
**TOWN OF PARADISE
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2018**

TOWN OF PARADISE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018

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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, 2018, 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, 2018, 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.

Emphasis Matter*Change in Accounting Principle*

As described in Note 1 to the financial statements, in 2018, the City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financing Reporting for Post-employment Benefits Other than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 August 5, 2019, 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.



Sacramento, California
August 5, 2019

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, 2018. 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 of 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.

The Town improves its net financial position to \$3.9 million with additional cash, increased loans receivable and infrastructure improvements. Overall, total assets improve 14.5 percent. Cash and investments increase 19 percent, and capital assets increase 23 percent. Restricted cash and investments, accounts and interest receivables, prepaid items, and the advance to the Successor Agency remain unchanged at \$3.7 million. Finally, continued grant funding allows business and housing loan programs to thrive and the receivable increased 5 percent.

The Town reports \$18.30 million of pension liability and pension related net deferred use of resources to its activities as compared to \$19.51 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.

Noncurrent liabilities due within one year increased 8 percent to \$1.4 million while noncurrent liabilities due in more than one year decreased 6 percent to \$10.6 million. The Town implemented GASB 75 for other post employment benefits during the year which increased the obligation reported by 78% to \$10.4 million. Note 9 of the financials shows a year to year rollback comparison of other post employment benefits of less than 1 percent. Total liabilities increased 18 percent to \$45.3 million.

Table 1
Net Position

	Governmental Activities	
	2018	2017
Current and other assets	\$22,132,446	\$20,715,029
Capital assets	<u>22,832,943</u>	<u>18,547,274</u>
Total Assets	<u>44,965,389</u>	<u>39,262,303</u>
Long term liabilities (due in more than one year)	(21,078,625)	(17,148,691)
Net pension liability	(21,713,980)	(19,003,356)
Other liabilities	<u>(2,476,881)</u>	<u>(2,066,899)</u>
Total Liabilities	<u>(45,269,486)</u>	<u>(38,218,946)</u>
Deferred outflow of resources	6,606,990	3,740,417
Deferred inflow of resources	<u>(2,416,719)</u>	<u>(4,242,666)</u>
Net Deferred Use of Resources	<u>4,190,271</u>	<u>(502,249)</u>
Net Position:		
Invested in capital assets, net of debt	21,895,912	17,486,705
Restricted	3,194,155	3,366,413
Unrestricted	<u>(21,203,893)</u>	<u>(20,312,010)</u>
Total Net Position	<u>\$3,886,174</u>	<u>\$541,108</u>

Table 2 below shows another perspective of the net assets of the Town. The Town's total general revenues which include property taxes, and sales taxes, and motor vehicle in-lieu grew 5 percent to \$12.4 million. Charges for services increased 32 percent. Operating grants and contributions increased 4 percent and capital grants and contributions increased 186 percent. In total, revenues increased 23 percent to \$21.7 million.

Expenses decreased 21 percent to \$14.9 million. General government expenses decreased \$5 million primarily because there is not a large pension obligation increase like in the prior year. Community development, public safety, parks and recreation and streets increased 28 percent, 8 percent, 1 percent and 18 percent respectively, from increase services to the community. Public works decreased 8 percent and interest on long term debt decreased 2 percent.

Even with a negative \$3.5 million prior period restatement of net position primarily related to GASB 75 recording of other postemployment benefits, the change in net position is an increase of \$3.3 million.

Table 2
Changes in Net Position

	Governmental Activities	
	2018	2017
Revenues		
Program Revenues:		
Charges for Services	\$1,839,151	\$1,388,301
Operating Contributions & Grants	2,927,382	2,821,056
Capital Contributions & Grants	4,537,278	1,587,615
General Revenues:		
Property Taxes	5,028,233	4,854,651
Other Taxes	4,753,052	4,599,596
Motor vehicle in-lieu	2,342,664	2,252,443
Other general revenues	<u>298,782</u>	<u>123,192</u>
Total Revenues	<u>21,726,542</u>	<u>17,626,854</u>
Program expenses		
General Government	1,068,046	6,095,631
Community Development	766,065	600,034
Public Safety	8,973,187	8,302,395
Public Works	948,220	1,032,161
Parks & Recreation	193,293	190,829
Streets	2,249,447	1,907,411
Interest on Long Term Debt	<u>680,251</u>	<u>695,829</u>
Total Expenses	<u>14,878,509</u>	<u>18,824,290</u>
Change in Net Position before prior period adjustments	6,848,033	(1,197,436)
Prior period adjustments	<u>(3,502,967)</u>	<u>0</u>
Change in net position	<u>\$3,345,066</u>	<u>(\$1,197,436)</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 \$7.68 million. This is a 7 percent increase in governmental fund balances. Unassigned fund balances improved to \$1.6 million. Unassigned funds provide critical cash flow for government operations.

General Fund Highlights

Over the course of the year, the Town Council approved budget revisions for material changes as they were identified. A thorough mid-year budget review was completed which reflected revised personnel costs and other operating expenditures where needed.

The Town's general fund revenues reflect a 5 percent growth or \$619,944. Taxes and assessments provide 95 percent of the general fund revenues. The temporary 0.50 percent transaction and use tax, Measure C, provides \$1.4 million of those revenues.

With the increased revenues, the Town was able to maintain critical operating expenses and capital outlay investments to the general fund. The general fund maintains historically low full time equivalency employees of 47.53 employees for the fiscal year, well below its pre-recession levels of 81.32.

Expenses in total reflect a 1 percent decrease. As expected in the general fund, public safety represents 67 percent of general fund expenditures. Public safety expenditures increased 6 percent in order to maintain appropriate level of services for the community. With the \$604,000 bad debt write off recorded in general government the prior year, general government expenses have decreased 20 percent. Debt service principal and interest reflect almost no change at \$1.4 million.

Revenues exceed expenses by \$148,485 before transfers are reported. After transfers, the net change in general fund balance is \$485,258. The ending general fund balance for June 30, 2018 is \$3,877,146. Of this, \$1.33 million is the remaining non-spendable but enforceable successor agency loan that is being repaid over time. Most importantly unassigned reserves are \$1.59 million. The unassigned reserves reduce the amount of cash needed to be borrowed annually to fund operations. This is a significant improvement compared to four years ago when there were no unassigned reserves available.

Other Major Governmental Funds

The active transportation program is a federal grant funding source for important capital improvement projects. The grants provided funding of \$2.56 million during the year to further the following improvement projects:

- Pearson Road Safe Routes to School
- Maxwell Drive Safe Routes to School
- Almond Street Multi-Modal Improvements
- Memorial Trailway Class I Enhancements
- Ponderosa Elementary Safe Routes to School

The home grant fund is another federal grant funding source to allow the Town to provide income eligible community members grants and loans for housing purposes. The Town is able to provide 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 funded \$519,788 worth of projects during the year, and has loans outstanding of \$10.2 million.

The Cal home rehabilitation fund is very similar to the above, in that it is a funding source for housing and grants and loans for income eligible community members. It is a California state funding source. The Town completed \$40,000 worth of projects during the year, and has loans outstanding of \$2.5 million.

The capital improvement project fund acts as a clearing fund where project expenses are matched up to their funding sources. \$4.9 million in activity was recorded this year compared to \$2.2 million the prior year. The Town has been actively seeking grants and funding to help improve the Town's road safety, drainage issues and infrastructure.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At fiscal year-end 2018, the Town had \$22,832,943, net of depreciation, in a broad range of capital assets, including police and fire equipment, buildings, roads, and vehicles. This amount represents a net increase of \$3,969,452 after depreciation, or 21 percent compared to the prior year. Most of this net increase is from infrastructure improvements.

The Town's fiscal year 2018 capital budget included \$5.3 million in street maintenance, rehabilitation, and new construction and design. The Town added to construction in progress \$5 million and transferred \$5.9 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 63,729
 - Cypress Curve Realignment 927,716
 - Downton Gap Closure Complex 270,312
 - Downtown Paradise Equal Mobility 14,118
 - Greenwood Drive Repair 103,288
 - Maxwell School Connectivity 795,218
 - Measure C Funded Bille Road Overlay 110,402
 - Memorial Trailway Enhancements 1,213,999
 - Paradise Pavement Management Program 58,810
 - Paradise Sewer Feasibility 13,202
 - Pearson Road Bike & Pedestrian Improvements 654,689
 - Pearson Road School Connectivity 519,929
 - Ponderosa School Connectivity 122,143
 - Skyway/Black Olive Signal 15,624
 - Systemic Safety Analysis 144,103
- Buildings and Improvements
 - Fleet Maintenance Bay Construction 104,800
 - Police Department Roof, Windows & Carpet 77,580
 - Town Hall Improvements & HVAC Replacement 18,940
- Machinery and Equipment
 - Engineering Scanner/Plotter 8,474
 - Public Safety Reporting Software 7,380
- Vehicles
 - Building Inspecting Truck with Equipment 29,690
 - Police Explorers & Equipment (3) 150,000
 - Public Works Truck with Equipment 29,691

Table 3 below shows the \$22.8 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	
	2018	2017
Land	\$1,375,284	\$1,375,284
Construction in progress	2,239,385	3,130,174
Buildings and improvements	644,875	515,603
Infrastructure	17,053,290	12,202,275
Machinery and equipment	300,938	397,041
Vehicles	<u>1,219,171</u>	<u>1,243,114</u>
Totals	\$22,832,943	\$18,863,491

Debt

At year-end, the Town had \$44.2 million in notes, bonds, capital leases, other post-employment benefits (OPEB), CalPERS pension liability, and compensated absences. With the implementation of GASB 75, OPEB obligation, the total liabilities increased compared to the prior year 5.1 percent. \$1.4 million of the obligations shown in table 4 are due within one year.

Table 4
Outstanding Debt at Year-end

	Governmental Activities	
	2018	2017
Bonds payable & accreted interest	\$10,389,129	\$10,762,578
Loans payable	16,476	31,692
Capital leases	920,555	1,028,877
OPEB	10,446,476	10,468,835
CAL FIRE OPEB Note	339,785	406,968
Net pension liability	21,713,980	19,003,356
Compensated absences	<u>409,469</u>	<u>393,411</u>
Total Liabilities	\$44,235,870	\$42,095,717

No additional bonds or notes were issued in 2017/18. The Town continues to purchase long deferred equipment and vehicle replacements that are being financed through lease purchases. So, three leases were added during the year, but one lease was 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. The Town contributed \$68,894 to the trust in 2017/18. Despite the Town's contribution toward the net pension liability as dictated by CalPERS, the net pension liability increased. 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 found 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 of 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 Statements of Net Position and Changes in Net Position. The other fiduciary activities are reported under a Statement of Fiduciary Assets and Liabilities and Changes in 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 \$5,339 and the private-purpose trust funds net position is negative \$6.52 million as of June 30, 2018.

NEXT YEAR'S BUDGET AND ASSUMPTIONS

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise. It claimed the lives of 85 individuals and destroyed over 10,000 structures, most of which were homes. 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 in the summer of 2020. 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, all twelve months have been completed of the 2018/19 fiscal year and the 2019/20 budget has been created.

The Town will maintain services and a balanced general fund budget for 2018/19 and 2019/20 by using \$3.2 million of a \$5 million insurance claim for lost tax revenue. The State of California has backfilled lost property tax revenue for 2018/19 and 2 more fiscal years. This will allow the Town to maintain unassigned cash flow reserves of \$1.5 million. In addition, it will have reserves from Measure C revenues of \$1.1 million. Combined, these reserves are \$2.6 million and are 22 percent of the 2018/19 general fund financial uses.

The Town has sufficient 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, 2018

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and investments (Note 3)	\$ 4,966,855
Restricted cash and investments with fiscal agents (Note 3)	11,239
Accounts receivable	2,317,000
Interest receivable	19,294
Prepaid items	62,534
Advance to the Successor Agency (Note 14)	1,334,971
Loans receivable (Note 4)	13,420,553
Capital assets (Note 5):	
Non-depreciable:	
Land and construction in progress	3,614,669
Depreciable:	
Infrastructure, buildings, vehicles, and equipment	33,682,286
Accumulated depreciation	<u>(14,464,012)</u>
Total capital assets	<u>22,832,943</u>
Total Assets	<u>44,965,389</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
2018 Pension contributions (Note 8)	1,387,082
Changes in the net pension liability (Note 8)	4,440,559
Changes in the net OPEB liability (Note 9)	<u>779,349</u>
Total Deferred Outflows of Resources	<u>6,606,990</u>
<u>LIABILITIES</u>	
Accounts payable	933,034
Accrued wages	82,672
Unearned revenue	17,910
Non-current liabilities (Note 7):	
Due within one year	1,443,265
Due in more than one year	10,632,149
Other post employment benefits (Note 9)	10,446,476
Net pension liability (Note 8)	<u>21,713,980</u>
Total Liabilities	<u>45,269,486</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Changes in the net pension liability (Note 8)	2,412,639
Changes in the net OPEB liability (Note 9)	<u>4,080</u>
Total Deferred Inflows of Resources	<u>2,416,719</u>
<u>NET POSITION</u>	
Net investment in capital assets	21,895,912
Restricted for:	
Public safety	431,901
Streets and roads	1,166,619
Community development	299,323
Wastewater and drainage	1,280,920
Capital projects	15,392
Unrestricted	<u>(21,203,893)</u>
Total Net Position	<u>\$ 3,886,174</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 1,068,046	\$ 171,471	\$ 198,836	\$ -
Community development	766,065	1,416,804	548,791	-
Public safety	8,973,187	150,614	263,527	-
Public works	948,220	62,352	868,024	-
Parks and recreation	193,293	2,820	-	-
Streets	2,249,447	34,990	1,048,204	4,537,278
Interest on long term debt	680,251	-	-	-
Total Governmental Activities	\$ 14,878,509	\$ 1,839,151	\$ 2,927,382	\$ 4,537,278

General Revenues:				
Taxes:				
Secured and unsecured property taxes				\$ 5,028,233
Sales and usage taxes				3,270,551
Transient lodging tax				240,589
Franchise taxes				1,017,777
Real property transfer taxes				91,983
Other taxes				132,152
Motor vehicle in-lieu, unrestricted				2,342,664
Homeowners property tax relief, unrestricted				89,063
Investment income				60,695
Other				149,024
Total General Revenues				12,422,731
Change in Net Position				6,848,033
Net Position - July 1, 2017				541,108
Prior period restatement (Note 15)				(3,502,967)
Net Position - July 1, 2017, restated				(2,961,859)
Net Position - June 30, 2018				\$ 3,886,174

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018

	General Fund	Active Transportation Program	Home Grant Fund	Cal Home Rehabilitation Fund
<u>ASSETS</u>				
Cash and investments	\$ 1,152,380	\$ -	\$ 43,671	\$ 47,119
Restricted cash and investments with fiscal agents	11,239	-	-	-
Accounts receivable	1,150,211	500,586	7,077	-
Interest receivable	8,739	-	151	162
Prepaid items	20,764	-	-	-
Due from other funds	587,130	-	-	-
Advance to the Successor Agency	1,334,971	-	-	-
Loans receivable	-	-	10,182,580	2,454,683
	-	-	10,182,580	2,454,683
Total Assets	\$ 4,265,434	\$ 500,586	\$ 10,233,479	\$ 2,501,964
<u>LIABILITIES</u>				
Accounts payable	\$ 330,258	\$ -	\$ 261	\$ -
Accrued wages	58,030	-	-	-
Due to other funds	-	500,677	10,444	-
Unearned revenue	-	-	-	-
	-	-	-	-
Total Liabilities	388,288	500,677	10,705	-
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred inflows of resources	-	-	10,182,580	2,454,683
	-	-	10,182,580	2,454,683
<u>FUND BALANCES</u>				
Nonspendable	1,355,735	-	-	-
Restricted	-	-	40,194	47,281
Assigned	928,850	-	-	-
Unassigned	1,592,561	(91)	-	-
	1,592,561	(91)	-	-
Total Fund Balances	3,877,146	(91)	40,194	47,281
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,265,434	\$ 500,586	\$ 10,233,479	\$ 2,501,964

