
**TOWN OF PARADISE
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

TOWN OF PARADISE
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017

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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, 2017, 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, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension related schedules, and schedule of funding progress 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 nonmajor governmental 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 nonmajor governmental fund financial statements and 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 and 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 January 31, 2018, 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
January 31, 2018

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, 2017. 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 maintains a similar financial position as compared to the prior year with a focus on infrastructure improvements and maintenance projects. Overall, total assets improve 2 percent. The Town actively sought funding for capital improvement projects and increased capital assets 12 percent. Cash and investments decrease 14 percent, and accounts and interest receivables decrease 16 percent. The Town removes \$604,000 of unenforceable advances made to the Successor Agency and the advances receivable decreases 33 percent. Finally, continued grant funding allows business and housing loan programs to thrive and the receivable increases 6 percent.

The Town reports \$19.51 million of pension liability and pension related net deferred use of resources to its activities as compared to \$16.48 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. These annual contributions are currently manageable for the Town but will create financial strain in future years.

Noncurrent liabilities due within one year remain the same at \$1.3 million while noncurrent liabilities due in more than one year decrease 2 percent to \$11.3 million. Total liabilities increase 9 percent.

Table 1
Net Position

	Governmental Activities	
	2017	2016
Current and other assets	\$20,715,029	\$21,823,920
Capital assets	<u>18,547,274</u>	<u>16,576,728</u>
Total Assets	<u>39,262,303</u>	<u>38,400,648</u>
Long term liabilities (due in more than one year)	(17,148,691)	(17,118,579)
Net pension liability	(19,003,356)	(14,725,536)
Other liabilities	<u>(2,066,899)</u>	<u>(3,065,162)</u>
Total Liabilities	<u>(38,218,946)</u>	<u>(34,909,277)</u>
Deferred outflow of resources	3,740,417	1,108,629
Deferred inflow of resources	<u>(4,242,666)</u>	<u>(2,861,456)</u>
Net Deferred Use of Resources	<u>(502,249)</u>	<u>(1,752,827)</u>
Net Position:		
Invested in capital assets, net of debt	17,486,705	9,930,353
Restricted	3,366,413	3,813,495
Unrestricted	<u>(20,312,010)</u>	<u>(12,005,304)</u>
Total Net Position	<u>\$541,108</u>	<u>\$1,738,544</u>

Table 2 below shows another perspective of the net assets of the Town. The Town's total general revenues which includes property taxes and sales and use taxes grew 4 percent. In November 2014, citizens of the Town of Paradise approved a six year 0.50 percent transactions and use tax (Measure C) which took effect April 1, 2015. This provided over \$1.3 million of revenues for the Town this fiscal year. In total, revenues decrease 1 percent.

Despite the Town's past efforts of reduced benefits for new hires and reduced workforce, the pension obligation continues to increase. General government expenses have increased \$3.9 million primarily from recording the current year pension obligation increase. All but one other expense function, including interest on long-term debt, have decreased. Measure C funded the most critical deferred needs last fiscal year, so most programs and functions have reduced expenses this year. Community development decreases 39 percent, public safety decreases 2%, public works decreases 16%, and streets decrease 5%. In total, expenses increase 3 million or 19 percent.

Table 2
Changes in Net Assets

	Governmental Activities	
	2017	2016
Revenues		
Program Revenues:		
Charges for Services	\$1,388,301	\$1,031,196
Operating Contributions & Grants	2,821,056	3,937,089
Capital Contributions & Grants	1,587,615	1,418,327
General Revenues:		
Property Taxes	4,854,651	4,644,191
Other Taxes	4,599,596	4,473,342
Motor vehicle in-lieu	2,252,443	2,143,018
Other general revenues	<u>123,192</u>	<u>117,141</u>
Total Revenues	<u>17,626,854</u>	<u>17,764,304</u>
Program expenses		
General Government	6,095,631	2,170,400
Community Development	600,034	989,334
Public Safety	8,302,395	8,482,924
Public Works	1,032,161	1,235,392
Parks & Recreation	190,829	187,002
Streets	1,907,411	2,004,027
Interest on Long Term Debt	<u>695,829</u>	<u>710,116</u>
Total Expenses	<u>18,824,290</u>	<u>15,779,195</u>
Change in Net Position before prior period adjustments	(1,197,436)	1,985,109
Prior period adjustments	<u>0</u>	<u>11,415,820</u>
Change in net assets	<u>(\$1,197,436)</u>	<u>\$13,400,929</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 \$7.17 million. This is a 10 percent decrease in governmental fund balances; however, unassigned fund balances improve to \$1.4 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 4 percent growth or \$420,982. Taxes and assessments provide 97 percent of the general fund revenues. The temporary 0.50 percent transaction and use tax, Measure C, provides \$1.3 million of those revenues.

Expenses reflect a 12 percent increase; however, the "bad debt" write off of the \$604,000 successor agency uncollectable cash advance makes up 5 percent of the increase. With the increased revenues, the Town was able to restore some critical operating expenses and capital outlay investments to the general fund. The general fund maintains historically low full time equivalency employees of 47.36 employees for the fiscal year, a 4 increase from the prior year, but well below its pre-recession levels of 81.32.

As expected in the general fund, public safety represents 62 percent of general fund expenditures. Public safety expenditures increased 4 percent in order to maintain appropriate level of services for the community. Debt service principal and interest reflect an increase of \$95,627 and this is including the \$30,000 scheduled increase for the Pension Obligation Bond. The Town is financing long deferred equipment and vehicle replacement for police and fire operations with funding by Measure C.

With the \$604,000 bad debt write off, expenses exceed revenues by \$648,703 before transfers are reported. After transfers, the net change in general fund balance is a negative \$451,855. The ending general fund balance for June 30, 2017 is \$3,243,403. Of this, \$1.35 million is the remaining non-spendable but enforceable successor agency loan that is being repaid over time. Most importantly unassigned reserves are \$1.44 million. The unassigned reserves reduce the amount of cash needed to be borrowed annually to fund operations. This is a significant improvement compared to three years ago when there were no unassigned reserves available.

Other Key Governmental Funds

The animal control fund saw an increase in revenues and transfers in of \$4,988, or 2.3 percent. \$40,713 was transferred in from the animal control donation fund to balance the fund. Most other revenues showed little change. The nonprofit organization, Paradise Animal Shelter Helpers, reduced their financial support reimbursing \$5,998 of certain shelter expenses compared to \$20,593 the prior year. Expenditures and transfers out decrease \$5,440 or 2 percent. As the Town retains restored staffing levels to maintain services, the fund is not self-sustaining. The remaining animal control donation funds will be used next fiscal year and Measure C expires in three more years. A decision will need to be made soon to, locate another funding source, or to decrease services.

The building safety and wastewater services fund had revenues and transfers in of \$903,236, an increase of \$3,656 or less than 1 percent. Expenses and transfers out increased \$75,299 to \$893,000, which is an increase of 8 percent. The fund now has an ending fund balance of \$483,241. This fund is vulnerable to economic downturns and must maintain sufficient reserves to maintain adequate staffing and for equipment replacement. This fund accounts for the services provided to monitor building and onsite development.

Regional surface transportation program funds of \$301,055 are recorded directly to the state gas tax/ street maintenance fund this year instead of through transfers in. For comparison, the prior year

transferred funds are included as revenues, and revenues decrease \$63,145. Transfers in from grant reimbursements also decrease \$10,518. Expenses and transfers out decrease \$60,556, but expenses and transfers out exceeded revenues and transfers in by \$180,196. This results in an ending fund balance of \$90,990. The Road Repair and Accountability Act of 2017 will provide additional funding starting next fiscal year and will prevent any further erosion of the fund balance.

The capital improvement project fund became a major governmental fund last year. The Town has been actively seeking grants and funding to help improve the Town’s road safety, drainage issues and infrastructure. The fund acts as a clearing fund where project expenses are matched up to their funding sources. \$2.20 million in activity was recorded this year compared to \$1.95 million the prior year, an increase of 13 percent.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At fiscal year-end 2017, the Town had \$18,547,274, 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 \$1,970,546 after depreciation, or 11 percent compared to the prior year. With the additional funding from Measure C, progress was made to replace and restore assets. Buildings and improvements, infrastructure, and vehicles all reflect a net increase in assets. Only machinery and equipment reflects a small net decrease.

The Town’s fiscal year 2017 capital budget included \$4.3 million in street maintenance, rehabilitation, and new construction and design. The Town accomplished progress of \$2.3 million of which \$1.7 million represents project completion. 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 144,316
 - Clark Road Safety Enhancements 8,307
 - Cypress Curve Realignment 75,961
 - Downtown Paradise Equal Mobility 57,490
 - Greenwood Drive Repair 673
 - Maxwell School Connectivity 25,691
 - Measure C Funded 2016 Road Rehabilitation 500,914
 - Memorial Trailway Enhancements 10,720
 - Paradise Sewer Feasibility 292,604
 - Pearson Road Bike & Pedestrian Improvements 1,350
 - Pearson Road School Connectivity 601,037
 - Pearson Road Shoulder Widening 410,213
 - Ponderosa School Connectivity 112,830
 - Skyway/Black Olive Signal 68,885
 - Systemic Safety Analysis 480

- Buildings and Improvements
 - Police Department Emergency Power 84,690
 - Police Department Siding 53,879
 - Town Hall Remodel 20,999
- Machinery and Equipment
 - Animal Control Isolation Units 6,442
 - Bizhub Copiers (5) 45,195
 - Dust and Waterproof Radios 13,001
 - Tree/Brush Chipper 37,129
- Vehicles
 - Onsite Truck with Equipment 27,593
 - Police Explorers & Equipment (3) 146,137
 - Pierce Pumper Fire Engine 535,306
 - Used Bucket Truck 9,800

Table 3 below shows the \$18.5 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	
	2017	2016
Land	\$1,375,284	\$1,375,284
Construction in progress	2,813,957	2,212,501
Buildings and improvements	515,603	430,772
Infrastructure	12,202,275	11,438,778
Machinery and equipment	397,041	405,755
Vehicles	<u>1,243,114</u>	<u>713,638</u>
Totals	\$18,547,274	\$16,576,728

Debt

At year-end, the Town had \$37.5 million in notes, bonds, capital leases, other post-employment benefits (OPEB), CalPERS pension liability, and compensated absences. The total liabilities increased compared to the prior year 12.9 percent. \$1.3 million of the obligations shown in table 4 are due within one year.

