010 | \$ 19,048,944 |
| Restricted cash and investments | - | 3,410,497 |
| Accounts receivable | 1,046,122 | 1,599,923 |
| Interest receivable | 29,817 | 74,003 |
| Prepaid items | - | 18,242 |
| Due from other funds | 123,262 | 521,784 |
| Advance to the Successor Agency | - | 1,295,104 |
| Loans receivable | 1,624,742 | 9,336,821 |
| Total Assets | \$ 9,886,953 | \$ 35,305,318 |
| <u>LIABILITIES</u> | | |
| Accounts payable | \$ 245,836 | \$ 4,213,154 |
| Accrued wages | 24,970 | 90,825 |
| Due to other funds | 521,525 | 521,784 |
| Unearned revenue | 874,604 | 9,120,510 |
| Total Liabilities | 1,666,935 | 13,946,273 |
| <u>DEFERRED INFLOWS OF RESOURCES</u> | | |
| Deferred inflows of resources | 1,624,742 | 9,336,821 |
| <u>FUND BALANCES (DEFICITS)</u> | | |
| Nonspendable | - | 1,313,346 |
| Restricted | 6,596,578 | 7,944,011 |
| Assigned | - | 614,948 |
| Unassigned | (1,302) | 2,149,919 |
| Total Fund Balances (Deficits) | 6,595,276 | 12,022,224 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficits) | \$ 9,886,953 | \$ 35,305,318 |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2019

| | |
|--|---------------------|
| Total fund balances of governmental funds | \$ 12,022,224 |
| Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the governmental funds because of the following: | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, net of accumulated depreciation of \$15,247,245. | 22,126,281 |
| Certain notes, loans, and interest receivables are not available to pay for current period expenditures and therefore are offset by deferred inflows of resources in the governmental funds. | 9,336,821 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds. | |
| Bonds payable | (5,037,471) |
| Accreted interest payable | (4,922,822) |
| Capital leases payable | (603,946) |
| Net OPEB liability | (10,394,086) |
| CDF retiree health vesting | (272,345) |
| Net pension liability | (21,834,378) |
| Compensated absences | (361,714) |
| Deferred inflows of resources related to changes in the net pension liability are not applicable to the current period. | (1,959,651) |
| Deferred inflows of resources related to changes in the net OPEB liability are not applicable to the current period. | (5,337) |
| Deferred outflows of resources related to changes in the net pension liability are not reported in the governmental funds. | 3,208,712 |
| Deferred outflows of resources related to 2019 pension contributions made subsequent to the measurement date. | 1,610,515 |
| Deferred outflows of resources related to changes in the net OPEB liability are not reported in the governmental funds. | <u>701,420</u> |
| Net position of governmental activities | <u>\$ 3,614,223</u> |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

| | General Fund | Home Grant Fund | Camp Fire 2018 Fund |
|--|-------------------------|------------------------|--------------------------------|
| <u>REVENUES</u> | | | |
| Taxes and assessments | \$ 10,916,120 | \$ - | \$ - |
| Licenses, permits, and impact fees | 1,357 | - | - |
| Fines and forfeitures | 72,939 | - | - |
| Use of money and property | 65,818 | 12,790 | - |
| Intergovernmental revenues | 63,397 | 195,427 | - |
| Charges for services | 284,702 | - | - |
| Program income | - | 1,496,319 | - |
| Other revenues | 476,570 | - | - |
| | <u>11,880,903</u> | <u>1,704,536</u> | <u>-</u> |
| Total Revenues | <u>11,880,903</u> | <u>1,704,536</u> | <u>-</u> |
| <u>EXPENDITURES</u> | | | |
| Current: | | | |
| General government | 2,166,521 | - | 2,468,681 |
| Community development | 184,353 | 241,110 | 110,998 |
| Public safety | 8,376,690 | - | 247,161 |
| Public works | 61,568 | - | 404,433 |
| Parks and recreation | 9,938 | - | - |
| Streets | - | - | - |
| Capital Outlay | 219,611 | - | 75,229 |
| Debt service: | | | |
| Principal | 906,181 | - | - |
| Interest and fiscal charges | 510,776 | - | - |
| | <u>12,435,638</u> | <u>241,110</u> | <u>3,306,502</u> |
| Total Expenditures | <u>12,435,638</u> | <u>241,110</u> | <u>3,306,502</u> |
| Excess of revenues over (under) expenditures | <u>(554,735)</u> | <u>1,463,426</u> | <u>(3,306,502)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfers in | 1,075,735 | - | 590,301 |
| Transfers out | (169,812) | (156,187) | (421,794) |
| | <u>905,923</u> | <u>(156,187)</u> | <u>168,507</u> |
| Total Other Financing Sources (Uses) | <u>905,923</u> | <u>(156,187)</u> | <u>168,507</u> |
| <u>EXTRAORDINARY GAINS</u> | | | |
| Grant revenue (Note 16) | - | - | 1,819,483 |
| Insurance proceeds (Note 16) | - | - | 1,169,693 |
| | <u>-</u> | <u>-</u> | <u>2,989,176</u> |
| Total Extraordinary Gains | <u>-</u> | <u>-</u> | <u>2,989,176</u> |
| Net Change in Fund Balances | 351,188 | 1,307,239 | (148,819) |
| Fund Balances (Deficits) - July 1, 2018 | <u>3,877,146</u> | <u>40,194</u> | <u>-</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 4,228,334</u> | <u>\$ 1,347,433</u> | <u>\$ (148,819)</u> |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

| | Other Governmental Funds | Totals |
|--|---|---------------|
| <u>REVENUES</u> | | |
| Taxes and assessments | \$ 132,420 | \$ 11,048,540 |
| Licenses, permits, and impact fees | 1,524,898 | 1,526,255 |
| Fines and forfeitures | 32,932 | 105,871 |
| Use of money and property | 39,536 | 118,144 |
| Intergovernmental revenues | 3,344,796 | 3,603,620 |
| Charges for services | 199,788 | 484,490 |
| Program income | 1,082,971 | 2,579,290 |
| Other revenues | 1,257,360 | 1,733,930 |
| Total Revenues | 7,614,701 | 21,200,140 |
| <u>EXPENDITURES</u> | | |
| Current: | | |
| General government | 669 | 4,635,871 |
| Community development | 706,348 | 1,242,809 |
| Public safety | 305,106 | 8,928,957 |
| Public works | 1,061,779 | 1,527,780 |
| Parks and recreation | - | 9,938 |
| Streets | 927,862 | 927,862 |
| Capital Outlay | 813,469 | 1,108,309 |
| Debt service: | | |
| Principal | 46,887 | 953,068 |
| Interest and fiscal charges | - | 510,776 |
| Total Expenditures | 3,862,120 | 19,845,370 |
| Excess of revenues over (under) expenditures | 3,752,581 | 1,354,770 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | |
| Transfers in | 1,544,798 | 3,210,834 |
| Transfers out | (2,463,041) | (3,210,834) |
| Total Other Financing Sources (Uses) | (918,243) | - |
| <u>EXTRAORDINARY GAINS</u> | | |
| Grant revenue (Note 16) | - | 1,819,483 |
| Insurance proceeds (Note 16) | - | 1,169,693 |
| Total Extraordinary Gains | - | 2,989,176 |
| Net Change in Fund Balances | 2,834,338 | 4,343,946 |
| Fund Balances (Deficits) - July 1, 2018 | 3,760,938 | 7,678,278 |
| Fund Balances (Deficits) - June 30, 2019 | \$ 6,595,276 | \$ 12,022,224 |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Reconciliation of the change in fund balances - total governmental funds to the change in net position of governmental activities:

| | |
|---|---------------------|
| Net change in fund balances - total governmental funds | \$ 4,343,946 |
| <p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p> | |
| <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p> | |
| Capital asset purchases capitalized | 1,065,025 |
| Depreciation expense | (1,644,442) |
| Capital asset disposals | (127,245) |
| <p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p> | |
| Capital lease obligation principal payments | 316,609 |
| Bond principal payments | 523,423 |
| Loans payable payments | 16,476 |
| Accreted interest, net change | (94,587) |
| CDF retiree health vesting | 67,440 |
| <p>Receipts of payments and disbursements of funds related to notes and loans receivables are reported as revenues and expenditures, respectively, in governmental funds, but an increase and decrease, respectively, in notes receivable in the Statement of Net Position.</p> | |
| Loan program receipts | (2,579,290) |
| Change in loan balance | (1,725,207) |
| Loans made during the year | 220,766 |
| <p>The amounts below, included in the Statement of Activities, do not provide (require) the use of current financial resources and, therefore, are not reported as revenues or expenditures in the governmental funds (net change):</p> | |
| Compensated absences | 47,755 |
| Pension expense related to deferred outflows and inflows of resources | (675,824) |
| Other post-employment benefits | <u>(26,796)</u> |
| Change in net position of governmental activities | <u>\$ (271,951)</u> |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

| | <u>Private- Purpose Trust Funds</u> | <u>Agency Funds</u> |
|---|---|---------------------|
| <u>ASSETS</u> | | |
| Cash and investments (Note 3) | \$ 202,672 | \$ 5,604 |
| Restricted cash and investments with fiscal agents (Note 3) | 429,132 | - |
| Interest receivable | <u>-</u> | <u>2</u> |
| Total Assets | <u>631,804</u> | <u>5,606</u> |
| <u>LIABILITIES</u> | | |
| Accounts payable | 1,000 | - |
| Accrued payroll payable | 113 | - |
| Interest payable | 22,211 | - |
| Due to others | - | 5,606 |
| Long-term liabilities, due within one year (Note 14) | 105,000 | - |
| Long-term liabilities, due in more than one year (Note 14) | <u>6,875,104</u> | <u>-</u> |
| Total Liabilities | <u>7,003,428</u> | <u>\$ 5,606</u> |
| <u>NET POSITION</u> | | |
| Unrestricted | <u>(6,371,624)</u> | |
| Total Net Deficit | <u>\$ (6,371,624)</u> | |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

| | <u>Private- Purpose Trust Funds</u> |
|--------------------------------------|---|
| <u>ADDITIONS</u> | |
| Taxes and assessments | \$ 473,142 |
| Investment revenue | 11,241 |
| Intergovernmental revenue | <u>473,142</u> |
| Total Additions | <u>957,525</u> |
| <u>DEDUCTIONS</u> | |
| Administrative expenses | 13,296 |
| Interest expense | 319,694 |
| Intergovernmental expenses | <u>475,910</u> |
| Total Deductions | <u>808,900</u> |
| Changes in net position | 148,625 |
| Net deficit - July 1, 2018 | (6,610,249) |
| Prior period adjustment (Note 15) | <u>90,000</u> |
| Net deficit - July 1, 2018, restated | <u>(6,520,249)</u> |
| Net deficit - June 30, 2019 | <u>\$ (6,371,624)</u> |

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Reporting Entity

The accompanying basic financial statements present the financial activity of the Town of Paradise (Town), which is the primary government.

B. Basis of Presentation

The Town's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These standards require that the financial statements described below be presented.

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the activities of the overall Town government except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. The Town's net position is reported in three parts - net investment in capital assets, restricted net position, and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including fiduciary funds. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The Town does not have any proprietary funds. An emphasis is placed on major funds within the governmental category with each major fund displayed in a separate column. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

All remaining governmental funds are aggregated and reported as nonmajor funds in a single column, regardless of their fund type.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary fund financial statements include a statement of net position and statement of changes in net position. The Town's fiduciary funds are used to account for assets held by the Town as trustee for the Redevelopment Agency Successor Agency, and as an agent for individuals, private organizations, other governmental units, and/or other funds. Trust funds use the flow of economic resources measurement focus and the accrual basis of accounting. The Town maintains one trust fund and two agency funds. Agency funds use the accrual method of accounting but have no measurement focus as only assets and liabilities are reported.

C. Major Funds

The Town reported the following major governmental funds in the accompanying financial statements:

General Fund - This is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Home Grant Fund - This fund accounts for Home Grant monies collected and spent by the Town.

Camp Fire 2018 Fund - This fund accounts for monies collected for the Camp Fire relief program and to assist community organizations serving evacuees and first responders.

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined in item "b" below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds are accounted for using a "current financial resources" measurement focus. With this measurement focus, only current assets and current liabilities generally are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statements utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources (whether current or noncurrent) associated with the operation of these funds are reported.
- c. As agency funds report only assets and liabilities, they do not have a measurement focus. However, they use the accrual basis of accounting to recognize receivables and payables. The "economic resources" measurement focus and the accrual basis of accounting is used for trust funds.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset is used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town defines available to be within 60 days of year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds for governmental long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual include taxes, intergovernmental revenues, interest and charges for services. Certain indirect costs are included in program expenses reported for individual functions and activities.

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the Town may fund certain programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenditures. The Town's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

E. Property Taxes

California Constitution Article XIII A, limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voter approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year unless a change in ownership occurs. The state legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes have been levied, and collected within sixty days of fiscal year end. Property taxes are billed and collected as follows:

| <u>Valuation/Lien Date(s)</u> | <u>Secured</u> | <u>Unsecured</u> |
|-------------------------------|---------------------------------------|---------------------|
| Levy Date(s) | January 1 July 1 | January 1 July 1 |
| Due Date(s) | November 1 (50%) February 1 (50%) | August 1 |
| Delinquency Date(s) | December 10 (Nov.) April 10 (Feb.) | August 31 |

The Town adopted an alternative method of property tax distribution (the "Teeter Plan"). Under this method, the Town receives 100% of its secured property tax levied in exchange for foregoing any interest and penalties collected on delinquent taxes. The Town receives payments as a series of advances made by the County throughout the fiscal year. The secured property tax levy is recognized as revenue upon receipt including the final payment, which generally is received within 60 days after the fiscal year end.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash and Investments

The Town pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the Town's cash and investment pool. As the Town places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

The Town's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. Local Agency Investment Fund ("LAIF") determines the fair value of their portfolio quarterly and reports a factor to the Town; the Town applies that factor to convert its share of LAIF from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds. Changes in fair value are allocated to each participating fund.

G. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivables balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Federal and state grants are considered receivable and accrue as revenue when reimbursable costs are incurred.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions that are collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Loans receivable are recorded in the fund statements, but are offset by deferred inflows of resources to indicate they do not represent current financial resources.

H. Prepaid Expenses and Inventory

Inventories are stated at cost (average cost per unit) for governmental and proprietary funds. The cost is recorded as an expenditure/expense in the funds at the time individual inventory items are consumed, rather than purchased. Inventories of governmental funds are offset by nonspendable fund balance to indicate they do not constitute resources available for future appropriation.

Prepaid items are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Government-wide Statements

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. The Town has assigned the useful lives listed below to capital assets:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Buildings and Improvements | 5 to 25 |
| Infrastructure | 20 |
| Vehicles | 5 to 10 |
| Machinery and Equipment | 5 to 10 |

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction phase of debt financed capital assets is included as part of the capitalized value of the asset constructed.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

J. Long-Term Liabilities

In the government-wide financial statements, long-term liabilities and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Initial issue bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs, except for insurance, are expensed in the period incurred. Amortization of bond premiums or discounts, insurance costs, and deferred amounts on refunding is included in interest expense.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and issuance costs during the period issued. The face amount of debt issued is reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

K. Compensated Absences

Compensated absences comprise unused vacation leave and compensatory time off, which are accrued as earned. The Town's liability for compensated absences is recorded in the government-wide Statement of Net Position for governmental funds. A liability is calculated for all the costs of compensated absences based upon benefits earned by employees in the current period for which there is a probability of payment at termination. The salary and related payroll costs are those in effect at June 30, 2019. The amount of accrued sick pay is not due upon termination and therefore is not recorded as a liability for the Town. One group of employee is entitled to sick leave payout. If the employee was hired before 11/19/12, has five years of service, and leaves in good standing, they can receive a payout for sick leave in excess of twenty days at half their normal rate of pay up to \$3,750.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position, or balance sheet, will sometimes report a section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position, or balance sheet, will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

M. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's California Public Employees' Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Other Postemployment Benefits (OPEB)

For the purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Town's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liabilities and asset information with certain defined timeframes. For this report, the following timeframes are used:

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2017 |
| Measurement Date | June 30, 2018 |
| Measurement Period | July 1, 2017 to June 30, 2018 |

O. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Equity Classifications

Government-wide Statements

Net position is the excess of all the Town's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three categories. These categories apply only to net position, which is determined at the government-wide level, and are described below:

- a. *Net Investment in Capital Assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted Net position* - Consists of net position with constraints place on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted Net Position* - All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- a. *Nonspendable* - Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. *Restricted* - Amounts that are restricted for specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, laws, or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c. *Committed* - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority.
- d. *Assigned* - Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed.
- e. *Unassigned* - Amounts representing the residual classification for the general fund and residual negative fund balance of special revenue and capital project funds.

Further detail about the Town's fund balance classification is described in Note 10.

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Implementation of Government Accounting Standards Board Statements

Effective July 1, 2018, the Town implemented the following accounting and financial reporting standards:

Government Accounting Standards Board Statement No. 83

In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. As the Town does not have any AROs, there was no impact to the financial statements as a result of this Statement.

Government Accounting Standards Board Statement No. 88

In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. There was no impact to the financial statements as a result of this Statement.

S. Future Government Accounting Standards Board Statements

These statements are not effective until July 1, 2019 or later. The Town has not determined the effects on the financial statements.

Government Accounting Standards Board Statement No. 84

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The Town has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the Town's fiscal year ending June 30, 2020.

Government Accounting Standards Board Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Town has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the Town's fiscal year ending June 30, 2021.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government Accounting Standards Board Statement No. 89

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business type activity or enterprise fund. The Town has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the Town's fiscal year ending June 30, 2021.

Government Accounting Standards Board Statement No. 90

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. The Town has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the Town's fiscal year ending June 30, 2020.

Government Accounting Standards Board Statement No. 91

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Town has not determined what impact, if any, this pronouncement will have on the financial statements. Application of this statement is effective for the Town's fiscal year ending June 30, 2022.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The following procedures are performed by the Town in establishing the budgetary data reflected in the financial statements:

- 1) The Finance Director submits a preliminary budget by mid-June of each year to Town Council. The final budget is officially adopted before June 30. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted to obtain taxpayers' comments.
- 3) The appropriated budget is prepared by fund, department, and division. The government department heads may make transfers of appropriation within a department. Transfers of appropriations between departments requires approval of the Town Manager. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.
- 4) The budget is legally adopted through the passage of a council resolution.
- 5) The Town Council may amend the budget by resolution during the fiscal year. The Town Manager may transfer appropriations from one program, activity, or object to another within the same fund. All appropriations lapse at the end of the fiscal year to the extent they have not been expended. Capital project funds are based on a project time frame, rather than a fiscal year "operating" time frame reappropriating unused appropriations from year to year until project completion.
- 6) A budget review is presented to the Town Council by the Town Manager mid-year and approved additions or changes are legally adopted through Council resolution.
- 7) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the Capital Project Funds.
- 8) Budgets for the General, Special Revenue, and Capital Project Funds are adopted on a basis consistent with United States generally accepted accounting principles.