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2018

	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 497,067	\$ 3,226,618	\$ 4,966,855
Restricted cash and investments with fiscal agents	-	-	11,239
Accounts receivable	-	659,126	2,317,000
Interest receivable	-	10,242	19,294
Prepaid items	-	41,770	62,534
Due from other funds	-	313,796	900,926
Advance to the Successor Agency	-	-	1,334,971
Loans receivable	-	783,290	13,420,553
	-	783,290	13,420,553
Total Assets	\$ 497,067	\$ 5,034,842	\$ 23,033,372
<u>LIABILITIES</u>			
Accounts payable	\$ 497,067	\$ 105,448	\$ 933,034
Accrued wages	-	24,642	82,672
Due to other funds	-	389,805	900,926
Unearned revenue	-	17,910	17,910
	-	537,805	1,934,542
Total Liabilities	497,067	537,805	1,934,542
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources	-	783,289	13,420,552
<u>FUND BALANCES</u>			
Nonspendable	-	41,770	1,397,505
Restricted	-	3,672,484	3,759,959
Assigned	-	-	928,850
Unassigned	-	(506)	1,591,964
	-	3,713,748	7,678,278
Total Fund Balances	-	3,713,748	7,678,278
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 497,067	\$ 5,034,842	\$ 23,033,372

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, 2018

Total fund balances of governmental funds \$ 7,678,278

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 net of accumulated depreciation of \$14,464,012 have not been included as financial resources in the governmental funds 22,832,943

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 13,420,552

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds payable (5,560,894)

Loans payable (16,476)

Accreted interest payable (4,828,235)

Capital leases payable (920,555)

Other post-employment benefits (10,446,476)

CDF retiree health vesting (339,785)

Net pension liability (21,713,980)

Compensated absences (409,469)

Deferred inflows of resources related to changes in the net pension liability are not applicable to the current period. (2,412,639)

Deferred inflows of resources related to changes in the net OPEB liability are not applicable to the current period. (4,080)

Deferred outflows related to changes in the net pension liability are not reported in the governmental funds. 4,440,559

Deferred outflows of resources related to 2018 pension contributions were made subsequent to the measurement date. 1,387,082

Deferred outflows related to changes in the net OPEB liability are not reported in the governmental funds: 779,349

Net position of governmental activities \$ 3,886,174

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, 2018

	<u>General Fund</u>	<u>Active Transportation Program</u>	<u>Home Grant Fund</u>	<u>Cal Home Rehabilitation Fund</u>
<u>REVENUES</u>				
Taxes and assessments	\$ 12,080,860	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	4,560	-	-	-
Fines and forfeitures	91,871	-	-	-
Use of money and property	33,692	-	385	415
Intergovernmental revenues	197,118	2,558,559	360,146	-
Charges for services	232,550	-	-	-
Program income	-	-	144,687	96,254
Other revenues	37,313	-	-	-
	<u>12,677,964</u>	<u>2,558,559</u>	<u>505,218</u>	<u>96,669</u>
Total Revenues				
<u>EXPENDITURES</u>				
Current:				
General government	2,131,314	-	-	-
Community development	199,766	-	519,788	40,000
Public safety	8,421,928	-	-	-
Public works	58,894	-	-	-
Parks and recreation	15,988	-	-	-
Streets	-	-	-	-
Capital Outlay	291,468	-	-	-
Debt service:				
Principal	922,292	-	-	-
Interest and fiscal charges	487,829	-	-	-
	<u>12,529,479</u>	<u>-</u>	<u>519,788</u>	<u>40,000</u>
Total Expenditures				
Excess of revenues over (under) expenditures	<u>148,485</u>	<u>2,558,559</u>	<u>(14,570)</u>	<u>56,669</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	763,649	-	-	-
Transfers out	(278,391)	(2,557,695)	(122,562)	(8,613)
	<u>485,258</u>	<u>(2,557,695)</u>	<u>(122,562)</u>	<u>(8,613)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	633,743	864	(137,132)	48,056
Fund Balances (Deficits) - July 1, 2017	<u>3,243,403</u>	<u>(955)</u>	<u>177,326</u>	<u>(775)</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 3,877,146</u>	<u>\$ (91)</u>	<u>\$ 40,194</u>	<u>\$ 47,281</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, 2018

<u>REVENUES</u>	Capital Improvement	Other Governmental Funds	Totals
Taxes and assessments	\$ -	\$ 132,152	\$ 12,213,012
Licenses, permits, and impact fees	-	1,057,757	1,062,317
Fines and forfeitures	-	28,193	120,064
Use of money and property	-	26,203	60,695
Intergovernmental revenues	-	4,348,837	7,464,660
Charges for services	-	141,142	373,692
Program income	-	37,620	278,561
Other revenues	-	<u>114,652</u>	<u>151,965</u>
 Total Revenues	 -	 <u>5,886,556</u>	 <u>21,724,966</u>
 <u>EXPENDITURES</u>			
Current:			
General government	-	9,976	2,141,290
Community development	-	608,640	1,368,194
Public safety	-	234,024	8,655,952
Public works	-	1,000,884	1,059,778
Parks and recreation	-	-	15,988
Streets	-	1,342,110	1,342,110
Capital Outlay	4,880,270	214,084	5,385,822
Debt service:			
Principal	-	43,683	965,975
Interest and fiscal charges	-	-	<u>487,829</u>
 Total Expenditures	 <u>4,880,270</u>	 <u>3,453,401</u>	 <u>21,422,938</u>
 Excess of revenues over (under) expenditures	 <u>(4,880,270)</u>	 <u>2,433,155</u>	 <u>302,028</u>
 <u>OTHER FINANCING SOURCES (USES)</u>			
Proceeds from the issuance of debt	-	209,382	209,382
Transfers in	4,895,231	575,085	6,233,965
Transfers out	-	<u>(3,266,704)</u>	<u>(6,233,965)</u>
 Total Other Financing Sources (Uses)	 <u>4,895,231</u>	 <u>(2,482,237)</u>	 <u>209,382</u>
 Net Change in Fund Balances	 14,961	 (49,082)	 511,410
 Fund Balances (Deficits) - July 1, 2017	 <u>(14,961)</u>	 <u>3,762,830</u>	 <u>7,166,868</u>
 Fund Balances (Deficits) - June 30, 2018	 <u>\$ -</u>	 <u>\$ 3,713,748</u>	 <u>\$ 7,678,278</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
RECONCILIATION OF THE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

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	\$	511,410
<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		5,453,837
Depreciation expense		(1,484,385)
<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		317,704
Bond principal payments		536,963
Notes payable payments		15,216
Accreted interest, net change		(163,514)
CDF retiree health vesting		67,183
<p>Issuance of debt is an other financing source in governmental funds, but an increase in long-term liabilities in the Statement of Net Position.</p>		
Proceeds from capital lease		(209,382)
<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		(296,226)
Interest accrual on loans		300,743
Loans made during the year		602,706
<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		(16,058)
Pension expense related to deferred outflows and inflows of resources		1,206,627
Other post-employment benefits		5,209
		5,209
Change in net position of governmental activities	\$	6,848,033

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

<u>ASSETS</u>	<u>Private- Purpose Trust Funds</u>	<u>Agency Funds</u>
Cash and investments (Note 3)	\$ 215,656	\$ 5337
Restricted cash and investments with fiscal agents (Note 3)	420,471	-
Accounts receivable	1	-
Interest receivable	-	2
	<u> </u>	<u> </u>
Total Assets	<u>636,128</u>	<u>5,339</u>
<u>LIABILITIES</u>		
Accounts payable	9,073	-
Accrued payroll payable	122	-
Interest payable	22,211	-
Due to others	-	5,339
Long-term debt, due within one year (Note 14)	105,000	-
Long-term debt, due in more than one year (Note 14)	<u>7,019,971</u>	<u> </u>
	<u> </u>	<u> </u>
Total Liabilities	<u>7,156,377</u>	<u>\$ 5,339</u>
<u>NET POSITION</u>		
Unrestricted	<u>(6,520,249)</u>	
	<u> </u>	
Total net deficit	<u>\$ (6,520,249)</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, 2018

	<u>Private- Purpose Trust Funds</u>
<u>ADDITIONS</u>	
Taxes and assessments	\$ 503,000
Investment revenue	4,381
Intergovernmental revenue	<u>448,087</u>
Total Additions	<u>955,468</u>
<u>DEDUCTIONS</u>	
Administrative expenses	65,445
Interest expense	324,014
Intergovernmental expenses	<u>456,338</u>
Total Deductions	<u>845,797</u>
Changes in net position	109,671
Net deficit - July 1, 2017	<u>(6,629,920)</u>
Net deficit - June 30, 2018	<u><u>\$ (6,520,249)</u></u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018

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 three trust funds 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.

Active Transportation Program - This fund accounts for installing critical infrastructure to allow residents to enjoy the benefits of safe active transportation throughout the Town.

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

Cal Home Rehabilitation Fund - This fund is used to account for revenues and expenditures related to the Cal Home Rehabilitation Grant.

Capital Improvement (CIP Fund) - This fund accounts for capital improvement project activities and transactions.

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, both governmental and business-type 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. Proprietary fund equity is classified as net position.
- 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, 2018

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, 2018

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.

For purposes of the statement of cash flows, the Town has defined cash and cash equivalents to be change and petty cash funds, equity in the Town's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

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, 2018

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

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 straightline 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, 2018. The amount of accrued sick pay is not due upon termination and therefore is not recorded as a liability for the Town.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2017
Measurement Period	July 1, 2016 to June 30, 2017

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, 2018

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 accordance with generally accepted accounting principles 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, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Implementation of Government Accounting Standards Board Statements

Effective July 1, 2017, the Town implemented the following accounting and financial reporting standards:

Government Accounting Standards Board Statement No. 75

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB, and replaces Statements No. 45 and 57. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to OPEB. See footnotes 9 and 15 for the prior period restatement recorded as a result of implementing this standard.

Government Accounting Standards Board Statement No. 85

In March 2017, GASB issued Statement No. 85, *Omnibus 2017*. The objective of this statement is to address practice issues that have been identified during implementation and application of certain GASB statements. This statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits).

S. Future Government Accounting Standards Board Statements

These statements are not effective until July 1, 2018 or later. The Town has not determined the effects on the financial statements.

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. 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, 2019.

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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government Accounting Standards Board Statement No. 86

In May 2017, GASB issued Statement No. 86, *Certain Debt Extinguishments Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. 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, 2019.

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.

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. 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. 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 Towns fiscal year ending June 30, 2021.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 the Cluster Septic Fund, Special Projects Fund, Housing Authority Fund, and the Memorial Trailway Fund.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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:			
Active Transportation Fund	\$ 2,012,139	\$ 2,557,695	\$ 545,556
Non-major Funds:			
HUD Revolving Loan Fund	\$ 119,878	\$ 197,065	\$ 77,187
Animal Control Shelter Fund	\$ 238,302	\$ 261,181	\$ 22,879
SLESF Fund	\$ 119,719	120,676	\$ 957
Citizen Police Fund	\$ 4,860	\$ 4,954	\$ 94
Housing Authority Fund	\$ -	\$ 24,500	\$ 24,500
Abandoned Vehicle Fund	\$ 16,812	\$ 18,485	\$ 1,673
95 Impact Drainage Fund	\$ 10,000	\$ 11,058	\$ 1,058
Hydrant Maintenance Fund	\$ -	\$ 2,941	\$ 2,941
AB 109 State Fund	\$ 98,710	\$ 99,822	\$ 1,112
Tree Replacement in Lieu Fund	\$ -	\$ 2,273	\$ 2,273
FEMA Reimbursement Fund	\$ 46,875	\$ 100,417	\$ 53,542
Police Department Seizures Fund	\$ -	\$ 2,320	\$ 2,320
Fed CMAQ Congestion Mgmt Air Quality Fund	\$ 250,000	\$ 923,108	\$ 673,108
Police Trading Cards Fund	\$ -	\$ 1,771	\$ 1,771
Canine Protection Fund	\$ 1,300	\$ 3,024	\$ 1,724
Capital Leases Fund	\$ 183,457	\$ 216,345	\$ 32,888

C. Fund Deficits

The Active Transportation Program, Animal Control Shelter, and the Highway Safety Improvement had fund balance deficits of \$91, \$207, \$1 respectively at June 30, 2018. 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, 2018

NOTE 3: CASH AND INVESTMENTS

Cash and investments as of June 30, 2018 were classified in the accompanying financial statements as follows:

Governmental activities:	
Cash and investments	\$ 4,966,855
Restricted cash and investments with fiscal agents	<u>11,239</u>
Total governmental activities	<u>4,978,094</u>
Fiduciary activities:	
Cash and investments	220,993
Restricted cash and investments with fiscal agents	<u>420,471</u>
Total fiduciary activities	<u>641,464</u>
Total cash and investments	<u>\$ 5,619,558</u>

Cash and investments were carried at fair value as of June 30, 2018 and consisted of the following:

Petty cash	\$ 1,350
Deposits with financial institutions	1,184,228
Investments	<u>4,433,980</u>
Total cash and investments	<u>\$ 5,619,558</u>

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

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

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 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

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, 2018.

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, 2018:

Investment Type	Remaining Maturity		
	12 months or less	1-5 years	Fair Value
State Investment Pool (LAIF)	\$ 4,226,730	\$ -	\$ 4,226,730
Held by bond trustee:			
Money market funds	<u>207,250</u>	<u>-</u>	<u>207,250</u>
	<u>\$ 4,433,980</u>	<u>\$ -</u>	<u>\$ 4,433,980</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

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, 2018.

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 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) Held by bond trustee:	\$ 4,226,730			Not rated
Money market funds	<u>207,250</u>	AAAm	Aaa	
	<u>\$ 4,433,980</u>			

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 U.S. Treasury securities, external investment pools and mutual funds) that represented 5% or more of total Town investment as of June 30, 2018.

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, 2018, the carrying amount of the Town's deposits was \$1,184,228 and bank balances were \$1,380,238 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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 was \$13,420,553, which included loans to homeowners totaling \$7,792,695, and loans to the developer (Paradise Community Village) totaling \$5,627,858.