Table 4
Outstanding Debt at Year-end

	Governmental Activities	
	2017	2016
Bonds payable & accreted interest	\$10,762,578	\$11,088,863
Loans payable	31,692	45,744
Capital leases	1,028,877	820,632
OPEB	5,857,232	5,632,231
CAL FIRE OPEB Note	406,968	473,895
Net pension liability	19,003,356	14,725,536
Compensated absences	<u>393,411</u>	<u>403,634</u>
Total Liabilities	\$37,484,114	\$33,190,535

No additional bonds or notes were issued in 2016/17. The additional revenues from Measure C are funding the purchase of deferred equipment and vehicle replacements that are being financed through lease purchases. So, three leases were added during the year. 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 GASB 45 obligation. However, the Town was only able to contribute \$25,000 to the obligation in 2016/17. 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 \$7,063 and the private-purpose trust funds net position is negative \$6.63 million as of June 30, 2017.

NEXT YEAR'S BUDGET AND ASSUMPTIONS

At the issuance of these financial statements, seven of the twelve months has been completed of the 2017/18 fiscal year. The Town has also just completed its comprehensive mid-year budget report which confirms that the local economy is continuing to show growth. Property taxes and motor vehicle in lieu are projected to grow 4.0 percent and 3.4 percent respectively. The Town's limitations for commerce growth continue to constrain sales taxes, which will grow a modest 1 percent. However, other consumer spending driven revenues like franchise fees and transient occupancy taxes project growth. In addition, Measure C will provide additional funding of about \$1.3 million a year for four more years. Most other governmental funds remain healthy with adequate reserves. Additional funding is needed to sustain animal control services. The amended general fund budget for 2017/18 currently has \$13.02 million available for appropriations, including transfers in. This is a 4 percent increase in revenues compared to the audit year being reported.

The Town will maintain a balanced general fund budget for 2017/18 and will add about \$24,500 to its unassigned reserves bringing the total unassigned reserves to about \$1.38 million. These unassigned reserves are 10.8 percent of the total projected 2017/18 appropriations. These reserves lessen the size of the Tax Revenue Anticipation Note the Town will obtain in 2018/19, thereby reducing interest expenses. Highlights of the measures in place in 2017/18 to maintain financial stability:

- ✓ 0.50 percent general transaction and use tax, Measure C, to generate additional revenues of \$1.3 million a year until 2020/21.
- ✓ All employees are paying 100% of the CalPERS employee contribution which is 7% of salary for Miscellaneous Employees and 9% for Public Safety Employees.
- ✓ All employee units have agreed to cap the amount the Town contributes toward health insurance premiums as a way to reduce the OPEB obligation.
- ✓ New hires are now entering second and third tiers of retirement plans which are providing some immediate expenditure savings.
- ✓ By cutting back and restructuring in non-general fund activities, the Town has eliminated the need for the general fund to transfer funds into any other fund in order to eliminate structural deficits.

The general fund five-year budget projection shows that expenses will exceed revenues in the last three years of the projection. However, Town Council and Management are committed to maintaining a balanced budget and rebuilding available reserves. Cutbacks will be made if necessary. Management and elected officials are also evaluating cost recovery and other ways to diversify the revenues of the Town. Finally, of high importance will be establishing policies that minimize unfunded liability and reduces the future obligations of the Town to a level that the Town can sustain.

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, 2017

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash and investments (Note 3)	\$ 4,165,807
Restricted cash and investments with fiscal agents (Note 3)	4,365
Accounts receivable	2,330,037
Interest receivable	9,963
Prepaid items	56,557
Advance to the Successor Agency (Note 14)	1,334,971
Loans receivable (Note 4)	12,813,329
Capital assets (Note 5):	
Nondepreciable:	
Land and construction in progress	4,189,241
Depreciable:	
Infrastructure, buildings, vehicles, and equipment	27,499,667
Accumulated depreciation	<u>(13,141,634)</u>
Total capital assets	<u>18,547,274</u>
Total Assets	<u>39,262,303</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>	
2017 Pension contributions (Note 8)	1,189,673
Changes in the net pension liability (Note 8)	<u>2,550,744</u>
Total Deferred Outflows of Resources	<u>3,740,417</u>
<u>LIABILITIES</u>	
Accounts payable	642,236
Accrued wages	80,209
Unearned revenue	12,387
Noncurrent liabilities (Note 7):	
Due within one year	1,332,067
Due in more than one year	11,291,459
Other post employment benefits (Note 9)	5,857,232
Net pension liability (Note 8)	<u>19,003,356</u>
Total Liabilities	<u>38,218,946</u>
<u>DEFERRED INFLOW OF RESOURCES</u>	
Changes in the net pension liability (Note 8)	<u>4,242,666</u>
<u>NET POSITION</u>	
Net investment in capital assets	17,486,705
Restricted for:	
Public safety	500,289
Streets and roads	1,310,242
Community development	420,644
Wastewater and drainage	1,135,238
Unrestricted	<u>(20,312,010)</u>
Total Net Position	<u>\$ 541,108</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 6,095,631	\$ 132,401	\$ 53,544	\$ 22,000	\$ (5,887,686)
Community development	600,034	964,775	807,951	-	1,172,692
Public safety	8,302,395	212,737	278,913	-	(7,810,745)
Public works	1,032,161	45,531	850,824	-	(135,806)
Parks and recreation	190,829	2,920	-	-	(187,909)
Streets	1,907,411	29,937	829,824	1,565,615	517,965
Interest on long term debt	695,829	-	-	-	(695,829)
Total Governmental Activities	<u>\$ 18,824,290</u>	<u>\$ 1,388,301</u>	<u>\$ 2,821,056</u>	<u>\$ 1,587,615</u>	<u>\$ (13,027,318)</u>

General Revenues:

Taxes:	
Secured and unsecured property taxes	\$ 4,854,651
Sales and usage taxes	3,192,199
Transient lodging tax	211,374
Franchise taxes	975,751
Real property transfer taxes	88,125
Other taxes	132,147
Motor vehicle in-lieu, unrestricted	2,252,443
Homeowners property tax relief, unrestricted	66,507
Investment income	29,720
Other	26,965
Total General Revenues	<u>11,829,882</u>
Change in Net Position	(1,197,436)
Net Position - July 1, 2016	<u>1,738,544</u>
Net Position - June 30, 2017	<u>\$ 541,108</u>

See accompanying notes to the basic financial statements.

**TOWN OF PARADISE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General Fund	Home Grant Fund	Cal Home Rehabilitation Fund
<u>ASSETS</u>			
Cash and investments	\$ 721,987	\$ 146,610	\$ -
Restricted cash and investments with fiscal agents	4,365	-	-
Accounts receivable	1,109,619	40,000	-
Interest receivable	3,309	294	4
Prepaid items	15,466	-	-
Due from other funds	415,909	-	-
Advance to the Successor Agency	1,334,971	-	-
Loans receivable	-	9,645,438	2,454,143
	-	9,645,438	2,454,143
 Total Assets	 \$ 3,605,626	 \$ 9,832,342	 \$ 2,454,147
 <u>LIABILITIES</u>			
Accounts payable	\$ 298,152	\$ 7,349	\$ -
Accrued wages	56,853	-	-
Due to other funds	7,218	2,229	779
Unearned revenue	-	-	-
	-	-	-
 Total Liabilities	 362,223	 9,578	 779
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources	-	9,645,438	2,454,143
 <u>FUND BALANCES</u>			
Nonspendable	1,350,437	-	-
Restricted	-	177,326	-
Assigned	453,423	-	-
Unassigned	1,439,543	-	(775)
 Total Fund Balances	 3,243,403	 177,326	 (775)
 Total Liabilities and Fund Balances	 \$ 3,605,626	 \$ 9,832,342	 \$ 2,454,147

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2017

	Capital Improvement	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 289,392	\$ 3,007,818	\$ 4,165,807
Restricted cash and investments with fiscal agents	-	-	4,365
Accounts receivable	-	1,180,418	2,330,037
Interest receivable	-	6,356	9,963
Prepaid items	-	41,091	56,557
Due from other funds	-	588,333	1,004,242
Advance to the Successor Agency	-	-	1,334,971
Loans receivable	-	713,748	12,813,329
	<u>\$ 289,392</u>	<u>\$ 5,537,764</u>	<u>\$ 21,719,271</u>
Total Assets	<u>\$ 289,392</u>	<u>\$ 5,537,764</u>	<u>\$ 21,719,271</u>
 <u>LIABILITIES</u>			
Accounts payable	\$ 304,353	\$ 32,382	\$ 642,236
Accrued wages	-	23,356	80,209
Due to other funds	-	994,016	1,004,242
Unearned revenue	-	12,387	12,387
	<u>304,353</u>	<u>1,062,141</u>	<u>1,739,074</u>
Total Liabilities	<u>304,353</u>	<u>1,062,141</u>	<u>1,739,074</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred inflows of resources	-	713,748	12,813,329
	<u>-</u>	<u>713,748</u>	<u>12,813,329</u>
 <u>FUND BALANCES</u>			
Nonspendable	-	41,091	1,391,528
Restricted	-	3,729,060	3,906,386
Assigned	-	-	453,423
Unassigned	(14,961)	(8,276)	1,415,531
	<u>(14,961)</u>	<u>3,761,875</u>	<u>7,166,868</u>
Total Fund Balances	<u>(14,961)</u>	<u>3,761,875</u>	<u>7,166,868</u>
Total Liabilities and Fund Balances	<u>\$ 289,392</u>	<u>\$ 5,537,764</u>	<u>\$ 21,719,271</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017