There were no budgets prepared for Special Projects Fund, General Miscellaneous Donations Fund and Improvement Agreements Fund.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

B. Excess of Expenditures and Transfers Out over Appropriations

The funds below incurred expenditures and transfers in excess of budgets in the amounts below. Sufficient resources were available in the fund balance of the funds.

| <u>Fund</u> | <u>Final Appropriation</u> | <u>Expenditures and Transfers Out</u> | <u>Excess</u> |
|--------------------------------------|--------------------------------|---|---------------|
| Major Fund: | | | |
| General Fund | \$ 11,918,671 | \$ 12,605,450 | \$ 686,779 |
| Camp Fire 2018 Fund | \$ 2,138,046 | \$ 3,735,198 | \$ 1,597,152 |
| Non-major Funds: | | | |
| Animal Control Shelter Fund | \$ 343,057 | \$ 360,472 | \$ 17,415 |
| Gas Tax Fund | \$ 1,157,239 | 1,241,621 | \$ 84,382 |
| Traffic Safety Fund | \$ 7,500 | \$ 8,750 | \$ 1,250 |
| Housing Authority Fund | \$ - | \$ 700 | \$ 700 |
| Disability Access and Education Fund | \$ - | \$ 6 | \$ 6 |
| Police Department Seizures Fund | \$ - | 1,302 | \$ 1,302 |
| Canine Protect Fund | \$ 2,000 | \$ 12,383 | \$ 10,383 |
| Animal Control Fund | \$ 19,809 | \$ 33,752 | \$ 13,943 |
| Police Fund | \$ - | \$ 399 | \$ 399 |
| General Miscellaneous Donations | \$ - | \$ 630,133 | \$ 630,133 |

C. Fund Deficits

The Camp Fire 2018 Fund and Police Department Seizures Fund had fund balance deficits of \$148,819 and \$1,302 respectively at June 30, 2019. The fund balance deficits are primarily due to the Town incurring costs in excess of revenues. The Town will alleviate this deficit as revenues are received.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3: CASH AND INVESTMENTS

Cash and investments as of June 30, 2019 were classified in the accompanying financial statements as follows:

| | |
|--|----------------------|
| Governmental activities: | |
| Cash and investments | \$ 19,048,944 |
| Restricted cash and investments | |
| Fiscal agents | 20,111 |
| FEMA grant | <u>3,390,386</u> |
| Total restricted cash and investments | <u>3,410,497</u> |
| Total governmental activities | <u>22,459,441</u> |
| Fiduciary activities: | |
| Cash and investments | 208,276 |
| Restricted cash and investments with fiscal agents | <u>429,132</u> |
| Total fiduciary activities | <u>637,408</u> |
| Total cash and investments | <u>\$ 23,096,849</u> |

Cash and investments were carried at fair value as of June 30, 2019 and consisted of the following:

| | |
|--------------------------------------|----------------------|
| Petty cash | \$ 1,350 |
| Deposits with financial institutions | 5,973,921 |
| Investments | <u>17,121,578</u> |
| Total cash and investments | <u>\$ 23,096,849</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the California Government Code and the Town's Investment Policy

The table below identifies the investment types that are authorized for the Town by the California Government Code (or the Town's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Town's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the Town, rather than the general provisions of the California Government Code or the Town's investment policy.

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment in one Issuer |
|---|------------------|---------------------------------|----------------------------------|
| Asset Backed Securities | 5 years | 20% | None |
| Bankers Acceptances | 270 days | 40% | None |
| Commercial Paper (avg Maturity -31 days) | 31 days | 30% | None |
| Commercial Paper (avg Maturity -180 days) | 180 days | 15% | None |
| Local Agency Investment Fund (LAW) | N/A | Unlimited | \$50 million |
| Medium Term Notes | 5 years | 30% | None |
| Money Market Accounts | N/A | 15% | None |
| Mutual Funds | N/A | 15% | None |
| Negotiable Certificates of Deposit | 3 years | 30% | None |
| Repurchase Agreements | 1 year | 10% | None |
| Time Certificates of Deposit | 5 years | Unlimited | None |
| Treasury Bills and Notes | 5 years | Unlimited | None |
| U.S. Government and Agency Securities | 5 years | Unlimited | None |

Investments Authorized by Debt Agreements

Investment of debt issuances held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Town's investment policy. The table below identifies the investment types that are authorized for investments by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment in one Issuer |
|--|------------------|---------------------------------|----------------------------------|
| U.S. Treasury Obligations | None | None | None |
| U.S. Agency Securities | None | None | None |
| Money Market Accounts | N/A | None | None |
| Certificates of Deposit with Banks and Savings & Loans | None | None | None |
| Investment Contracts | None | None | None |
| Commercial Paper, Prime Quality | None | None | None |
| Municipal Obligations | None | None | None |
| Banker's Acceptances, Prime Quality | 1 year | None | None |
| Local Agency Investment Fund (LAIF) | None | None | None |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Investment Valuation

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Town's money market funds held by bond trustees were measured using Level 2 inputs at June 30, 2019.

Disclosure Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Town's interest rate risk is mitigated is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the Town's investments (including investments held by bond trustee) to market rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity as of June 30, 2019:

| Investment Type | Remaining Maturity | | |
|------------------------------|----------------------|-------------|----------------------|
| | 12 months or less | 1-5 years | Fair Value |
| State Investment Pool (LAIF) | \$ 16,919,976 | \$ - | \$ 16,919,976 |
| Held by bond trustee: | | | |
| Money market funds | <u>201,602</u> | <u>-</u> | <u>201,602</u> |
| | <u>\$ 17,121,578</u> | <u>\$ -</u> | <u>\$ 17,121,578</u> |

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The Town had no investments (including investments held by bond trustees) that were highly sensitive to interest rate fluctuations as of June 30, 2019.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of the fiscal year for each investment type.

| | Total | Rating as of Fiscal Year End | | |
|------------------------------|----------------------|------------------------------|---------|-----------|
| | | S&P | Moody's | N/A |
| State Investment Pool (LAIF) | \$ 16,919,976 | | | Not rated |
| Held by bond trustee: | | | | |
| Money market funds | <u>201,602</u> | AAAm | Aaa | |
| | <u>\$ 17,121,578</u> | | | |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The Town complies with the limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. The Town held no investments in any one issuer (other than external investment pools) that represented 5% or more of total Town investment as of June 30, 2019.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Town's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2019, the carrying amount of the Town's deposits was \$5,973,921 and bank balances were \$2,765,026 of which \$250,000 was insured by FDIC coverage limits.

Investment in State Investment Pool

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the Town's investment in this pool is reported in the accompanying financial statements at amounts based upon the Town's pro-rata share of the fair value provided by LAIF for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

NOTE 4: LOANS RECEIVABLE

Housing Rehabilitation and Affordable Housing Loans

The Town engages in programs designed to encourage construction or improvement in low-to-moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the Town's terms. The balance of the loans receivable arising from these programs at June 30, 2019 was \$9,336,821, which included loans to homeowners totaling \$3,569,046, and loans to the developer (Paradise Community Village) totaling \$5,767,775.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 5: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019 was as follows:

| | <u>July 1, 2018</u> | <u>Additions</u> | <u>Retirements</u> | <u>Transfers</u> | <u>June 30, 2019</u> |
|--|----------------------|---------------------|---------------------|--------------------|----------------------|
| Capital assets not being depreciated | | | | | |
| Land | \$ 1,375,284 | \$ - | \$ - | \$ - | \$ 1,375,284 |
| Construction-in-progress | <u>2,239,385</u> | <u>848,046</u> | <u>-</u> | <u>(1,971,563)</u> | <u>1,115,868</u> |
| Total capital assets not being depreciated | <u>3,614,669</u> | <u>848,046</u> | <u>-</u> | <u>(1,971,563)</u> | <u>2,491,152</u> |
| Capital assets being depreciated | | | | | |
| Buildings and improvements | 2,316,328 | 63,889 | (248,853) | - | 2,131,364 |
| Infrastructure | 25,277,412 | - | - | 1,971,563 | 27,248,975 |
| Machinery and equipment | 1,842,731 | 20,093 | (257,350) | - | 1,605,474 |
| Vehicles | <u>4,245,815</u> | <u>132,997</u> | <u>(482,251)</u> | <u>-</u> | <u>3,896,561</u> |
| Total capital assets being depreciated | <u>33,682,286</u> | <u>216,979</u> | <u>(988,454)</u> | <u>1,971,563</u> | <u>34,882,374</u> |
| Less: accumulated depreciation for: | | | | | |
| Buildings and improvements | (1,671,453) | (41,534) | 156,517 | - | (1,556,470) |
| Infrastructure | (8,224,122) | (1,281,168) | - | - | (9,505,290) |
| Machinery and equipment | (1,541,793) | (97,352) | 223,578 | - | (1,415,567) |
| Vehicles | <u>(3,026,644)</u> | <u>(224,388)</u> | <u>481,114</u> | <u>-</u> | <u>(2,769,918)</u> |
| Total accumulated depreciation | <u>(14,464,012)</u> | <u>(1,644,442)</u> | <u>861,209</u> | <u>-</u> | <u>(15,247,245)</u> |
| Capital assets, net | <u>\$ 22,832,943</u> | <u>\$ (579,417)</u> | <u>\$ (127,245)</u> | <u>\$ -</u> | <u>\$ 22,126,281</u> |

Depreciation was charged to functions based on their usage of the related assets as follows:

| | |
|--|---------------------|
| General government | \$ 83,749 |
| Public safety | 304,260 |
| Parks and recreation | 177,305 |
| Streets | <u>1,079,128</u> |
| Total governmental activities depreciation expense | <u>\$ 1,644,442</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6: INTERFUND TRANSACTIONS

Due to/from Other Funds

Current interfund balances arise from one fund advancing monies to another fund with the intent of being repaid in the next fiscal year. The composition of interfund balances at June 30, 2019, is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Description</u> | <u>Amount</u> |
|-------------------------------|--------------------------------------|--|--------------------------|
| <u>Major Fund</u> | <u>Non-major Funds</u> | | |
| General Fund | One Time Miscellaneous Grants | Deficit cash balance | \$ 13,290 |
| General Fund | Animal Control Shelter | Deficit cash balance | 24,371 |
| General Fund | Fed CMAQ Congestion Mgmt Air Quality | Deficit cash balance | 35,688 |
| General Fund | Gas Tax | Deficit cash balance | 19,203 |
| General Fund | Highway Safety Improvement | Deficit cash balance | 68,450 |
| General Fund | Traffic Safety | Vehicle Loan | 849 |
| General Fund | Police Department Seizures Fund | Deficit cash balance | 1,302 |
| General Fund | HUD Revolving Loan | Deficit cash balance | 54,865 |
| General Fund | Active Transportation Program | Deficit cash balance | 164,704 |
| General Fund | Citizen Police | Vehicle Loan | 2,294 |
| General Fund | Improvement Agreements | Home Loan | <u>13,506</u> |
| | | Total Major Fund Receivables | <u>398,522</u> |
| <u>Non-major Fund</u> | <u>Major Funds</u> | | |
| Business and Housing Services | Home Grant Fund | Deficit cash balance | 259 |
| <u>Non-major Fund</u> | <u>Non-major Funds</u> | | |
| Business and Housing Services | HUD Revolving Loan | Deficit cash balance | <u>123,003</u> |
| | | Total Nonmajor Fund Receivables | <u>123,262</u> |
| | | Total Due to/From | \$ <u>521,784</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 6: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund Transfers to/from Other Funds

In general, the Town uses interfund transfers to (1) move revenues from the funds that collect them to the funds that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to help finance various programs and capital projects accounted for in other funds in accordance with budgetary authorization, and (3) move cash to debt service funds from the funds responsible for payment as debt service payments become due.

Transfer between funds during the fiscal year ended June 30, 2019 were as follows:

| <u>Transfer from</u> | <u>Transfer to</u> | <u>Description of Transfer</u> | <u>Amount</u> |
|---|--|---|----------------------------|
| <u>Major Governmental Funds</u> | | | |
| General Fund | Business and Housing Services | Wage transfer for CIP's | \$ 198 |
| General Fund | Animal Control Shelter Fund | Operation contribution to balance fund | 161,641 |
| General Fund | Housing Authority | Contribution for RDA dissolution | 7,973 |
| Home Grant Fund | Business and Housing Services | Qtrly transfers for program income | 147,089 |
| Camp Fire 2018 Fund | General Fund | Wage reimbursement for camp fire | 280,435 |
| Camp Fire 2018 Fund | Building Safety and Waster Water Service | Wage reimbursement for camp fire | 37,044 |
| Camp Fire 2018 Fund | Animal Control Shelter Fund | Wage reimbursement for camp fire | 8,702 |
| Camp Fire 2018 Fund | Transportation Capital Projects Fund | Wage reimbursement for camp fire | 1,845 |
| Camp Fire 2018 Fund | Gas Tax Fund | Wage reimbursement for camp fire | 73,791 |
| Camp Fire 2018 Fund | Business and Housing Services | Wage reimbursement for camp fire | 19,977 |
| Home Grant Fund | Business and Housing Services | Payroll transfer | <u>9,098</u> |
| | | Total Major Governmental Funds Transfers | <u>747,793</u> |
| <u>Non-Major Governmental Funds</u> | | | |
| Building Safety and Waste Water Service | General Fund | Monthly allocated costs/POB | 212,302 |
| Animal Control Shelter Fund | General Fund | Monthly allocated costs/POB | 69,623 |
| Transportation Capital Projects Fund | General Fund | Monthly allocated costs/POB | 4,465 |
| Gas Tax Fund | General Fund | Monthly allocated costs/POB | 205,091 |
| Traffic Safety Fund | General Fund | Monthly budgeted transfers | 8,750 |
| Business and Housing Services | General Fund | Monthly Allocated Costs/POB | 42,416 |
| Abandoned Vehicle Abatement | General Fund | Reimburse for wages and mileage | 8,391 |
| General Miscellaneous Donations | General Fund | Donations to support operations | 44,156 |
| Animal Control Fund | Animal Control Shelter Fund | Donations to support operations | 28,954 |
| Animal Control Fund | Camp Fire 2018 Fund | Grant to support camp fire recovery | 4,324 |
| General Miscellaneous Donations | Camp Fire 2018 Fund | Grants and donations to support recovery | 585,977 |
| Transportation Capital Projects Fund | Capital Improvement Fund | Contribution towards CIP projects | 100,485 |
| Federal CMAQ Fund | Capital Improvement Fund | Contribution towards CIP projects | 19,698 |
| Gas Tax Fund | Capital Improvement Fund | Contribution towards CIP projects | 4,436 |
| Highway Safety Improvement Fund | Capital Improvement Fund | Contribution towards CIP projects | 56,736 |
| Active Transportation Program Fund | Capital Improvement Fund | Contribution towards CIP projects | 617,532 |
| Transportation Capital Projects Fund | Gas Tax Fund | Wage transfer for CIP's | 3,282 |
| Federal CMAQ Fund | Gas Tax Fund | Wage transfer for CIP's | 15,990 |
| Highway Safety Improvement Fund | Gas Tax Fund | Wage transfer for CIP's | 11,715 |
| Active Transportation Program Fund | Gas Tax Fund | Wage transfer for CIP's | 17,977 |
| HUD Revolving Loan Fund | Business and Housing Services | Qtrly transfers for program income | 62,738 |
| Cal Home Rehabilitation Fund | Business and Housing Services | Qtrly transfers for program income | 37,134 |
| State SLESF Grant | General Fund | Monthly budget transfer for CS Rollo | 157,756 |
| AB109 State Funds | General Fund | Payroll transfer for AB109 officer | 42,350 |
| HUD Revolving Loan Fund | Business and Housing Services | Payroll transfer | 9,434 |
| HUD Revolving Loan Fund | Business and Housing Services | Payroll transfer | 3,212 |
| HUD Revolving Loan Fund | Business and Housing Services | Payroll transfer | 51,225 |
| HUD Revolving Loan Fund | Business and Housing Services | Payroll transfer | <u>36,892</u> |
| | | Total Non-Major Governmental Funds Transfers | <u>2,463,041</u> |
| | | Total Governmental Interfund Transfers | \$ <u>3,210,834</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT

A. Changes in Long-term Liabilities

The following is a summary of changes in the Town's long-term liabilities for the fiscal year ended June 30, 2019:

| | <u>Balance July 1, 2018</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance June 30, 2019</u> | <u>Due within One Year</u> |
|---------------------------------|---------------------------------|----------------------|-------------------------|----------------------------------|--------------------------------|
| Government Activities: | | | | | |
| Bonds payable | \$ 5,560,894 | \$ - | \$ (523,423) | \$ 5,037,471 | \$ 507,371 |
| Loans payable | 16,476 | - | (16,476) | - | - |
| Accreted interest payable | 4,828,235 | 94,587 | - | 4,922,822 | 542,630 |
| Capital leases | 920,555 | - | (316,609) | 603,946 | 325,807 |
| CDF Retiree Health Vesting | 339,785 | - | (67,440) | 272,345 | 67,697 |
| Compensated absences | <u>409,469</u> | <u>-</u> | <u>(47,755)</u> | <u>361,714</u> | <u>40,668</u> |
| Total Long-term Liabilities | <u>\$ 12,075,414</u> | <u>\$ 94,587</u> | <u>\$ (971,703)</u> | <u>\$ 11,198,298</u> | <u>\$ 1,484,173</u> |

B. Bonds Payable

On April 1, 2007, the Town pursuant to an Agreement with the California Statewide Communities Development Authority issued \$10,918,154 of Pension Obligation Bonds. The aggregate total amount of the bonds for all agencies was \$87,475,699 which includes \$65,140,000 of Series A-1 current interest and \$22,335,699 of Series A-2 capital appreciation bonds. The Town only participated in the Series A-2 bonds. The issuance of the bonds provided monies to meet the Town's obligation to pay the Town's unfunded accrued actuarial liability (UAAL) and employer contribution amount to the California Public Employees Retirement System (PERS). The Town's obligation includes among others, the requirement to amortize the unfunded accrued liability over a multi-year period. On April 1, 2007, the Town contributed \$10,635,313 of the bond proceeds to PERS to fund a portion of the unfunded liability and the employer contribution amount for the Miscellaneous and Safety Plans that provides retirement benefits to the Town's employees and public safety officers. The Town paid cost of issuance fees of \$282,841.

Interest on Series A-2 capital appreciation bonds is payable on June 1 and December 1. The rate of interest varies from 5.160% to 5.694% per annum. Principal is payable in annual installments ranging from \$238,761 to \$648,234 commencing on June 1, 2010 and ending on June 1, 2031. The balance outstanding as of June 30, 2019 was \$5,037,471. The accreted interest on the capital appreciation bonds balance as of June 30, 2019 was \$4,922,822.

| | <u>For the Year Ending June 30</u> | <u>Principal</u> | <u>Interest*</u> | <u>Total</u> |
|-------------|------------------------------------|---------------------|---------------------|----------------------|
| 2020 | | \$ 507,371 | \$ 542,630 | \$ - |
| 2021 | | 494,651 | 590,349 | 1,085,000 |
| 2022 | | 484,425 | 640,575 | 1,125,000 |
| 2023 | | 469,658 | 685,342 | 1,155,000 |
| 2024 | | 459,239 | 735,762 | 1,195,001 |
| 2025 - 2029 | | 2,139,014 | 4,460,986 | 6,600,000 |
| 2030 - 2031 | | <u>483,113</u> | <u>1,336,886</u> | <u>1,819,999</u> |
| Total | | <u>\$ 5,037,471</u> | <u>\$ 8,992,530</u> | <u>\$ 12,980,000</u> |

* The amount includes accreted interest.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT (CONTINUED)

C. Loans payable

Jeffords Property

Note payable to Jeffords - the note bears interest at 8%, payable in monthly installments based upon a fifteen year amortization schedule and matured in full on June 2, 2019. The note was paid off during the fiscal year 2018-2019 with the final payment of \$16,476.