NOTE 5: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018 was as follows:

	<u>July 1, 2017</u>	<u>Prior Period Adjustment</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2018</u>
Capital assets not being depreciated						
Land	\$ 1,375,284	\$ -	\$ -	\$ -	\$ -	\$ 1,375,284
Construction in progress	<u>2,813,957</u>	<u>316,217</u>	<u>5,027,282</u>	<u>-</u>	<u>(5,918,071)</u>	<u>2,239,385</u>
Total capital assets not being depreciated	<u>4,189,241</u>	<u>316,217</u>	<u>5,027,282</u>	<u>-</u>	<u>(5,918,071)</u>	<u>3,614,669</u>
Capital assets being depreciated						
Buildings and improvements	2,115,008	-	201,320	-	-	2,316,328
Infrastructure	19,359,341	-	-	-	5,918,071	25,277,412
Machinery and equipment	1,864,167	-	15,854	(37,290)	-	1,842,731
Vehicles	<u>4,161,151</u>	<u>-</u>	<u>209,381</u>	<u>(124,717)</u>	<u>-</u>	<u>4,245,815</u>
Total capital assets being depreciated	<u>27,499,667</u>	<u>-</u>	<u>426,555</u>	<u>(162,007)</u>	<u>5,918,071</u>	<u>33,682,286</u>
Less: accumulated depreciation for:						
Buildings and improvements	(1,599,405)	-	(72,048)	-	-	(1,671,453)
Infrastructure	(7,157,066)	-	(1,067,056)	-	-	(8,224,122)
Machinery and equipment	(1,467,126)	-	(111,957)	37,290	-	(1,541,793)
Vehicles	<u>(2,918,037)</u>	<u>-</u>	<u>(233,324)</u>	<u>124,717</u>	<u>-</u>	<u>(3,026,644)</u>
Total accumulated depreciation	<u>(13,141,634)</u>	<u>-</u>	<u>(1,484,385)</u>	<u>162,007</u>	<u>-</u>	<u>(14,464,012)</u>
Capital assets, net	<u>\$ 18,547,274</u>	<u>\$ 316,217</u>	<u>\$ 3,969,452</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,832,943</u>

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

General government	\$ 75,653
Public safety	324,090
Parks and recreation	177,305
Streets	<u>907,337</u>
Total governmental activities depreciation expense	<u>\$ 1,484,385</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018, 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	\$ 21,000
General Fund	Animal Control Shelter	Deficit cash balance	3,411
General Fund	Fed CMAQ Congestion Mgmt Air Quality	Deficit cash balance	26,987
General Fund	Gas Tax	Deficit cash balance	234,331
General Fund	Highway Safety Improvement	Deficit cash balance	37,007
General Fund	State Water Board Prop 1 Grant	Deficit cash balance	6,164
General Fund	Citizen Police	Vehicle Loan	4,087
General Fund	HUD Revolving Loan	Home Loan	13,506
<u>Major Fund</u>	<u>Major Fund</u>		
General Fund	Active Transportation Program	Deficit cash balance	<u>240,637</u>
		Total Major Fund Receivables	<u>587,130</u>
<u>Non-major Fund</u>	<u>Major Funds</u>		
Business and Housing Services	Home Grant Fund	Deficit cash balance	10,444
Local Transportation Fund	Active Transportation Program	Deficit cash balance	260,040
<u>Non-major Fund</u>	<u>Non-major Funds</u>		
Business and Housing Services	HUD Revolving Loan	Deficit cash balance	<u>43,312</u>
		Total Nonmajor Fund Receivables	<u>313,796</u>
		Total Due to/From	<u>\$ 900,926</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 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	CIP Fund	Contribution towards CIP projects	\$ 210,416
General Fund	Cluster Septic Fund	Remaining activity for fund termination	4,339
General Fund	Special Projects Donations Fund	Contribution towards special project	561
General Fund	Animal Control Shelter Fund	Payroll Transfer	63,075
Home Grant Fund	Business and Housing Services	Qtrly transfers for program income	92,714
Home Grant Fund	Business and Housing Services	Payroll transfer	29,848
Cal Home Rehabilitation Fund	Business and Housing Services	Qtrly transfers for program income	8,613
Active Transportation Program Fund	General Fund	Wage transfer for CIP's	24,846
Active Transportation Program Fund	CIP Fund	Contribution towards CIP projects	2,465,332
Active Transportation Program Fund	Gas Tax Fund	Wage transfer for CIP's	67,517
		Total Major Governmental Funds Transfers	<u>2,967,261</u>
<u>Non-Major Governmental Funds</u>			
Gas Tax Fund	CIP Fund	Contribution towards CIP projects	3,544
Gas Tax Fund	General Fund	Monthly allocated costs/POB	192,359
Building Safety and Waste Water Service	General Fund	Monthly allocated costs/POB	208,513
HUD Revolving Loan Fund	Business and Housing Services	Qtrly transfers for program income	2,750
Transportation Capital Projects Fund	General Fund	Monthly allocated costs/POB	4,812
Animal Control Shelter Fund	General Fund	Monthly Allocated Costs/POB	51,711
Highway Safety Improvement Fund	CIP Fund	Contribution towards CIP projects	1,031,368
Highway Safety Improvement Fund	General Fund	Wage transfer for CIP's	8,621
State Water Board Prop 1 Grant	CIP Fund	Contribution towards CIP projects	13,202
Abandoned Vehicle Abatement	General Fund	Reimburse for wages and mileage	16,844
Business and Housing Services	General Fund	Monthly allocated costs/POB	40,026
Animal Control Fund	Animal Control Shelter Fund	Donations to support operations	16,059
Wastewater Design Assessment Fund	General Fund	Remaining activity for fund termination	6,278
Capital Leases Fund	General Fund	Remaining balance on lease purchase	6,963
Federal CMAQ Fund	Gas Tax Fund	Wage transfer for CIP's	29,524
Federal CMAQ Fund	CIP Fund	Contribution towards CIP projects	893,584
Local Transportation Fund	Transportation Capital Projects Fund	Funds eligible for roads	166,294
FEMA Reimbursement Fund	CIP Fund	Contribution towards CIP projects	100,417
Traffic Safety Fund	General Fund	Monthly budgeted transfers	5,500
Transportation Capital Projects Fund	CIP Fund	Contribution towards CIP projects	145,309
Transportation Capital Projects Fund	Gas Tax Fund	Wage transfer for CIP's	1,111
One Time Miscellaneous Grants	CIP Fund	Contribution towards CIP projects	21,000
One Time Miscellaneous Grants	Gas Tax Fund	Wage transfer for CIP's	997
95 Impact Drainage Fund	CIP Fund	Contribution towards CIP projects	11,058
Police Department Seizures Fund	Police Fund	Remaining activity for fund termination	2,320
Police Department Trading Card Fund	Police Fund	Remaining activity for fund termination	1,771
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	3,675
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	25,616
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	35,080
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	20,196
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	3,026
State SLESF Grant	General Fund	Payroll transfer	48,471
State SLESF Grant	General Fund	Monthly budget transfer for CS Rollo	50,000
AB109 State Funds	General Fund	Payroll transfer	98,705
		Total Non-Major Governmental Funds Transfers	<u>3,266,704</u>
		Total Governmental Interfund Transfers	<u>\$ 6,233,965</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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

Intra-Fund Transfers between Funds

The following table represents intra-fund transfers made during the fiscal year ended June 30, 2018:

<u>Transfer from</u>	<u>Transfer To</u>	<u>Description of Transfer</u>	<u>Amount</u>
General Fund	Asset Sales Proceeds Fund	Funds for asset replacement	\$ <u>242,581</u>

Intra-fund transfers are not presented on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the governmental funds as they are presented on a net basis.

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, 2018:

	<u>July 1, 2017</u>			<u>June 30, 2018</u>	<u>Due within</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Government Activities:					
Bonds payable	\$ 6,097,857	\$ -	\$ (536,963)	\$ 5,560,894	\$ 523,423
Loans payable	31,692	-	(15,216)	16,476	16,476
Accreted interest payable	4,664,721	163,514	-	4,828,235	496,577
Capital leases	1,028,877	209,382	(317,704)	920,555	336,964
CDF Retiree Health Vesting	406,968	-	(67,183)	339,785	68,738
Compensated absences	<u>393,411</u>	<u>16,058</u>	<u>-</u>	<u>409,469</u>	<u>1,087</u>
Governmental activities long-term liabilities	<u>\$ 12,623,526</u>	<u>\$ 388,954</u>	<u>\$ (937,066)</u>	<u>\$ 12,075,414</u>	<u>\$ 1,443,265</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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7: LONG TERM DEBT (CONTINUED)

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, 2018 was \$5,560,894. The accreted interest on the capital appreciation bonds balance as of June 30, 2018 was \$4,828,235.

<u>For the Year Ending June 30</u>	<u>Principal</u>	<u>Interest*</u>	<u>Total</u>
2019	523,423	496,577	1,020,000
2020	507,371	542,630	1,050,001
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 - 2028	2,191,632	4,198,369	6,390,001
2029 - 2031	889,734	2,335,265	3,224,999
Total	<u>\$ 5,560,894</u>	<u>\$ 9,489,107</u>	<u>\$ 15,050,001</u>

* The amount includes accreted interest.

C. Loans payable

Note payable to Jeffords - the note bears interest at 8%, payable in monthly installments based upon a fifteen year amortization schedule and matures in full on June 2, 2019.

<u>For the Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 16,476	\$ 723
Total	<u>\$ 16,476</u>	<u>\$ 723</u>

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, 2018 were as follows:

<u>For the Year Ending June 30</u>	<u>Payment</u>
2019	\$ 31,706
2020	31,706
2021	31,706
2022	<u>31,706</u>
Total minimum lease payments	126,824
Less: amount representing interest	<u>(6,141)</u>
Present value of minimum lease payments	<u>\$ 120,683</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 5,977
2020	5,977
2021	5,977
2022	5,977
2023	8,951
Total minimum lease payments	32,859
Less: amount representing interest	(4,406)
Present value of minimum lease payments	\$ 28,453

Enterprise Fleet Management #1

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 5,977
2020	5,977
2021	5,977
2022	5,977
2023	8,951
Total minimum lease payments	32,859
Less: amount representing interest	(4,406)
Present value of minimum lease payments	\$ 28,453

Leasource Financial Services, Inc. #8

During the fiscal year 2012-2013, the Town entered into an agreement to lease two vehicles for the police department. The lease requires 20 monthly installments of \$2,828. The total lease payment of the lease was for \$56,536. The lease obligation was paid off during the fiscal year 2017-2018 with the final payment of \$8,480.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 12,338
2020	3,084
Total minimum lease payments	15,422
Less: amount representing interest	(477)
Present value of minimum lease payments	\$ 14,945

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 future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 1,903
Total minimum lease payments	1,903
Less: amount representing interest	(54)
Present value of minimum lease payments	\$ 1,849

West America Equipment Lease #4

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 80,551
2020	80,551
2021	40,276
Total minimum lease payments	201,378
Less: amount representing interest	(5,642)
Present value of minimum lease payments	\$ 195,736

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 57,031
2020	57,031
Total minimum lease payments	114,062
Less: amount representing interest	(2,598)
Present value of minimum lease payments	\$ 111,464

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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 86,632
2020	86,632
2021	86,632
Total minimum lease payments	259,896
Less: amount representing interest	(9,299)
Present value of minimum lease payments	\$ 250,597

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 departments. 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, 2018 were as follows:

Fiscal Year Ending June 30	Payment
2019	\$ 43,971
2020	43,971
2021	43,971
2022	10,993
Total minimum lease payments	142,906
Less: amount representing interest	(4,378)
Present value of minimum lease payments	\$ 138,528

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7: LONG TERM DEBT (CONTINUED)

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
2019	\$ 10,878
2020	10,878
2021	10,878
2022	906
Total minimum lease payments	33,540
Less: amount representing interest	(3,693)
Present value of minimum lease payments	\$ <u>29,847</u>

E. 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	CDF Retiree Health Vesting
2019	\$ 68,738
2020	68,738
2021	68,738
2022	68,738
2023 and thereafter	68,738
Total minimum payments	343,690
Less: amount representing interest	(3,905)
Present value of minimum lease payments	\$ <u>339,785</u>

F. 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 \$1,087. 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, 2018, total \$408,382 for governmental activities.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 provisions and benefits in effect at June 30, 2018, 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	7.000%	7.000%	6.250%	9.000%	9.000%	11.500%
Required Employer Contribution Rates	22.940%	7.652%	6.869%	90.064%	16.890%	12.122%

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, 2018 were \$1,387,082.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018, the Town reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$21,713,980.

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, 2017, 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, 2016 rolled forward to June 30, 2017 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, 2016 and 2017 was as follows:

Proportion - June 30, 2016	0.21961 %
Proportion - June 30, 2017	<u>0.21895 %</u>
Change - Increase (Decrease)	(0.00066)%

For the year ended June 30, 2018, the Town recognized pension expense of \$591,831. At June 30, 2018, 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	\$ 1,387,082	\$ -
Difference between actual contributions made by employer and the employer's proportionate share of the risk pool's total contribution	-	1,116,990
Differences between actual and expected experience	163,436	147,868
Changes in assumptions	3,190,158	244,319
Adjustment due to differences in proportions	383,847	903,462
Net differences between projected and actual earnings on plan investments	<u>703,118</u>	<u>-</u>
Total	<u>\$ 5,827,641</u>	<u>\$ 2,412,639</u>

\$1,387,082 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, 2019. 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>Measurement Period Ended June 30,</u>	
2019	\$ (87,482)
2020	\$ 1,617,440
2021	\$ 911,183
2022	\$ (413,221)

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous & Safety Plans
Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
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 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the April 2014 CalPERS Experience Study and Review Actuarial Assumptions report.

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Changes in Assumptions

For the measurement period ending June 30, 2017, the financial reporting discount rate for the PERF C Plan was lowered from 7.65% to 7.15%.

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.

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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

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 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. The target allocation shown was adopted by the Board and in effect as of June 30, 2017.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1-10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	(0.40%)	(0.90%)

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% 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, 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 1-percentage point lower or 1-percentage point higher than the current rate:

<u></u>	<u>Discount Rate -1%</u> <u>(6.15%)</u>	<u>Current Discount</u> <u>Rate</u> <u>(7.65%)</u>	<u>Discount Rate +1%</u> <u>(8.15%)</u>
Net Pension Liability (Asset)	\$ 32,246,162	\$ 21,713,980	\$ 13,071,491

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, 2018

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 currently receiving benefits	<u>79</u>
Total	<u>147</u>

Contributions

The Town funds the plan on a pay-as-you-go basis. For the year ended June 30, 2018, the Town paid \$710,455 on behalf of retirees and \$68,894 to the trust for a total contribution of \$779,349. 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, 2018

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Net OPEB Liability

The Town's net OPEB liability ("NOL") was measured as of June 30, 2017 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, 2018

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Net OPEB Liability

The Town invoked Paragraph 244 of GASB 75 for the GASB 75 transition year. Consequently, in order to determine the beginning Net OPEB liability, the Town used a "rollback" technique. The following table shows the results of the rollback. The June 30, 2017 Net OPEB liability was restated accordingly.

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Roll back balance at June 30, 2017	\$ 10,559,844	\$ 91,009	\$ 10,468,835
Service cost	145,035	-	145,035
Interest cost	661,041	-	661,041
Expected investment income	-	11,016	(11,016)
Employer contributions	-	817,419	(817,419)
Benefit payments	<u>(792,419)</u>	<u>(792,419)</u>	<u>-</u>
Net change during 2017-18	<u>13,657</u>	<u>36,016</u>	<u>(22,359)</u>
Balance at June 30, 2018	<u>\$ 10,573,501</u>	<u>\$ 127,025</u>	<u>\$ 10,446,476</u>

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

The following represents the net OPEB Liability of the Town if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability	\$ <u>11,561,996</u>	\$ <u>10,446,476</u>	\$ <u>9,503,509</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 if it were calculated using health care cost trend rates that are one percentage-point lower or one percentage-point higher than the current rate, for measurement period ended June 30, 2017:

	1% Decrease (4.50%)	Current Healthcare Cost Trend Rate (5.50%)	1% Increase (6.50%)
Net OPEB Liability	<u>10,329,504</u>	<u>10,446,476</u>	\$ <u>10,558,897</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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, 2018, the District recognized OPEB expense of \$799,140. As of fiscal year ended June 30, 2018, the District 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	\$ 779,349	\$ -
Net difference between projected and actual earnings on OPEB plan investments	-	4,080
Total	\$ 779,349	\$ 4,080

\$779,349 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
2019	\$ (1,020)
2020	\$ (1,020)
2021	\$ (1,020)
2022	\$ (1,020)

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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:

Committed Fund Balance: 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 Fund Balance: 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.