Total fund balances of governmental funds	\$ 7,166,868
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 \$13,141,634 have not been included as financial resources in the governmental funds	18,547,274
Deferred charges represent costs associated with the issuance of long-term debt, which are deferred and amortized over the period during which the debt is outstanding. The costs are reported as expenditures of current financial resources in the governmental funds	12,813,329
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds payable	(6,097,857)
Loans payable	(31,692)
Accrued interest payable	(4,664,721)
Capital leases payable	(1,028,877)
Other post-employment benefits	(5,857,232)
CDF retiree health vesting	(406,968)
Net pension liability	(19,003,356)
Compensated absences	(393,411)
Deferred inflows of resources related to charges in the net pension liability are not applicable to the current period.	(4,242,666)
Deferred outflows related to changes in the net pension liability (asset) are not reported in the governmental funds:	2,550,744
Deferred outflows of resources related to 2017 pension contributions were made subsequent to the measurement date.	<u>1,189,673</u>
Net position of governmental activities	<u>\$ 541,108</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>General Fund</u>	<u>Home Grant Fund</u>	<u>Cal Home Rehabilitation Fund</u>
<u>REVENUES</u>			
Taxes and assessments	\$ 11,641,050	\$ -	\$ -
Licenses, permits, and impact fees	8,549	-	-
Fines and forfeitures	58,264	-	-
Use of money and property	13,188	728	8
Intergovernmental revenues	93,150	297,013	68,650
Charges for services	188,306	-	-
Program income	-	280,584	61,502
Other revenues	<u>55,513</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>12,058,020</u>	<u>578,325</u>	<u>130,160</u>
<u>EXPENDITURES</u>			
Current:			
General government	2,657,137	-	-
Community development	187,216	326,097	344,749
Public safety	7,913,923	-	-
Public works	55,053	-	-
Parks and recreation	13,524	-	-
Streets	-	-	-
Capital Outlay	471,705	-	-
Debt service:			
Principal	969,975	-	-
Interest and fiscal charges	<u>438,190</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>12,706,723</u>	<u>326,097</u>	<u>344,749</u>
Excess of revenues over (under) expenditures	<u>(648,703)</u>	<u>252,228</u>	<u>(214,589)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Proceeds from the issuance of debt	-	-	-
Transfers in	702,213	-	-
Transfers out	<u>(505,365)</u>	<u>(117,303)</u>	<u>(34,276)</u>
Total Other Financing Sources (Uses)	<u>196,848</u>	<u>(117,303)</u>	<u>(34,276)</u>
Net Change in Fund Balances	(451,855)	134,925	(248,865)
Fund Balances (Deficits) - July 1, 2016	<u>3,695,258</u>	<u>42,401</u>	<u>248,090</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 3,243,403</u>	<u>\$ 177,326</u>	<u>\$ (775)</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, 2017

	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
<u>REVENUES</u>			
Taxes and assessments	\$ -	\$ 132,147	\$ 11,773,197
Licenses, permits, and impact fees	-	923,003	931,552
Fines and forfeitures	-	33,723	91,987
Use of money and property	-	15,795	29,719
Intergovernmental revenues	-	3,622,756	4,081,569
Charges for services	-	106,926	295,232
Program income	-	11,181	353,267
Other revenues	<u>22,000</u>	<u>74,900</u>	<u>152,413</u>
Total Revenues	<u>22,000</u>	<u>4,920,431</u>	<u>17,708,936</u>
<u>EXPENDITURES</u>			
Current:			
General government	-	9,152	2,666,289
Community development	-	523,955	1,382,017
Public safety	-	205,914	8,119,837
Public works	-	965,266	1,020,319
Parks and recreation	-	-	13,524
Streets	-	1,167,747	1,167,747
Capital Outlay	2,203,120	576,698	3,251,523
Debt service:			
Principal	-	52,674	1,022,649
Interest and fiscal charges	-	-	438,190
Total Expenditures	<u>2,203,120</u>	<u>3,501,406</u>	<u>19,082,095</u>
Excess of revenues over (under) expenditures	<u>(2,181,120)</u>	<u>1,419,025</u>	<u>(1,373,159)</u>
<u>OTHER FINANCING SOURCES (USES)</u>			
Proceeds from the issuance of debt	-	565,990	565,990
Transfers in	2,166,457	495,025	3,363,695
Transfers out	-	<u>(2,706,751)</u>	<u>(3,363,695)</u>
Total Other Financing Sources (Uses)	<u>2,166,457</u>	<u>(1,645,736)</u>	<u>565,990</u>
Net Change in Fund Balances	(14,663)	(226,711)	(807,169)
Fund Balances (Deficits) - July 1, 2016	<u>(298)</u>	<u>3,988,586</u>	<u>7,974,037</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ (14,961)</u>	<u>\$ 3,761,875</u>	<u>\$ 7,166,868</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, 2017

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	\$ (807,169)
<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	3,291,642
Depreciation expense	(1,321,096)
<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	357,745
Bond principal payments	553,594
Notes payable payments	14,052
Accreted interest, net change	(227,309)
<p>Issuance of debt issues are 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	(565,990)
<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	(373,629)
Interest accrual on loans	291,452
Loans made during the year	764,361
<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	10,223
Pension expense related to deferred outflows and inflows of resources	(3,027,237)
Other post-employment benefits	(225,002)
CDF retiree health vesting	<u>66,927</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ <u>(1,197,436)</u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	<u>Private- Purpose Trust Funds</u>	<u>Agency Funds</u>
<u>ASSETS</u>		
Cash and investments	\$ 247,184	\$ 7062
Restricted cash and investments with fiscal agents	419,378	-
Due from the Town	27	-
Interest receivable	<u>-</u>	<u>1</u>
Total Assets	<u>666,589</u>	<u>7,063</u>
<u>LIABILITIES</u>		
Accounts payable	59,175	-
Accrued payroll payable	152	-
Interest payable	22,211	-
Due to others	-	7,063
Long-term debt, due within one year	90,000	-
Long-term debt, due in more than one year	<u>7,124,971</u>	<u>-</u>
Total Liabilities	<u>7,296,509</u>	<u>\$ 7,063</u>
<u>NET POSITION</u>		
Unrestricted	<u>(6,629,920)</u>	
Total net deficit	<u>\$ (6,629,920)</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, 2017

	<u>Private- Purpose Trust Funds</u>
<u>ADDITIONS</u>	
Taxes and assessments	\$ 496,369
Investment revenue	<u>623,705</u>
Total Additions	<u>1,120,074</u>
<u>DEDUCTIONS</u>	
Administrative expenses	10,285
Interest expense	579,417
Intergovernmental expenses	<u>69,234</u>
Total Deductions	<u>658,936</u>
Changes in net position	461,138
Net deficit - July 1, 2016	<u>(7,091,058)</u>
Net deficit - June 30, 2017	<u><u>\$ (6,629,920)</u></u>

See accompanying notes to the basic financial statements.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017

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.

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 all liabilities (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, 2017

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, 2017

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. 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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

I. 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.

J. 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, 2017. The amount of accrued sick pay is not due upon termination and therefore is not recorded as a liability for the Town.

K. 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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. 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 City'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.

M. 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.

N. 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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- 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.

O. 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.

P. Implementation of Government Accounting Standards Board Statements

Effective July 1, 2016, the Town implemented the following accounting and financial reporting standards:

Government Accounting Standards Board Statement No. 77

In August 2015, GASB issued Statement No. 77, *Tax Abatement Disclosures*. This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. The Town did not have any such agreements as of June 30, 2017.

Government Accounting Standards Board Statement No. 80

In January 2016, GASB issued Statement No. 80, *Blending Requirements for Certain Component Units an Amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The Town does not have such a component unit; therefore is not affected by the implementation of this standard.

Q. Future Government Accounting Standards Board Statements

These statements are not effective until July 1, 2017 or later. The Town has not determined the effects on the financial statements.

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. 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, 2018.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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.

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). 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, 2018.

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 insubstance 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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, Avoid Fund, Hydrant Maintenance Fund, Police Fund, Special Projects Donation Fund, Memorial Trailway Fund, Capital Leases Fund, and the Wastewater Design Assessment District Fund.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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

B. Excess of Expenditures and Transfers Out over Appropriations

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

<u>Fund</u>	<u>Final Appropriation</u>	<u>Expenditures and Transfers Out</u>	<u>Excess</u>
Major Fund:			
General Fund	\$ 12,475,531	\$ 12,706,723	\$ 231,192
Cal Home Rehabilitation Fund	\$ 279,671	\$ 379,025	\$ 99,354
Non-major Funds:			
SLESF Fund	\$ 100,010	\$ 100,011	\$ 1
Abandoned Vehicle Fund	\$ 15,112	\$ 19,333	\$ 4,221
Avoid Fund	\$ -	\$ 18,068	\$ 18,068
Traffic Safety - DUI Impound Fees Fund	\$ 4,440	\$ 6,894	\$ 2,454
Hydrant Maintenance Fund	\$ -	\$ 5,571	\$ 5,571
Canine Protect Fund	\$ -	\$ 4,352	\$ 4,352
Special Projects Donations Fund	\$ -	\$ 1,652	\$ 1,652
Transportation Capital Projects Fund	\$ 151,222	\$ 226,827	\$ 75,605
Capital Leases Fund	\$ -	\$ 566,054	\$ 566,054

C. Fund Deficits

The Cal Home Rehabilitation Fund, Capital Improvement, Cluster Septic Fund, Highway Safety Improvement, Active Transportation Program, Special Projects Donations Fund had fund balance deficits of \$775, \$14,961, \$4,339, \$2,421, \$955, \$561 respectively at June 30, 2017. 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.