CDF Retiree Health Vesting

In 2013, the Town entered into a loan agreement with the Department of Forestry and Fire Protection. The note bears interest at .382%, payable in annual installments based upon a ten year amortization schedule and matures in full on July 1, 2022.

| For the Year Ending June 30 | Principal | Interest |
|------------------------------------|------------------|-----------------|
| 2020 | \$ 67,697 | \$ 1,040 |
| 2021 | 67,956 | 782 |
| 2022 | 68,216 | 522 |
| 2023 | 68,476 | - |
| Total | \$ 272,345 | \$ 2,344 |

D. Capital Lease Obligations

The Town has entered into various lease agreements as lessee for financing the acquisition of capital assets. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of inception date.

Santander Ford Explorer Lease

During the fiscal year 2017-2018, the Town entered into an agreement with Santander Bank to lease three ford explorer patrol vehicles and equipment. The lease requires 20 quarterly installments of \$7,927 until June 2022. The total lease payment of the lease was \$158,530. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| For the Year Ending June 30 | Payment |
|---|----------------|
| 2020 | \$ 31,706 |
| 2021 | 31,706 |
| 2022 | 31,706 |
| Total minimum lease payments | 95,118 |
| Less: amount representing interest | (3,549) |
| Present value of minimum lease payments | \$ 91,569 |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT (CONTINUED)

Enterprise Fleet Management #1

During the fiscal year 2017-2018, the Town entered into an agreement to lease a Chevy Colorado (VIN 213123). The lease requires 60 monthly installments of \$498 with a final payment of \$5,464 in February 2023. The total lease payment of the lease was for \$29,691. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|-----------|
| 2020 | \$ 5,977 |
| 2021 | 5,977 |
| 2022 | 5,977 |
| 2023 | 8,951 |
| Total minimum lease payments | 26,882 |
| Less: amount representing interest | (2,975) |
| Present value of minimum lease payments | \$ 23,907 |

Enterprise Fleet Management #2

During the fiscal year 2017-2018, the Town entered into an agreement to lease a Chevy Colorado (VIN 210305). The lease requires 60 monthly installments of \$498 with a final payment of \$5,464 in February 2023. The total lease payment of the lease was for \$29,691. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|-----------|
| 2020 | \$ 5,977 |
| 2021 | 5,977 |
| 2022 | 5,977 |
| 2023 | 8,951 |
| Total minimum lease payments | 26,882 |
| Less: amount representing interest | (2,975) |
| Present value of minimum lease payments | \$ 23,907 |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT (CONTINUED)

West America Equipment Lease #1

During the fiscal year 2014-2015, the Town entered into an agreement to lease several pieces of equipment for the Town. The lease requires 20 quarterly installments of \$3,084. The total lease payment of the lease was for \$56,200. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|------------------------|
| 2020 | \$ <u>3,084</u> |
| Total minimum lease payments | 3,084 |
| Less: amount representing interest | <u>(94)</u> |
| Present value of minimum lease payments | \$ <u><u>2,990</u></u> |

West America Equipment Lease #2

During the fiscal year 2014-2015, the Town entered into an agreement to lease several pieces of equipment for the Town. The lease requires 16 quarterly installments of \$1,903. The total lease payment of the lease was for \$30,449. The lease obligation was paid off during the fiscal year 2018-2019 with the final payment of \$1,849.

West America Equipment Lease #3

During the fiscal year 2016-2017, the Town entered into an agreement to lease a pumper for the Town. The lease requires 16 quarterly installments of \$20,138. The total lease payment of the lease was for \$322,204. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|--------------------------|
| 2020 | \$ 80,551 |
| 2021 | <u>40,276</u> |
| Total minimum lease payments | 120,827 |
| Less: amount representing interest | <u>(2,169)</u> |
| Present value of minimum lease payments | \$ <u><u>118,658</u></u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT (CONTINUED)

Santander Equipment Lease

During the fiscal year 2015-2016, the Town entered into an agreement with Santander Leasing, LLC to lease several pieces of equipment for the Town's IT and Police departments. The lease requires 20 quarterly installments of \$14,258. The total lease payment of the lease was for \$285,155. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|-------------------------|
| 2020 | \$ <u>57,031</u> |
| Total minimum lease payments | 57,031 |
| Less: amount representing interest | <u>(727)</u> |
| Present value of minimum lease payments | \$ <u><u>56,304</u></u> |

Santander Firetruck Lease

During the fiscal year 2015-2016, the Town entered into an agreement with Santander Leasing, LLC to finance the lease of a new fire department vehicle. The lease requires 24 quarterly installments of \$21,658. The total lease payment of the lease was for \$519,790. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|--------------------------|
| 2020 | \$ 86,632 |
| 2021 | <u>86,632</u> |
| Total minimum lease payments | 173,264 |
| Less: amount representing interest | <u>(4,324)</u> |
| Present value of minimum lease payments | \$ <u><u>168,940</u></u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 7: LONG TERM DEBT (CONTINUED)

U.S Bancorp Equipment Lease

During the fiscal year 2016-2017, the Town entered into an agreement with U.S. Bancorp Government Leasing and Finance, Inc. to lease several pieces of equipment for the Town's Police department. The lease requires 20 quarterly installments of \$10,993. The total lease payment of the lease was for \$219,855. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 were as follows:

| Fiscal Year Ending June 30 | Payment |
|---|----------------|
| 2020 | \$ 43,971 |
| 2021 | 43,971 |
| 2022 | 10,993 |
| Total minimum lease payments | 98,935 |
| Less: amount representing interest | (2,178) |
| Present value of minimum lease payments | \$ 96,757 |

Inland Business Systems

During the fiscal year 2016-2017, the Town entered into an agreement to lease five new Bizhub multifunction devices. The lease requires monthly installments of \$906 until July 2022.

| Fiscal Year Ending June 30 | Payment |
|---|----------------|
| 2020 | \$ 10,878 |
| 2021 | 10,878 |
| 2022 | 906 |
| Total minimum lease payments | 22,662 |
| Less: amount representing interest | (1,751) |
| Present value of minimum lease payments | \$ 20,911 |

E. Compensated Absences

Town employees accumulate earned but unused vacation and sick leave benefits, which can be converted to cash at termination of employment. The Town has estimated that the due within one year balance of compensated absences is \$40,668. The remaining amounts are reported as non-current liabilities due in more than one year on the statement of net position. No expenditure is reported for these amounts in the fund statements. In the statement of activities, the expenditure is allocated to each function based on usage. The non-current portion of these vested benefits, payable in accordance with various collective bargaining agreements, at June 30, 2019, total \$321,046 for governmental activities.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN

A. General Information about the Pensions Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Town sponsors six rate plans (three miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and Town resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employee's Retirement Law.

The rate plan's provisions and benefits in effect at June 30, 2019, are summarized as follows:

| | Miscellaneous | | | Safety | | |
|---|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Tier I | Tier II | PEPRA | Tier I | Tier II | PEPRA |
| Benefit Formula | 2.5% @ 55 | 2% @ 60 | 2% @ 62 | 3% @ 50 | 3% @ 55 | 2.7% @ 57 |
| Benefit Vesting Schedule | 5 years service | 5 years service | 5 years service | 5 years service | 5 years service | 5 years service |
| Benefit Payments | Monthly | Monthly | Monthly | Monthly | Monthly | Monthly |
| Retirement Age | 55 | 60 | 62 | 50 | 55 | 57 |
| Monthly Benefits, as a % of Eligible Compensation | 2.5% | 2.0% | 2.0% | 3.0% | 3.0% | 2.7% |
| Required Employee Contribution Rates | 8.000% | 7.000% | 6.250% | 9.000% | 9.000% | 11.500% |
| Required Employer Contribution Rates* | 28.026% | 7.997% | 7.150% | 141.619% | 17.774% | 12.235% |

* The employer contribution rate is the sum of the plans' employer normal cost rate plus the employer unfunded accrued liability.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Town is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The Town's contributions to the Plan for year ending June 30, 2019 were \$1,610,515.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2019, the Town reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$21,834,378.

The Town's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2018, and the total pension liability for the Plan used to calculate the net pension liability was determined by an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Town's proportionate share of the net pension liability for the Plan as of June 30, 2017 and 2018 was as follows:

| | |
|------------------------------|------------------|
| Proportion - June 30, 2017 | 0.21895 % |
| Proportion - June 30, 2018 | <u>0.22659 %</u> |
| Change - Increase (Decrease) | 0.00764 % |

For the year ended June 30, 2019, the Town recognized pension expense of \$675,824. At June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Pension contributions subsequent to the measurement date | \$ 1,610,515 | \$ - |
| Difference between actual contributions made by employer and the employer's proportionate share of the risk pool's total contribution | - | 1,144,298 |
| Differences between actual and expected experience | 565,600 | 75,912 |
| Changes in assumptions | 2,233,095 | 373,040 |
| Adjustment due to differences in proportions | 272,625 | 366,401 |
| Net differences between projected and actual earnings on plan investments | <u>137,392</u> | <u>-</u> |
| Total | <u>\$ 4,819,227</u> | <u>\$ 1,959,651</u> |

\$1,610,515 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| <u>For the Fiscal Year Ended June 30,</u> | <u>Net Deferred Outflows (Inflows) of Resources</u> |
|---|---|
| 2020 | \$ 1,467,303 |
| 2021 | \$ 691,035 |
| 2022 | \$ (746,226) |
| 2023 | \$ (163,051) |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

| | Miscellaneous & Safety Plans |
|----------------------------------|---|
| Valuation Date | June 30, 2017 |
| Measurement Date | June 30, 2018 |
| Actuarial Cost Method | Entry-Age Normal Cost Method |
| Actuarial Assumptions: | |
| Discount Rate | 7.15% |
| Inflation | 2.50% |
| Salary Increases | Varies by Entry Age and Service |
| Investment Rate of Return | 7.15% net of pension plan investment expenses; includes inflation |
| Mortality (1) | Derived using CalPERS membership data for all funds |
| Post Retirement Benefit Increase | Contract COLA up to 2.50% until purchasing power protection allowance floor on purchasing power applies, 2.50% thereafter |

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90 percent Scale MP 2016. For more details on this table, please refer to the April 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) available on CalPERS website.

Other significant actuarial assumptions used in the June 30, 2017 valuation were based on the results of the actuarial experience study for the fiscal years 1997 to 2015, including updates to salary increase, mortality and retirement rates.

Changes in Assumptions

In December 2017, the CalPERS Board adopted new mortality assumptions for plan participants participating in the PERF. The new mortality table was developed from the December 2017 experience study and includes 15 years of projected ongoing mortality improvement using 90 percent of scale MP 2016 published by the Society of Actuaries. The inflation assumption is reduced from 2.75 percent to 2.50 percent. The assumptions for individual salary increases and overall payroll growth are reduced from 3.00 percent to 2.75 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), the amortization and smoothing periods adopted by the Board in 2013 were used. For the Plan, the crossover test was performed for a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on CalPERS' website.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

| Asset Class | Assumed Asset Allocation | Real Return Years 1-10 (a) | Real Return Years 11+ (b) |
|-----------------|-----------------------------|-------------------------------|------------------------------|
| Global Equity | 50.0% | 4.80% | 5.98% |
| Fixed Income | 28.0% | 1.00% | 2.62% |
| Inflation Asset | 0.0% | 0.77% | 1.81% |
| Private Equity | 8.0% | 6.30% | 7.23% |
| Real Estate | 13.0% | 3.75% | 4.93% |
| Liquidity | 1.0% | 0.00% | (0.92%) |

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability for the Plan, as of the measurement date, calculated using the discount rate for the Plan, as well as what the Town's proportionate share of net pension liability would be if it were calculated using a discount rate that is one-percentage point lower or one-percentage point higher than the current rate:

| | Discount Rate -1% (6.15%) | Current Discount Rate (7.15%) | Discount Rate +1% (8.15%) |
|-------------------------------|------------------------------|-------------------------------------|------------------------------|
| Net Pension Liability (Asset) | \$ 32,496,261 | \$ 21,834,378 | \$ 13,079,605 |

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (OPEB)

Description of the Plan

The post-employment benefit plan is a single-employer defined healthcare plan administered by the Town. The Town provides postretirement medical benefits, as provided for in various collective bargaining agreements for retirees that meet certain criteria. Upon enrollment in the PERS medical program, health plans for employees retiring after enrollment shall be in accordance with PERS medical program regulations. Employees of the Town, who immediately upon termination, retire under the PERS retirement plan, and remain in the Town's medical plan, shall have a Town paid contribution towards the medical plan premium not to exceed the Town contribution to an active employee/employee plus spouse/employee plus 2 persons rate as prescribed in Town Resolution and PERS Health Plan Regulations.

The Town of Paradise participates in the Self-Insured Schools of California ("SISC") Trust (the "Plan") to pre-fund Other Post-employment Benefits (OPEB) liabilities reported in accordance with the Governmental Accounting Standards Board (GASB), and as specified in the Town policies and/or bargaining agreements. The SISC has made the program available to the Town and its eligible employees a Trust Fund known as the SISC Trust. The Trust Fund is intended to be a tax-exempt governmental trust established under Internal Revenue Section 115 and an irrevocable trust under applicable law of the State of California.

Employees Covered

As of the June 30, 2017 actuarial valuation, the following current and former employees were covered by the benefit terms under the Health Plan:

| | |
|--|-------------------|
| Active employees | 68 |
| Inactive employees, spouses, or beneficiaries currently receiving benefit payments | <u>79</u> |
| Total | <u><u>147</u></u> |

Contributions

The Town funds the plan on a pay-as-you-go basis. For the year ended June 30, 2019, the Town paid \$701,420 on behalf of retirees, and did not contribute to the trust. The Town intends to continue funding on a pay-as-you-go basis for the near future, and also expects to contribute approximately \$50,000 per year to the trust.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability

The Town's net OPEB liability ("NOL") was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 based on the following actuarial methods and assumptions:

| | |
|----------------------------|---|
| Valuation Date | June 30, 2017 |
| Funding Method | Entry Age Normal Cost, level percent pay |
| Asset Valuation Method | Market value of assets |
| Long Term Return on Assets | 6.50% |
| Discount Rates | 6.50% |
| Participates Valued | Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation. Employees with no current medical coverage are assumed to elect PERS Choice upon retirement, with no dependents. |
| Service Retirement Rates | Retirement rates for non-safety employees are taken from the 2014 CalPERS OPEB Assumptions Model for "Public Agency Miscellaneous 2.0% at 55" For police employees, retirement rates are taken from the CalPERS "Police with 3.0% at 50" table. |
| Benefit Cap Increases | Benefit caps for all employees are assumed to remain unchanged in all future years. |
| General Inflation Rate | 2.75% per annum |
| Mortality Improvement | 2014 CalPERS OPEB assumptions Model. |
| Healthcare Trend Rate | 5.50% in the first year, trending down to 5% for years 21 and thereafter. |

Discount Rate

The discount rate used to measure the total OPEB liability was 6.50%. The discount rate is set equal to the expected long-term rate of return on the invested assets. The cash flows of the OPEB plan were projected to future years, assuming that the Town will contribute an amount at least equal to retirees' benefits plus \$50,000 per year, until the Net OPEB Liability is expected to be \$0, and then small amounts thereafter to keep the NOL at \$0. Under that projection, the plan assets are projected to be adequate to pay all benefits to retirees in all future years, so the discount rate has been set equal to the long-term expected rate of return on investments.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Net OPEB Liability

The changes in the net OPEB liability for the plan are as follows:

| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability/(Asset) (c) = (a) - (b) |
|----------------------------|--------------------------------|---------------------------------------|--|
| Balance at June 30, 2018 | \$ 10,573,501 | \$ 127,025 | \$ 10,446,476 |
| Service cost | 149,386 | - | 149,386 |
| Interest cost | 661,804 | - | 661,804 |
| Expected investment income | - | 11,096 | (11,096) |
| Employer contributions | - | 852,682 | (852,682) |
| Benefit payments | (783,788) | (783,788) | - |
| Administrative expenses | - | (198) | 198 |
| Net change during 2018-19 | <u>27,402</u> | <u>79,792</u> | <u>(52,390)</u> |
| Balance at June 30, 2019 | <u>\$ 10,600,903</u> | <u>\$ 206,817</u> | <u>\$ 10,394,086</u> |

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following represents the net OPEB liability of the Town, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2018:

| | 1% Decrease (5.50%) | Current Discount Rate (6.50%) | 1% Increase (7.50%) |
|--------------------|------------------------|-------------------------------------|------------------------|
| Net OPEB Liability | <u>\$ 11,501,281</u> | <u>\$ 10,394,086</u> | <u>\$ 9,456,787</u> |

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following represents the net OPEB liability of the Town, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2018:

| | 1% Decrease (4.50%) | Current Healthcare Cost Trend Rate (5.50%) | 1% Increase (6.50%) |
|--------------------|------------------------|--|------------------------|
| Net OPEB Liability | <u>\$ 10,262,972</u> | <u>\$ 10,394,086</u> | <u>\$ 10,522,148</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments 5 year straight line recognition

All other amounts Straight line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service year.

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the Town recognized OPEB expense of \$728,126. As of fiscal year ended June 30, 2019, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| OPEB contributions subsequent to measurement date | \$ 701,420 | \$ - |
| Net difference between projected and actual earnings on OPEB plan investments | - | 5,337 |
| Total | \$ 701,420 | \$ 5,337 |

\$701,420 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

| For the Fiscal Year Ending June 30, | Recognized Net Deferred Outflows (Inflows) of Resources |
|---|--|
| 2020 | \$ (1,589) |
| 2021 | \$ (1,589) |
| 2022 | \$ (1,589) |
| 2023 | \$ (570) |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10: FUND BALANCES

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The Town of Paradise has established the following fund balance procedures:

Non-Spendable: Amounts that cannot be spent because they are either (a) not in spendable form (not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. The Town has classified prepaid items and advances as nonspendable since these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: Amounts subject to externally enforceable legal restrictions or constrained for a specific purpose by external parties, constitutional provision, or enabling legislation. This fund balance type is essentially the same definition as restricted net position under GASB Statement No. 34.

Committed: The Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal action taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the Town Council removes or changes the specified use through the same type of formal action taken to establish the commitment. Town Council action to commit fund balance needs to occur within the fiscal reporting period; however the amount can be determined subsequently.

Assigned: Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The policy hereby delegates the authority to assign amounts to be used for specific purposes to the Town Manager and the Finance Director for the purpose of reporting these amounts in the annual financial statements.