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, 2018

NOTE 10: FUND BALANCES (CONTINUED)

As of June 30, 2018, fund balances consisted of the following:

	<u>General Fund</u>	<u>Active Transportation Program</u>	<u>Home Grant Fund</u>	<u>Cal Home Rehabilitation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:						
Prepaid	\$ 20,764	\$ -	\$ -	\$ -	\$ 41,770	\$ 62,534
Advances	<u>1,334,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,334,971</u>
Total nonspendable fund balances	<u>1,355,735</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,770</u>	<u>1,397,505</u>
Restricted for:						
Special projects	-	-	-	-	255,359	255,359
Debt service	-	-	-	-	-	-
Community development	-	-	40,194	47,281	211,848	299,323
General plan	-	-	-	-	310,445	310,445
Public safety	-	-	-	-	431,901	431,901
Streets and roads	-	-	-	-	1,166,619	1,166,619
Wastewater and drainage	-	-	-	-	1,280,920	1,280,920
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,392</u>	<u>15,392</u>
Total restricted fund balances	<u>-</u>	<u>-</u>	<u>40,194</u>	<u>47,281</u>	<u>3,672,484</u>	<u>3,759,959</u>
Assigned for:						
Measure C	908,850	-	-	-	-	908,850
Property abatement	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Total assigned fund balances	<u>928,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>928,850</u>
Unassigned	<u>1,592,561</u>	<u>(91)</u>	<u>-</u>	<u>-</u>	<u>(506)</u>	<u>1,591,964</u>
Total fund balances	<u>\$ 3,877,146</u>	<u>\$ (91)</u>	<u>\$ 40,194</u>	<u>\$ 47,281</u>	<u>\$ 3,713,748</u>	<u>\$ 7,678,278</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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 is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town is a member of Northern California Cities Self Insurance Fund (NCCSIF) along with nineteen other northern California cities. NCCSIF is a joint powers agency 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, 2018

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, 2018 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		

The following is summary financial information of the NCCSIF for the liability and workers' compensation programs for the fiscal year ended June 30, 2018:

	<u>Workers' Compensation</u>	<u>General Liability</u>
Total assets	\$ 44,099,525	\$ 13,215,833
Total liabilities	<u>32,666,167</u>	<u>9,030,201</u>
Net position	<u>\$ 11,433,358</u>	<u>\$ 4,185,632</u>
Operating income	\$ 12,138,101	\$ 6,596,109
Operating expenses	<u>12,311,062</u>	<u>6,550,790</u>
Net Operating income (loss)	(172,961)	45,319
Non-Operating income (loss)	<u>(186,338)</u>	<u>(63,109)</u>
Net income (loss)	(359,299)	(17,790)
Net position, beginning of fiscal year	<u>11,792,657</u>	<u>4,203,422</u>
Net position, end of fiscal year	<u>\$ 11,433,358</u>	<u>\$ 4,185,632</u>

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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

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

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.

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2018 was as follows:

	<u>July 1, 2017</u> Balance	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2018</u> Balance	<u>Due within</u> <u>One Year</u>
Advance payable	\$ 1,334,971	\$ -	\$ -	\$ 1,334,971	\$ -
Bonds payable - 2009	4,405,000	-	(75,000)	4,330,000	85,000
Bonds payable - 2016	<u>1,475,000</u>	-	<u>(15,000)</u>	<u>1,460,000</u>	<u>20,000</u>
Total	<u>\$ 7,214,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,124,971</u>	<u>\$ 105,000</u>

The long-term liabilities consisted of the following components for the fiscal year ended June 30, 2018:

Advance payable consisted of an advance of \$1,334,971 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, 2018:

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.

The principal balance outstanding, as of June 30, 2018 was \$1,460,000. The future principal and interest payments for the bonds payable as of June 30, 2018 were as follows:

TOWN OF PARADISE
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2018

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

Fiscal Year Ended June 30,	Bonds Payable		
	Principal	Interest	Total
2019	\$ 20,000	\$ 58,189	\$ 78,189
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
2024-2028	115,000	263,774	378,774
2029-2033	135,000	240,419	375,419
2034-2038	165,000	212,694	377,694
2039-2043	200,000	177,581	377,581
2044-2048	245,000	134,119	379,119
2049-2053	295,000	79,819	374,819
2054-2056	205,000	17,119	222,119
	<u>\$ 1,460,000</u>	<u>\$ 1,408,870</u>	<u>\$ 2,868,870</u>

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 \$4,330,000.

The future principal and interest payments for the bonds payable as of June 30, 2018 were as follows:

Fiscal Year Ended June 30,	Bonds Payable		
	Principal	Interest	Total
2019	\$ 85,000	\$ 255,505	\$ 340,505
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
2024-2028	600,000	1,087,925	1,687,925
2029-2033	805,000	890,938	1,695,938
2034-2038	1,055,000	621,900	1,676,900
2039-2043	1,415,000	264,000	1,679,000
	<u>\$ 4,330,000</u>	<u>\$ 4,096,299</u>	<u>\$ 8,426,299</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15: PRIOR PERIOD ADJUSTMENTS

The following governmental activities prior period adjustments were recorded by the Town, effectively decreasing net position as of July 1, 2017 by \$3,502,967. The net decrease resulted from the following:

Implementation of GASB 75 in current year	\$ (3,819,184)
Asset incorrectly not capitalized in the prior year	<u>316,217</u>
To correct expenditures recorded in improper fund	<u>\$ (3,502,967)</u>

NOTE 16: MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

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, Federal, State and local partners will assist with long term recovery, along with insurance and State of California, which will provide short term lost revenue backfills. These revenue backfills will maintain operations and service levels until a large settlement with Pacific Gas and Electric Company is received and the monies can be formally incorporated into a long term financial recovery plan.

The Town has evaluated subsequent events through the date of this report, which is August 5, 2019, the date these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>REVENUES</u>				
Taxes and assessments:				
Secured and unsecured property taxes	\$ 4,998,875	\$ 5,051,625	\$ 5,052,002	\$ 377
Sales and use taxes	3,114,243	3,270,551	3,270,551	-
Transient lodging taxes	209,695	225,025	240,589	15,564
Franchise taxes	990,124	1,020,500	1,017,777	(2,723)
Motor vehicle in-lieu tax	2,329,123	2,342,664	2,342,664	-
Homeowners property tax relief	66,507	65,294	65,294	-
Real property transfer taxes	<u>86,889</u>	<u>88,690</u>	<u>91,983</u>	<u>3,293</u>
Total taxes and assessments	<u>11,795,456</u>	<u>12,064,349</u>	<u>12,080,860</u>	<u>16,511</u>
Licenses, permits, and impact fees	5,966	4,566	4,560	(6)
Fines and forfeitures	40,500	85,468	91,871	6,403
Interest earned	9,327	13,593	33,692	20,099
Intergovernmental revenues:				
Federal-other	2,000	2,000	-	(2,000)
State-other	<u>122,212</u>	<u>196,567</u>	<u>197,118</u>	<u>551</u>
Total intergovernmental revenues	<u>124,212</u>	<u>198,567</u>	<u>197,118</u>	<u>(1,449)</u>
Charges for services:				
Police	23,811	33,624	37,855	4,231
Fire	6,925	7,876	7,915	39
Community development	26,029	36,246	39,543	3,297
Parks and recreation	2,500	2,500	2,920	420
Public works	69,882	28,459	32,027	3,568
Administration	<u>89,925</u>	<u>89,546</u>	<u>112,290</u>	<u>22,744</u>
Total charges for services	<u>219,072</u>	<u>198,251</u>	<u>232,550</u>	<u>34,299</u>
Other revenues	<u>229,000</u>	<u>241,317</u>	<u>37,313</u>	<u>(204,004)</u>
Total Revenues	<u>12,423,533</u>	<u>12,806,111</u>	<u>12,677,964</u>	<u>(128,147)</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Town council	38,112	37,420	37,420	-
Town manager	378,695	380,605	384,169	(3,564)
Town attorney	186,400	180,515	182,312	(1,797)
Central service	400,955	416,340	410,341	5,999
Financial services	215,369	215,369	217,570	(2,201)
Town clerk	189,827	185,833	180,372	5,461
Risk management	100,403	100,105	100,246	(141)
Non-departmental	<u>739,015</u>	<u>867,173</u>	<u>618,884</u>	<u>248,289</u>
Total general government	<u>2,248,776</u>	<u>2,383,360</u>	<u>2,131,314</u>	<u>252,046</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET TO ACTUAL
GENERAL FUND
JUNE 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Community development				
Planning	143,909	151,912	151,798	114
Solid waste	<u>50,920</u>	<u>47,953</u>	<u>47,968</u>	<u>(15)</u>
Total community development	<u>194,829</u>	<u>199,865</u>	<u>199,766</u>	<u>99</u>
Public safety:				
Police				
Administration	925,398	870,844	840,870	29,974
Operations	2,675,710	2,728,702	2,760,132	(31,430)
Communications	832,102	778,372	744,410	33,962
Motor pool operations	208,135	216,520	221,253	(4,733)
Fire				
Administration	157,869	173,039	176,163	(3,124)
Emergency operations center	9,258	10,581	10,464	117
Suppression	3,719,270	3,648,142	3,660,997	(12,855)
Volunteers	<u>16,566</u>	<u>11,584</u>	<u>7,639</u>	<u>3,945</u>
Total public safety	<u>8,544,308</u>	<u>8,437,784</u>	<u>8,421,928</u>	<u>15,856</u>
Public works:				
Public works	-	-	58,894	(58,894)
Parks and recreation	<u>18,710</u>	<u>16,209</u>	<u>15,988</u>	<u>221</u>
Total public works	<u>18,710</u>	<u>16,209</u>	<u>74,882</u>	<u>(58,673)</u>
Capital outlay	<u>75,869</u>	<u>95,227</u>	<u>291,468</u>	<u>(196,241)</u>
Debt service:				
Principal	946,783	922,295	922,292	3
Interest and fiscal charges	<u>486,251</u>	<u>487,829</u>	<u>487,829</u>	<u>-</u>
Total debt service	<u>1,433,034</u>	<u>1,410,124</u>	<u>1,410,121</u>	<u>3</u>
Total expenditures	<u>12,515,526</u>	<u>12,542,569</u>	<u>12,529,479</u>	<u>13,090</u>
Excess of revenues over (under) expenditures	<u>(91,993)</u>	<u>263,542</u>	<u>148,485</u>	<u>(115,057)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	764,734	988,705	763,649	(225,056)
Transfers out	<u>(520,972)</u>	<u>(520,972)</u>	<u>(278,391)</u>	<u>242,581</u>
Total Other Financing Sources (Uses)	<u>243,762</u>	<u>467,733</u>	<u>485,258</u>	<u>(535,242)</u>
Net Change in Fund Balance	<u>\$ 151,769</u>	<u>\$ 731,275</u>	<u>\$ 633,743</u>	<u>\$ (97,532)</u>
Fund Balance July 1, 2017			<u>3,243,403</u>	
Fund Balance - June 30, 2018			<u>\$ 3,877,146</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ACTIVE TRANSPORTATION PROGRAM
JUNE 30, 2018

	<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	\$ <u>2,029,556</u>	\$ <u>2,029,556</u>	\$ <u>2,558,559</u>	\$ <u>529,003</u>
Total revenues	<u>2,029,556</u>	<u>2,029,556</u>	<u>2,558,559</u>	<u>529,003</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>2,029,556</u>	<u>2,029,556</u>	<u>2,558,559</u>	<u>529,003</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(2,029,556)</u>	<u>(2,012,139)</u>	<u>(2,557,695)</u>	<u>(545,556)</u>
Total other financing sources (uses)	<u>(2,029,556)</u>	<u>(2,012,139)</u>	<u>(2,557,695)</u>	<u>(545,556)</u>
Net change in fund balance	\$ <u><u>2,029,556</u></u>	\$ <u><u>2,029,556</u></u>	<u>864</u>	\$ <u><u>(2,028,692)</u></u>
Fund balance (deficit), July 1, 2017			<u>(955)</u>	
Fund balance (deficit), June 30, 2018			\$ <u><u>(91)</u></u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOME GRANT FUND
JUNE 30, 2018

	<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	\$ -	\$ -	\$ 385	\$ -
Intergovernmental revenues	302,868	802,868	360,146	-
Program income	<u>189,522</u>	<u>189,522</u>	<u>144,687</u>	<u>(44,835)</u>
Total Revenues	<u>492,390</u>	<u>992,390</u>	<u>505,218</u>	<u>(487,172)</u>
<u>EXPENDITURES</u>				
Current:				
Community development	<u>392,954</u>	<u>664,289</u>	<u>519,788</u>	<u>144,501</u>
Total Expenditures	<u>392,954</u>	<u>664,289</u>	<u>519,788</u>	<u>144,501</u>
Excess of revenues over (under) expenditures	<u>99,436</u>	<u>328,101</u>	<u>(14,570)</u>	<u>(342,671)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(108,160)</u>	<u>(192,536)</u>	<u>(122,562)</u>	<u>69,974</u>
Total Other Financing Sources (Uses)	<u>(108,160)</u>	<u>(192,536)</u>	<u>(122,562)</u>	<u>69,974</u>
Net Change in Fund Balance	<u>\$ (8,724)</u>	<u>\$ 135,565</u>	<u>(137,132)</u>	<u>\$ (272,697)</u>
Fund Balance - July 1, 2017			<u>177,326</u>	
Fund Balance - June 30, 2018			<u>\$ 40,194</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAL HOME REHABILITATION FUND
JUNE 30, 2018

	<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 Program Income	\$ 600 <u>57,595</u>	\$ 600 <u>57,595</u>	\$ 415 <u>96,254</u>	\$ (185) <u>38,659</u>
Total Revenues	<u>58,195</u>	<u>58,195</u>	<u>96,669</u>	<u>38,474</u>
<u>EXPENDITURES</u>				
Current:				
Community Development	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>18,195</u>	<u>18,195</u>	<u>56,669</u>	<u>38,474</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(8,691)</u>	<u>(8,691)</u>	<u>(8,613)</u>	<u>78</u>
Total Other Financing Sources (Uses)	<u>(8,691)</u>	<u>(8,691)</u>	<u>(8,613)</u>	<u>78</u>
Net Change in Fund Balance	<u>\$ 9,504</u>	<u>\$ 9,504</u>	<u>48,056</u>	<u>\$ 38,552</u>
Fund Balance (Deficit) - July 1, 2017			<u>(775)</u>	
Fund Balance - June 30, 2018			<u>\$ 47,281</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, 2018
Last 10 Years ***

	Measurement Period			
	2017	2016	2015	2014
Proportion of the net pension liability	0.21895 %	0.21960 %	0.21454 %	0.20733 %
Proportionate share of the net pension liability	\$ 21,713,980	\$ 19,003,356	\$ 14,725,536	\$ 12,901,028
Covered payroll	\$ 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	573.02 %	541.14 %	423.80 %	402.06 %
Plan fiduciary net position as a percentage of the total pension liability	73.30 %	74.06 %	78.40 %	79.82 %

Notes to schedule:

Changes in assumptions - In 2017, the discount rate for the Plan was lowered from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.50% discount rate.

* Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

**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, 2018
Last 10 Years ***

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

* Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE TOWN'S NET OPEB LIABILITY AND RELATED RATIOS
For the Measurement Periods Ended June 30
Last 10 Years***

	2018
Total OPEB liability	
Service cost	\$ 145,035
Interest	661,041
Benefit payments	<u>(792,419)</u>
Net change in total OPEB liability	13,657
Total OPEB liability, beginning	<u>10,559,844</u>
Total OPEB liability, ending (a)	<u>\$ 10,573,501</u>
 Plan fiduciary net position	
Contributions - employer	\$ 817,419
Net investment income	11,016
Benefit payments	<u>(792,419)</u>
Net change in plan fiduciary net position	36,016
Plan fiduciary net position, beginning	<u>91,009</u>
Plan fiduciary net position, ending (b)	<u>\$ 127,025</u>
Town's net OPEB liability, ending (a) - (b)	<u>\$ 10,446,476</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.20 %
Covered-employee payroll	\$ 3,854,764
Town's net OPEB liability as a percentage of covered-employee payroll	271 %

*Fiscal year 2018 was the first year of implementation, therefore only one year is shown. Additional years' information will be displayed as it becomes available.