NOTE 3: CASH AND INVESTMENTS

Cash and investments as of June 30, 2017 were classified in the accompanying financial statements as follows:

Governmental activities:	
Cash and investments	\$ 4,165,807
Restricted cash and investments with fiscal agents	<u>4,365</u>
Total governmental activities	<u>4,170,172</u>
Fiduciary activities:	
Cash and investments	254,246
Restricted cash and investments with fiscal agents	<u>419,378</u>
Total fiduciary activities	<u>673,624</u>
Total cash and investments	<u>\$ 4,843,796</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Cash and investments were carried at fair value as of June 30, 2017 and consisted of the following:

Petty cash	\$	1,350
Deposits with financial institutions		798,387
Investments		<u>4,044,059</u>
 Total cash and investments	 \$	 <u>4,843,796</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, 2017

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, 2017.

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, 2017:

Investment Type	Remaining Maturity		
	12 months or less	1-5 years	Fair Value
State Investment Pool (LAIF)	\$ 3,861,760	\$ -	\$ 3,861,760
Held by bond trustee:			
Money market funds	<u>182,299</u>	<u>-</u>	<u>182,299</u>
	<u>\$ 4,044,059</u>	<u>\$ -</u>	<u>\$ 4,044,059</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017.

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)	\$ 3,861,760			Not rated
Held by bond trustee:				
Money market funds	<u>182,299</u>	AAAm	Aaa	
	<u>\$ 4,044,059</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, 2017.

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, 2017, the carrying amount of the Town's deposits was \$798,387 and bank balances were \$976,320 of which \$250,000 was insured under the FDIC.

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, 2017

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, 2017 was \$12,813,329, which included loans to homeowners totaling \$7,337,554, and loans to the developer (Paradise Community Village) totaling \$5,475,775.

NOTE 5: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	<u>July 1, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>June 30, 2017</u>
Capital assets not being depreciated					
Land	\$ 1,375,284	\$ -	\$ -	\$ -	\$ 1,375,284
Construction in progress	<u>2,212,501</u>	<u>2,311,471</u>	<u>-</u>	<u>(1,710,015)</u>	<u>2,813,957</u>
Total capital assets not being depreciated	<u>3,587,785</u>	<u>2,311,471</u>	<u>-</u>	<u>(1,710,015)</u>	<u>4,189,241</u>
Capital assets being depreciated					
Buildings and improvements	1,955,440	159,568	-	-	2,115,008
Infrastructure	17,649,326	-	-	1,710,015	19,359,341
Machinery and equipment	1,762,400	101,767	-	-	1,864,167
Vehicles	<u>3,442,315</u>	<u>718,836</u>	<u>-</u>	<u>-</u>	<u>4,161,151</u>
Total capital assets being depreciated	<u>24,809,481</u>	<u>980,171</u>	<u>-</u>	<u>1,710,015</u>	<u>27,499,667</u>
Less: accumulated depreciation for:					
Buildings and improvements	(1,524,666)	(74,739)	-	-	(1,599,405)
Infrastructure	(6,210,549)	(946,517)	-	-	(7,157,066)
Machinery and equipment	(1,356,644)	(110,482)	-	-	(1,467,126)
Vehicles	<u>(2,728,679)</u>	<u>(189,358)</u>	<u>-</u>	<u>-</u>	<u>(2,918,037)</u>
Total accumulated depreciation	<u>(11,820,538)</u>	<u>(1,321,096)</u>	<u>-</u>	<u>-</u>	<u>(13,141,634)</u>
Capital assets, net	<u>\$ 16,576,728</u>	<u>\$ 1,970,546</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,547,274</u>

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

General government	\$ 42,981
Public safety	321,038
Parks and recreation	177,305
Streets	<u>779,772</u>
Total governmental activities depreciation expense	<u>\$ 1,321,096</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017, 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	Active Transportation Program	Deficit cash balance	126,187
General Fund	Animal Control Shelter	Deficit cash balance	2,846
General Fund	Gas Tax	Deficit cash balance	194,781
General Fund	Highway Safety Improvement Program	Deficit cash balance	5,736
General Fund	Traffic Safety	Deficit cash balance	1,506
General Fund	Cluster Septic	Deficit cash balance	4,339
General Fund	Hydrant Maintenance	Deficit cash balance	3,600
General Fund	Special Projects Donations Fund	Deficit cash balance	561
General Fund	State Water Board Prop 1 Grant	Deficit cash balance	70,304
General Fund	Building Safety and Waste Water Services	Postage expense	152
General Fund	Abandoned Vehicle	Postage expense	26
General Fund	Police Service Volunteers	Vehicle Loan	5,843
General Fund	Business and Housing Services	Postage expense	28
Total Major Fund Receivables			<u>415,909</u>
<u>Non-major Fund</u>		<u>Major Funds</u>	
Animal Control Shelter	General Fund	Unemployment Benefits	559
Gas Tax	General Fund	Unemployment Benefits	2,896
Transportation Capital Project	General Fund	Unemployment Benefits	91
Business and Housing Services	General Fund	Unemployment Benefits	915
Business and Housing Services	Cal Home Rehabilitation Fund	Deficit cash balance	779
Business and Housing Services	Home Grant Fund	Deficit cash balance	2,229
Building Safety and Waste Water Services	General Fund	Unemployment Benefits	2,757
<u>Non-major Fund</u>		<u>Non-major Funds</u>	
Local Transportation Fund	Active Transportation Program	Deficit cash balance	\$ 544,366
Business and Housing Services	HUD Revolving Loan	Deficit cash balance	<u>33,741</u>
Total Nonmajor Fund Receivables			<u>588,333</u>
Total Due to/From			<u>\$ 1,004,242</u>

Intra-Fund Receivables and Payables

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Description</u>	<u>Amount</u>
General Fund	Asset Sales Proceeds Fund	Deficit cash balance	\$ <u>161,191</u>

Intra-fund receivables and payables are not presented on the Balance Sheet for the governmental funds as they are presented on a net basis.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017 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	Housing Authority Fund	Loan payment from ROPS 16-17B	\$ 4,451
General Fund	CIP Fund	Qtrly transfers for CIP projects	500,914
Cal Home Rehabilitation Fund	Business and Housing Services	Transfer ADF/BEC for loans	5,523
Cal Home Rehabilitation Fund	Business and Housing Services	Qtrly transfers for program income	28,753
Home Grant Fund	Business and Housing Services	Qtrly transfers for program income	34,757
Home Grant Fund	Business and Housing Services	Payroll transfer	(457)
Home Grant Fund	Business and Housing Services	Transfer ADF/BEC for loans funded	<u>83,003</u>
		Total Major Governmental Funds Transfers	<u>656,944</u>
<u>Non-Major Governmental Funds</u>			
Gas Tax Fund	CIP Fund	Pearson road improvement	(54)
Gas Tax Fund	General Fund	Monthly allocated costs/POB	195,732
Traffic Safety DUI Impound Fees Fund	Building Safety and Wastewater Services Fund	Transfer Ford Escape to Police	300
HUD Revolving Loan Fund	Business and Housing Services	Qtrly transfers for program income	2,558
Transportation Capital Projects Fund	General Fund	Monthly allocated costs/POB	4,923
Abandoned Vehicle Fund	General Fund	To reimburse for wages and Mileage	17,999
Highway Safety Improvement Fund	Gas Tax Fund	Wage transfer for CIP's	21,715
Highway Safety Improvement Fund	CIP Fund	Qtrly transfers for capital projects	327,932
State Water Board Prop 1 Grant	Gas Tax Fund	Monthly wage transfer for CIP's	35,474
State Water Board Prop 1 Grant	CIP Fund	Monthly Adjs for Sewer Projects	257,117
Business and Housing Services	General Fund	Monthly allocated costs/POB	38,390
Animal Control Fund	Animal Control Shelter Fund	Transferring donations	40,713
Animal Control Shelter Fund	General Fund	Monthly allocated costs/POB	43,799
Active Transportation Program Fund	General Fund	Wage transfer for CIP's	19,680
Active Transportation Program Fund	Gas Tax Fund	Wage transfer for CIP's	29,936
Active Transportation Program Fund	CIP Fund	Qtrly transfers for capital projects	877,136
Local Transportation Fund	Transportation Capital Projects Fund	Record transfers per expenditure plan	122,434
Building Safety and Waste Water Service	General Fund	Monthly allocated costs/POB	185,938
Traffic Safety	General Fund	Monthly budgeted transfers	22,301
Transportation Capital Projects Fund	CIP Fund	Wage transfer for CIP's	203,412
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	4,246
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	24,889
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	34,165
HUD Revolving Loan Fund	Business and Housing Services	Payroll transfer	22,565
State SLESF Grant	General Fund	Payroll transfer	25,936
AB109 State Funds	General Fund	Payroll transfer	87,245
AVOID	General Fund	Payroll transfer	10,270
SLESF	General Fund	Monthly budget transfer for CS Rollo	<u>50,000</u>
		Total Non-Major Governmental Funds Transfers	<u>2,706,751</u>
		Total Governmental Interfund Transfers	<u>\$ 3,363,695</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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, 2017:

<u>Transfer from</u>	<u>Transfer To</u>	<u>Description of Transfer</u>	<u>Amount</u>
General Fund	Asset Sales Proceeds Fund	Trans apparatus replacement fund	\$ <u>50,000</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

Long-term liability activity for the fiscal year ended June 30, 2017 was as follows:

	<u>July 1, 2016</u>			<u>June 30, 2017</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	\$ 6,651,451	\$ -	\$ (553,594)	\$ 6,097,857	\$ 536,963
Loans payable	45,744	-	(14,052)	31,692	15,216
Accreted interest payable	4,437,412	227,309	-	4,664,721	448,037
Capital leases	820,632	565,990	(357,745)	1,028,877	250,462
CDF Retiree Health Vesting	473,895	-	(66,927)	406,968	68,738
Compensated absences	<u>403,634</u>	<u>(10,223)</u>	<u>-</u>	<u>393,411</u>	<u>12,651</u>
Governmental activities long-term liabilities	<u>\$ 12,832,768</u>	<u>\$ 783,076</u>	<u>\$ (992,318)</u>	<u>\$ 12,623,526</u>	<u>\$ 1,332,067</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, 2017

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, 2017 was \$6,097,857. The accreted interest on the capital appreciation bonds balance as of June 30, 2017 was \$4,664,721.