Unassigned: Residual amounts in the general fund, not classified as non-spendable, restricted, committed, or assigned. For other governmental fund types, unassigned is only used when a deficit or negative fund balance occurs.

The accounting policies of the Town consider restricted fund balance to have been spent first when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the Town considers committed amounts to be reduced first, followed by assigned amounts, and unassigned amounts.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 10: FUND BALANCES (CONTINUED)

As of June 30, 2019, fund balances consisted of the following:

| | <u>General Fund</u> | <u>Home Grant Fund</u> | <u>Camp Fire 2018 Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|----------------------------------|---------------------|------------------------|----------------------------|---------------------------------|---------------------------------|
| Nonspendable: | | | | | |
| Prepaid | \$ 5,438 | \$ - | \$ 12,804 | \$ - | \$ 18,242 |
| Advances | <u>1,295,104</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,295,104</u> |
| Total nonspendable fund balances | <u>1,300,542</u> | <u>-</u> | <u>12,804</u> | <u>-</u> | <u>1,313,346</u> |
| Restricted for: | | | | | |
| Special projects | - | - | - | 255,359 | 255,359 |
| Community development | - | 1,347,433 | - | 1,812,681 | 3,160,114 |
| General plan | - | - | - | 424,965 | 424,965 |
| Public safety | - | - | - | 421,555 | 421,555 |
| Streets and roads | - | - | - | 1,155,582 | 1,155,582 |
| Wastewater and drainage | - | - | - | 1,869,458 | 1,869,458 |
| Capital projects | <u>-</u> | <u>-</u> | <u>-</u> | <u>656,978</u> | <u>656,978</u> |
| Total restricted fund balances | <u>-</u> | <u>1,347,433</u> | <u>-</u> | <u>6,596,578</u> | <u>7,944,011</u> |
| Assigned for: | | | | | |
| Measure C | 594,948 | - | - | - | 594,948 |
| Property abatement | <u>20,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>20,000</u> |
| Total assigned fund balances | <u>614,948</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>614,948</u> |
| Unassigned | <u>2,312,844</u> | <u>-</u> | <u>(161,623)</u> | <u>(1,302)</u> | <u>2,149,919</u> |
| Total fund balances (deficit) | <u>\$ 4,228,334</u> | <u>\$ 1,347,433</u> | <u>\$ (148,819)</u> | <u>\$ 6,595,276</u> | <u>\$ 12,022,224</u> |

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 11: REVENUE LIMITATIONS IMPOSED BY CALIFORNIA PROPOSITION 218

Proposition 218, which was approved by the voters in November 1996, will regulate the Town's ability to impose, increase, and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in the future years by the voters.

NOTE 12: CONTINGENCIES AND COMMITMENTS

The Town is subject to litigation arising in the normal course of business. In the opinion of management and legal counsel there is no pending litigation which is likely to have a material adverse effect on the financial position of the Town.

Grant Awards

The Town participates in certain Federal and State assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

NOTE 13: RISK MANAGEMENT

The Town manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pool described below and by retaining certain risks.

The Town is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with eighteen other northern California cities. The NCCSIF is a joint powers authority (JPA) organized in accordance with Article 1, Chapter 5, Division 7, Title 1 of the California Government Fund Programs. The purpose is to create a common pool of funds to be used to meet obligations of the parties to provide workers' compensation benefits for their employees and to provide excess liability insurance. The NCCSIF provides claims processing, administrative services, risk management services, and actuarial studies. A member from each city governs the NCCSIF. The Town council members do not have significant oversight responsibility, since they evenly share all factors of responsibility with the other cities. The Town does not retain the risk of loss. However, ultimate liability for payment of claims and insurance premiums resides with member cities.

NCCSIF is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities/town. If the JPA becomes insolvent, the Town is responsible only to the extent of any deficiency in its equity balance. Upon termination of the JPA agreement, all property of NCCSIF will vest in the respective parties which theretofore transferred, conveyed or leased said property to NCCSIF. Any surplus of funds will be returned to the parties in proportion to actual balances of each equity.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13: RISK MANAGEMENT (CONTINUED)

The NCCSIF establishes claims liabilities based on estimates of the ultimate cost of claims (including future claims settlement expenses) that have been reported but not settled, plus estimates of claims that have been incurred but not recorded. Because actual claims costs depend on various factors, the claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision of inflation is implicit in the calculation of estimated future claims costs. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

The Town's insurance coverage for general liability includes claims up to \$40,000,000 and workers' compensation claims up to the statutory limit and up to \$5,000,000 for employer's liability. The Town has a self insured retention or deductible of \$50,000 per claim for general liability claims. The Town's self-insured retention is \$100,000 for worker's compensation claims. Once the Town's self-insured retention for claims is met, NCCSIF becomes responsible for payment of all claims up to the limit.

The participants as of June 30, 2019 were as follows:

| | | | | | | |
|-----------|-----------|---------|---------|------------|----------|----------|
| Anderson | Auburn | Colusa | Corning | Dixon | Folsom | Galt |
| Gridley | Ione | Jackson | Lincoln | Marysville | Oroville | Paradise |
| Red Bluff | Rio Vista | Rocklin | Willows | Yuba City | | |

Financial statements for NCCSIF may be obtained from Alliant Insurances, 2180 Harvard Street, Suite 460, Sacramento, California 95815.

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the Town that previously had reported a redevelopment agency within the reporting entity of the Town as a blended component unit. The activity of the Successor Agency Trust is now recorded in a private purpose trust fund.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the Town are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The Town's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the Town.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2019 was as follows:

| | <u>Balance July 1, 2018</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balance June 30, 2019</u> | <u>Due within One Year</u> |
|----------------------|---------------------------------|------------------|---------------------|----------------------------------|--------------------------------|
| Advance payable | \$ 1,334,971 | \$ - | \$ (39,867) | \$ 1,295,104 | \$ - |
| Bonds payable - 2009 | 4,330,000 | - | (85,000) | 4,245,000 | 85,000 |
| Bonds payable - 2016 | <u>1,460,000</u> | <u>-</u> | <u>(20,000)</u> | <u>1,440,000</u> | <u>20,000</u> |
| Total | <u>\$ 7,124,971</u> | <u>\$ -</u> | <u>\$ (144,867)</u> | <u>\$ 6,980,104</u> | <u>\$ 105,000</u> |

The long-term liabilities consisted of the following components for the fiscal year ended June 30, 2019:

Advance payable consisted of an advance of \$1,295,104 from the General Fund of the Town to assist the Successor Agency with administrative, operation, and program costs. The interest rate on this advance rate is 4.50%.

Bonds payable consisted of the following as of June 30, 2019:

2009 Tax Allocation Refunding Bonds

On October 21, 2009, the Town issued the 2009 Tax Allocation Refunding Bonds in the amount of \$4,480,000. The refunding bond was used to refund the entire outstanding 2003 Tax Allocation Notes and the 2005 Tax Allocation Notes. The Refunding Bonds have a stated interest rate from 4.80% to 6.00% and mature on June 1, 2043. The Refunding Bonds are subject to redemption prior to their stated maturity, at the option of the Town, as a whole or in part pro rata among maturities and by lot within a maturity, on any date on or after June 1, 2019 from funds derived by the Town from any sources at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the redemption date, without premium. The original issue bond discount on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet.

On February 1, 2012, the total principal balance of \$4,377,893, which was net of the \$102,107 of unamortized original issue bond discount, was transferred from the Town. The principal balance outstanding, as of June 30, 2018 was \$4,245,000.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

The future principal and interest payments for the bonds payable as of June 30, 2019 were as follows:

| Fiscal Year Ended June 30, | Bonds Payable | | |
|-------------------------------|---------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2020 | \$ 85,000 | \$ 251,128 | \$ 336,128 |
| 2021 | 90,000 | 246,665 | 336,665 |
| 2022 | 95,000 | 241,850 | 336,850 |
| 2023 | 100,000 | 236,388 | 336,388 |
| 2024 | 110,000 | 230,638 | 340,638 |
| 2025-2029 | 635,000 | 1,053,427 | 1,688,427 |
| 2030-2034 | 850,000 | 843,000 | 1,693,000 |
| 2035-2039 | 1,120,000 | 558,600 | 1,678,600 |
| 2040-2043 | 1,160,000 | 179,100 | 1,339,100 |
| | <u>\$ 4,245,000</u> | <u>\$ 3,840,796</u> | <u>\$ 8,085,796</u> |

2016 Tax Allocation Refunding Bonds

On October 27, 2016, the Town issued the 2016 Tax Allocation Refunding Bonds in the amount of \$1,475,000. The refunding bond was used to refund the entire outstanding 2006 Tax Allocation Notes. The Refunding Bonds have a stated interest rate from 3.8% to 4.13% and mature on June 1, 2056.

The Refunding Bonds will be subject to optional redemption, as a whole or in part from maturities specified by the Successor Agency, prior to their maturity, at the option of the Successor Agency on any date on or after June 1, 2026, from funds derived by the Successor Agency from any source, at a redemption price equal to 100% of the principal amount of the 2016 Refunding Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium.

The 2016 Refunding Bonds maturing on June 1, 2031, June 1, 2036, June 1, 2046, and June 1, 2056 shall be subject to redemption prior to their stated maturity, in part on a pro rata basis, from sinking installments deposited in the principal account on June 1 of each year commencing June 1, 2018, June 1, 2032, June 1, 2037 and June 1, 2047, respectively, at the principal amount thereof and interest accrued thereon to the date fixed for redemption, without premium.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 14: SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

The principal balance outstanding, as of June 30, 2019 was \$1,440,000. The future principal and interest payments for the bonds payable as of June 30, 2019 were as follows:

| Fiscal Year Ended June 30, | Bonds Payable | | |
|-------------------------------|---------------------|---------------------|---------------------|
| | Principal | Interest | Total |
| 2020 | \$ 20,000 | \$ 57,429 | \$ 77,429 |
| 2021 | 20,000 | 56,669 | 76,669 |
| 2022 | 20,000 | 55,909 | 75,909 |
| 2023 | 20,000 | 55,149 | 75,149 |
| 2024 | 20,000 | 54,389 | 74,389 |
| 2025-2029 | 120,000 | 259,404 | 379,404 |
| 2030-2034 | 140,000 | 235,319 | 375,319 |
| 2035-2039 | 170,000 | 206,331 | 376,331 |
| 2040-2044 | 210,000 | 169,581 | 379,581 |
| 2045-2049 | 255,000 | 124,188 | 379,188 |
| 2050-2054 | 305,000 | 67,650 | 372,650 |
| 2055-2056 | 140,000 | 8,663 | 148,663 |
| | <u>\$ 1,440,000</u> | <u>\$ 1,350,681</u> | <u>\$ 2,790,681</u> |

NOTE 15: PRIOR PERIOD ADJUSTMENT

The private-purpose trust funds prior period adjustment was recorded by the Town, effectively decreasing net position as of July 1, 2018 by \$90,000. The prior period adjustment was recorded for principal payments on the 2009 and 2016 Bonds.

NOTE 16: EXTRAORDINARY ITEM - CAMP FIRE

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise and destroyed roughly 90 percent of the Town's residences and businesses. This has resulted in material effects to the Town's future revenues and finances; however, the Town is well supported and on the path to recovery. Federal, State and local partners will assist with long term recovery. Insurance and the State of California, will provide short-term lost revenue backfills. The following account balances and transactions were recorded as a result of the Camp Fire.

In fiscal year 2019, the Town submitted a lost tax revenue claim with the insurance company for the policy limit of \$5 million. The Town has received an advance of \$3.2 million of the \$5 million lost tax insurance claim. The Town has recognized a portion of the proceeds and the remaining balance of \$2,802,161 has been recorded as unearned revenue in the General Fund. In addition, the State of California has committed to backfilling property taxes for three years starting in fiscal year 2019. The Town has received the backfill for the current fiscal year.

In fiscal year 2019, the State of California advanced \$5 million towards a FEMA public assistance claim. The Town has expended and recognized \$1,819,483 of the grant revenue. The remaining balance of the grant, \$3,182,676 is recorded as unearned revenue in the Camp Fire fund.

In fiscal year 2019, the insurance company also advanced the Town \$2.5 million for property losses. The Town has used and recognized \$1,169,693 of the insurance proceeds. The remaining balance of \$1,327,924 has been recorded as unearned revenue in the Camp Fire Fund.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 16: EXTRAORDINARY ITEM - CAMP FIRE (CONTINUED)

The Town engages in various housing rehabilitation and affordable housing loan programs. Due to the destruction of the Camp Fire, many of these homes were damaged or completely lost. In situations where insurance proceeds were received, the balances of the home loans were forgiven or paid off. The total change in loan balance was \$1,725,207 and was recorded on the government-wide Statement of Activities. \$426,950 is related to accrued interest forgiven, and \$1,298,257 is related to Housing program insurance held for rebuild. Additionally, the Town is also holding some of the insurance proceeds at the loanholder's request in the event of a rebuild. The total amount of \$1,290,757 is being held by the Town in unearned revenue in the following funds: Home Grant, Cal Home Rehabilitation, HUD Revolving Loan, and the Housing Authority.

During the fiscal year, the Town received \$1,089,933 in Camp Fire donations. In addition, the Town received funding in the amount of \$516,992 that is being held as unearned revenue in the Building Safety and Wastewater Services fund for the purposes of assisting with building permit fees for individuals who lost their home.

NOTE 17: MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

The Town has evaluated subsequent events through the date of this report, which is February 27, 2020, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--------------------------------------|-------------------------|------------------|-------------------|---|
| | Original | Final | Actual | |
| <u>REVENUES</u> | | | | |
| Taxes and assessments: | | | | |
| Secured and unsecured property taxes | \$ 5,250,646 | \$ 5,220,209 | \$ 5,309,122 | \$ 88,913 |
| Sales and use taxes | 3,312,766 | 1,329,496 | 2,337,771 | 1,008,275 |
| Transient lodging taxes | 226,778 | 114,452 | 114,452 | - |
| Franchise taxes | 1,044,945 | 426,582 | 564,453 | 137,871 |
| Motor vehicle in-lieu tax | 2,416,196 | 2,416,196 | 2,459,689 | - |
| Homeowners property tax relief | 65,294 | 65,294 | 64,553 | - |
| Real property transfer taxes | <u>90,463</u> | <u>44,948</u> | <u>66,080</u> | <u>21,132</u> |
| Total taxes and assessments | <u>12,407,088</u> | <u>9,617,177</u> | <u>10,916,120</u> | <u>1,298,943</u> |
| Licenses, permits, and impact fees | 13,066 | 1,400 | 1,357 | (43) |
| Fines and forfeitures | 53,450 | 31,759 | 72,939 | 41,180 |
| Use of money and property | 13,080 | 15,070 | 65,818 | 50,748 |
| Intergovernmental revenues: | | | | |
| Federal-other | 2,000 | 3,000 | 4,265 | 1,265 |
| State-other | <u>98,765</u> | <u>51,542</u> | <u>59,132</u> | <u>7,590</u> |
| Total intergovernmental revenues | <u>100,765</u> | <u>54,542</u> | <u>63,397</u> | <u>8,855</u> |
| Charges for services: | | | | |
| Police | 28,182 | 45,218 | 43,868 | (1,350) |
| Fire | 6,776 | 3,000 | 5,081 | 2,081 |
| Community development | 29,805 | 20,396 | 22,370 | 1,974 |
| Parks and recreation | 2,500 | 2,500 | 2,333 | (167) |
| Public works | 68,831 | 32,105 | 61,597 | 29,492 |
| Administration | <u>104,325</u> | <u>94,893</u> | <u>149,453</u> | <u>54,560</u> |
| Total charges for services | <u>240,419</u> | <u>198,112</u> | <u>284,702</u> | <u>86,590</u> |
| Other revenues | <u>19,600</u> | <u>19,873</u> | <u>476,570</u> | <u>456,697</u> |
| Total Revenues | <u>12,847,468</u> | <u>9,937,933</u> | <u>11,880,903</u> | <u>1,942,970</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| General government: | | | | |
| Town council | 38,171 | 38,076 | 25,909 | 12,167 |
| Town manager | 398,233 | 405,566 | 364,414 | 41,152 |
| Town attorney | 188,086 | 199,906 | 198,551 | 1,355 |
| Central service | 396,445 | 394,096 | 389,969 | 4,127 |
| Financial services | 234,921 | 234,921 | 242,299 | (7,378) |
| Town clerk | 235,156 | 225,121 | 222,273 | 2,848 |
| Risk management | 113,035 | 112,980 | 115,070 | (2,090) |
| Non-departmental | <u>599,589</u> | <u>380,879</u> | <u>608,036</u> | <u>(227,157)</u> |
| Total general government | <u>2,203,636</u> | <u>1,991,545</u> | <u>2,166,521</u> | <u>(174,976)</u> |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET TO ACTUAL
GENERAL FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--|-------------------------|-----------------------|---------------------|---|
| | Original | Final | Actual | |
| Community development | | | | |
| Planning | 149,908 | 150,466 | 148,143 | 2,323 |
| Solid waste | <u>56,242</u> | <u>55,041</u> | <u>36,210</u> | <u>18,831</u> |
| Total community development | <u>206,150</u> | <u>205,507</u> | <u>184,353</u> | <u>21,154</u> |
| Public safety: | | | | |
| Police | | | | |
| Administration | 856,391 | 742,559 | 768,965 | (26,406) |
| Operations | 2,970,219 | 2,795,201 | 3,141,597 | (346,396) |
| Communications | 866,557 | 756,064 | 805,017 | (48,953) |
| Motor pool operations | 215,952 | 218,227 | 200,627 | 17,600 |
| Fire | | | | |
| Administration | 166,289 | 161,305 | 155,185 | 6,120 |
| Emergency operations center | 10,498 | 12,777 | 15,015 | (2,238) |
| Suppression | 3,864,533 | 3,011,498 | 3,285,527 | (274,029) |
| Volunteers | <u>12,528</u> | <u>35,799</u> | <u>4,757</u> | <u>31,042</u> |
| Total public safety | <u>8,962,967</u> | <u>7,733,430</u> | <u>8,376,690</u> | <u>(643,260)</u> |
| Public works: | | | | |
| Engineering | 47,734 | 48,653 | - | 48,653 |
| Public works | 59,524 | 60,443 | 61,568 | (1,125) |
| Parks and recreation | 14,940 | 14,451 | 9,938 | 4,513 |
| Public facilities | <u>8,800</u> | <u>8,800</u> | <u>-</u> | <u>8,800</u> |
| Total public works | <u>130,998</u> | <u>132,347</u> | <u>71,506</u> | <u>60,841</u> |
| Capital outlay | <u>76,028</u> | <u>285,332</u> | <u>219,611</u> | <u>65,721</u> |
| Debt service: | | | | |
| Principal | 941,666 | 891,597 | 906,181 | (14,584) |
| Interest and fiscal charges | <u>537,094</u> | <u>510,827</u> | <u>510,776</u> | <u>51</u> |
| Total debt service | <u>1,478,760</u> | <u>1,402,424</u> | <u>1,416,957</u> | <u>(14,533)</u> |
| Total Expenditures | <u>13,058,539</u> | <u>11,750,585</u> | <u>12,435,638</u> | <u>(685,053)</u> |
| Excess of revenues over (under) expenditures | <u>(211,071)</u> | <u>(1,812,652)</u> | <u>(554,735)</u> | <u>1,257,917</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | 756,888 | 756,888 | 1,075,735 | 318,847 |
| Transfers out | <u>(212,779)</u> | <u>(168,086)</u> | <u>(169,812)</u> | <u>(1,726)</u> |
| Total Other Financing Sources (Uses) | <u>544,109</u> | <u>588,802</u> | <u>905,923</u> | <u>479,341</u> |
| Net Change in Fund Balance | <u>\$ 333,038</u> | <u>\$ (1,223,850)</u> | <u>\$ 351,188</u> | <u>\$ 1,575,038</u> |
| Fund Balance - July 1, 2018 | | | <u>3,877,146</u> | |
| Fund Balance - June 30, 2019 | | | <u>\$ 4,228,334</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOME GRANT FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--|-------------------------|------------------|---------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>REVENUES</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 12,790 | \$ 12,790 |
| Intergovernmental revenues | 542,797 | 542,797 | 195,427 | (347,370) |
| Program income | <u>85,000</u> | <u>85,000</u> | <u>1,496,319</u> | <u>1,411,319</u> |
| Total Revenues | <u>627,797</u> | <u>627,797</u> | <u>1,704,536</u> | <u>1,076,739</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Community development | <u>511,069</u> | <u>511,069</u> | <u>241,110</u> | <u>269,959</u> |
| Total Expenditures | <u>511,069</u> | <u>511,069</u> | <u>241,110</u> | <u>269,959</u> |
| Excess of revenues over (under) expenditures | <u>116,728</u> | <u>116,728</u> | <u>1,463,426</u> | <u>1,346,698</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(116,728)</u> | <u>(116,728)</u> | <u>(156,187)</u> | <u>(39,459)</u> |
| Total Other Financing Sources (Uses) | <u>(116,728)</u> | <u>(116,728)</u> | <u>(156,187)</u> | <u>(39,459)</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | <u>1,307,239</u> | <u>\$ 1,307,239</u> |
| Fund Balance - July 1, 2018 | | | <u>40,194</u> | |
| Fund Balance - June 30, 2019 | | | <u>\$ 1,347,433</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAMP FIRE 2018 FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--|-------------------------|-----------------------|-----------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>REVENUES</u> | | | | |
| Intergovernmental revenues | \$ - | \$ - | \$ - | \$ - |
| Other revenues | - | - | - | - |
| Total Revenues | - | - | - | - |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| General government | - | 1,383,167 | 2,468,681 | (1,085,514) |
| Community development | - | 438 | 110,998 | (110,560) |
| Public safety | - | 495,156 | 247,161 | 247,995 |
| Public works | - | 174,059 | 404,433 | (230,374) |
| Capital Outlay | - | <u>85,226</u> | <u>75,229</u> | <u>9,997</u> |
| Total Expenditures | - | <u>2,138,046</u> | <u>3,306,502</u> | <u>(1,168,456)</u> |
| Excess of revenues over (under) expenditures | - | <u>(2,138,046)</u> | <u>(3,306,502)</u> | <u>(1,168,456)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | - | - | 590,301 | 590,301 |
| Transfers out | - | - | <u>(421,794)</u> | <u>(421,794)</u> |
| Total Other Financing Sources (Uses) | - | - | <u>168,507</u> | <u>168,507</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ (2,138,046)</u> | <u>(3,137,995)</u> | <u>\$ (999,949)</u> |
| Fund Balance - July 1, 2018 | | | - | |
| Fund Balance (Deficit) - June 30, 2019 | | | <u>\$ (3,137,995)</u> | |