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
For the Fiscal Year Ended June 30
Last 10 Years***

		2018
Actuarially Determined Contribution (ADC)	\$	1,165,684
Contributions in relation to the ADC		(779,349)
Contribution deficiency (excess)	\$	386,335
Covered-employee payroll		3,854,764
Contributions as a percentage of covered-employee payroll		20.22%

*Fiscal year 2018 was the first year of implementation, therefore only one year is shown.

SUPPLEMENTARY INFORMATION

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2018

Special Revenue Funds					
	Cluster Septic	Animal Control Shelter	Gas Tax	Traffic Safety	Special Projects
<u>ASSETS</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ 583	\$ 255,359
Accounts receivable	-	9,256	382,195	1,275	-
Interest receivable	-	-	-	2	-
Due from other funds	-	-	-	-	-
Prepaid items	-	298	1,770	-	-
Loans receivable	-	-	-	-	-
	-	-	-	-	-
Total Assets	\$ -	\$ 9,554	\$ 383,965	\$ 1,860	\$ 255,359
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ 3,552	\$ 22,000	\$ -	\$ -
Accrued wages	-	2,798	9,637	-	-
Due to other funds	-	3,411	234,331	-	-
Unearned revenue	-	-	-	-	-
	-	-	-	-	-
Total Liabilities	-	9,761	265,968	-	-
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	-	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	298	1,770	-	-
Restricted	-	-	116,227	1,860	255,359
Unassigned	-	(505)	-	-	-
	-	(505)	-	-	-
Total Fund Balances (Deficits)	-	(207)	117,997	1,860	255,359
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ -	\$ 9,554	\$ 383,965	\$ 1,860	\$ 255,359

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Business and Housing Services	HUD Revolving Loan	SLESF	Citizen Police	Asset Seizure
<u>ASSETS</u>					
Cash and investments	\$ 67,987	\$ 94,884	\$ 87,353	\$ 12,966	\$ 4,484
Accounts receivable	-	49,976	-	-	-
Interest receivable	420	327	301	45	15
Due from other funds	53,756	-	-	-	-
Prepaid items	33	-	-	-	-
Loans receivable	-	477,042	-	-	-
	<u>-</u>	<u>477,042</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 122,196</u>	<u>\$ 622,229</u>	<u>\$ 87,654</u>	<u>\$ 13,011</u>	<u>\$ 4,499</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ 66,834	\$ 6,664	\$ -	\$ 459	\$ -
Accrued wages	2,992	-	-	-	-
Due to other funds	-	43,312	-	4,087	-
Unearned revenue	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>69,826</u>	<u>49,976</u>	<u>-</u>	<u>4,546</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	<u>-</u>	<u>477,041</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	33	-	-	-	-
Restricted	52,337	95,212	87,654	8,465	4,499
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>52,370</u>	<u>95,212</u>	<u>87,654</u>	<u>8,465</u>	<u>4,499</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 122,196</u>	<u>\$ 622,229</u>	<u>\$ 87,654</u>	<u>\$ 13,011</u>	<u>\$ 4,499</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

Special Revenue Funds					
	Highway Safety Improvement	95 Impact Signalization	95 Impact PDFC Fund	95 Impact FDFC Fund	95 Impact Road
<u>ASSETS</u>					
Cash and investments	\$ -	\$ 72,728	\$ 17,179	\$ 29,976	\$ 613,895
Accounts receivable	37,006	-	-	-	-
Interest receivable	-	251	59	103	2,116
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Loans receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 37,006</u>	<u>\$ 72,979</u>	<u>\$ 17,238</u>	<u>\$ 30,079</u>	<u>\$ 616,011</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-	-
Due to other funds	37,007	-	-	-	-
Unearned revenue	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>37,007</u>	<u>-</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>-</u>
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	-	-	-	-
Restricted	-	72,979	17,238	30,079	616,011
Unassigned	(1)	-	-	-	-
	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>(1)</u>	<u>72,979</u>	<u>17,238</u>	<u>30,079</u>	<u>616,011</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 37,006</u>	<u>\$ 72,979</u>	<u>\$ 17,238</u>	<u>\$ 30,079</u>	<u>\$ 616,011</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Building Safety and Waste Water Services	Local Transportation	Housing Authority	Abandoned Vehicle	95 Impact Drainage
<u>ASSETS</u>					
Cash and investments	\$ 570,284	\$ -	\$ 60,648	\$ 125,998	\$ 713,610
Accounts receivable	26,934	93,642	-	4,691	-
Interest receivable	932	896	209	434	2,460
Due from other funds	-	260,040	-	-	-
Prepaid items	39,639	-	-	-	-
Loans receivable	-	-	306,248	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 637,789</u>	<u>\$ 354,578</u>	<u>\$ 367,105</u>	<u>\$ 131,123</u>	<u>\$ 716,070</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ 4,328	\$ 1,104	\$ -	\$ -	\$ -
Accrued wages	8,931	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	17,910	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>31,169</u>	<u>1,104</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	-	-	306,248	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	39,639	-	-	-	-
Restricted	566,981	353,474	60,857	131,123	716,070
Unassigned	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>606,620</u>	<u>353,474</u>	<u>60,857</u>	<u>131,123</u>	<u>716,070</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 637,789</u>	<u>\$ 354,578</u>	<u>\$ 367,105</u>	<u>\$ 131,123</u>	<u>\$ 716,070</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	General Plan Fee	Traffic Safety - DUI		Clark Road Signal	Tree Replacement in Lieu
		Impound Fees Fund	AB109 State Funds		
<u>ASSETS</u>					
Cash and investments	\$ 309,379	\$ 51,108	\$ 59,035	\$ 6,137	\$ 247
Accounts receivable	-	-	-	-	-
Interest receivable	1,066	176	203	21	1
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Loans receivable	-	-	-	-	-
Total Assets	<u>\$ 310,445</u>	<u>\$ 51,284</u>	<u>\$ 59,238</u>	<u>\$ 6,158</u>	<u>\$ 248</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	-	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	-	-	-	-
Restricted	310,445	51,284	59,238	6,158	248
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	<u>310,445</u>	<u>51,284</u>	<u>59,238</u>	<u>6,158</u>	<u>248</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 310,445</u>	<u>\$ 51,284</u>	<u>\$ 59,238</u>	<u>\$ 6,158</u>	<u>\$ 248</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Hydrant Maintenance	Disability Access and Education	SMIP Fund	Police Department Seizures Fund	Police Trading Card Fund
<u>ASSETS</u>					
Cash and investments	\$ -	\$ 342	\$ 2,702	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Interest receivable	-	1	9	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Loans receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 343</u>	<u>\$ 2,711</u>	<u>\$ -</u>	<u>\$ -</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ 19	\$ 488	\$ -	\$ -
Accrued wages	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>19</u>	<u>488</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	-	-	-	-
Restricted	-	324	2,223	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>-</u>	<u>324</u>	<u>2,223</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ -</u>	<u>\$ 343</u>	<u>\$ 2,711</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Canine Protect Fund	Fire Fund	Animal Control Fund	Police Fund	Special Projects Donations Fund
<u>ASSETS</u>					
Cash and investments	\$ 16,978	\$ 7,457	\$ -	\$ 13,101	\$ -
Accounts receivable	-	-	-	-	-
Interest receivable	59	26	-	45	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	-	-
Loans receivable	-	-	-	-	-
Total Assets	<u>\$ 17,037</u>	<u>\$ 7,483</u>	<u>\$ -</u>	<u>\$ 13,146</u>	<u>\$ -</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</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>-</u>
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	-	-	-	-
Restricted	17,037	7,483	-	13,146	-
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	<u>17,037</u>	<u>7,483</u>	<u>-</u>	<u>13,146</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 17,037</u>	<u>\$ 7,483</u>	<u>\$ -</u>	<u>\$ 13,146</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Memorial Trailway	Transportation Capital Projects	State Water Board Prop 1 Grant	Improvement Agreements	Fed CMAQ Congestion Mgmt Air Quality
<u>ASSETS</u>					
Cash and investments	\$ 3,397	\$ 15,295	\$ -	\$ 13,506	\$ -
Accounts receivable	-	-	6,164	-	26,987
Interest receivable	12	53	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	30	-	-	-
Loans receivable	-	-	-	-	-
Total Assets	<u>\$ 3,409</u>	<u>\$ 15,378</u>	<u>\$ 6,164</u>	<u>\$ 13,506</u>	<u>\$ 26,987</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	284	-	-	-
Due to other funds	-	-	6,164	13,506	26,987
Unearned revenue	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>284</u>	<u>6,164</u>	<u>13,506</u>	<u>26,987</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	-	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	30	-	-	-
Restricted	3,409	15,064	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	<u>3,409</u>	<u>15,094</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 3,409</u>	<u>\$ 15,378</u>	<u>\$ 6,164</u>	<u>\$ 13,506</u>	<u>\$ 26,987</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds		Capital Projects	Debt Service	Total Non-major Governmental Funds
	One Time Miscellaneous Grants	FEMA Reimbursement Fund	Capital Leases	Wastewater Design Assessment District	
<u>ASSETS</u>					
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 3,226,618
Accounts receivable	21,000	-	-	-	659,126
Interest receivable	-	-	-	-	10,242
Due from other funds	-	-	-	-	313,796
Prepaid items	-	-	-	-	41,770
Loans receivable	-	-	-	-	783,290
Total Assets	<u>\$ 21,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,034,842</u>
<u>LIABILITIES:</u>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 105,448
Accrued wages	-	-	-	-	24,642
Due to other funds	21,000	-	-	-	389,805
Unearned revenue	-	-	-	-	17,910
Total Liabilities	<u>21,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>537,805</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>					
Deferred inflows of resources	-	-	-	-	783,289
<u>FUND BALANCES (DEFICITS):</u>					
Nonspendable	-	-	-	-	41,770
Restricted	-	-	-	-	3,672,484
Unassigned	-	-	-	-	(506)
Total Fund Balances (Deficits)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,713,748</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 21,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,034,842</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JUNE 30, 2018

Special Revenue Funds					
	Cluster Septic	Animal Control Shelter	Gas Tax	Traffic Safety	Special Projects
REVENUES					
Taxes and assessments	\$ -	\$ 132,152	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-	-
Fines and forfeitures	-	8,610	-	7,355	-
Use of money and property	-	-	-	5	-
Intergovernmental revenues	-	-	1,048,527	-	-
Charges for services	-	34,547	161	-	-
Program Income	-	-	-	-	-
Other revenues	-	6,532	5,141	-	-
Total Revenues	-	181,841	1,053,829	7,360	-
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Community development	-	-	-	-	-
Public safety	-	209,470	-	-	-
Public works	-	-	524,035	-	-
Streets	-	-	392,677	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	13,356	-	-
Total Expenditures	-	209,470	930,068	-	-
Excess of revenues over (under) expenditures	-	(27,629)	123,761	7,360	-
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	4,339	79,133	99,149	-	-
Transfers out	-	(51,711)	(195,903)	(5,500)	-
Total Other Financing Sources (Uses)	4,339	27,422	(96,754)	(5,500)	-
Net Change in Fund Balances	4,339	(207)	27,007	1,860	-
Fund Balances (Deficits) - July 1, 2017	(4,339)	-	90,990	-	255,359
Fund Balances (Deficits) - June 30, 2018	<u>\$ -</u>	<u>\$ (207)</u>	<u>\$ 117,997</u>	<u>\$ 1,860</u>	<u>\$ 255,359</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Business and Housing Services	HUD Revolving Loan	SLESF	Citizen Police	Asset Seizure
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	1,072	837	769	114	39
Intergovernmental revenues	83	191,804	139,468	-	-
Charges for services	-	-	-	94	1,717
Program Income	-	14,100	-	-	-
Other revenues	<u>785</u>	<u>-</u>	<u>-</u>	<u>8,290</u>	<u>-</u>
Total Revenues	<u>1,940</u>	<u>206,741</u>	<u>140,237</u>	<u>8,498</u>	<u>1,756</u>
EXPENDITURES					
Current:					
General government	2,500	-	-	-	-
Community development	221,661	106,722	-	-	-
Public safety	-	-	-	4,954	-
Public works	-	-	-	-	-
Streets	-	-	-	-	-
Capital Outlay	-	-	942	-	-
Debt service:					
Principal	<u>-</u>	<u>-</u>	<u>21,263</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>224,161</u>	<u>106,722</u>	<u>22,205</u>	<u>4,954</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(222,221)</u>	<u>100,019</u>	<u>118,032</u>	<u>3,544</u>	<u>1,756</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	221,518	-	-	-	-
Transfers out	<u>(40,026)</u>	<u>(90,343)</u>	<u>(98,471)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>181,492</u>	<u>(90,343)</u>	<u>(98,471)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(40,729)</u>	<u>9,676</u>	<u>19,561</u>	<u>3,544</u>	<u>1,756</u>
Fund Balances (Deficits) - July 1, 2017	<u>93,099</u>	<u>85,536</u>	<u>68,093</u>	<u>4,921</u>	<u>2,743</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 52,370</u>	<u>\$ 95,212</u>	<u>\$ 87,654</u>	<u>\$ 8,465</u>	<u>\$ 4,499</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