For the Year Ending June 30	Principal	Interest	Total
2018	\$ 536,963	\$ 448,037	\$ 985,000
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 - 2027	2,244,993	3,940,007	6,185,000
2028 - 2031	<u>1,306,031</u>	<u>3,278,969</u>	<u>4,585,000</u>
Total	<u>\$ 6,097,857</u>	<u>\$ 9,937,144</u>	<u>\$ 16,035,001</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.

For the Year Ending June 30	Principal	Interest
2018	\$ 15,216	\$ 1,985
2019	<u>16,476</u>	<u>723</u>
Total	<u>\$ 31,692</u>	<u>\$ 2,708</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.

West America Bank Lease #3

During the fiscal year 2007-2008, the Town entered into an agreement to lease a fire engine. The lease required 10 annual installments of \$45,527 until September 2016. The total amount of the lease was for \$373,523. The lease obligation was paid off during the fiscal year 2016-2017 with the final payment of \$45,527.

Leasource Financial Services, Inc. #2

During the fiscal year 2010-2011, the Town entered into an agreement to lease CAD/RMS Software and Hardware. The lease required 14 semi-annual installments of \$29,584 until February 2017. The total amount of the lease was for \$358,803. The lease obligation was paid off during the fiscal year 2016-2017 with the final payment of \$59,185.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7: LONG TERM DEBT (CONTINUED)

Leasource Financial Services, Inc. #5

During the fiscal year 2010-2011, the Town entered into an agreement to lease a Ford. F750 dump truck and equipment. The lease required 7 annual installments of \$14,497 until November 2016. The total amount of the lease was for \$88,714. The lease obligation was paid off during the fiscal year 2016-2017 with the final payment of \$13,727.

Leasource Financial Services, Inc. #7

During the fiscal year 2011-2012, the Town entered into an agreement to lease dispatch workstation upgrade and two voice recorder. The lease required 60 monthly installments of \$771. The total lease payment of the lease was for \$46,242. The lease obligation was paid off during the fiscal year 2016-2017 with the final payment of \$7,131.

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 future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ <u>8,480</u>
Total minimum lease payments	8,480
Less: amount representing interest	<u>(150)</u>
Present value of minimum lease payments	\$ <u><u>8,330</u></u>

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 \$3,084.03. 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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 12,338
2019	12,338
2020	<u>3,084</u>
Total minimum lease payments	27,760
Less: amount representing interest	<u>(1,283)</u>
Present value of minimum lease payments	\$ <u><u>26,477</u></u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7: LONG TERM DEBT (CONTINUED)

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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 7,612
2019	1,903
Total minimum lease payments	9,515
Less: amount representing interest	(300)
Present value of minimum lease payments	\$ 9,215

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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 80,551
2019	80,551
2020	80,551
2021	40,276
Total minimum lease payments	281,929
Less: amount representing interest	(10,697)
Present value of minimum lease payments	\$ 271,232

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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 57,031
2019	57,031
2020	57,031
Total minimum lease payments	171,093
Less: amount representing interest	(5,592)
Present value of minimum lease payments	\$ 165,501

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 7: LONG TERM DEBT (CONTINUED)

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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 86,632
2019	86,632
2020	86,632
2021	86,632
Total minimum lease payments	346,528
Less: amount representing interest	(16,094)
Present value of minimum lease payments	\$ 330,434

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, 2017 were as follows:

Fiscal Year Ending June 30	Payment
2018	\$ 43,971
2019	43,971
2020	43,971
2021	43,971
2022	10,993
Total minimum lease payments	186,877
Less: amount representing interest	(7,318)
Present value of minimum lease payments	\$ 179,559

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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
2018	\$ 10,878
2019	10,878
2020	10,878
2021	10,878
2022	906
Total minimum lease payments	44,418
Less: amount representing interest	(6,290)
Present value of minimum lease payments	\$ 38,128

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
2018	\$ 68,738
2019	68,738
2020	68,738
2021	68,738
2022	68,738
2023 and thereafter	68,738
Total minimum payments	412,428
Less: amount representing interest	(5,460)
Present value of minimum lease payments	\$ 406,968

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 \$12,651. 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, 2017, total \$380,760 for governmental activities.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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 Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous			Safety		
	Tier I	Tier II	PEPRA	Tier I	Tier II	PEPRA
Benefit Formula	2% @ 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	2.0%	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	12.591%	8.050%	6.238%	29.766%	21.367%	11.153%

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, 2017 were \$1,189,673.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

B. Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2017, the Town reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$19,003,356.

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, 2016, 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, 2015 rolled forward to June 30, 2016 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, 2015 and 2016 was as follows:

Proportion - June 30, 2015	0.21454 %
Proportion - June 30, 2016	<u>0.21961 %</u>
Change - Increase (Decrease)	0.00507 %

For the year ended June 30, 2017, the Town recognized pension expense of \$3,017,242. At June 30, 2017, 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	\$ 1,189,673	\$ -
Difference between actual contributions made by employer and the employer's proportionate share of the risk pool's total contribution	-	1,283,100
Differences between actual and expected experience	-	48,119
Changes in assumptions	-	362,604
Adjustment due to differences in proportions	736,397	2,548,843
Net differences between projected and actual earnings on plan investments	<u>1,814,347</u>	<u>-</u>
Total	<u>\$ 3,740,417</u>	<u>\$ 4,242,666</u>

\$1,189,673 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, 2018. 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>	
2018	\$ (1,733,445)
2019	\$ (1,273,556)
2020	\$ 843,525
2021	\$ 471,554

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 8: TOWN EMPLOYEES' RETIREMENT PLAN (CONTINUED)

Actuarial Assumptions

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous & Safety Plans
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.65% 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 201 Experience Study Report.

All other actuarial assumptions used in the June 30, 2015 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

There were no changes of assumptions during the measurement period ended June 30, 2016. Deferred inflows of resources for changes in assumptions presented in the deferred outflows/inflows table above represents the portion of the changes of assumptions related to prior measurement periods.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at the CalPERS website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of 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, 2017

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 (Public Employee's Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. 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 (11-60 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 effective on July 1, 2015.

<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	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	(0.55%)	(1.05%)

(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% (6.65%)</u>	<u>Current Discount Rate (7.65%)</u>	<u>Discount Rate +1% (8.65%)</u>
Net Pension Liability (Asset)	\$ 28,446,588	\$ 19,003,356	\$ 11,236,207

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, 2017

NOTE 9: OTHER POST EMPLOYMENT BENEFITS

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 provides reimbursements to employees who retire from the Town under CalPERS. Payments are made for as long as the retiree (or spouse or dependent domestic partner) is living, unless the retiree/spouse/partner fails to make required premiums payments or the marriage/partnership is dissolved.

The Town pays up to these amounts each month:

	Safety	Non-Safety
Employee only	\$ 504	\$ 434
Employee plus spouse	1,008	867
Employee plus two person	1,311	1,128

Effective July 1, 2016, the amount paid by the Town to eligible retired employees is the smaller of (1) the actual medical premiums for the retiree's coverage, or (2) the fixed dollar cap. Prior to July 1, 2016, for employees hired after February 1, 2011, the maximum amount of medical premiums reimbursed by the Town was a percentage of the average of the three PERS medical plans with the highest utilization. The percentage was 50% after 10 years of service, plus 10% for each additional year of service, up to 100% after 20 years of service. Only 90% of premiums for dependent spouses/partners were reimbursed.

Prior to November 2012, the maximum amounts for police employees were scheduled to increase after 2012 as CalPERS medical premium increase. Effective on and after November 2012, the maximum amounts for all employees are not expected to increase after 2012.

At age 65, retired employees will be eligible for Medicare and the Town's contributions would be supplementary to the amount covered by Medicare. In addition, accumulated sick leave at time of retirement, not used for any other purpose, may be converted to supplement a health premium until the value is exhausted or the retiree reaches 65 or the surviving spouse reaches 65. The rate of sick leave conversion shall be fifty percent of the regular daily rate the employee was receiving at retirement. The Town has indicated that this option is very rarely exercised.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Funding Policy

As of July 1, 2016, the most recent actuarial valuation date, the funding status of the plan, was as follows:

Actuarial accrued liability (AAL)	\$ 13,404,874
Actuarial value of assets	<u>91,009</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 13,313,865</u>
Funded ratio	0.7 %
Covered payroll	\$ 3,854,764
UAAL as a percentage of covered payroll	345 %

Annual OPEB Cost and Net OPEB Obligation

The Town's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), and an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Town's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation.