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Prepared for the Town's Miscellaneous and Safety Plan, Cost Sharing Defined Benefit Pension Plan
As of June 30, 2019
Last 10 Years ***

| | Measurement Period | | | | |
|--|--------------------|---------------|---------------|---------------|---------------|
| | 2018 | 2017 | 2016 | 2015 | 2014 |
| Proportion of the net pension liability | 0.22659 % | 0.21895 % | 0.21960 % | 0.21454 % | 0.20733 % |
| Proportionate share of the net pension liability | \$ 21,834,378 | \$ 21,713,980 | \$ 19,003,356 | \$ 14,725,536 | \$ 12,901,028 |
| Covered payroll | \$ 3,764,228 | \$ 3,789,395 | \$ 3,511,751 | \$ 3,474,659 | \$ 3,208,769 |
| Proportionate share of the net pension liability as a percentage of covered payroll | 580.05 % | 573.02 % | 541.14 % | 423.80 % | 402.06 % |
| Plan fiduciary net position as a percentage of the total pension liability | 75.30 % | 73.30 % | 74.06 % | 78.40 % | 79.82 % |

Notes to schedule:

Changes in assumptions: In 2018, assumptions for individual salary increases and overall payroll growth are reduced from 3.00 percent to 2.75 percent. In 2017, amounts reported reflect an adjustment of the discount rate from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.50% discount rate.

*Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only five years are shown. Additional years' information will be displayed as it becomes available.

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CONTRIBUTIONS TO THE DEFINED BENEFIT PENSION PLAN
Prepared for the Town's Miscellaneous and Safety Plan,
Cost Sharing Defined Benefit Pension Plan
As of June 30, 2019
Last 10 Years ***

| | Fiscal Year-End | | | | |
|--|------------------------|------------------|------------------|---------------------|------------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually required contribution (actuarially determined) | \$ 1,168,177 | \$ 1,458,470 | \$ 1,248,468 | \$ 628,975 | \$ 563,889 |
| Contributions in relation to the actuarially determined contributions | <u>1,610,515</u> | <u>1,387,082</u> | <u>1,189,673</u> | <u>1,070,254</u> | <u>550,258</u> |
| Contribution deficiency (excess) | <u>\$ (442,338)</u> | <u>\$ 71,388</u> | <u>\$ 58,795</u> | <u>\$ (441,279)</u> | <u>\$ 13,631</u> |
| Covered payroll | \$ 3,849,696 | \$ 3,764,228 | \$ 3,789,395 | \$ 3,511,751 | \$ 3,474,659 |
| Contributions as a percentage of covered payroll | 41.83 % | 36.85 % | 31.39 % | 30.48 % | 15.84 % |

*Schedule is intended to show information for ten years. Fiscal year 2015 was the first year of implementation, therefore only five years are shown. Additional years' information will be displayed as it becomes available.

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY AND RELATED RATIOS
As of June 30, 2019
Last 10 Years***

| | <u>Measurement Period</u> | |
|---|---------------------------|----------------------|
| | <u>2018</u> | <u>2017</u> |
| Total OPEB liability | | |
| Service cost | \$ 149,386 | \$ 145,035 |
| Interest | 661,804 | 661,041 |
| Benefit payments | <u>(783,788)</u> | <u>(792,419)</u> |
| Net change in total OPEB liability | 27,402 | 13,657 |
| Total OPEB liability, beginning | <u>10,573,501</u> | <u>10,559,844</u> |
| Total OPEB liability, ending (a) | <u>\$ 10,600,903</u> | <u>\$ 10,573,501</u> |
| Plan fiduciary net position | | |
| Contributions employer | \$ 852,682 | \$ 817,419 |
| Net investment income | 11,096 | 11,016 |
| Benefit payments | (783,788) | (792,419) |
| Administrative expenses | <u>(198)</u> | <u>-</u> |
| Net change in plan fiduciary net position | 79,792 | 36,016 |
| Plan fiduciary net position, beginning | <u>127,025</u> | <u>91,009</u> |
| Plan fiduciary net position, ending (b) | <u>\$ 206,817</u> | <u>\$ 127,025</u> |
| Town's net OPEB liability, ending (a) - (b) | <u>\$ 10,394,086</u> | <u>\$ 10,446,476</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 1.95 % | 1.20 % |
| Covered-employee payroll | \$ 4,290,581 | \$ 3,854,764 |
| Town's net OPEB liability as a percentage of covered-employee payroll | 242 % | 271 % |

*Schedule is intended to show information for ten years. Fiscal year 2018 was the first year of implementation, therefore only two years are shown. Additional years' information will be displayed as it becomes available.

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
As of June 30, 2019
Last 10 Years***

| | Fiscal Year-End | |
|---|------------------------|-------------------|
| | 2019 | 2018 |
| Actuarially Determined Contribution (ADC) | \$ 701,420 | \$ 1,165,684 |
| Contributions in relation to the ADC | <u>(701,420)</u> | <u>(779,349)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ 386,335</u> |
| Covered-employee payroll | 4,290,581 | 3,854,764 |
| Contributions as a percentage of covered-employee payroll | 16.35 % | 20.22 % |

*Schedule is intended to show information for ten years. Fiscal year 2018 was the first year of implementation, therefore only two years are shown. Additional years' information will be displayed as it becomes available.

SUPPLEMENTARY INFORMATION

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|--|-----------------------------------|---|--------------------------------|
| | Active Transportation Program | Animal Control Shelter | Cal Home Rehabilitation Fund | Capital Improvement |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ - | \$ - | \$ 1,040,169 | \$ 37,941 |
| Accounts receivable | 164,705 | 32,028 | - | - |
| Interest receivable | - | - | 4,423 | - |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | 1,293,042 | - |
| | <u>-</u> | <u>-</u> | <u>1,293,042</u> | <u>-</u> |
| Total Assets | <u>\$ 164,705</u> | <u>\$ 32,028</u> | <u>\$ 2,337,634</u> | <u>\$ 37,941</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ 4,441 | \$ 7,088 | \$ 37,941 |
| Accrued wages | - | 3,215 | - | - |
| Due to other funds | 164,704 | 24,371 | - | - |
| Unearned revenue | - | - | 279,581 | - |
| | <u>-</u> | <u>-</u> | <u>279,581</u> | <u>-</u> |
| Total Liabilities | <u>164,704</u> | <u>32,027</u> | <u>286,669</u> | <u>37,941</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | <u>-</u> | <u>-</u> | <u>1,293,042</u> | <u>-</u> |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 1 | 1 | 757,923 | - |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>1</u> | <u>1</u> | <u>757,923</u> | <u>-</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 164,705</u> | <u>\$ 32,028</u> | <u>\$ 2,337,634</u> | <u>\$ 37,941</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|------------------------------|-----------------------|-------------------------|--------------------------------------|
| | Gas Tax | Traffic Safety | Special Projects | Business and Housing Services |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ - | \$ - | \$ 255,359 | \$ 20,322 |
| Accounts receivable | 438,064 | 1,007 | - | - |
| Interest receivable | 149 | 18 | - | 590 |
| Due from other funds | - | - | - | 123,262 |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 438,213</u> | <u>\$ 1,025</u> | <u>\$ 255,359</u> | <u>\$ 144,174</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ 10,485 | \$ - | \$ - | \$ 785 |
| Accrued wages | 11,138 | - | - | 3,869 |
| Due to other funds | 19,203 | 849 | - | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>40,826</u> | <u>849</u> | <u>-</u> | <u>4,654</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | - | - | - | - |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 397,387 | 176 | 255,359 | 139,520 |
| Unassigned | - | - | - | - |
| Total Fund Balances (Deficits) | <u>397,387</u> | <u>176</u> | <u>255,359</u> | <u>139,520</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 438,213</u> | <u>\$ 1,025</u> | <u>\$ 255,359</u> | <u>\$ 144,174</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|-------------------------------|--------------|-----------------------|----------------------|
| | HUD Revolving Loan | SLESF | Citizen Police | Asset Seizure |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 364,846 | \$ 64,997 | \$ 9,111 | \$ 4,506 |
| Accounts receivable | 184,647 | - | - | - |
| Interest receivable | 1,550 | 276 | 39 | 18 |
| Due from other funds | - | - | - | - |
| Loans receivable | 123,057 | - | - | - |
| Total Assets | \$ 674,100 | \$ 65,273 | \$ 9,150 | \$ 4,524 |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ 6,779 | \$ - | \$ 506 | \$ - |
| Accrued wages | - | - | - | - |
| Due to other funds | 177,868 | - | 2,294 | - |
| Unearned revenue | 18,258 | - | - | - |
| Total Liabilities | 202,905 | - | 2,800 | - |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | 123,057 | - | - | - |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 348,138 | 65,273 | 6,350 | 4,524 |
| Unassigned | - | - | - | - |
| Total Fund Balances (Deficits) | 348,138 | 65,273 | 6,350 | 4,524 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | \$ 674,100 | \$ 65,273 | \$ 9,150 | \$ 4,524 |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|---------------------------------------|------------------------------------|--------------------------------|--------------------------------|
| | Highway Safety Improvement | 95 Impact Signalization | 95 Impact PDFC Fund | 95 Impact FDFC Fund |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ - | \$ 75,209 | \$ 20,976 | \$ 32,823 |
| Accounts receivable | 68,450 | - | - | - |
| Interest receivable | - | 319 | 89 | 139 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Assets | <u>\$ 68,450</u> | <u>\$ 75,528</u> | <u>\$ 21,065</u> | <u>\$ 32,962</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued wages | - | - | - | - |
| Due to other funds | 68,450 | - | - | - |
| Unearned revenue | - | - | - | - |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>68,450</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | - | 75,528 | 21,065 | 32,962 |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>-</u> | <u>75,528</u> | <u>21,065</u> | <u>32,962</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 68,450</u> | <u>\$ 75,528</u> | <u>\$ 21,065</u> | <u>\$ 32,962</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|------------------------------|---|---------------------------------|------------------------------|
| | 95 Impact Road | Building Safety and Waste Water Services | Local Transportation | Housing Authority |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 644,775 | \$ 1,732,559 | \$ 17,698 | \$ 155,560 |
| Accounts receivable | - | 92,142 | 11,188 | - |
| Interest receivable | 2,738 | 5,366 | 75 | 661 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | 208,643 |
| Total Assets | <u>\$ 647,513</u> | <u>\$ 1,830,067</u> | <u>\$ 28,961</u> | <u>\$ 364,864</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ 174,813 | \$ - | \$ 13 |
| Accrued wages | - | 6,471 | - | - |
| Due to other funds | - | - | - | - |
| Unearned revenue | - | 516,992 | - | 59,773 |
| Total Liabilities | <u>-</u> | <u>698,276</u> | <u>-</u> | <u>59,786</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>208,643</u> |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 647,513 | 1,131,791 | 28,961 | 96,435 |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>647,513</u> | <u>1,131,791</u> | <u>28,961</u> | <u>96,435</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 647,513</u> | <u>\$ 1,830,067</u> | <u>\$ 28,961</u> | <u>\$ 364,864</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|------------------------------|-------------------------------|-----------------------------|---|
| | Abandoned Vehicle | 95 Impact Drainage | General Plan Fee | Traffic Safety - DUI Impound Fees Fund |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 133,235 | \$ 734,548 | \$ 423,168 | \$ 55,539 |
| Accounts receivable | 3,203 | - | - | - |
| Interest receivable | 566 | 3,119 | 1,797 | 236 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 137,004</u> | <u>\$ 737,667</u> | <u>\$ 424,965</u> | <u>\$ 55,775</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ 350 | \$ - | \$ - | \$ - |
| Accrued wages | - | - | - | - |
| Due to other funds | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>350</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | - | - | - | - |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 136,654 | 737,667 | 424,965 | 55,775 |
| Unassigned | - | - | - | - |
| Total Fund Balances (Deficits) | <u>136,654</u> | <u>737,667</u> | <u>424,965</u> | <u>55,775</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 137,004</u> | <u>\$ 737,667</u> | <u>\$ 424,965</u> | <u>\$ 55,775</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|------------------------------|------------------------------|---|--|
| | AB109 State Funds | Clark Road Signal | Tree Replacement in Lieu | Disability Access and Education |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 16,925 | \$ 6,167 | \$ 248 | \$ 387 |
| Accounts receivable | - | - | - | - |
| Interest receivable | 72 | 26 | 1 | 2 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 16,997</u> | <u>\$ 6,193</u> | <u>\$ 249</u> | <u>\$ 389</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 1 |
| Accrued wages | - | - | - | - |
| Due to other funds | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>1</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 16,997 | 6,193 | 249 | 388 |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>16,997</u> | <u>6,193</u> | <u>249</u> | <u>388</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 16,997</u> | <u>\$ 6,193</u> | <u>\$ 249</u> | <u>\$ 389</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|------------------------------|--|--------------------------------|------------------|
| | SMIP Fund | Police Department Seizures Fund | Canine Protect Fund | Fire Fund |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 4,835 | \$ - | \$ 31,255 | \$ 13,957 |
| Accounts receivable | - | - | - | - |
| Interest receivable | 21 | - | 133 | 59 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 4,856</u> | <u>\$ -</u> | <u>\$ 31,388</u> | <u>\$ 14,016</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ 2,382 | \$ - | \$ 252 | \$ - |
| Accrued wages | - | - | - | - |
| Due to other funds | - | 1,302 | - | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>2,382</u> | <u>1,302</u> | <u>252</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | - | - | - | - |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 2,474 | - | 31,136 | 14,016 |
| Unassigned | - | (1,302) | - | - |
| Total Fund Balances (Deficits) | <u>2,474</u> | <u>(1,302)</u> | <u>31,136</u> | <u>14,016</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 4,856</u> | <u>\$ -</u> | <u>\$ 31,388</u> | <u>\$ 14,016</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|--------------------------------|--------------------|------------------------------|--|
| | Animal Control Fund | Police Fund | Memorial Trailway | Transportation Capital Projects |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 20,258 | \$ 13,065 | \$ 3,413 | \$ 654,453 |
| Accounts receivable | - | - | - | - |
| Interest receivable | 136 | 55 | 15 | 2,802 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 20,394</u> | <u>\$ 13,120</u> | <u>\$ 3,428</u> | <u>\$ 657,255</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued wages | - | - | - | 277 |
| Due to other funds | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>277</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | 20,394 | 13,120 | 3,428 | 656,978 |
| Unassigned | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Fund Balances (Deficits) | <u>20,394</u> | <u>13,120</u> | <u>3,428</u> | <u>656,978</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 20,394</u> | <u>\$ 13,120</u> | <u>\$ 3,428</u> | <u>\$ 657,255</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|---|-----------------------------------|---|--|--|
| | Improvement Agreements | Fed CMAQ Congestion Mgmt Air Quality | One Time Miscellaneous Grants | General Miscellaneous Donations |
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 13,506 | \$ - | \$ - | \$ 461,200 |
| Accounts receivable | - | 35,688 | 15,000 | - |
| Interest receivable | - | - | - | 4,327 |
| Due from other funds | - | - | - | - |
| Loans receivable | - | - | - | - |
| Total Assets | <u>\$ 13,506</u> | <u>\$ 35,688</u> | <u>\$ 15,000</u> | <u>\$ 465,527</u> |
| <u>LIABILITIES:</u> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued wages | - | - | - | - |
| Due to other funds | 13,506 | 35,688 | 13,290 | - |
| Unearned revenue | - | - | - | - |
| Total Liabilities | <u>13,506</u> | <u>35,688</u> | <u>13,290</u> | <u>-</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | | | | |
| Deferred inflows of resources | - | - | - | - |
| <u>FUND BALANCES (DEFICITS):</u> | | | | |
| Restricted | - | - | 1,710 | 465,527 |
| Unassigned | - | - | - | - |
| Total Fund Balances (Deficits) | <u>-</u> | <u>-</u> | <u>1,710</u> | <u>465,527</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u>\$ 13,506</u> | <u>\$ 35,688</u> | <u>\$ 15,000</u> | <u>\$ 465,527</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2019