Special Revenue Funds					
	Highway Safety Improvement	95 Impact Signalization	95 Impact PDFC Fund	95 Impact FDFC Fund	95 Impact Road
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	2,569	4,681	3,348	34,829
Fines and forfeitures	-	-	-	-	-
Use of money and property	-	640	151	263	5,406
Intergovernmental revenues	1,042,409	-	-	-	-
Charges for services	-	-	-	-	-
Program Income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total Revenues	<u>1,042,409</u>	<u>3,209</u>	<u>4,832</u>	<u>3,611</u>	<u>40,235</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Streets	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>1,042,409</u>	<u>3,209</u>	<u>4,832</u>	<u>3,611</u>	<u>40,235</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	<u>(1,039,989)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,039,989)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>2,420</u>	<u>3,209</u>	<u>4,832</u>	<u>3,611</u>	<u>40,235</u>
Fund Balances (Deficits) - July 1, 2017	<u>(2,421)</u>	<u>69,770</u>	<u>12,406</u>	<u>26,468</u>	<u>575,776</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ (1)</u>	<u>\$ 72,979</u>	<u>\$ 17,238</u>	<u>\$ 30,079</u>	<u>\$ 616,011</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Building Safety and Waste Water Services	Local Transportation	Housing Authority	Abandoned Vehicle	95 Impact Drainage
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	984,482	-	-	-	27,756
Fines and forfeitures	12,228	-	-	-	-
Use of money and property	2,380	2,291	533	1,148	6,284
Intergovernmental revenues	502	868,024	-	21,293	-
Charges for services	38,441	-	-	-	-
Program Income	-	-	23,520	-	-
Other revenues	<u>24,318</u>	<u>27,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>1,062,351</u>	<u>898,127</u>	<u>24,053</u>	<u>22,441</u>	<u>34,040</u>
EXPENDITURES					
Current:					
General government	5,000	-	-	-	-
Community development	254,438	-	24,500	1,319	-
Public safety	-	-	-	-	-
Public works	458,519	-	-	-	-
Streets	-	945,960	-	-	-
Capital Outlay	3,760	-	-	-	-
Debt service:					
Principal	<u>8,742</u>	<u>-</u>	<u>-</u>	<u>322</u>	<u>-</u>
Total Expenditures	<u>730,459</u>	<u>945,960</u>	<u>24,500</u>	<u>1,641</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>331,892</u>	<u>(47,833)</u>	<u>(447)</u>	<u>20,800</u>	<u>34,040</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	<u>(208,513)</u>	<u>(166,294)</u>	<u>-</u>	<u>(16,844)</u>	<u>(11,058)</u>
Total Other Financing Sources (Uses)	<u>(208,513)</u>	<u>(166,294)</u>	<u>-</u>	<u>(16,844)</u>	<u>(11,058)</u>
Net Change in Fund Balances	<u>123,379</u>	<u>(214,127)</u>	<u>(447)</u>	<u>3,956</u>	<u>22,982</u>
Fund Balances (Deficits) - July 1, 2017	<u>483,241</u>	<u>567,601</u>	<u>61,304</u>	<u>127,167</u>	<u>693,088</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 606,620</u>	<u>\$ 353,474</u>	<u>\$ 60,857</u>	<u>\$ 131,123</u>	<u>\$ 716,070</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Traffic Safety - DUI				Tree Replacement in Lieu
	General Plan Fee	Impound Fees	AB109 State Funds	Clark Road Signal	
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	2,723	450	520	53	2
Intergovernmental revenues	-	-	-	-	-
Charges for services	55,109	10,892	-	-	-
Program Income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total Revenues	<u>57,832</u>	<u>11,342</u>	<u>520</u>	<u>53</u>	<u>2</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	2,273
Community development	-	-	-	-	-
Public safety	-	15,123	1,117	-	-
Public works	-	-	-	-	-
Streets	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>15,123</u>	<u>1,117</u>	<u>-</u>	<u>2,273</u>
Excess of revenues over (under) expenditures	<u>57,832</u>	<u>(3,781)</u>	<u>(597)</u>	<u>53</u>	<u>(2,271)</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	(98,705)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(98,705)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>57,832</u>	<u>(3,781)</u>	<u>(99,302)</u>	<u>53</u>	<u>(2,271)</u>
Fund Balances (Deficits) - July 1, 2017	<u>252,613</u>	<u>55,065</u>	<u>158,540</u>	<u>6,105</u>	<u>2,519</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 310,445</u>	<u>\$ 51,284</u>	<u>\$ 59,238</u>	<u>\$ 6,158</u>	<u>\$ 248</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Hydrant Maintenance	Disability Access and Education	SMIP Fund	Police Department Seizures Fund	Police Department Trading Card Fund
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	92	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	-	3	25	-	-
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	181	-	-	-
Program Income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total Revenues	<u>-</u>	<u>184</u>	<u>117</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	2,941	-	-	-	-
Streets	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Total Expenditures	<u>2,941</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>(2,941)</u>	<u>184</u>	<u>117</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(2,320)	(1,771)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,320)</u>	<u>(1,771)</u>
Net Change in Fund Balances	<u>(2,941)</u>	<u>184</u>	<u>117</u>	<u>(2,320)</u>	<u>(1,771)</u>
Fund Balances (Deficits) - July 1, 2017	<u>2,941</u>	<u>140</u>	<u>2,106</u>	<u>2,320</u>	<u>1,771</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ -</u>	<u>\$ 324</u>	<u>\$ 2,223</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Canine Protect Fund	Fire Fund	Animal Control Fund	Police Fund	Special Projects Donations Fund
<u>REVENUES</u>					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	150	66	-	115	-
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Program Income	-	-	-	-	-
Other revenues	<u>7,942</u>	<u>15</u>	<u>3,159</u>	<u>8,458</u>	<u>-</u>
Total Revenues	<u>8,092</u>	<u>81</u>	<u>3,159</u>	<u>8,573</u>	<u>-</u>
<u>EXPENDITURES</u>					
Current:					
General government	-	-	-	-	-
Community development	-	-	-	-	-
Public safety	3,024	-	336	-	-
Public works	-	-	-	-	-
Streets	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Total Expenditures	<u>3,024</u>	<u>-</u>	<u>336</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>5,068</u>	<u>81</u>	<u>2,823</u>	<u>8,573</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	-	-	4,091	561
Transfers out	-	-	(16,059)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(16,059)</u>	<u>4,091</u>	<u>561</u>
Net Change in Fund Balances	<u>5,068</u>	<u>81</u>	<u>(13,236)</u>	<u>12,664</u>	<u>561</u>
Fund Balances (Deficits) - July 1, 2017	<u>11,969</u>	<u>7,402</u>	<u>13,236</u>	<u>482</u>	<u>(561)</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 17,037</u>	<u>\$ 7,483</u>	<u>\$ -</u>	<u>\$ 13,146</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds				
	Memorial Trailway	Transportation Capital Projects	State Water Board Prop 1 Grant	Improvement Agreements	Fed CMAQ Congestion Mgmt Air Quality
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	30	134	-	-	-
Intergovernmental revenues	-	-	13,202	-	923,108
Charges for services	-	-	-	-	-
Program Income	-	-	-	-	-
Other revenues	-	-	-	-	-
Total Revenues	<u>30</u>	<u>134</u>	<u>13,202</u>	<u>-</u>	<u>923,108</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	15,389	-	-	-
Streets	-	3,473	-	-	-
Capital Outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>18,862</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>30</u>	<u>(18,728)</u>	<u>13,202</u>	<u>-</u>	<u>923,108</u>
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	-	-	-
Transfers in	-	166,294	-	-	-
Transfers out	-	(151,232)	(13,202)	-	(923,108)
Total Other Financing Sources (Uses)	<u>-</u>	<u>15,062</u>	<u>(13,202)</u>	<u>-</u>	<u>(923,108)</u>
Net Change in Fund Balances	<u>30</u>	<u>(3,666)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits) - July 1, 2017	<u>3,379</u>	<u>18,760</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits) - June 30, 2018	<u>\$ 3,409</u>	<u>\$ 15,094</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
JUNE 30, 2018

	Special Revenue Funds		Capital Projects	Debt Service	Total Non-major Governmental Funds
	One Time Miscellaneous Grants	FEMA Reimbursement Fund	Capital Leases	Wastewater Design Assessment District	
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ 132,152
Licenses, permits, and impact fees	-	-	-	-	1,057,757
Fines and forfeitures	-	-	-	-	28,193
Use of money and property	-	-	-	-	26,203
Intergovernmental revenues	-	100,417	-	-	4,348,837
Charges for services	-	-	-	-	141,142
Program Income	-	-	-	-	37,620
Other revenues	22,200	-	-	-	114,652
Total Revenues	22,200	100,417	-	-	5,886,556
EXPENDITURES					
Current:					
General government	203	-	-	-	9,976
Community development	-	-	-	-	608,640
Public safety	-	-	-	-	234,024
Public works	-	-	-	-	1,000,884
Streets	-	-	-	-	1,342,110
Capital Outlay	-	-	209,382	-	214,084
Debt service:					
Principal	-	-	-	-	43,683
Total Expenditures	203	-	209,382	-	3,453,401
Excess of revenues over (under) expenditures	21,997	100,417	(209,382)	-	2,433,155
OTHER FINANCING SOURCES (USES)					
Proceeds from the issuance of debt	-	-	209,382	-	209,382
Transfers in	-	-	-	-	575,085
Transfers out	(21,997)	(100,417)	(6,963)	(6,278)	(3,266,704)
Total Other Financing Sources (Uses)	(21,997)	(100,417)	202,419	(6,278)	(2,482,237)
Net Change in Fund Balances	-	-	(6,963)	(6,278)	(49,082)
Fund Balances (Deficits) - July 1, 2017	-	-	6,963	6,278	3,762,830
Fund Balances (Deficits) - June 30, 2018	\$ -	\$ -	\$ -	\$ -	\$ 3,713,748

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 CLUSTER SEPTIC FUND
 JUNE 30, 2018

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Total revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
<u>EXPENDITURES:</u>				
Total expenditures	_____ -	_____ -	_____ -	_____ -
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	_____ -	_____ -	4,339	4,339
Total other financing sources (uses)	_____ -	_____ -	4,339	4,339
Net change in fund balance	\$ <u>_____ -</u>	\$ <u>_____ -</u>	4,339	\$ <u>4,339</u>
Fund balance (deficit), July 1, 2017			(4,339)	
Fund balance, June 30, 2018			\$ <u>_____ -</u>	

* The Town did not adopt a budget for the Cluster Septic Fund for the year ended June 30, 2018.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL SHELTER FUND
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Taxes and assessments	\$ 132,362	\$ 132,362	\$ 132,152	\$ (210)
Fines and forfeitures	12,000	10,000	8,610	(1,390)
Charges for services	60,652	33,797	34,547	750
Other revenues	<u>8,701</u>	<u>6,228</u>	<u>6,532</u>	<u>304</u>
Total revenues	<u>213,715</u>	<u>182,387</u>	<u>181,841</u>	<u>(546)</u>
<u>EXPENDITURES:</u>				
Current:				
Public Safety	<u>183,599</u>	<u>184,310</u>	<u>209,470</u>	<u>(25,160)</u>
Total expenditures	<u>183,599</u>	<u>184,310</u>	<u>209,470</u>	<u>(25,160)</u>
Excess of revenues over (under) expenditures	<u>30,116</u>	<u>(1,923)</u>	<u>(27,629)</u>	<u>(25,706)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	22,268	55,239	79,133	23,894
Transfers out	<u>(52,384)</u>	<u>(53,992)</u>	<u>(51,711)</u>	<u>2,281</u>
Total other financing sources (uses)	<u>(30,116)</u>	<u>1,247</u>	<u>27,422</u>	<u>26,175</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (676)</u>	<u>(207)</u>	<u>\$ 469</u>
Fund balance (deficit), July 1, 2017			-	
Fund balance (deficit), June 30, 2018			<u>\$ (207)</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GAS TAX FUND
JUNE 30, 2018

	<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	\$ 300	\$ 300	\$ -	\$ (300)
Charges for services	150	150	161	11
Intergovernmental revenues	610,793	888,152	1,048,527	160,375
Other revenues	<u>6,000</u>	<u>5,131</u>	<u>5,141</u>	<u>10</u>
Total revenues	<u>617,243</u>	<u>893,733</u>	<u>1,053,829</u>	<u>160,096</u>
<u>EXPENDITURES:</u>				
Current:				
Public works	566,964	561,694	524,035	37,659
Streets	407,182	405,754	392,677	13,077
Capital outlay	-	-	-	-
Debt service:				
Principal	<u>11,294</u>	<u>15,055</u>	<u>13,356</u>	<u>1,699</u>
Total expenditures	<u>985,440</u>	<u>982,503</u>	<u>930,068</u>	<u>52,435</u>
Excess of revenues over (under) expenditures	<u>(368,197)</u>	<u>(88,770)</u>	<u>123,761</u>	<u>212,531</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	439,316	140,316	99,149	(41,167)
Transfers out	<u>(186,187)</u>	<u>(195,645)</u>	<u>(195,903)</u>	<u>(258)</u>
Total other financing sources (uses)	<u>253,129</u>	<u>(55,329)</u>	<u>(96,754)</u>	<u>(41,425)</u>
Net change in fund balance	<u>\$ (115,068)</u>	<u>\$ (144,099)</u>	<u>27,007</u>	<u>\$ 171,106</u>
Fund balance (deficit), July 1, 2017			<u>90,990</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 117,997</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY FUND
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Fines and forfeitures	\$ 20,000	\$ 20,000	\$ 7,355	\$ (12,645)
Use of money and property	<u>1</u>	<u>1</u>	<u>5</u>	<u>4</u>
Total revenues	<u>20,001</u>	<u>20,001</u>	<u>7,360</u>	<u>(12,641)</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>20,001</u>	<u>20,001</u>	<u>7,360</u>	<u>(12,641)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(20,000)</u>	<u>(5,500)</u>	<u>(5,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(20,000)</u>	<u>(5,500)</u>	<u>(5,500)</u>	<u>-</u>
Net change in fund balance	<u>\$ 1</u>	<u>\$ 14,501</u>	<u>1,860</u>	<u>\$ (12,641)</u>
Fund balance (deficit), July 1, 2017			<u>-</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 1,860</u>	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 SPECIAL PROJECTS FUND
 JUNE 30, 2018

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Fund balance (deficit), July 1, 2017			\$ <u>255,359</u>	
Fund balance (deficit), June 30, 2018			\$ <u>255,359</u>	

* The Town did not adopt a budget for the Special Projects Fund for the year ended June 30, 2018.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUSINESS AND HOUSING SERVICES
JUNE 30, 2018

	<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	\$ -	\$ 300	\$ 1,072	\$ 772
Intergovernmental revenues	-	-	83	83
Other revenues	-	260	785	525
Total revenues	<u>-</u>	<u>560</u>	<u>1,940</u>	<u>1,380</u>
<u>EXPENDITURES:</u>				
Current:				
General government	2,500	2,500	2,500	-
Community development	202,866	232,036	221,661	10,375
Total expenditures	<u>205,366</u>	<u>234,536</u>	<u>224,161</u>	<u>10,375</u>
Excess of revenues over (under) expenditures	<u>(205,366)</u>	<u>(233,976)</u>	<u>(222,221)</u>	<u>11,755</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	(250,746)	(255,305)	221,518	476,823
Transfers out	(43,500)	(43,500)	(40,026)	3,474
Total other financing sources (uses)	<u>(294,246)</u>	<u>(298,805)</u>	<u>181,492</u>	<u>480,297</u>
Net change in fund balance	<u>\$ (499,612)</u>	<u>\$ (532,781)</u>	<u>(40,729)</u>	<u>\$ 492,052</u>
Fund balance (deficit), July 1, 2017			<u>93,099</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 52,370</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HUD REVOLVING LOAN FUND
JUNE 30, 2018

	<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	\$ 190	\$ 190	\$ 837	\$ 647
Intergovernmental revenues	196,839	117,022	191,804	74,782
Program income	<u>14,280</u>	<u>14,280</u>	<u>14,100</u>	<u>(180)</u>
Total revenues	<u>211,309</u>	<u>131,492</u>	<u>206,741</u>	<u>75,249</u>
<u>EXPENDITURES:</u>				
Current:				
Community development	<u>65,800</u>	<u>65,800</u>	<u>106,722</u>	<u>(40,922)</u>
Total expenditures	<u>65,800</u>	<u>65,800</u>	<u>106,722</u>	<u>(40,922)</u>
Excess of revenues over (under) expenditures	<u>145,509</u>	<u>65,692</u>	<u>100,019</u>	<u>34,327</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(133,895)</u>	<u>(54,078)</u>	<u>(90,343)</u>	<u>(36,265)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(90,343)</u>	<u>(36,265)</u>
Net change in fund balance	<u>\$ 145,509</u>	<u>\$ 65,692</u>	<u>9,676</u>	<u>\$ (56,016)</u>
Fund balance (deficit), July 1, 2017			<u>85,536</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 95,212</u>	

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

	<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	\$ 50	\$ 50	\$ 769	\$ 719
Intergovernmental revenues	<u>100,000</u>	<u>100,000</u>	<u>139,468</u>	<u>39,468</u>
Total revenues	<u>100,050</u>	<u>100,050</u>	<u>140,237</u>	<u>40,187</u>
<u>EXPENDITURES:</u>				
Current:				
Capital Outlay	-	-	942	(942)
Debt service:				
Principal	<u>21,248</u>	<u>21,248</u>	<u>21,263</u>	<u>(15)</u>
Total expenditures	<u>21,248</u>	<u>21,248</u>	<u>22,205</u>	<u>(957)</u>
Excess of revenues over (under) expenditures	<u>78,802</u>	<u>78,802</u>	<u>118,032</u>	<u>39,230</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(98,471)</u>	<u>(98,471)</u>	<u>(98,471)</u>	<u>-</u>
Total other financing sources (uses)	<u>(98,471)</u>	<u>(98,471)</u>	<u>(98,471)</u>	<u>-</u>
Net change in fund balance	<u>\$ (19,669)</u>	<u>\$ (19,669)</u>	<u>19,561</u>	<u>\$ 39,230</u>
Fund balance (deficit), July 1, 2017			<u>68,093</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 87,654</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CITIZEN POLICE FUND
JUNE 30, 2018