Annual required contribution	\$ 1,165,684
Interest on net OPEB obligation	242,186
Adjustment to annual required contribution	<u>(390,449)</u>
Total annual OPEB cost	1,017,421
Employer contributions	<u>(792,419)</u>
Increase in net OPEB obligations	<u>225,002</u>
Net OPEB obligation, July 1, 2016	<u>5,632,230</u>
Net OPEB obligation, June 30, 2017	<u>\$ 5,857,232</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the preceding fiscal years were as follows:

<u>Year Ended</u>	<u>Annual OPEB cost</u>	<u>Actual Employer Contribution</u>	<u>Percentage Contributed</u>	<u>Net Ending OPEB</u>
June 30, 2015	\$ 886,430	\$ 730,096	82.4 %	\$ 5,139,610
June 30, 2016	\$ 1,264,506	\$ 746,886	59.1 %	\$ 5,632,230
June 30, 2017	\$ 1,017,421	\$ 792,419	77.9 %	\$ 5,857,232

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Actuarial valuations for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continuous revision as actual results are compared to past expectations and new estimates about the future are formulated. Although the valuation results are based on the values which the Town's actuarial consultant believes are reasonable assumptions, the valuation results reflect a long-term perspective and, as such, are merely an estimate of what future costs may actually be. Deviations in any of several factors, such as future interest rates, medical cost inflation, Medicare coverage, and changes in marital status, could result in actual costs being less or greater than estimated.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2016 actuarial valuation, the entry age normal actuarial funding method was used. The actuarial assumptions included a 4.3% percent discount rate which represents a weighted blend of what the Town expects to earn on its investments over the lifetime of the benefit program (4%) and the expected rate of return on the Trust Fund (7%), an inflation rate of 3%, and healthcare cost trend rate as follows (CalPERS medical premiums are assumed to increase after 2017): 2018 (5.8%), 2019 (5.5%), 2020 (5.2%), and 2021 and thereafter (5.0%). A projected salary increase assumption rate was not used since the post-retirement medical benefits are not a function of salary. The actuarial report also states that the medical benefits are provided under a plan sponsored by CalPERS, which are considered "community rated", within the meaning of GASB 45, therefore, there was no need at this time to value an implicit subsidy in the premium rates charged to retirees. If at some future time this program ceases to be considered "community rated", it may be necessary to include the cost of subsidized premiums in the GASB 45 operating expense, which could significantly increase the Town's future GASB 45 costs. The actuarial present value of future benefits was calculated for each individual using the economic assumptions and specific member data, then aggregated. The Town has elected to use the Entry Age Normal actuarial funding method with a closed 30 year level dollar amortization of the unfunded actuarial accrued liability. The remaining amortization period at June 30, 2017 was twenty three years.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 9: OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

For new employees hired after February 1, 2011 (and January 1, 2011 for one of the employee groups), CalPERS retiree and spouse medical benefits shall vest as follows as is mandated by California Public Employees Retirement Law, Government Code Section 22893 (this vesting schedule represents time with a CalPERS agency, of which five of those years must be completed with the Town):

50% vested — 10 years of service
55% vested — 11 years of service
60% vested — 12 years of service
65% vested — 13 years of service
70% vested — 14 years of service
75% vested — 15 years of service
80% vested — 16 years of service
85% vested — 17 years of service
90% vested — 18 years of service
95% vested — 19 years of service
100% vested — 20 years of service (100% employee/90% spouse of a premium amount set by the state pursuant to GCS20069 and GCS22871.)

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, 2017

NOTE 10: FUND BALANCES (CONTINUED)

As of June 30, 2017, fund balances consisted of the following:

	<u>General Fund</u>	<u>Home Grant Fund</u>	<u>Cal Home Rehabilitation Fund</u>	<u>CIP Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:						
Prepaid	\$ 15,466	\$ -	\$ -	\$ -	\$ 41,091	\$ 56,557
Advances	<u>1,334,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,334,971</u>
Total nonspendable fund balances	<u>1,350,437</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,091</u>	<u>1,391,528</u>
Restricted for:						
Special projects	-	-	-	-	255,359	255,359
Debt service	-	-	-	-	6,278	6,278
Community development	-	177,326	-	-	243,318	420,644
General plan	-	-	-	-	252,613	252,613
Public safety	-	-	-	-	500,289	500,289
Streets and roads	-	-	-	-	1,310,242	1,310,242
Wastewater and drainage	-	-	-	-	1,135,238	1,135,238
Capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,723</u>	<u>25,723</u>
Total restricted fund balances	<u>-</u>	<u>177,326</u>	<u>-</u>	<u>-</u>	<u>3,729,060</u>	<u>3,906,386</u>
Assigned for:						
Measure C	433,423	-	-	-	-	433,423
Property abatement	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Total assigned fund balances	<u>453,423</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>453,423</u>
Unassigned	<u>1,439,543</u>	<u>-</u>	<u>(775)</u>	<u>(14,961)</u>	<u>(8,276)</u>	<u>1,415,531</u>
Total fund balances	<u>\$3,243,403</u>	<u>\$177,326</u>	<u>\$ (775)</u>	<u>\$ (14,961)</u>	<u>\$ 3,761,875</u>	<u>\$ 7,166,868</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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 twenty 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, 2017

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, 2017 were as follows:

Anderson	Auburn	Colusa	Corning	Dixon	Elk Grove	Folsom	
Gridley	Jackson	Lincoln	Marysville	Nevada City	Oroville	Paradise	Galt
Placerville	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, 2017:

	<u>Workers' Compensation</u>	<u>General Liability</u>
Total assets	\$ 43,131,500	\$ 11,906,845
Total liabilities	<u>31,338,843</u>	<u>7,703,423</u>
Net position	<u>\$ 11,792,657</u>	<u>\$ 4,203,422</u>
Operating income	\$ 10,935,217	\$ 6,872,861
Operating expenses	<u>10,824,879</u>	<u>4,841,469</u>
Net Operating income (loss)	110,338	2,031,392
Non-Operating income (loss)	<u>(83,540)</u>	<u>(61,668)</u>
Net income (loss)	26,798	1,969,724
Net position, beginning of fiscal year	<u>11,765,859</u>	<u>2,233,698</u>
Net position, end of fiscal year	<u>\$ 11,792,657</u>	<u>\$ 4,203,422</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.

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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

The Bill provides that upon dissolution of a redevelopment agency, either the Town or other unit of local government will agree to serve as the "successor agency" to hold the assets units they are distributed to other units of state and local government. On January 10, 2012, the Town Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the Town Resolution No. 12-08.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence as the date of the dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs that State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the state Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

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.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

Prior to that date, the final seven months of activity of the redevelopment agency continued to be reported in the governmental funds of the Town. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the Town.

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the Town to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2017 was as follows:

	July 1, 2016 <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	June 30, 2017 <u>Balance</u>	<u>Due within One Year</u>
Advance payable	\$ 1,997,950	\$ -	\$ (662,979)	\$ 1,334,971	\$ -
Notes payable	1,300,000	-	(1,300,000)	-	-
Bonds payable - 2009	4,480,000	-	(75,000)	4,405,000	75,000
Bonds payable - 2016	-	1,475,000	-	1,475,000	15,000
Original issue discount	<u>(87,713)</u>	<u>87,713</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 7,690,237</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,214,971</u>	<u>\$ 90,000</u>

The long-term liabilities consisted of the following components for the fiscal year ended June 30, 2017:

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, 2017:

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, 2017 was \$1,475,000. The future principal and interest payments for the bonds payable as of June 30, 2017 were as follows:

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

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

Fiscal Year Ended June 30,	Bonds Payable		
	Principal	Interest	Total
2018	\$ 15,000	\$ 58,759	\$ 73,759
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
2023-2027	110,000	267,954	377,954
2028-2032	130,000	245,344	375,344
2033-2037	160,000	218,781	378,781
2038-2042	190,000	185,181	375,181
2043-2047	235,000	143,581	378,581
2048-2052	285,000	91,575	376,575
2053-2056	270,000	28,256	298,256
	<u>\$ 1,475,000</u>	<u>\$ 1,467,627</u>	<u>\$ 2,942,627</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, 2017 was \$4,405,000.

The future principal and interest payments for the bonds payable as of June 30, 2017 were as follows:

Fiscal Year Ended June 30,	Bonds Payable		
	Principal	Interest	Total
2018	\$ 75,000	\$ 259,255	\$ 334,255
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
2023-2027	565,000	1,120,415	1,685,415
2028-2032	760,000	935,838	1,695,838
2033-2037	995,000	681,600	1,676,600
2038-2042	1,340,000	344,400	1,684,400
2043	315,000	18,900	333,900
	<u>\$ 4,405,000</u>	<u>\$ 4,355,556</u>	<u>\$ 8,760,556</u>

TOWN OF PARADISE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2017

NOTE 15: MANAGEMENT'S REVIEW OF SUBSEQUENT EVENTS

The Town has evaluated subsequent events through the date of this report, which is January 31, 2018, the date these financial statements were available to be issued, and has determined there were no material events requiring disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
JUNE 30, 2017