| | Total Non-major Governmental Funds |
|--|---|
| <u>ASSETS</u> | |
| Cash and investments | \$ 7,063,010 |
| Accounts receivable | 1,046,122 |
| Interest receivable | 29,817 |
| Due from other funds | 123,262 |
| Loans receivable | <u>1,624,742</u> |
| Total Assets | <u><u>\$ 9,886,953</u></u> |
| <u>LIABILITIES:</u> | |
| Accounts payable | \$ 245,836 |
| Accrued wages | 24,970 |
| Due to other funds | 521,525 |
| Unearned revenue | <u>874,604</u> |
| Total Liabilities | <u>1,666,935</u> |
| <u>DEFERRED INFLOWS OF RESOURCES:</u> | |
| Deferred inflows of resources | <u>1,624,742</u> |
| <u>FUND BALANCES (DEFICITS):</u> | |
| Restricted | 6,596,578 |
| Unassigned | <u>(1,302)</u> |
| Total Fund Balances (Deficits) | <u>6,595,276</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits) | <u><u>\$ 9,886,953</u></u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|--|-----------------------------------|---|--------------------------------|
| | Active Transportation Program | Animal Control Shelter | Cal Home Rehabilitation Fund | Capital Improvement |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ 132,420 | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | 4,540 | - | - |
| Use of money and property | - | - | 5,855 | - |
| Intergovernmental revenues | 635,601 | - | - | - |
| Charges for services | - | 24,020 | - | - |
| Program income | - | - | 741,929 | - |
| Other revenues | - | 401 | - | - |
| Total Revenues | <u>635,601</u> | <u>161,381</u> | <u>747,784</u> | <u>-</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | - | 8 | - |
| Public safety | - | 286,954 | - | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | 3,895 | - | 798,886 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>290,849</u> | <u>8</u> | <u>798,886</u> |
| Excess of revenues over (under) expenditures | <u>635,601</u> | <u>(129,468)</u> | <u>747,776</u> | <u>(798,886)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 199,299 | - | 798,886 |
| Transfers out | <u>(635,509)</u> | <u>(69,623)</u> | <u>(37,134)</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(635,509)</u> | <u>129,676</u> | <u>(37,134)</u> | <u>798,886</u> |
| Net Change in Fund Balances | <u>92</u> | <u>208</u> | <u>710,642</u> | <u>-</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>(91)</u> | <u>(207)</u> | <u>47,281</u> | <u>-</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ 757,923</u> | <u>\$ -</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|------------------------------|-----------------------|-------------------------|--------------------------------------|
| | Gas Tax | Traffic Safety | Special Projects | Business and Housing Services |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | 7,042 | - | - |
| Use of money and property | 198 | 24 | - | 780 |
| Intergovernmental revenues | 1,346,840 | - | - | - |
| Charges for services | 38 | - | - | - |
| Program income | - | - | - | - |
| Other revenues | <u>51,180</u> | <u>-</u> | <u>-</u> | <u>7,800</u> |
| Total Revenues | <u>1,398,256</u> | <u>7,066</u> | <u>-</u> | <u>8,580</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | - | - | 256,010 |
| Public safety | - | - | - | - |
| Public works | 610,845 | - | - | - |
| Streets | 392,046 | - | - | - |
| Capital Outlay | 10,061 | - | - | - |
| Debt service: | | | | |
| Principal | <u>19,142</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>1,032,094</u> | <u>-</u> | <u>-</u> | <u>256,010</u> |
| Excess of revenues over (under) expenditures | <u>366,162</u> | <u>7,066</u> | <u>-</u> | <u>(247,430)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 122,755 | - | - | 376,996 |
| Transfers out | <u>(209,527)</u> | <u>(8,750)</u> | <u>-</u> | <u>(42,416)</u> |
| Total Other Financing Sources (Uses) | <u>(86,772)</u> | <u>(8,750)</u> | <u>-</u> | <u>334,580</u> |
| Net Change in Fund Balances | <u>279,390</u> | <u>(1,684)</u> | <u>-</u> | <u>87,150</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>117,997</u> | <u>1,860</u> | <u>255,359</u> | <u>52,370</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 397,387</u> | <u>\$ 176</u> | <u>\$ 255,359</u> | <u>\$ 139,520</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | <u>Special Revenue Funds</u> | | | |
|--|-------------------------------|------------------|-----------------------|----------------------|
| | <u>HUD Revolving Loan</u> | <u>SLESF</u> | <u>Citizen Police</u> | <u>Asset Seizure</u> |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 2,051 | 365 | 51 | 25 |
| Intergovernmental revenues | 134,671 | 148,513 | - | - |
| Charges for services | - | - | 12 | - |
| Program income | 313,613 | - | - | - |
| Other revenues | - | - | 1,416 | - |
| | <u>-</u> | <u>-</u> | <u>1,416</u> | <u>-</u> |
| Total Revenues | <u>450,335</u> | <u>148,878</u> | <u>1,479</u> | <u>25</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | 33,908 | - | - | - |
| Public safety | - | - | 3,594 | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | 13,503 | - | - |
| | <u>-</u> | <u>13,503</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>33,908</u> | <u>13,503</u> | <u>3,594</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>416,427</u> | <u>135,375</u> | <u>(2,115)</u> | <u>25</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (163,501) | (157,756) | - | - |
| | <u>(163,501)</u> | <u>(157,756)</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(163,501)</u> | <u>(157,756)</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>252,926</u> | <u>(22,381)</u> | <u>(2,115)</u> | <u>25</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>95,212</u> | <u>87,654</u> | <u>8,465</u> | <u>4,499</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 348,138</u> | <u>\$ 65,273</u> | <u>\$ 6,350</u> | <u>\$ 4,524</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|---------------------------------------|------------------------------------|--------------------------------|--------------------------------|
| | Highway Safety Improvement | 95 Impact Signalization | 95 Impact PDFC Fund | 95 Impact FDFC Fund |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | 2,127 | 3,708 | 2,699 |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | - | 422 | 119 | 184 |
| Intergovernmental revenues | 68,452 | - | - | - |
| Charges for services | - | - | - | - |
| Program income | - | - | - | - |
| Other revenues | - | - | - | - |
| | - | - | - | - |
| Total Revenues | 68,452 | 2,549 | 3,827 | 2,883 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| | - | - | - | - |
| Total Expenditures | - | - | - | - |
| Excess of revenues over (under) expenditures | 68,452 | 2,549 | 3,827 | 2,883 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (68,451) | - | - | - |
| | - | - | - | - |
| Total Other Financing Sources (Uses) | (68,451) | - | - | - |
| Net Change in Fund Balances | 1 | 2,549 | 3,827 | 2,883 |
| Fund Balances (Deficits) - July 1, 2018 | (1) | 72,979 | 17,238 | 30,079 |
| Fund Balances (Deficits) - June 30, 2019 | \$ - | \$ 75,528 | \$ 21,065 | \$ 32,962 |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|------------------------------|---|---------------------------------|------------------------------|
| | 95 Impact Road | Building Safety and Waste Water Services | Local Transportation | Housing Authority |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | 27,879 | 1,470,792 | - | - |
| Fines and forfeitures | - | 21,350 | - | - |
| Use of money and property | 3,623 | 7,102 | 99 | 876 |
| Intergovernmental revenues | - | - | 196,616 | - |
| Charges for services | - | 59,331 | - | - |
| Program income | - | - | - | 27,429 |
| Other revenues | - | 5,554 | 11,051 | - |
| Total Revenues | <u>31,502</u> | <u>1,564,129</u> | <u>207,766</u> | <u>28,305</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | 414,368 | - | 700 |
| Public safety | - | - | - | - |
| Public works | - | 435,171 | - | - |
| Streets | - | - | 532,279 | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | 14,161 | - | - |
| Total Expenditures | <u>-</u> | <u>863,700</u> | <u>532,279</u> | <u>700</u> |
| Excess of revenues over (under) expenditures | <u>31,502</u> | <u>700,429</u> | <u>(324,513)</u> | <u>27,605</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | 37,044 | - | 7,973 |
| Transfers out | - | (212,302) | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(175,258)</u> | <u>-</u> | <u>7,973</u> |
| Net Change in Fund Balances | <u>31,502</u> | <u>525,171</u> | <u>(324,513)</u> | <u>35,578</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>616,011</u> | <u>606,620</u> | <u>353,474</u> | <u>60,857</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 647,513</u> | <u>\$ 1,131,791</u> | <u>\$ 28,961</u> | <u>\$ 96,435</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|------------------------------|-------------------------------|-----------------------------|--|
| | Abandoned Vehicle | 95 Impact Drainage | General Plan Fee | Traffic Safety - DUI Impound Fees |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | 17,469 | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 804 | 4,128 | 2,379 | 313 |
| Intergovernmental revenues | 14,553 | - | - | - |
| Charges for services | - | - | 112,141 | 4,178 |
| Program income | - | - | - | - |
| Other revenues | - | - | - | - |
| | <u>15,357</u> | <u>21,597</u> | <u>114,520</u> | <u>4,491</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | 1,354 | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | 81 | - | - | - |
| | <u>1,435</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>13,922</u> | <u>21,597</u> | <u>114,520</u> | <u>4,491</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (8,391) | - | - | - |
| | <u>(8,391)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>5,531</u> | <u>21,597</u> | <u>114,520</u> | <u>4,491</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>131,123</u> | <u>716,070</u> | <u>310,445</u> | <u>51,284</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 136,654</u> | <u>\$ 737,667</u> | <u>\$ 424,965</u> | <u>\$ 55,775</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|------------------------------|------------------------------|---|--|
| | AB109 State Funds | Clark Road Signal | Tree Replacement in Lieu | Disability Access and Education |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 109 | 35 | 1 | 2 |
| Intergovernmental revenues | - | - | - | - |
| Charges for services | - | - | - | 68 |
| Program income | - | - | - | - |
| Other revenues | - | - | - | - |
| Total Revenues | <u>109</u> | <u>35</u> | <u>1</u> | <u>70</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | 6 |
| Community development | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>6</u> |
| Excess of revenues over (under) expenditures | <u>109</u> | <u>35</u> | <u>1</u> | <u>64</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | <u>(42,350)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(42,350)</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>(42,241)</u> | <u>35</u> | <u>1</u> | <u>64</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>59,238</u> | <u>6,158</u> | <u>248</u> | <u>324</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 16,997</u> | <u>\$ 6,193</u> | <u>\$ 249</u> | <u>\$ 388</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|------------------------------|--|--------------------------------|------------------|
| | SMIP Fund | Police Department Seizures Fund | Canine Protect Fund | Fire Fund |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | 224 | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 27 | - | 177 | 78 |
| Intergovernmental revenues | - | - | - | - |
| Charges for services | - | - | - | - |
| Program income | - | - | - | - |
| Other revenues | - | - | 26,305 | 6,455 |
| Total Revenues | <u>251</u> | <u>-</u> | <u>26,482</u> | <u>6,533</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | - | - | - |
| Public safety | - | 1,302 | 12,383 | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>1,302</u> | <u>12,383</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>251</u> | <u>(1,302)</u> | <u>14,099</u> | <u>6,533</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Change in Fund Balances | <u>251</u> | <u>(1,302)</u> | <u>14,099</u> | <u>6,533</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>2,223</u> | <u>-</u> | <u>17,037</u> | <u>7,483</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 2,474</u> | <u>\$ (1,302)</u> | <u>\$ 31,136</u> | <u>\$ 14,016</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|--------------------------------|--------------------|------------------------------|--|
| | Animal Control Fund | Police Fund | Memorial Trailway | Transportation Capital Projects |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | 181 | 73 | 19 | 3,709 |
| Intergovernmental revenues | - | - | - | 763,862 |
| Charges for services | - | - | - | - |
| Program income | - | - | - | - |
| Other revenues | <u>53,965</u> | <u>300</u> | <u>-</u> | <u>-</u> |
| Total Revenues | <u>54,146</u> | <u>373</u> | <u>19</u> | <u>767,571</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Community development | - | - | - | - |
| Public safety | 474 | 399 | - | - |
| Public works | - | - | - | 15,763 |
| Streets | - | - | - | 3,537 |
| Capital Outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>474</u> | <u>399</u> | <u>-</u> | <u>19,300</u> |
| Excess of revenues over (under) expenditures | <u>53,672</u> | <u>(26)</u> | <u>19</u> | <u>748,271</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | 1,845 |
| Transfers out | <u>(33,278)</u> | <u>-</u> | <u>-</u> | <u>(108,232)</u> |
| Total Other Financing Sources (Uses) | <u>(33,278)</u> | <u>-</u> | <u>-</u> | <u>(106,387)</u> |
| Net Change in Fund Balances | <u>20,394</u> | <u>(26)</u> | <u>19</u> | <u>641,884</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>-</u> | <u>13,146</u> | <u>3,409</u> | <u>15,094</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 20,394</u> | <u>\$ 13,120</u> | <u>\$ 3,428</u> | <u>\$ 656,978</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Special Revenue Funds | | | |
|--|-----------------------------------|---|--|--|
| | Improvement Agreements | Fed CMAQ Congestion Mgmt Air Quality | One Time Miscellaneous Grants | General Miscellaneous Donations |
| REVENUES | | | | |
| Taxes and assessments | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, and impact fees | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Use of money and property | - | - | - | 5,727 |
| Intergovernmental revenues | - | 35,688 | - | - |
| Charges for services | - | - | - | - |
| Program income | - | - | - | - |
| Other revenues | - | - | 3,000 | 1,089,933 |
| Total Revenues | <u>-</u> | <u>35,688</u> | <u>3,000</u> | <u>1,095,660</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | - | - | 663 | - |
| Community development | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Streets | - | - | - | - |
| Capital Outlay | - | - | 627 | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>1,290</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>-</u> | <u>35,688</u> | <u>1,710</u> | <u>1,095,660</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | - | - | - | - |
| Transfers out | - | (35,688) | - | (630,133) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(35,688)</u> | <u>-</u> | <u>(630,133)</u> |
| Net Change in Fund Balances | <u>-</u> | <u>-</u> | <u>1,710</u> | <u>465,527</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,710</u> | <u>\$ 465,527</u> |

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2019

| | Total Non-major Governmental Funds |
|--|---|
| <u>REVENUES</u> | |
| Taxes and assessments | \$ 132,420 |
| Licenses, permits, and impact fees | 1,524,898 |
| Fines and forfeitures | 32,932 |
| Use of money and property | 39,536 |
| Intergovernmental revenues | 3,344,796 |
| Charges for services | 199,788 |
| Program income | 1,082,971 |
| Other revenues | <u>1,257,360</u> |
| Total Revenues | <u>7,614,701</u> |
| <u>EXPENDITURES</u> | |
| Current: | |
| General government | 669 |
| Community development | 706,348 |
| Public safety | 305,106 |
| Public works | 1,061,779 |
| Streets | 927,862 |
| Capital Outlay | 813,469 |
| Debt service: | |
| Principal | <u>46,887</u> |
| Total Expenditures | <u>3,862,120</u> |
| Excess of revenues over (under) expenditures | <u>3,752,581</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | |
| Transfers in | 1,544,798 |
| Transfers out | <u>(2,463,041)</u> |
| Total Other Financing Sources (Uses) | <u>(918,243)</u> |
| Net Change in Fund Balances | <u>2,834,338</u> |
| Fund Balances (Deficits) - July 1, 2018 | <u>3,760,938</u> |
| Fund Balances (Deficits) - June 30, 2019 | <u>\$ 6,595,276</u> |

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 ACTIVE TRANSPORTATION PROGRAM
 JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--|-------------------------|---------------------|--------------------|---|
| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | |
| <u>REVENUES:</u> | | | | |
| Intergovernmental revenues | \$ 3,041,155 | \$ 3,041,155 | \$ 635,601 | \$ (2,405,554) |
| Total revenues | <u>3,041,155</u> | <u>3,041,155</u> | <u>635,601</u> | <u>(2,405,554)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>3,041,155</u> | <u>3,041,155</u> | <u>635,601</u> | <u>(2,405,554)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(3,041,155)</u> | <u>(3,041,155)</u> | <u>(635,509)</u> | <u>2,405,646</u> |
| Total other financing sources (uses) | <u>(3,041,155)</u> | <u>(3,041,155)</u> | <u>(635,509)</u> | <u>2,405,646</u> |
| Net change in fund balance | \$ <u>-</u> | \$ <u>-</u> | <u>92</u> | \$ <u>92</u> |
| Fund balance (deficit), July 1, 2018 | | | <u>(91)</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ <u>1</u></u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL SHELTER FUND
JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|---|------------------------|---------------------|---------------|---|
| <u>REVENUES:</u> | | | | |
| Taxes and assessments | \$ 132,362 | \$ 132,362 | \$ 132,420 | \$ 58 |
| Fines and forfeitures | 9,000 | 3,000 | 4,540 | 1,540 |
| Charges for services | 41,652 | 23,094 | 24,020 | 926 |
| Other revenues | 6,150 | 6,400 | 401 | (5,999) |
| Total revenues | 189,164 | 164,856 | 161,381 | (3,475) |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Public safety | 303,007 | 283,526 | 286,954 | (3,428) |
| Capital outlay | 3,025 | 3,094 | 3,895 | (801) |
| Total expenditures | 306,032 | 286,620 | 290,849 | (4,229) |
| Excess of revenues over (under) expenditures | (116,868) | (121,764) | (129,468) | (7,704) |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers in | 173,306 | 178,408 | 199,299 | 20,891 |
| Transfers out | (56,437) | (56,437) | (69,623) | (13,186) |
| Total other financing sources (uses) | 116,869 | 121,971 | 129,676 | 7,705 |
| Net change in fund balance | \$ 1 | \$ 207 | 208 | \$ 1 |
| Fund balance (deficit), July 1, 2018 | | | (207) | |
| Fund balance, June 30, 2019 | | | \$ 1 | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAL HOME REHABILITATION FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|---|-------------------------|-----------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>REVENUES</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 5,855 | \$ 5,855 |
| Program income | <u>45,750</u> | <u>45,750</u> | <u>741,929</u> | <u>696,179</u> |
| Total Revenues | <u>45,750</u> | <u>45,750</u> | <u>747,784</u> | <u>702,034</u> |
| <u>EXPENDITURES</u> | | | | |
| Current: | | | | |
| Community development | <u>40,000</u> | <u>40,000</u> | <u>8</u> | <u>39,992</u> |
| Total Expenditures | <u>40,000</u> | <u>40,000</u> | <u>8</u> | <u>39,992</u> |
| Excess of revenues over (under) expenditures | <u>5,750</u> | <u>5,750</u> | <u>747,776</u> | <u>742,026</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(3,500)</u> | <u>(3,500)</u> | <u>(37,134)</u> | <u>(33,634)</u> |
| Total Other Financing Sources (Uses) | <u>(3,500)</u> | <u>(3,500)</u> | <u>(37,134)</u> | <u>(33,634)</u> |
| Net Change in Fund Balance | <u>\$ 2,250</u> | <u>\$ 2,250</u> | <u>710,642</u> | <u>\$ 708,392</u> |
| Fund Balance - July 1, 2018 | | | <u>47,281</u> | |
| Fund Balance - June 30, 2019 | | | <u>\$ 757,923</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAPITAL IMPROVEMENT FUND
JUNE 30, 2019