	<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	\$ 11	\$ 11	\$ 94	\$ 83
Use of money and property	15	15	114	99
Other revenues	<u>8,000</u>	<u>8,000</u>	<u>8,290</u>	<u>290</u>
Total revenues	<u>8,026</u>	<u>8,026</u>	<u>8,498</u>	<u>472</u>
<u>EXPENDITURES:</u>				
Current:				
Public safety	<u>4,860</u>	<u>4,860</u>	<u>4,954</u>	<u>(94)</u>
Total expenditures	<u>4,860</u>	<u>4,860</u>	<u>4,954</u>	<u>(94)</u>
Net change in fund balance	<u>\$ 3,166</u>	<u>\$ 3,166</u>	<u>3,544</u>	<u>\$ 378</u>
Fund balance (deficit), July 1, 2017			<u>4,921</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 8,465</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ASSET SEIZURE FUND
JUNE 30, 2018

	<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	\$ 10	\$ 10	\$ 39	\$ 29
Charges for Services	50	50	1,717	1,667
Total revenues	60	60	1,756	1,696
<u>EXPENDITURES:</u>				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 60	\$ 60	1,756	\$ 1,696
Fund balance (deficit), July 1, 2017			2,743	
Fund balance (deficit), June 30, 2018			\$ 4,499	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HIGHWAY SAFETY IMPROVEMENT FUND
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 2,440,543	\$ 2,440,543	\$ 1,042,409	\$ (1,398,134)
Total revenues	<u>2,440,543</u>	<u>2,440,543</u>	<u>1,042,409</u>	<u>(1,398,134)</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>2,440,543</u>	<u>2,440,543</u>	<u>1,042,409</u>	<u>(1,398,134)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(2,440,543)</u>	<u>(2,410,543)</u>	<u>(1,039,989)</u>	<u>1,370,554</u>
Total other financing sources (uses)	<u>(2,440,543)</u>	<u>(2,410,543)</u>	<u>(1,039,989)</u>	<u>1,370,554</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 30,000</u>	<u>2,420</u>	<u>\$ (27,580)</u>
Fund balance (deficit), July 1, 2017			<u>(2,421)</u>	
Fund balance (deficit), June 30, 2018			<u>\$ (1)</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT SIGNALIZATION FUND
JUNE 30, 2018

	<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	\$ 2,000	\$ 2,000	\$ 2,569	\$ 569
Use of money and property	<u>190</u>	<u>190</u>	<u>640</u>	<u>450</u>
Total revenues	<u>2,190</u>	<u>2,190</u>	<u>3,209</u>	<u>1,019</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>\$ 2,190</u>	<u>\$ 2,190</u>	<u>3,209</u>	<u>\$ 1,019</u>
Fund balance (deficit), July 1, 2017			<u>69,770</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 72,979</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT PDFC FUND
JUNE 30, 2018

	<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	\$ 4,000	\$ 4,000	\$ 4,681	\$ 681
Use of money and property	<u>22</u>	<u>22</u>	<u>151</u>	<u>129</u>
Total revenues	<u>4,022</u>	<u>4,022</u>	<u>4,832</u>	<u>810</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>\$ 4,022</u>	<u>\$ 4,022</u>	<u>4,832</u>	<u>\$ 810</u>
Fund balance (deficit), July 1, 2017			<u>12,406</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 17,238</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT FDFC FUND
JUNE 30, 2018

	<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	\$ 3,000	\$ 3,000	\$ 3,348	\$ 348
Use of money and property	<u>65</u>	<u>65</u>	<u>263</u>	<u>198</u>
Total revenues	<u>3,065</u>	<u>3,065</u>	<u>3,611</u>	<u>546</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>\$ 3,065</u>	<u>\$ 3,065</u>	<u>3,611</u>	<u>\$ 546</u>
Fund balance (deficit), July 1, 2017			<u>26,468</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 30,079</u>	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 95 IMPACT ROAD FUND
 JUNE 30, 2018

	<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	\$ 28,000	\$ 28,000	\$ 34,829	\$ 6,829
Use of money and property	<u>1,550</u>	<u>1,550</u>	<u>5,406</u>	<u>3,856</u>
Total revenues	<u>29,550</u>	<u>29,550</u>	<u>40,235</u>	<u>10,685</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>\$ 29,550</u>	<u>\$ 29,550</u>	<u>40,235</u>	<u>\$ 10,685</u>
Fund balance (deficit), July 1, 2017			<u>575,776</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 616,011</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUILDING SAFETY & WASTE WATER SERVICES FUND
JUNE 30, 2018

	<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	\$ 884,255	\$ 890,053	\$ 984,482	\$ 94,429
Fines and forfeitures	8,500	8,750	12,228	3,478
Use of money and property	-	2,000	2,380	380
Intergovernmental revenues	-	-	502	502
Charges for services	35,005	30,005	38,441	8,436
Other Revenues	<u>41,623</u>	<u>40,873</u>	<u>24,318</u>	<u>(16,555)</u>
Total revenues	<u>969,383</u>	<u>971,681</u>	<u>1,062,351</u>	<u>90,670</u>
<u>EXPENDITURES</u>				
General government	5,000	5,000	5,000	-
Community development	264,412	264,490	254,438	10,052
Public works	487,876	466,494	458,519	7,975
Capital outlay	1,000	1,000	3,760	-
Debt service				
Principal	<u>12,698</u>	<u>9,698</u>	<u>8,742</u>	<u>956</u>
Total expenditures	<u>770,986</u>	<u>746,682</u>	<u>730,459</u>	<u>16,223</u>
Excess of revenues over (under) expenditures	<u>198,397</u>	<u>224,999</u>	<u>331,892</u>	<u>106,893</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(198,815)</u>	<u>(213,849)</u>	<u>(208,513)</u>	<u>5,336</u>
Total Other Financing Sources (Uses)	<u>(198,815)</u>	<u>-</u>	<u>(208,513)</u>	<u>(208,513)</u>
Net change in fund balance	<u>\$ (418)</u>	<u>\$ 224,999</u>	<u>123,379</u>	<u>\$ (101,620)</u>
Fund balance (deficit), July 1, 2017			<u>483,241</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 606,620</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
LOCAL TRANSPORTATION FUND
JUNE 30, 2018

	<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	\$ 2,291	\$ 1,691
Intergovernmental revenues	867,884	867,884	868,024	140
Other revenue	<u>28,900</u>	<u>28,900</u>	<u>27,812</u>	<u>(1,088)</u>
Total revenues	<u>897,384</u>	<u>897,384</u>	<u>898,127</u>	<u>743</u>
<u>EXPENDITURES:</u>				
Current:				
Streets	<u>1,010,835</u>	<u>1,010,835</u>	<u>945,960</u>	<u>64,875</u>
Total expenditures	<u>1,010,835</u>	<u>1,010,835</u>	<u>945,960</u>	<u>64,875</u>
Excess of revenues over (under) expenditures	<u>(113,451)</u>	<u>(113,451)</u>	<u>(47,833)</u>	<u>65,618</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(232,395)</u>	<u>(232,395)</u>	<u>(166,294)</u>	<u>66,101</u>
Total Other Financing Sources (Uses)	<u>(232,395)</u>	<u>(232,395)</u>	<u>(166,294)</u>	<u>66,101</u>
Net change in fund balance	<u>\$ (345,846)</u>	<u>\$ (345,846)</u>	<u>(214,127)</u>	<u>\$ 131,719</u>
Fund balance (deficit), July 1, 2017			<u>567,601</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 353,474</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOUSING AUTHORITY FUND
JUNE 30, 2018

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Program Income	\$ -	\$ -	\$ 23,520	\$ 23,520
Use of money and property	-	-	533	533
Total revenues	-	-	<u>24,053</u>	<u>24,053</u>
<u>EXPENDITURES:</u>				
Current:				
Community development	-	-	<u>24,500</u>	<u>(24,500)</u>
Total expenditures	-	-	<u>24,500</u>	<u>(24,500)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(447)</u>	<u>\$ (447)</u>
Fund balance (deficit), July 1, 2017			<u>61,304</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 60,857</u>	

* The Town did not adopt a budget for the Housing Authority Fund for the year ended June 30, 2018.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ABANDONED VEHICLE FUND
JUNE 30, 2018

	<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	\$ 1,148	\$ 748
Intergovernmental revenues	<u>20,000</u>	<u>20,000</u>	<u>21,293</u>	<u>1,293</u>
Total revenues	<u>20,400</u>	<u>20,400</u>	<u>22,441</u>	<u>2,041</u>
<u>EXPENDITURES:</u>				
Current:				
Community development	489	489	1,319	(830)
Debt service:				
Principal	<u>323</u>	<u>323</u>	<u>322</u>	<u>1</u>
Total expenditures	<u>812</u>	<u>812</u>	<u>1,641</u>	<u>(829)</u>
Excess of revenues over (under) expenditures	<u>19,588</u>	<u>19,588</u>	<u>20,800</u>	<u>1,212</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(15,000)</u>	<u>(16,000)</u>	<u>(16,844)</u>	<u>(844)</u>
Total other financing sources (uses)	<u>(15,000)</u>	<u>(16,000)</u>	<u>(16,844)</u>	<u>(844)</u>
Net change in fund balance	<u>\$ 4,588</u>	<u>\$ 3,588</u>	<u>3,956</u>	<u>\$ (368)</u>
Fund balance (deficit), July 1, 2017			<u>127,167</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 131,123</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT DRAINAGE FUND
JUNE 30, 2018

	<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	\$ 20,000	\$ 20,000	\$ 27,756	\$ 7,756
Use of money and property	<u>2,000</u>	<u>2,000</u>	<u>6,284</u>	<u>4,284</u>
Total revenues	<u>22,000</u>	<u>22,000</u>	<u>34,040</u>	<u>12,040</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>
Excess of revenues over (under) expenditures	<u>22,000</u>	<u>22,000</u>	<u>34,040</u>	<u>12,040</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	<u>(11,058)</u>	<u>(1,058)</u>
Total other financing sources (uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>(11,058)</u>	<u>(1,058)</u>
Net change in fund balance	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>22,982</u>	<u>\$ 10,982</u>
Fund balance (deficit), July 1, 2017			<u>693,088</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 716,070</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL PLAN FEE FUND
JUNE 30, 2018

	<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	\$ 600	\$ 600	\$ 2,723	\$ 2,123
Charges for services	<u>35,000</u>	<u>35,000</u>	<u>55,109</u>	<u>20,109</u>
Total revenues	<u>35,600</u>	<u>35,600</u>	<u>57,832</u>	<u>22,232</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>\$ 35,600</u>	<u>\$ 35,600</u>	<u>57,832</u>	<u>\$ 22,232</u>
Fund balance (deficit), July 1, 2017			<u>252,613</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 310,445</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY-DUI IMPOUND FEES FUND
JUNE 30, 2018

	<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	\$ 125	\$ 125	\$ 450	\$ 325
Charges for services	<u>13,000</u>	<u>13,000</u>	<u>10,892</u>	<u>(2,108)</u>
Total revenues	<u>13,125</u>	<u>13,125</u>	<u>11,342</u>	<u>(1,783)</u>
<u>EXPENDITURES</u>				
Public Safety	<u>19,595</u>	<u>19,595</u>	<u>15,123</u>	<u>4,472</u>
Total Expenditures	<u>19,595</u>	<u>19,595</u>	<u>15,123</u>	<u>4,472</u>
Net change in fund balance	<u>\$ (6,470)</u>	<u>\$ (6,470)</u>	<u>(3,781)</u>	<u>\$ 2,689</u>
Fund balance (deficit), July 1, 2017			<u>55,065</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 51,284</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
AB109 STATE FUND
JUNE 30, 2018

	<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	\$ 300	\$ 300	\$ 520	\$ 220
Total revenues	<u>300</u>	<u>300</u>	<u>520</u>	<u>220</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	1,117	(1,117)
Total expenditures	<u>-</u>	<u>-</u>	<u>1,117</u>	<u>(1,117)</u>
Excess of revenue over (under) expenditures	<u>300</u>	<u>300</u>	<u>(597)</u>	<u>(897)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	<u>(88,927)</u>	<u>(98,710)</u>	<u>(98,705)</u>	<u>(5)</u>
Total other financing sources (uses)	<u>(88,927)</u>	<u>(98,710)</u>	<u>(98,705)</u>	<u>(5)</u>
Net change in fund balance	<u>\$ (88,627)</u>	<u>\$ (98,410)</u>	<u>(99,302)</u>	<u>\$ (892)</u>
Fund balance (deficit), July 1, 2017			<u>158,540</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 59,238</u>	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 CLARK ROAD SIGNAL FUND
 JUNE 30, 2018

	<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	\$ 17	\$ 17	\$ 53	\$ 36
Total revenues	<u>17</u>	<u>17</u>	<u>53</u>	<u>36</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 17</u>	<u>\$ 17</u>	<u>53</u>	<u>\$ 36</u>
Fund balance (deficit), July 1, 2017			<u>6,105</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 6,158</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TREE REPLACEMENT IN LIEU FUND
JUNE 30, 2018

	<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	\$ 7	\$ 7	\$ 2	\$ (5)
Total revenues	7	7	2	(5)
<u>EXPENDITURES:</u>				
General government	-	-	2,273	(2,273)
Total Expenditures	-	-	2,273	(2,273)
Net change in fund balance	<u>\$ 7</u>	<u>\$ 7</u>	<u>(2,271)</u>	<u>\$ (2,278)</u>
Fund balance (deficit), July 1, 2017			<u>2,519</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 248</u>	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 HYDRANT MAINTENANCE FUND
 JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Other revenues	\$ 185	\$ 185	\$ -	\$ (185)
Total revenues	185	185	-	(185)
<u>EXPENDITURES:</u>				
Public works	-	-	2,941	(2,941)
Total Expenditures	-	-	2,941	(2,941)
Net change in fund balance	\$ 185	\$ 185	(2,941)	\$ (3,126)
Fund balance (deficit), July 1, 2017			2,941	
Fund balance (deficit), June 30, 2018			\$ -	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 DISABILITY ACCESS AND EDUCATION FUND
 JUNE 30, 2018

	<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	\$ 3
Charges for services	25	25	181	156
Total revenues	25	25	184	159
<u>EXPENDITURES:</u>				
General government	-	-	-	-
Total Expenditures	-	-	-	-
Net change in fund balance	\$ 25	\$ 25	184	\$ 159
Fund balance (deficit), July 1, 2017			140	
Fund balance (deficit), June 30, 2018			\$ 324	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
FEMA REIMBURSEMENT FUND
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 46,875	\$ 46,875	\$ 100,417	\$ 53,542
Total revenues	<u>46,875</u>	<u>46,875</u>	<u>100,417</u>	<u>53,542</u>
<u>EXPENDITURES:</u>				
General government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenue over (under) expenditures	<u>46,875</u>	<u>46,875</u>	<u>100,417</u>	<u>53,542</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(46,875)</u>	<u>(46,875)</u>	<u>(100,417)</u>	<u>(53,542)</u>
Total other financing sources (uses)	<u>(46,875)</u>	<u>(46,875)</u>	<u>(100,417)</u>	<u>(53,542)</u>
Net change in Fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance (deficit), July 1, 2017			<u>-</u>	
Fund balance (deficit), June 30, 2018			<u>\$ -</u>	