	<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	\$ 4,768,703	\$ 4,831,882	\$ 4,854,651	\$ 22,769
Sales and use taxes	3,011,970	3,115,193	3,192,199	77,006
Transient lodging taxes	213,621	218,671	211,374	(7,297)
Franchise taxes	947,191	968,862	975,751	6,889
Motor vehicle in-lieu tax	2,206,406	2,252,443	2,252,443	-
Homeowners property tax relief	65,983	66,507	66,507	-
Real property transfer taxes	<u>78,826</u>	<u>82,751</u>	<u>88,125</u>	<u>5,374</u>
Total taxes and assessments	<u>11,292,700</u>	<u>11,536,309</u>	<u>11,641,050</u>	<u>104,741</u>
Licenses, permits, and impact fees	5,782	5,782	8,549	2,767
Fines and forfeitures	41,500	54,500	58,264	3,764
Interest earned	8,720	8,720	13,188	4,468
Intergovernmental revenues:				
Federal-other	3,000	2,000	9,783	7,783
State-other	<u>129,212</u>	<u>121,212</u>	<u>83,367</u>	<u>(37,845)</u>
Total intergovernmental revenues	<u>132,212</u>	<u>123,212</u>	<u>93,150</u>	<u>(30,062)</u>
Charges for services:				
Police	23,687	23,571	30,699	7,128
Fire	7,050	3,218	8,100	4,882
Community development	39,171	33,485	29,071	(4,414)
Parks and recreation	2,750	2,625	2,920	295
Public works	37,450	29,926	28,433	(1,493)
Administration	<u>90,140</u>	<u>89,437</u>	<u>89,083</u>	<u>(354)</u>
Total charges for services	<u>200,248</u>	<u>182,262</u>	<u>188,306</u>	<u>6,044</u>
Other revenues	<u>9,600</u>	<u>24,907</u>	<u>55,513</u>	<u>30,606</u>
Total Revenues	<u>11,690,762</u>	<u>11,935,692</u>	<u>12,058,020</u>	<u>122,328</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Town council	37,908	37,308	36,794	514
Town manager	352,754	356,534	351,742	4,792
Town attorney	185,032	183,022	184,263	(1,241)
Central service	381,193	393,684	398,490	(4,806)
Financial services	440,536	440,536	675,615	(235,079)
Town clerk	207,158	210,531	203,315	7,216
Risk management	92,967	93,530	93,612	(82)
Non-departmental	<u>738,315</u>	<u>862,744</u>	<u>713,306</u>	<u>149,438</u>
Total general government	<u>2,435,863</u>	<u>2,577,889</u>	<u>2,657,137</u>	<u>(79,248)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET TO ACTUAL
GENERAL FUND
JUNE 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Community development				
Planning	134,803	135,781	138,074	(2,293)
Solid waste	<u>49,198</u>	<u>49,758</u>	<u>49,142</u>	<u>616</u>
Total community development	<u>184,001</u>	<u>185,539</u>	<u>187,216</u>	<u>(1,677)</u>
Public safety:				
Police				
Administration	822,497	830,844	809,707	21,137
Operations	2,573,321	2,617,317	2,550,753	66,564
Communications	793,777	793,352	736,519	56,833
Motor pool operations	210,298	208,098	251,691	(43,593)
Fire"				
Administration	187,201	176,196	176,024	172
Emergency operations center	12,552	12,714	12,051	663
Suppression	3,506,286	3,495,231	3,364,307	130,924
Volunteers	<u>16,798</u>	<u>10,008</u>	<u>12,871</u>	<u>(2,863)</u>
Total public safety	<u>8,122,730</u>	<u>8,143,760</u>	<u>7,913,923</u>	<u>229,837</u>
Public works:				
Engineering	46,643	45,351	47,915	(2,564)
Parks and recreation	10,185	12,954	13,524	-
Public facilities	<u>4,800</u>	<u>6,200</u>	<u>7,138</u>	<u>(938)</u>
Total public works	<u>61,628</u>	<u>64,505</u>	<u>68,577</u>	<u>(4,072)</u>
Capital outlay	<u>171,800</u>	<u>136,440</u>	<u>471,705</u>	<u>(335,265)</u>
Debt service:				
Principal	890,269	928,762	969,975	(41,213)
Interest and fiscal charges	<u>443,515</u>	<u>438,636</u>	<u>438,190</u>	<u>446</u>
Total debt service	<u>1,333,784</u>	<u>1,367,398</u>	<u>1,408,165</u>	<u>(40,767)</u>
Total expenditures	<u>12,309,806</u>	<u>12,475,531</u>	<u>12,706,723</u>	<u>(231,192)</u>
Excess of revenues over (under) expenditures	<u>(619,044)</u>	<u>(539,839)</u>	<u>(648,703)</u>	<u>(108,864)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	700,330	751,153	702,213	(48,940)
Transfers out	<u>(535,475)</u>	<u>(535,475)</u>	<u>(505,365)</u>	<u>30,110</u>
Total Other Financing Sources (Uses)	<u>164,855</u>	<u>215,678</u>	<u>196,848</u>	<u>(772,014)</u>
Net Change in Fund Balance	<u>(454,189)</u>	<u>(324,161)</u>	<u>(451,855)</u>	<u>(127,694)</u>
Fund Balance July 1, 2016	3,695,258	3,695,258	3,695,258	-
Fund Balance - June 30, 2017	<u>\$ 3,241,069</u>	<u>\$ 3,371,097</u>	<u>\$ 3,243,403</u>	<u>\$ (127,694)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOME GRANT FUND
JUNE 30, 2017

	<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	\$ -	\$ -	\$ 728	\$ -
Intergovernmental revenues	641,840	641,840	297,013	-
Program income	<u>250,000</u>	<u>250,000</u>	<u>280,584</u>	<u>30,584</u>
Total Revenues	<u>891,840</u>	<u>891,840</u>	<u>578,325</u>	<u>(313,515)</u>
<u>EXPENDITURES</u>				
Current:				
Community development	<u>670,455</u>	<u>670,455</u>	<u>326,097</u>	<u>344,358</u>
Total Expenditures	<u>670,455</u>	<u>670,455</u>	<u>326,097</u>	<u>344,358</u>
Excess of revenues over (under) expenditures	<u>221,385</u>	<u>221,385</u>	<u>252,228</u>	<u>30,843</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(221,385)</u>	<u>(221,385)</u>	<u>(117,303)</u>	<u>104,082</u>
Total Other Financing Sources (Uses)	<u>(221,385)</u>	<u>(221,385)</u>	<u>(117,303)</u>	<u>104,082</u>
Net Change in Fund Balance	-	-	134,925	134,925
Fund Balance - July 1, 2016	<u>-</u>	<u>-</u>	<u>42,401</u>	<u>42,401</u>
Fund Balance - June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,326</u>	<u>\$ 177,326</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAL HOME REHABILITATION FUND
JUNE 30, 2017

	<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	\$ 100	\$ 100	\$ 8	\$ (92)
Intergovernmental revenues	-	-	68,650	68,650
Program Income	<u>15,000</u>	<u>15,000</u>	<u>61,502</u>	<u>46,502</u>
Total Revenues	<u>15,100</u>	<u>15,100</u>	<u>130,160</u>	<u>115,060</u>
<u>EXPENDITURES</u>				
Current:				
Community Development	<u>255,191</u>	<u>255,191</u>	<u>344,749</u>	<u>(89,558)</u>
Total Expenditures	<u>255,191</u>	<u>255,191</u>	<u>344,749</u>	<u>(89,558)</u>
Excess of revenues over (under) expenditures	<u>(240,091)</u>	<u>(240,091)</u>	<u>(214,589)</u>	<u>25,502</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(24,480)</u>	<u>(24,480)</u>	<u>(34,276)</u>	<u>(9,796)</u>
Total Other Financing Sources (Uses)	<u>(24,480)</u>	<u>(24,480)</u>	<u>(34,276)</u>	<u>(9,796)</u>
Net Change in Fund Balance	(264,571)	(264,571)	(248,865)	15,706
Fund Balance - July 1, 2016	<u>248,090</u>	<u>248,090</u>	<u>248,090</u>	<u>-</u>
Fund Balance (Deficit) - June 30, 2017	<u><u>\$ (16,481)</u></u>	<u><u>\$ (16,481)</u></u>	<u><u>\$ (775)</u></u>	<u><u>\$ 15,706</u></u>

TOWN OF PARADISE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - OTHER POST-EMPLOYMENT BENEFITS

<u>Actuarial Valuation Date</u>	<u>Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded Liability</u>	<u>Funded Status</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Liability as a percentage of Payroll</u>
July 1, 2014	\$ 13,561,013	\$ 65,993	\$ 13,495,020	0.5 %	\$ 3,359,897	401.6 %
July 1, 2015	\$ 13,864,685	\$ 70,613	\$ 13,794,072	0.5 %	\$ 3,359,897	410.6 %
July 1, 2016	\$ 13,404,874	\$ 91,009	\$ 13,313,865	0.7 %	\$ 3,854,764	345.4 %

**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, 2017
Last 10 Years ***

	Measurement Period		
	2016	2015	2014
Proportion of the net pension liability	0.21960 %	0.21454 %	0.20733 %
Proportionate share of the net pension liability	\$ 19,003,356	\$ 14,725,536	\$ 12,901,028
Covered - employee payroll	\$ 3,789,395	\$ 3,511,751	\$ 3,474,659
Proportionate share of the net pension liability as a percentage of covered - employee payroll	501.49 %	419.32 %	371.29 %
Plan fiduciary net position as a percentage of the total pension liability	74.06 %	78.40 %	79.82 %

Notes to schedule:

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

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

**TOWN OF PARADISE
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PENSION CONTRIBUTIONS
Prepared for the Town's Miscellaneous and Cost Sharing Plan,
Cost Sharing Defined Benefit Pension Plan
As of June 30, 2017
Last 10 Years ***

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

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

SUPPLEMENTARY INFORMATION

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2017

Special Revenue Funds				
	Cluster Septic	Animal Control Shelter	Gas Tax	Traffic Safety
<u>ASSETS</u>				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable	-	7,086	306,932	1,506
Interest receivable	-	-	257	-
Due from other funds	-	559	2,896	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	\$ -	\$ 7,645	\$ 310,085	\$ 1,506
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 3,280	\$ 15,491	\$ -
Accrued wages	-	1,519	8,823	-
Due to other funds	4,339	2,846	194,781	1,506
Unearned revenue	-	-	-	-
Total Liabilities	4,339	7,645	219,095	1,506
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	-	-	90,990	-
Unassigned	(4,339)	-	-	-
Total Fund Balances (Deficits)	(4,339)	-	90,990	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ -	\$ 7,645	\$ 310,085	\$ 1,506