| | <u>Budgeted Amounts</u> | | | Variance with Final Budget Favorable (Unfavorable) |
|--|-------------------------|-------------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>REVENUES</u> | | | | |
| Other revenues | \$ _____ - | \$ _____ - | \$ _____ - | \$ _____ - |
| Total Revenues | _____ - | _____ - | _____ - | _____ - |
| <u>EXPENDITURES</u> | | | | |
| Capital Outlay | _____ 3,965,655 | _____ 3,965,655 | _____ 798,886 | _____ 3,166,769 |
| Total Expenditures | _____ 3,965,655 | _____ 3,965,655 | _____ 798,886 | _____ 3,166,769 |
| Excess of revenues over (under) expenditures | _____ (3,965,655) | _____ (3,965,655) | _____ (798,886) | _____ 3,166,769 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | _____ 3,965,655 | _____ 3,929,655 | _____ 798,886 | _____ (3,130,769) |
| Total Other Financing Sources (Uses) | _____ 3,965,655 | _____ 3,929,655 | _____ 798,886 | _____ (3,130,769) |
| Net Change in Fund Balance | \$ _____ - | \$ _____ (36,000) | _____ - | \$ _____ 36,000 |
| Fund Balance - July 1, 2018 | | | _____ - | |
| Fund Balance - June 30, 2019 | | | \$ _____ - | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GAS TAX FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 400 | \$ 400 | \$ 198 | \$ (202) |
| Charges for services | 150 | 50 | 38 | (12) |
| Intergovernmental revenues | 1,325,485 | 1,286,965 | 1,346,840 | 59,875 |
| Other revenues | <u>5,500</u> | <u>15,391</u> | <u>51,180</u> | <u>35,789</u> |
| Total revenues | <u>1,331,535</u> | <u>1,302,806</u> | <u>1,398,256</u> | <u>95,450</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Public works | 590,852 | 573,344 | 610,845 | (37,501) |
| Streets | 423,068 | 360,170 | 392,046 | (31,876) |
| Capital outlay | 4,925 | 10,061 | 10,061 | - |
| Debt service: | | | | |
| Principal | <u>20,168</u> | <u>17,574</u> | <u>19,142</u> | <u>(1,568)</u> |
| Total expenditures | <u>1,039,013</u> | <u>961,149</u> | <u>1,032,094</u> | <u>(70,945)</u> |
| Excess of revenues over (under) expenditures | <u>292,522</u> | <u>341,657</u> | <u>366,162</u> | <u>24,505</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers in | 148,784 | 46,203 | 122,755 | 76,552 |
| Transfers out | <u>(196,090)</u> | <u>(196,090)</u> | <u>(209,527)</u> | <u>(13,437)</u> |
| Total other financing sources (uses) | <u>(47,306)</u> | <u>(149,887)</u> | <u>(86,772)</u> | <u>63,115</u> |
| Net change in fund balance | <u>\$ 245,216</u> | <u>\$ 191,770</u> | <u>279,390</u> | <u>\$ 87,620</u> |
| Fund balance, July 1, 2018 | | | <u>117,997</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 397,387</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|---|------------------------|---------------------|----------------|---|
| <u>REVENUES:</u> | | | | |
| Fines and forfeitures | \$ 7,500 | \$ 7,500 | \$ 7,042 | \$ (458) |
| Use of money and property | <u>-</u> | <u>-</u> | <u>24</u> | <u>24</u> |
| Total revenues | <u>7,500</u> | <u>7,500</u> | <u>7,066</u> | <u>(434)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>7,500</u> | <u>7,500</u> | <u>7,066</u> | <u>(434)</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(7,500)</u> | <u>(7,500)</u> | <u>(8,750)</u> | <u>(1,250)</u> |
| Total other financing sources (uses) | <u>(7,500)</u> | <u>(7,500)</u> | <u>(8,750)</u> | <u>(1,250)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>(1,684)</u> | <u>\$ (1,684)</u> |
| Fund balance, July 1, 2018 | | | <u>1,860</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 176</u> | |

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 SPECIAL PROJECTS FUND
 JUNE 30, 2019

| | <u>Original Budget*</u> | <u>Final Budget*</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|-------------------------|----------------------|--------------------------|---|
| Fund balance, July 1, 2018 | | | \$ <u>255,359</u> | |
| Fund balance, June 30, 2019 | | | \$ <u><u>255,359</u></u> | |

* The Town did not adopt a budget for the Special Projects Fund for the year ended June 30, 2019.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUSINESS AND HOUSING SERVICES
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 100 | \$ 100 | \$ 780 | \$ 680 |
| Other revenues | <u>-</u> | <u>-</u> | <u>7,800</u> | <u>7,800</u> |
| Total revenues | <u>100</u> | <u>100</u> | <u>8,580</u> | <u>8,480</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| General government | 2,500 | 2,500 | - | 2,500 |
| Community development | <u>277,498</u> | <u>277,498</u> | <u>256,010</u> | <u>21,488</u> |
| Total expenditures | <u>279,998</u> | <u>279,998</u> | <u>256,010</u> | <u>23,988</u> |
| Excess of revenues over (under) expenditures | <u>(279,898)</u> | <u>(279,898)</u> | <u>(247,430)</u> | <u>32,468</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers in | 280,326 | 280,326 | 376,996 | 96,670 |
| Transfers out | <u>(45,866)</u> | <u>(45,866)</u> | <u>(42,416)</u> | <u>3,450</u> |
| Total other financing sources (uses) | <u>234,460</u> | <u>234,460</u> | <u>334,580</u> | <u>100,120</u> |
| Net change in fund balance | <u>\$ (45,438)</u> | <u>\$ (45,438)</u> | <u>87,150</u> | <u>\$ 132,588</u> |
| Fund balance, July 1, 2018 | | | <u>52,370</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 139,520</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HUD REVOLVING LOAN FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 400 | \$ 400 | \$ 2,051 | \$ 1,651 |
| Intergovernmental revenues | 224,086 | 224,086 | 134,671 | (89,415) |
| Program income | <u>17,784</u> | <u>17,784</u> | <u>313,613</u> | <u>295,829</u> |
| Total revenues | <u>242,270</u> | <u>242,270</u> | <u>450,335</u> | <u>208,065</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Community development | <u>80,267</u> | <u>80,267</u> | <u>33,908</u> | <u>46,359</u> |
| Total expenditures | <u>80,267</u> | <u>80,267</u> | <u>33,908</u> | <u>46,359</u> |
| Excess of revenues over (under) expenditures | <u>162,003</u> | <u>162,003</u> | <u>416,427</u> | <u>254,424</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(160,098)</u> | <u>(160,098)</u> | <u>(163,501)</u> | <u>(3,403)</u> |
| Total other financing sources (uses) | <u>(160,098)</u> | <u>(160,098)</u> | <u>(163,501)</u> | <u>(3,403)</u> |
| Net change in fund balance | <u>\$ 1,905</u> | <u>\$ 1,905</u> | <u>252,926</u> | <u>\$ 251,021</u> |
| Fund balance, July 1, 2018 | | | <u>95,212</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 348,138</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
SLESF FUND
JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|---|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 450 | \$ 450 | \$ 365 | \$ (85) |
| Intergovernmental revenues | <u>120,000</u> | <u>120,000</u> | <u>148,513</u> | <u>28,513</u> |
| Total revenues | <u>120,450</u> | <u>120,450</u> | <u>148,878</u> | <u>28,428</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Debt service: | | | | |
| Principal | <u>24,064</u> | <u>24,064</u> | <u>13,503</u> | <u>10,561</u> |
| Total expenditures | <u>24,064</u> | <u>24,064</u> | <u>13,503</u> | <u>10,561</u> |
| Excess of revenues over (under) expenditures | <u>96,386</u> | <u>96,386</u> | <u>135,375</u> | <u>38,989</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(157,756)</u> | <u>(157,756)</u> | <u>(157,756)</u> | <u>-</u> |
| Total other financing sources (uses) | <u>(157,756)</u> | <u>(157,756)</u> | <u>(157,756)</u> | <u>-</u> |
| Net change in fund balance | <u>\$ (61,370)</u> | <u>\$ (61,370)</u> | <u>(22,381)</u> | <u>\$ 38,989</u> |
| Fund balance, July 1, 2018 | | | <u>87,654</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 65,273</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CITIZEN POLICE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---------------------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Charges for services | \$ 7 | \$ 7 | \$ 12 | \$ 5 |
| Use of money and property | 50 | 50 | 51 | 1 |
| Other revenues | <u>8,000</u> | <u>8,000</u> | <u>1,416</u> | <u>(6,584)</u> |
| Total revenues | <u>8,057</u> | <u>8,057</u> | <u>1,479</u> | <u>(6,578)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Public safety | <u>4,630</u> | <u>4,630</u> | <u>3,594</u> | <u>1,036</u> |
| Total expenditures | <u>4,630</u> | <u>4,630</u> | <u>3,594</u> | <u>1,036</u> |
| Net change in fund balance | <u>\$ 3,427</u> | <u>\$ 3,427</u> | <u>(2,115)</u> | <u>\$ (5,542)</u> |
| Fund balance (deficit), July 1, 2018 | | | <u>8,465</u> | |
| Fund balance (deficit), June 30, 2019 | | | <u>\$ 6,350</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ASSET SEIZURE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 20 | \$ 20 | \$ 25 | \$ 5 |
| Charges for Services | <u>300</u> | <u>300</u> | <u>-</u> | <u>(300)</u> |
| Total revenues | <u>320</u> | <u>320</u> | <u>25</u> | <u>(295)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 320</u> | <u>\$ 320</u> | <u>25</u> | <u>\$ (295)</u> |
| Fund balance, July 1, 2018 | | | <u>4,499</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 4,524</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HIGHWAY SAFETY IMPROVEMENT FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|--|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Intergovernmental revenues | \$ 634,815 | \$ 634,815 | \$ 68,452 | \$ (566,363) |
| Total revenues | <u>634,815</u> | <u>634,815</u> | <u>68,452</u> | <u>(566,363)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over (under) expenditures | <u>634,815</u> | <u>634,815</u> | <u>68,452</u> | <u>(566,363)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(634,815)</u> | <u>(634,815)</u> | <u>(68,451)</u> | <u>566,364</u> |
| Total other financing sources (uses) | <u>(634,815)</u> | <u>(634,815)</u> | <u>(68,451)</u> | <u>566,364</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>1</u> | <u>\$ 1</u> |
| Fund balance (deficit), July 1, 2018 | | | <u>(1)</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ -</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT SIGNALIZATION FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|------------------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 2,300 | \$ 2,300 | \$ 2,127 | \$ (173) |
| Use of money and property | <u>320</u> | <u>320</u> | <u>422</u> | <u>102</u> |
| Total revenues | <u>2,620</u> | <u>2,620</u> | <u>2,549</u> | <u>(71)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 2,620</u> | <u>\$ 2,620</u> | <u>2,549</u> | <u>\$ (71)</u> |
| Fund balance, July 1, 2018 | | | <u>72,979</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 75,528</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT PDFC FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|------------------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 4,100 | \$ 4,100 | \$ 3,708 | \$ (392) |
| Use of money and property | <u>65</u> | <u>65</u> | <u>119</u> | <u>54</u> |
| Total revenues | <u>4,165</u> | <u>4,165</u> | <u>3,827</u> | <u>(338)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 4,165</u> | <u>\$ 4,165</u> | <u>3,827</u> | <u>\$ (338)</u> |
| Fund balance, July 1, 2018 | | | <u>17,238</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 21,065</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT FDFC FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|------------------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 3,100 | \$ 3,100 | \$ 2,699 | \$ (401) |
| Use of money and property | <u>130</u> | <u>130</u> | <u>184</u> | <u>54</u> |
| Total revenues | <u>3,230</u> | <u>3,230</u> | <u>2,883</u> | <u>(347)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 3,230</u> | <u>\$ 3,230</u> | <u>2,883</u> | <u>\$ (347)</u> |
| Fund balance, July 1, 2018 | | | <u>30,079</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 32,962</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT ROAD FUND
JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|------------------------------------|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 29,000 | \$ 29,000 | \$ 27,879 | \$ (1,121) |
| Use of money and property | <u>2,900</u> | <u>2,900</u> | <u>3,623</u> | <u>723</u> |
| Total revenues | <u>31,900</u> | <u>31,900</u> | <u>31,502</u> | <u>(398)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 31,900</u> | <u>\$ 31,900</u> | <u>31,502</u> | <u>\$ (398)</u> |
| Fund balance, July 1, 2018 | | | <u>616,011</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 647,513</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUILDING SAFETY & WASTE WATER SERVICES FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|--|------------------------|---------------------|---------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 894,782 | \$ 866,030 | \$ 1,470,792 | \$ 604,762 |
| Fines and forfeitures | 10,500 | 10,500 | 21,350 | 10,850 |
| Use of money and property | 2,000 | 2,000 | 7,102 | 5,102 |
| Charges for services | 35,005 | 25,200 | 59,331 | 34,131 |
| Other Revenues | <u>26,566</u> | <u>15,000</u> | <u>5,554</u> | <u>(9,446)</u> |
| Total revenues | <u>968,853</u> | <u>918,730</u> | <u>1,564,129</u> | <u>645,399</u> |
| <u>EXPENDITURES</u> | | | | |
| General government | 5,000 | - | - | - |
| Community development | 286,083 | 556,529 | 414,368 | 142,161 |
| Public works | 518,374 | 447,798 | 435,171 | 12,627 |
| Debt service | | | | |
| Principal | <u>12,661</u> | <u>12,661</u> | <u>14,161</u> | <u>(1,500)</u> |
| Total expenditures | <u>822,118</u> | <u>1,016,988</u> | <u>863,700</u> | <u>153,288</u> |
| Excess of revenues over (under) expenditures | <u>146,735</u> | <u>(98,258)</u> | <u>700,429</u> | <u>798,687</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers in | - | - | 37,044 | 37,044 |
| Transfers out | <u>(213,678)</u> | <u>(213,678)</u> | <u>(212,302)</u> | <u>1,376</u> |
| Total other financing sources (uses) | <u>(213,678)</u> | <u>(213,678)</u> | <u>(175,258)</u> | <u>38,420</u> |
| Net change in fund balance | <u>\$ (66,943)</u> | <u>\$ (311,936)</u> | <u>525,171</u> | <u>\$ 837,107</u> |
| Fund balance, July 1, 2018 | | | <u>606,620</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 1,131,791</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
LOCAL TRANSPORTATION FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|--|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 1,200 | \$ 1,200 | \$ 99 | \$ (1,101) |
| Intergovernmental revenues | 937,203 | 937,203 | 196,616 | (740,587) |
| Other revenue | <u>27,500</u> | <u>27,500</u> | <u>11,051</u> | <u>(16,449)</u> |
| Total revenues | <u>965,903</u> | <u>965,903</u> | <u>207,766</u> | <u>(758,137)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Streets | <u>964,703</u> | <u>964,703</u> | <u>532,279</u> | <u>432,424</u> |
| Total expenditures | <u>964,703</u> | <u>964,703</u> | <u>532,279</u> | <u>432,424</u> |
| Excess of revenues over (under) expenditures | <u>1,200</u> | <u>1,200</u> | <u>(324,513)</u> | <u>(325,713)</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | <u>(163,642)</u> | <u>(163,642)</u> | <u>-</u> | <u>163,642</u> |
| Total other financing sources (uses) | <u>(163,642)</u> | <u>(163,642)</u> | <u>-</u> | <u>163,642</u> |
| Net change in fund balance | <u>\$ (162,442)</u> | <u>\$ (162,442)</u> | <u>(324,513)</u> | <u>\$ (162,071)</u> |
| Fund balance, July 1, 2018 | | | <u>353,474</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 28,961</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOUSING AUTHORITY FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|---|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Program income | \$ 5,280 | \$ 5,280 | \$ 27,429 | \$ 22,149 |
| Use of money and property | <u>-</u> | <u>-</u> | <u>876</u> | <u>876</u> |
| Total revenues | <u>5,280</u> | <u>5,280</u> | <u>28,305</u> | <u>23,025</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Community development | <u>-</u> | <u>-</u> | <u>700</u> | <u>(700)</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>700</u> | <u>(700)</u> |
| Excess of revenues over (under) expenditures | <u>5,280</u> | <u>5,280</u> | <u>27,605</u> | <u>22,325</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers in | <u>7,973</u> | <u>7,973</u> | <u>7,973</u> | <u>-</u> |
| Total other financing sources (uses) | <u>7,973</u> | <u>7,973</u> | <u>7,973</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 13,253</u> | <u>\$ 13,253</u> | <u>35,578</u> | <u>\$ 22,325</u> |
| Fund balance, July 1, 2018 | | | <u>60,857</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 96,435</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ABANDONED VEHICLE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 600 | \$ 600 | \$ 804 | \$ 204 |
| Intergovernmental revenues | <u>20,000</u> | <u>20,000</u> | <u>14,553</u> | <u>(5,447)</u> |
| Total revenues | <u>20,600</u> | <u>20,600</u> | <u>15,357</u> | <u>(5,243)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | | | | |
| Community development | 1,189 | 1,189 | 1,354 | (165) |
| Debt service: | | | | |
| Principal | <u>81</u> | <u>81</u> | <u>81</u> | <u>-</u> |
| Total expenditures | <u>1,270</u> | <u>1,270</u> | <u>1,435</u> | <u>(165)</u> |
| Excess of revenues over (under) expenditures | <u>19,330</u> | <u>19,330</u> | <u>13,922</u> | <u>(5,408)</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(16,000)</u> | <u>(16,000)</u> | <u>(8,391)</u> | <u>7,609</u> |
| Total other financing sources (uses) | <u>(16,000)</u> | <u>(16,000)</u> | <u>(8,391)</u> | <u>7,609</u> |
| Net change in fund balance | <u>\$ 3,330</u> | <u>\$ 3,330</u> | <u>5,531</u> | <u>\$ (2,201)</u> |
| Fund balance, July 1, 2018 | | | <u>131,123</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 136,654</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT DRAINAGE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|------------------------------------|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Licenses, permits, and impact fees | \$ 22,000 | \$ 22,000 | \$ 17,469 | \$ (4,531) |
| Use of money and property | <u>3,200</u> | <u>3,200</u> | <u>4,128</u> | <u>928</u> |
| Total revenues | <u>25,200</u> | <u>25,200</u> | <u>21,597</u> | <u>(3,603)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | - | - | - | - |
| Community development | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 25,200</u> | <u>\$ 25,200</u> | <u>21,597</u> | <u>\$ (3,603)</u> |
| Fund balance, July 1, 2018 | | | <u>716,070</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 737,667</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL PLAN FEE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 1,400 | \$ 1,400 | \$ 2,379 | \$ 979 |
| Charges for services | <u>45,000</u> | <u>45,000</u> | <u>112,141</u> | <u>67,141</u> |
| Total revenues | <u>46,400</u> | <u>46,400</u> | <u>114,520</u> | <u>68,120</u> |
| <u>EXPENDITURES:</u> | | | | |
| Current: | - | - | - | - |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 46,400</u> | <u>\$ 46,400</u> | <u>114,520</u> | <u>\$ 68,120</u> |
| Fund balance, July 1, 2018 | | | <u>310,445</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 424,965</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY-DUI IMPOUND FEES FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 240 | \$ 240 | \$ 313 | \$ 73 |
| Charges for services | <u>12,000</u> | <u>12,000</u> | <u>4,178</u> | <u>(7,822)</u> |
| Total revenues | <u>12,240</u> | <u>12,240</u> | <u>4,491</u> | <u>(7,749)</u> |
| <u>EXPENDITURES</u> | | | | |
| Public safety | <u>14,095</u> | <u>14,095</u> | - | <u>14,095</u> |
| Total Expenditures | <u>14,095</u> | <u>14,095</u> | - | <u>14,095</u> |
| Net change in fund balance | <u>\$ (1,855)</u> | <u>\$ (1,855)</u> | <u>4,491</u> | <u>\$ 6,346</u> |
| Fund balance, July 1, 2018 | | | <u>51,284</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 55,775</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
AB109 STATE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|--|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ _____ - | \$ _____ - | \$ _____ 109 | \$ _____ 109 |
| Total revenues | _____ - | _____ - | _____ 109 | _____ 109 |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | _____ - | _____ - | _____ - | _____ - |
| Total expenditures | _____ - | _____ - | _____ - | _____ - |
| Excess of revenue over (under) expenditures | _____ - | _____ - | _____ 109 | _____ 109 |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | | |
| Transfers out | _____ (59,014) | _____ (59,014) | _____ (42,350) | _____ 16,664 |
| Total other financing sources (uses) | _____ (59,014) | _____ (59,014) | _____ (42,350) | _____ 16,664 |
| Net change in fund balance | \$ _____ (59,014) | \$ _____ (59,014) | _____ (42,241) | \$ _____ (16,773) |
| Fund balance, July 1, 2018 | | | _____ 59,238 | |
| Fund balance, June 30, 2019 | | | \$ _____ 16,997 | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CLARK ROAD SIGNAL FUND
JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ <u>29</u> | \$ <u>29</u> | \$ <u>35</u> | \$ <u>6</u> |
| Total revenues | <u>29</u> | <u>29</u> | <u>35</u> | <u>6</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 29</u> | <u>\$ 29</u> | <u>35</u> | <u>\$ 6</u> |
| Fund balance, July 1, 2018 | | | <u>6,158</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 6,193</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TREE REPLACEMENT IN LIEU FUND
JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|---------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 11 | \$ 11 | \$ 1 | \$ (10) |
| Charges for services | 1,000 | 1,000 | - | (1,000) |
| Total revenues | 1,011 | 1,011 | 1 | (1,010) |
| <u>EXPENDITURES:</u> | | | | |
| General government | - | - | - | - |
| Total expenditures | - | - | - | - |
| Net change in fund balance | \$ 1,011 | \$ 1,011 | 1 | \$ (1,010) |
| Fund balance, July 1, 2018 | | | 248 | |
| Fund balance, June 30, 2019 | | | \$ 249 | |