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

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Use of money and property	\$ 7	\$ 7	\$ 25	\$ 18
Licenses and permits	200	200	92	(108)
Total revenues	207	207	117	(90)
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Net change in fund balance	\$ 207	\$ 207	117	\$ (90)
Fund balance (deficit), July 1, 2017			2,106	
Fund balance (deficit), June 30, 2018			\$ 2,223	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 POLICE DEPARTMENT SEIZURES FUND
 JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Other revenues	\$ 500	\$ 500	\$ -	\$ (500)
Total revenues	500	500	-	(500)
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess of revenue over (under) expenditures	500	500	-	(500)
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	-	-	(2,320)	(2,320)
Total other financing sources (uses)	-	-	(2,320)	(2,320)
Net change in fund balance	<u>\$ 500</u>	<u>\$ 500</u>	<u>(2,320)</u>	<u>\$ (2,820)</u>
Fund balance (deficit), July 1, 2017			2,320	
Fund balance (deficit), June 30, 2018			<u>\$ -</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, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ _____ -	\$ _____ 250,000	\$ _____ 923,108	\$ _____ 673,108
Total revenues	_____ -	_____ 250,000	_____ 923,108	_____ 673,108
<u>EXPENDITURES:</u>				
Public Safety	_____ -	_____ -	_____ -	_____ -
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess of revenue over (under) expenditures	_____ -	_____ 250,000	_____ 923,108	_____ 673,108
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	_____ (250,000)	_____ (250,000)	_____ (923,108)	_____ (673,108)
Total other financing sources (uses)	_____ (250,000)	_____ (250,000)	_____ (923,108)	_____ (673,108)
Net change in fund balance	\$ _____ (250,000)	\$ _____ -	_____ -	\$ _____ -
Fund balance (deficit), July 1, 2017			_____ -	
Fund balance (deficit), June 30, 2018			\$ _____ -	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 POLICE TRADING CARDS FUND
 JUNE 30, 2018

	<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	\$ 5	\$ -	\$ (5)
Total revenues	5	5	-	(5)
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Excess of revenue over (under) expenditures	5	5	-	(5)
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	-	-	(1,771)	(1,771)
Total other financing sources (uses)	-	-	(1,771)	(1,771)
Net change in fund balance	\$ 5	\$ 5	(1,771)	\$ (1,776)
Fund balance (deficit), July 1, 2017			1,771	
Fund balance (deficit), June 30, 2018			\$ -	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ONE TIME MISCELLANEOUS GRANTS
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Other revenues	\$ 25,000	\$ 25,000	\$ 22,200	\$ (2,800)
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>22,200</u>	<u>(2,800)</u>
<u>EXPENDITURES:</u>				
General government	\$ -	\$ -	\$ 203	\$ 203
Total Expenditures	<u>-</u>	<u>-</u>	<u>203</u>	<u>203</u>
Excess of revenue over (under) expenditures	<u>25,000</u>	<u>25,000</u>	<u>21,997</u>	<u>(3,003)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(21,997)</u>	<u>3,003</u>
Total other financing sources (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(21,997)</u>	<u>3,003</u>
Net change in Fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance (deficit), July 1, 2017			<u>-</u>	
Fund balance (deficit), June 30, 2018			<u>\$ -</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CANINE PROTECT FUND
JUNE 30, 2018

	<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	\$ 150	\$ 130
Other Revenues	<u>5,000</u>	<u>5,000</u>	<u>7,942</u>	<u>2,942</u>
Total revenues	<u>5,020</u>	<u>5,020</u>	<u>8,092</u>	<u>3,072</u>
<u>EXPENDITURES:</u>				
Public Safety	<u>1,300</u>	<u>1,300</u>	<u>3,024</u>	<u>(1,724)</u>
Total Expenditures	<u>1,300</u>	<u>1,300</u>	<u>3,024</u>	<u>(1,724)</u>
Net change in fund balance	<u>\$ 3,720</u>	<u>\$ 3,720</u>	<u>5,068</u>	<u>\$ 1,348</u>
Fund balance (deficit), July 1, 2017			<u>11,969</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 17,037</u>	

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

	<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	\$ 66	\$ 46
Other revenues	-	-	15	15
Total revenues	20	20	81	61
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	\$ 20	\$ 20	81	\$ 61
Fund balance (deficit), July 1, 2017			7,402	
Fund balance (deficit), June 30, 2018			\$ 7,483	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL FUND
JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Other revenues	\$ 9,900	\$ 9,900	\$ 3,159	\$ (6,741)
Total revenues	<u>9,900</u>	<u>9,900</u>	<u>3,159</u>	<u>(6,741)</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	336	(336)
Total Expenditures	<u>-</u>	<u>-</u>	<u>336</u>	<u>(336)</u>
Excess of revenue over (under) expenditures	<u>9,900</u>	<u>9,900</u>	<u>2,823</u>	<u>(7,077)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(22,268)</u>	<u>(18,000)</u>	<u>(16,059)</u>	<u>1,941</u>
Total other financing sources (uses)	<u>(22,268)</u>	<u>(18,000)</u>	<u>(16,059)</u>	<u>1,941</u>
Net change in fund balance	<u>\$ (12,368)</u>	<u>\$ (8,100)</u>	<u>(13,236)</u>	<u>\$ (5,136)</u>
Fund balance (deficit), July 1, 2017			<u>13,236</u>	
Fund balance (deficit), June 30, 2018			<u>\$ -</u>	

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

	<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	\$ -	\$ -	\$ 115	\$ 115
Other revenues	<u>100</u>	<u>100</u>	<u>8,458</u>	<u>8,358</u>
Total revenues	<u>100</u>	<u>100</u>	<u>8,573</u>	<u>8,473</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 revenue over (under) expenditures	<u>100</u>	<u>100</u>	<u>8,573</u>	<u>8,473</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>-</u>	<u>-</u>	<u>4,091</u>	<u>4,091</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,091</u>	<u>4,091</u>
Net change in fund balance	<u>\$ 100</u>	<u>\$ 100</u>	<u>12,664</u>	<u>\$ 12,564</u>
Fund balance (deficit), July 1, 2017			<u>482</u>	
Fund balance (deficit), June 30, 2018			<u>\$ 13,146</u>	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 SPECIAL PROJECTS DONATIONS FUND
 JUNE 30, 2018

	<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	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Total revenues	_____ -	_____ -	_____ -	_____ -
<u>EXPENDITURES:</u>				
General government	_____ -	_____ -	_____ -	_____ -
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess of revenue over (under) expenditures	_____ -	_____ -	_____ -	_____ -
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	_____ -	_____ 561	_____ 561	_____ -
Total other financing sources (uses)	_____ -	_____ 561	_____ 561	_____ -
Net change in fund balance	\$ _____ -	\$ _____ 561	_____ 561	\$ _____ -
Fund balance (deficit), July 1, 2017			_____ (561)	
Fund balance (deficit), June 30, 2018			\$ _____ -	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
MEMORIAL TRAILWAY
JUNE 30, 2018

	<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	\$ _____ -	\$ _____ -	\$ _____ 30	\$ _____ (30)
Total revenues	_____ -	_____ -	_____ 30	_____ (30)
<u>EXPENDITURES:</u>				
Capital Outlay	_____ -	_____ -	_____ -	_____ -
Total expenditures	_____ -	_____ -	_____ -	_____ -
Net change in fund balance	<u>\$ _____ -</u>	<u>\$ _____ -</u>	_____ 30	<u>\$ _____ 30</u>
Fund balance (deficit), July 1, 2017			_____ 3,379	
Fund balance (deficit), June 30, 2018			<u>\$ _____ 3,409</u>	

* The Town did not adopt a budget for the Memorial Trailway Fund for the year ended June 30, 2018.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRANSPORTATION CAPITAL PROJECTS FUND
JUNE 30, 2018

	<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	\$ _____ -	\$ _____ -	\$ _____ 134	\$ _____ 134
Total revenues	_____ -	_____ -	_____ 134	_____ 134
<u>EXPENDITURES:</u>				
Public works	\$ 15,507	\$ 15,507	\$ 15,389	\$ 118
Streets	_____ 3,726	_____ 3,726	_____ 3,473	_____ 253
Total Expenditures	_____ 19,233	_____ 19,233	_____ 18,862	_____ 371
Excess of revenue over (under) expenditures	_____ (19,233)	_____ (19,233)	_____ (18,728)	_____ 505
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	(232,395)	(232,395)	166,294	398,689
Transfers out	_____ (213,428)	_____ (213,574)	_____ (151,232)	_____ 62,342
Total other financing sources (uses)	_____ (232,395)	_____ (232,395)	_____ 15,062	_____ 247,457
Net change in fund balance	\$ _____ (251,628)	\$ _____ (251,628)	_____ (3,666)	\$ _____ 247,962
Fund balance (deficit), July 1, 2017			_____ 18,760	
Fund balance (deficit), June 30, 2018			\$ _____ 15,094	

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 STATE WATER BOARD PROP 1 GRANT FUND
 JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ _____ -	\$ _____ -	\$ <u>13,202</u>	\$ <u>13,202</u>
Total revenues	_____ -	_____ -	<u>13,202</u>	<u>13,202</u>
<u>EXPENDITURES:</u>				
Capital outlay	_____ -	_____ -	_____ -	_____ -
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess of revenue over (under) expenditures	_____ -	_____ -	<u>13,202</u>	<u>13,202</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	_____ (121,875)	_____ (121,875)	_____ (13,202)	_____ 108,673
Total other financing sources (uses)	_____ (121,875)	_____ (121,875)	_____ (13,202)	_____ 108,673
Net change in fund balance	<u>\$ _____ (121,875)</u>	<u>\$ _____ (121,875)</u>	_____ -	<u>\$ _____ 121,875</u>
Fund balance (deficit), July 1, 2017			_____ -	
Fund balance (deficit), June 30, 2018			<u>\$ _____ -</u>	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAPITAL LEASES FUND
JUNE 30, 2018

	<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	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Total revenues	_____ -	_____ -	_____ -	_____ -
<u>EXPENDITURES:</u>				
Capital outlay	_____ 176,494	_____ 176,494	_____ 209,382	_____ (32,888)
Total Expenditures	_____ 176,494	_____ 176,494	_____ 209,382	_____ (32,888)
Excess of revenue over (under) expenditures	_____ (176,494)	_____ (176,494)	_____ (209,382)	_____ (32,888)
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from the issuance of debt	_____ 176,494	_____ 176,494	_____ 209,382	_____ 32,888
Transfers out	_____ (6,963)	_____ (6,963)	_____ (6,963)	_____ -
Total other financing sources (uses)	_____ 169,531	_____ 169,531	_____ 202,419	_____ 32,888
Net change in fund balance	\$ _____ (6,963)	\$ _____ (6,963)	_____ (6,963)	\$ _____ -
Fund balance (deficit), July 1, 2017			_____ 6,963	
Fund balance (deficit), June 30, 2018			\$ _____ -	

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
WASTEWATER DESIGN ASSESSMENT DISTRICT FUND
JUNE 30, 2018

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Use of money and property	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
Total revenues	_____ -	_____ -	_____ -	_____ -
<u>EXPENDITURES:</u>				
General government	_____ -	_____ -	_____ -	_____ -
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess of revenue over (under) expenditures	_____ -	_____ -	_____ -	_____ -
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	_____ -	_____ (6,278)	_____ (6,278)	_____ -
Total other financing sources (uses)	_____ -	_____ (6,278)	_____ (6,278)	_____ -
Net change in fund balance	\$ _____ -	\$ _____ (6,278)	_____ (6,278)	\$ _____ -
Fund balance (deficit), July 1, 2017			_____ 6,278	
Fund balance (deficit), June 30, 2018			\$ _____ -	

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2018

	General Trust	Successor RDA Fund	RDA Debt Service Obligation Retirement Fund	Totals
<u>ASSETS</u>				
Cash and investments	\$ 8,406	\$ 207,250	\$ -	\$ 215,656
Restricted cash and investments with fiscal agents	-	420,471	-	420,471
Accounts receivable	-	1	-	1
Total assets	8,406	627,722	-	636,128
<u>LIABILITIES</u>				
Accounts payable	3,216	5,857	-	9,073
Accrued payroll payable	-	122	-	122
Interest payable	-	22,211	-	22,211
Due to other funds	-	-	-	-
Long-term debt, due within one year	-	105,000	-	105,000
Long-term debt, due in more than one year	-	7,019,971	-	7,019,971
Total liabilities	3,216	7,153,161	-	7,156,377
<u>NET POSITION</u>				
Unrestricted	5,190	(6,525,439)	-	(6,520,249)
Total net position (deficit)	\$ 5,190	\$ (6,525,439)	\$ -	\$ (6,520,249)

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2018

	<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	\$ 54,913	\$ -	\$ 448,087	\$ 503,000
Investment revenue	-	4,381	-	4,381
Intergovernmental revenue	-	<u>448,087</u>	-	<u>448,087</u>
Total additions	<u>54,913</u>	<u>452,468</u>	<u>448,087</u>	<u>955,468</u>
<u>DEDUCTIONS</u>				
Administrative expenses	53,822	11,623	-	65,445
Interest expense	-	324,014	-	324,014
Intergovernmental expense	-	<u>8,251</u>	<u>448,087</u>	<u>456,338</u>
Total deductions	<u>53,822</u>	<u>343,888</u>	<u>448,087</u>	<u>845,797</u>
Change in Net position	1,091	108,580	-	109,671
Net position (deficit) - July 1, 2017	<u>4,099</u>	<u>(6,634,019)</u>	<u>-</u>	<u>(6,629,920)</u>
Net position (deficit) - June 30, 2018	<u>\$ 5,190</u>	<u>\$ (6,525,439)</u>	<u>\$ -</u>	<u>\$ (6,520,249)</u>

TOWN OF PARADISE
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	Employee Bank Fund	Police Department Found Money Fund	Total
<u>ASSETS</u>			
Cash and investments	\$ 528	\$ 4,809	\$ 5,337
Interest receivable	2	-	2
Total assets	\$ 530	\$ 4,809	\$ 5,339
<u>LIABILITIES</u>			
Due to others	\$ 530	\$ 4,809	\$ 5,339
Total liabilities	\$ 530	\$ 4,809	\$ 5,339

TOWN OF PARADISE
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
EMPLOYEE BANK FUND				
ASSETS				
Cash and investments	\$ 495	\$ 33	\$ -	\$ 528
Interest receivable	<u>1</u>	<u>1</u>	<u>-</u>	<u>2</u>
Total Assets	<u>\$ 496</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 530</u>
LIABILITIES				
Due to others	<u>\$ 496</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 530</u>
Total liabilities	<u>\$ 496</u>	<u>\$ 34</u>	<u>\$ -</u>	<u>\$ 530</u>
POLICE DEPARTMENT FOUND				
MONEY FUND				
ASSETS				
Cash and investments	<u>\$ 6,567</u>	<u>\$ -</u>	<u>\$ (1,758)</u>	<u>\$ 4,809</u>
Total assets	<u>\$ 6,567</u>	<u>\$ -</u>	<u>\$ (1,758)</u>	<u>\$ 4,809</u>
LIABILITIES				
Due to others	<u>\$ 6,567</u>	<u>\$ 7,590</u>	<u>\$ (9,348)</u>	<u>\$ 4,809</u>
Total liabilities	<u>\$ 6,567</u>	<u>\$ 7,590</u>	<u>\$ (9,348)</u>	<u>\$ 4,809</u>