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 DISABILITY ACCESS AND EDUCATION FUND
 JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|---------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 2 | \$ 2 |
| Charges for services | <u>150</u> | <u>150</u> | <u>68</u> | <u>(82)</u> |
| Total revenues | <u>150</u> | <u>150</u> | <u>70</u> | <u>(80)</u> |
| <u>EXPENDITURES:</u> | | | | |
| General government | <u>-</u> | <u>-</u> | <u>6</u> | <u>(6)</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>6</u> | <u>(6)</u> |
| Net change in fund balance | <u>\$ 150</u> | <u>\$ 150</u> | <u>64</u> | <u>\$ (86)</u> |
| Fund balance, July 1, 2018 | | | <u>324</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 388</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
SMIP FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 12 | \$ 12 | \$ 27 | \$ 15 |
| Licenses and permits | <u>90</u> | <u>90</u> | <u>224</u> | <u>134</u> |
| Total revenues | <u>102</u> | <u>102</u> | <u>251</u> | <u>149</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 102</u> | <u>\$ 102</u> | <u>251</u> | <u>\$ 149</u> |
| Fund balance, July 1, 2018 | | | <u>2,223</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 2,474</u> | |

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 POLICE DEPARTMENT SEIZURES FUND
 JUNE 30, 2019

| | <u>Original Budget*</u> | <u>Final Budget*</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---------------------------------------|-------------------------|----------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Other revenues | \$ _____ - | \$ _____ - | \$ _____ - | \$ _____ - |
| Total revenues | _____ - | _____ - | _____ - | _____ - |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | _____ - | _____ - | 1,302 | (1,302) |
| Total expenditures | _____ - | _____ - | 1,302 | (1,302) |
| Net change in fund balance | <u>\$ _____ -</u> | <u>\$ _____ -</u> | (1,302) | <u>\$ (1,302)</u> |
| Fund balance (deficit), July 1, 2018 | | | _____ - | |
| Fund balance (deficit), June 30, 2019 | | | <u>\$ (1,302)</u> | |

* The Town did not adopt a budget for the Police Department Seizures Fund for the year ended June 30, 2019.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CANINE PROTECT FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 60 | \$ 60 | \$ 177 | \$ 117 |
| Other revenues | <u>5,400</u> | <u>5,400</u> | <u>26,305</u> | <u>20,905</u> |
| Total revenues | <u>5,460</u> | <u>5,460</u> | <u>26,482</u> | <u>21,022</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>2,000</u> | <u>2,000</u> | <u>12,383</u> | <u>(10,383)</u> |
| Total expenditures | <u>2,000</u> | <u>2,000</u> | <u>12,383</u> | <u>(10,383)</u> |
| Net change in fund balance | <u>\$ 3,460</u> | <u>\$ 3,460</u> | <u>14,099</u> | <u>\$ 10,639</u> |
| Fund balance, July 1, 2018 | | | <u>17,037</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 31,136</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
FIRE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 35 | \$ 35 | \$ 78 | \$ 43 |
| Other revenues | <u>-</u> | <u>-</u> | <u>6,455</u> | <u>6,455</u> |
| Total revenues | <u>35</u> | <u>35</u> | <u>6,533</u> | <u>6,498</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 35</u> | <u>\$ 35</u> | <u>6,533</u> | <u>\$ 6,498</u> |
| Fund balance, July 1, 2018 | | | <u>7,483</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 14,016</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 181 | \$ 181 |
| Other revenues | <u>4,500</u> | <u>4,500</u> | <u>53,965</u> | <u>49,465</u> |
| Total revenues | <u>4,500</u> | <u>4,500</u> | <u>54,146</u> | <u>49,646</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>474</u> | <u>(474)</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>474</u> | <u>(474)</u> |
| Excess of revenue over (under) expenditures | <u>4,500</u> | <u>4,500</u> | <u>53,672</u> | <u>49,172</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(4,500)</u> | <u>(19,809)</u> | <u>(33,278)</u> | <u>(13,469)</u> |
| Total other financing sources (uses) | <u>(4,500)</u> | <u>(19,809)</u> | <u>(33,278)</u> | <u>(13,469)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ (15,309)</u> | <u>20,394</u> | <u>\$ 35,703</u> |
| Fund balance, July 1, 2018 | | | <u>-</u> | |
| Fund balance (deficit), June 30, 2019 | | | <u>\$ 20,394</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ 20 | \$ 20 | \$ 73 | \$ 53 |
| Other revenues | <u>600</u> | <u>600</u> | <u>300</u> | <u>(300)</u> |
| Total revenues | <u>620</u> | <u>620</u> | <u>373</u> | <u>(247)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | <u>-</u> | <u>-</u> | <u>399</u> | <u>(399)</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>399</u> | <u>(399)</u> |
| Net change in fund balance | <u>\$ 620</u> | <u>\$ 620</u> | <u>(26)</u> | <u>\$ (646)</u> |
| Fund balance, July 1, 2018 | | | <u>13,146</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 13,120</u> | |

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 MEMORIAL TRAILWAY
 JUNE 30, 2019

| | Original Budget | Final Budget | Actual | Variance with Final Budget Favorable (Unfavorable) |
|-----------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ <u>16</u> | \$ <u>16</u> | \$ <u>19</u> | \$ <u>3</u> |
| Total revenues | <u>16</u> | <u>16</u> | <u>19</u> | <u>3</u> |
| <u>EXPENDITURES:</u> | | | | |
| Capital Outlay | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>\$ 16</u> | <u>\$ 16</u> | <u>19</u> | <u>\$ 3</u> |
| Fund balance, July 1, 2018 | | | <u>3,409</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 3,428</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRANSPORTATION CAPITAL PROJECTS FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 3,709 | \$ 3,709 |
| Intergovernmental revenues | <u>23,275</u> | <u>23,275</u> | <u>763,862</u> | <u>740,587</u> |
| Total revenues | <u>23,275</u> | <u>23,275</u> | <u>767,571</u> | <u>744,296</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public works | \$ 14,263 | \$ 14,263 | \$ 15,763 | \$ (1,500) |
| Streets | <u>3,312</u> | <u>3,312</u> | <u>3,537</u> | <u>(225)</u> |
| Total expenditures | <u>17,575</u> | <u>17,575</u> | <u>19,300</u> | <u>(1,725)</u> |
| Excess of revenue over (under) expenditures | <u>5,700</u> | <u>5,700</u> | <u>748,271</u> | <u>742,571</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers in | 163,642 | 163,642 | 1,845 | (161,797) |
| Transfers out | <u>(169,342)</u> | <u>(169,342)</u> | <u>(108,232)</u> | <u>61,110</u> |
| Total other financing sources (uses) | <u>(5,700)</u> | <u>(5,700)</u> | <u>(106,387)</u> | <u>(100,687)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>641,884</u> | <u>\$ 641,884</u> |
| Fund balance, July 1, 2018 | | | <u>15,094</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ 656,978</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
FED CMAQ CONGESTION MGMT AIR QUALITY FUND
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Intergovernmental revenues | \$ 237,674 | \$ 237,674 | \$ 35,688 | \$ (201,986) |
| Total revenues | <u>237,674</u> | <u>237,674</u> | <u>35,688</u> | <u>(201,986)</u> |
| <u>EXPENDITURES:</u> | | | | |
| Public safety | - | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenue over (under) expenditures | <u>237,674</u> | <u>237,674</u> | <u>35,688</u> | <u>(201,986)</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | <u>(237,674)</u> | <u>(237,674)</u> | <u>(35,688)</u> | <u>201,986</u> |
| Total other financing sources (uses) | <u>(237,674)</u> | <u>(237,674)</u> | <u>(35,688)</u> | <u>201,986</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>\$ -</u> |
| Fund balance, July 1, 2018 | | | <u>-</u> | |
| Fund balance, June 30, 2019 | | | <u>\$ -</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ONE TIME MISCELLANEOUS GRANTS
JUNE 30, 2019

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|-----------------------------|------------------------|---------------------|-----------------|---|
| <u>REVENUES:</u> | | | | |
| Other revenues | \$ - | \$ - | \$ 3,000 | \$ 3,000 |
| Intergovernmental revenues | - | <u>30,286</u> | - | <u>(30,286)</u> |
| Total revenues | - | <u>30,286</u> | <u>3,000</u> | <u>(27,286)</u> |
| <u>EXPENDITURES:</u> | | | | |
| General government | \$ - | \$ 31,800 | \$ 663 | \$ 31,137 |
| Capital Outlay | - | - | <u>627</u> | <u>(627)</u> |
| Total expenditures | - | <u>31,800</u> | <u>1,290</u> | <u>30,510</u> |
| Net change in Fund balance | <u>\$ -</u> | <u>\$ (1,514)</u> | <u>1,710</u> | <u>\$ 3,224</u> |
| Fund balance, July 1, 2018 | | | - | |
| Fund balance, June 30, 2019 | | | <u>\$ 1,710</u> | |

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL MISCELLANEOUS DONATIONS
JUNE 30, 2019

| | <u>Original Budget*</u> | <u>Final Budget*</u> | <u>Actual</u> | <u>Variance with Final Budget Favorable (Unfavorable)</u> |
|---|-------------------------|----------------------|-------------------|---|
| <u>REVENUES:</u> | | | | |
| Use of money and property | \$ - | \$ - | \$ 5,727 | \$ 5,727 |
| Other revenues | - | - | <u>1,089,933</u> | <u>1,089,933</u> |
| Total revenues | - | - | <u>1,095,660</u> | <u>1,095,660</u> |
| <u>EXPENDITURES:</u> | | | | |
| Capital outlay | - | - | - | - |
| Total expenditures | - | - | - | - |
| Excess of revenue over (under) expenditures | - | - | <u>1,095,660</u> | <u>1,095,660</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | | | |
| Transfers out | - | - | <u>(630,133)</u> | <u>(630,133)</u> |
| Total other financing sources (uses) | - | - | <u>(630,133)</u> | <u>(630,133)</u> |
| Net change in fund balance | <u>\$ -</u> | <u>\$ -</u> | <u>465,527</u> | <u>\$ 465,527</u> |
| Fund balance, July 1, 2018 | | | - | |
| Fund balance, June 30, 2019 | | | <u>\$ 465,527</u> | |

* The Town did not adopt a budget for the General Miscellaneous Donations Fund for the year ended June 30, 2019.

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019

| | <u>General Trust</u> | <u>Successor RDA Fund</u> | <u>RDA Debt Service Obligation Retirement Fund</u> | <u>Totals</u> |
|--|----------------------|-------------------------------|--|-----------------------|
| <u>ASSETS</u> | | | | |
| Cash and investments | \$ 1,007 | \$ 201,665 | \$ - | \$ 202,672 |
| Restricted cash and investments with fiscal agents | <u>-</u> | <u>429,132</u> | <u>-</u> | <u>429,132</u> |
| Total assets | <u>1,007</u> | <u>630,797</u> | <u>-</u> | <u>631,804</u> |
| <u>LIABILITIES</u> | | | | |
| Accounts payable | 1,000 | - | - | 1,000 |
| Accrued payroll payable | - | 113 | - | 113 |
| Interest payable | - | 22,211 | - | 22,211 |
| Long-term liabilities, due within one year | - | 105,000 | - | 105,000 |
| Long-term liabilities, due in more than one year | <u>-</u> | <u>6,875,104</u> | <u>-</u> | <u>6,875,104</u> |
| Total liabilities | <u>1,000</u> | <u>7,002,428</u> | <u>-</u> | <u>7,003,428</u> |
| <u>NET POSITION</u> | | | | |
| Unrestricted | <u>7</u> | <u>(6,371,631)</u> | <u>-</u> | <u>(6,371,624)</u> |
| Total net position (deficit) | <u>\$ 7</u> | <u>\$ (6,371,631)</u> | <u>\$ -</u> | <u>\$ (6,371,624)</u> |

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019

| | <u>General Trust</u> | <u>Successor RDA Fund</u> | <u>RDA Debt Service Obligation Retirement Fund</u> | <u>Totals</u> |
|--|----------------------|-------------------------------|--|-----------------------|
| <u>ADDITIONS</u> | | | | |
| Taxes and assessments | \$ - | \$ - | \$ 473,142 | \$ 473,142 |
| Investment revenue | - | 11,241 | - | 11,241 |
| Intergovernmental revenue | - | 473,142 | - | 473,142 |
| Total additions | <u>-</u> | <u>484,383</u> | <u>473,142</u> | <u>957,525</u> |
| <u>DEDUCTIONS</u> | | | | |
| Administrative expenses | 5,183 | 8,113 | - | 13,296 |
| Interest expense | - | 319,694 | - | 319,694 |
| Intergovernmental expenses | - | 2,768 | 473,142 | 475,910 |
| Total deductions | <u>5,183</u> | <u>330,575</u> | <u>473,142</u> | <u>808,900</u> |
| Change in Net position | (5,183) | 153,808 | - | 148,625 |
| Net position (deficit) - July 1, 2018 | 5,190 | (6,615,439) | - | (6,610,249) |
| Prior period adjustment (Note 15) | - | 90,000 | - | 90,000 |
| Net position - July 1, 2018, restated | <u>5,190</u> | <u>(6,525,439)</u> | <u>-</u> | <u>(6,520,249)</u> |
| Net position (deficit) - June 30, 2019 | <u>\$ 7</u> | <u>\$ (6,371,631)</u> | <u>\$ -</u> | <u>\$ (6,371,624)</u> |

TOWN OF PARADISE
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2019

| | Employee Bank Fund | Police Department Found Money Fund | Total |
|---------------------------|-------------------------------|---|-----------------------------|
| | <u> </u> | <u> </u> | <u> </u> |
| <u>ASSETS</u> | | | |
| Cash and investments | \$ 563 | \$ 5,041 | \$ 5,604 |
| Interest receivable | <u>2</u> | <u>-</u> | <u>2</u> |
| Total assets | <u>\$ 565</u> | <u>\$ 5,041</u> | <u>\$ 5,606</u> |
| <u>LIABILITIES</u> | | | |
| Due to others | <u>\$ 565</u> | <u>\$ 5,041</u> | <u>\$ 5,606</u> |
| Total liabilities | <u>\$ 565</u> | <u>\$ 5,041</u> | <u>\$ 5,606</u> |

TOWN OF PARADISE
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2019

| | <u>Balance</u> <u>July 1, 2018</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2019</u> |
|--------------------------------|---------------------------------------|------------------|------------------|--|
| EMPLOYEE BANK FUND | | | | |
| ASSETS | | | | |
| Cash and investments | \$ 528 | \$ 35 | \$ - | \$ 563 |
| Interest receivable | <u>2</u> | <u>-</u> | <u>-</u> | <u>2</u> |
| Total assets | <u>\$ 530</u> | <u>\$ 35</u> | <u>\$ -</u> | <u>\$ 565</u> |
| LIABILITIES | | | | |
| Due to others | <u>\$ 530</u> | <u>\$ 35</u> | <u>\$ -</u> | <u>\$ 565</u> |
| Total liabilities | <u>\$ 530</u> | <u>\$ 35</u> | <u>\$ -</u> | <u>\$ 565</u> |
| POLICE DEPARTMENT FOUND | | | | |
| MONEY FUND | | | | |
| ASSETS | | | | |
| Cash and investments | <u>\$ 4,809</u> | <u>\$ 232</u> | <u>\$ -</u> | <u>\$ 5,041</u> |
| Total assets | <u>\$ 4,809</u> | <u>\$ 232</u> | <u>\$ -</u> | <u>\$ 5,041</u> |
| LIABILITIES | | | | |
| Due to others | <u>\$ 4,809</u> | <u>\$ 232</u> | <u>\$ -</u> | <u>\$ 5,041</u> |
| Total liabilities | <u>\$ 4,809</u> | <u>\$ 232</u> | <u>\$ -</u> | <u>\$ 5,041</u> |