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Special Projects	Business and Housing Services	HUD Revolving Loan	SLESF
<u>ASSETS</u>				
Cash and investments	\$ 255,359	\$ 60,138	\$ 81,716	\$ 67,962
Accounts receivable	-	-	43,234	-
Interest receivable	-	129	145	131
Due from other funds	-	37,664	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	397,639	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 255,359</u>	<u>\$ 97,931</u>	<u>\$ 522,734</u>	<u>\$ 68,093</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ 1,847	\$ 5,818	\$ -
Accrued wages	-	2,957	-	-
Due to other funds	-	28	33,741	-
Unearned revenue	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>4,832</u>	<u>39,559</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>397,639</u>	<u>-</u>
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	255,359	93,099	85,536	68,093
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>255,359</u>	<u>93,099</u>	<u>85,536</u>	<u>68,093</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 255,359</u>	<u>\$ 97,931</u>	<u>\$ 522,734</u>	<u>\$ 68,093</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Citizen Police	Asset Seizure	Highway Safety Improvement	Active Transportation Program
<u>ASSETS</u>				
Cash and investments	\$ 10,771	\$ 2,738	\$ -	\$ -
Accounts receivable	-	-	3,315	669,598
Interest receivable	19	5	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 10,790</u>	<u>\$ 2,743</u>	<u>\$ 3,315</u>	<u>\$ 669,598</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 26	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-
Due to other funds	5,843	-	5,736	670,553
Unearned revenue	-	-	-	-
Total Liabilities	<u>5,869</u>	<u>-</u>	<u>5,736</u>	<u>670,553</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	4,921	2,743	-	-
Unassigned	-	-	(2,421)	(955)
Total Fund Balances (Deficits)	<u>4,921</u>	<u>2,743</u>	<u>(2,421)</u>	<u>(955)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 10,790</u>	<u>\$ 2,743</u>	<u>\$ 3,315</u>	<u>\$ 669,598</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

Special Revenue Funds				
	95 Impact Signalization	95 Impact PDFC	95 Impact FDFC	95 Impact Road
<u>ASSETS</u>				
Cash and investments	\$ 69,647	\$ 12,384	\$ 26,421	\$ 574,763
Accounts receivable	-	-	-	-
Interest receivable	123	22	47	1,013
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
	-	-	-	-
Total Assets	\$ 69,770	\$ 12,406	\$ 26,468	\$ 575,776
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
	-	-	-	-
Total Liabilities	-	-	-	-
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	69,770	12,406	26,468	575,776
Unassigned	-	-	-	-
	-	-	-	-
Total Fund Balances (Deficits)	69,770	12,406	26,468	575,776
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 69,770	\$ 12,406	\$ 26,468	\$ 575,776

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Building Safety and Waste Water Services	Local Transportation	Housing Authority	Abandoned Vehicle
<u>ASSETS</u>				
Cash and investments	\$ 459,329	\$ -	\$ 61,196	\$ 114,521
Accounts receivable	5,284	23,787	-	12,470
Interest receivable	828	1,229	108	202
Due from other funds	2,757	544,366	-	-
Prepaid items	41,091	-	-	-
Loans receivable	-	-	316,109	-
	<u>-</u>	<u>-</u>	<u>316,109</u>	<u>-</u>
Total Assets	<u>\$ 509,289</u>	<u>\$ 569,382</u>	<u>\$ 377,413</u>	<u>\$ 127,193</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 3,733	\$ 1,781	\$ -	\$ -
Accrued wages	9,776	-	-	-
Due to other funds	152	-	-	26
Unearned revenue	12,387	-	-	-
	<u>26,048</u>	<u>1,781</u>	<u>-</u>	<u>26</u>
Total Liabilities	<u>26,048</u>	<u>1,781</u>	<u>-</u>	<u>26</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>316,109</u>	<u>-</u>
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	41,091	-	-	-
Restricted	442,150	567,601	61,304	127,167
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (Deficits)	<u>483,241</u>	<u>567,601</u>	<u>61,304</u>	<u>127,167</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 509,289</u>	<u>\$ 569,382</u>	<u>\$ 377,413</u>	<u>\$ 127,193</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	95 Impact Drainage	AVOID	General Plan Fee	Traffic Safety - DUI Impound Fees Fund
<u>ASSETS</u>				
Cash and investments	\$ 691,868	\$ -	\$ 252,168	\$ 54,968
Accounts receivable	-	-	-	-
Interest receivable	1,220	-	445	97
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 693,088</u>	<u>\$ -</u>	<u>\$ 252,613</u>	<u>\$ 55,065</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>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	693,088	-	252,613	55,065
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>693,088</u>	<u>-</u>	<u>252,613</u>	<u>55,065</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 693,088</u>	<u>\$ -</u>	<u>\$ 252,613</u>	<u>\$ 55,065</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

Special Revenue Funds				
	AB109 State Funds	Clark Road Signal	Tree Replacement in Lieu	Hydrant Maintenance
<u>ASSETS</u>				
Cash and investments	\$ 128,023	\$ 6,094	\$ 2,515	\$ -
Accounts receivable	30,291	-	-	6,541
Interest receivable	226	11	4	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 158,540</u>	<u>\$ 6,105</u>	<u>\$ 2,519</u>	<u>\$ 6,541</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-
Due to other funds	-	-	-	3,600
Unearned revenue	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,600</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	158,540	6,105	2,519	2,941
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>158,540</u>	<u>6,105</u>	<u>2,519</u>	<u>2,941</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 158,540</u>	<u>\$ 6,105</u>	<u>\$ 2,519</u>	<u>\$ 6,541</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Disability Access and Education	SMIP Fund	Police Department Seizures Fund	Police Trading Card Fund
<u>ASSETS</u>				
Cash and investments	\$ 158	\$ 2,490	\$ 2,320	\$ 1,768
Accounts receivable	-	-	-	-
Interest receivable	-	4	-	3
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ 158</u>	<u>\$ 2,494</u>	<u>\$ 2,320</u>	<u>\$ 1,771</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 18	\$ 388	\$ -	\$ -
Accrued wages	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total Liabilities	<u>18</u>	<u>388</u>	<u>-</u>	<u>-</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	140	2,106	2,320	1,771
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	<u>140</u>	<u>2,106</u>	<u>2,320</u>	<u>1,771</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 158</u>	<u>\$ 2,494</u>	<u>\$ 2,320</u>	<u>\$ 1,771</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

Special Revenue Funds

	<u>Canine Protect Fund</u>	<u>Fire Fund</u>	<u>Animal Control Fund</u>	<u>Police Fund</u>
<u>ASSETS</u>				
Cash and investments	\$ 11,948	\$ 7,389	\$ 13,118	\$ 482
Accounts receivable	-	-	70	-
Interest receivable	21	13	48	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 11,969</u>	<u>\$ 7,402</u>	<u>\$ 13,236</u>	<u>\$ 482</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<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>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	11,969	7,402	13,236	482
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>11,969</u>	<u>7,402</u>	<u>13,236</u>	<u>482</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 11,969</u>	<u>\$ 7,402</u>	<u>\$ 13,236</u>	<u>\$ 482</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Special Projects Donations Fund	Memorial Trailway	Transportation Capital Projects	State Water Board Prop 1 Grant
<u>ASSETS</u>				
Cash and investments	\$ -	\$ 3,373	\$ 18,950	\$ -
Accounts receivable	-	-	-	70,304
Interest receivable	-	6	-	-
Due from other funds	-	-	91	-
Prepaid items	-	-	-	-
Loans receivable	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 3,379</u>	<u>\$ 19,041</u>	<u>\$ 70,304</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued wages	-	-	281	-
Due to other funds	561	-	-	70,304
Unearned revenue	-	-	-	-
Total Liabilities	<u>561</u>	<u>-</u>	<u>281</u>	<u>70,304</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Deferred inflows of resources	-	-	-	-
<u>FUND BALANCES (DEFICITS):</u>				
Nonspendable	-	-	-	-
Restricted	-	3,379	18,760	-
Unassigned	(561)	-	-	-
Total Fund Balances (Deficits)	<u>(561)</u>	<u>3,379</u>	<u>18,760</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ -</u>	<u>\$ 3,379</u>	<u>\$ 19,041</u>	<u>\$ 70,304</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2017

	Capital Projects	Debt Service	
	Capital Leases	Wastewater Design Assessment District	Total Non- major Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 6,963	\$ 6,278	\$ 3,007,818
Accounts receivable	-	-	1,180,418
Interest receivable	-	-	6,356
Due from other funds	-	-	588,333
Prepaid items	-	-	41,091
Loans receivable	-	-	713,748
	<u>-</u>	<u>-</u>	<u>713,748</u>
Total Assets	<u>\$ 6,963</u>	<u>\$ 6,278</u>	<u>\$ 5,537,764</u>
<u>LIABILITIES:</u>			
Accounts payable	\$ -	\$ -	\$ 32,382
Accrued wages	-	-	23,356
Due to other funds	-	-	994,016
Unearned revenue	-	-	12,387
	<u>-</u>	<u>-</u>	<u>12,387</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,062,141</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>713,748</u>
<u>FUND BALANCES (DEFICITS):</u>			
Nonspendable	-	-	41,091
Restricted	6,963	6,278	3,729,060
Unassigned	-	-	(8,276)
	<u>-</u>	<u>-</u>	<u>(8,276)</u>
Total Fund Balances (Deficits)	<u>6,963</u>	<u>6,278</u>	<u>3,761,875</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 6,963</u>	<u>\$ 6,278</u>	<u>\$ 5,537,764</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
JUNE 30, 2017

Special Revenue Funds				
	Cluster Septic	Animal Control Shelter	Gas Tax	Traffic Safety
REVENUES				
Taxes and assessments	\$ -	\$ 132,147	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	9,628	-	14,047
Use of money and property	-	-	635	-
Intergovernmental revenues	-	-	818,330	-
Charges for services	-	32,000	105	-
Program Income	-	-	-	-
Other revenues	-	6,687	11,769	-
	<u>-</u>	<u>180,462</u>	<u>830,839</u>	<u>14,047</u>
Total Revenues	<u>-</u>	<u>180,462</u>	<u>830,839</u>	<u>14,047</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	-	175,459	-	-
Public works	-	-	506,047	-
Streets	-	-	367,259	-
Capital Outlay	-	-	6,092	-
Debt service:				
Principal	-	-	23,084	-
	<u>-</u>	<u>-</u>	<u>23,084</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>175,459</u>	<u>902,482</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>5,003</u>	<u>(71,643)</u>	<u>14,047</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	40,713	87,125	-
Transfers out	-	(43,799)	(195,678)	(22,301)
	<u>-</u>	<u>(3,086)</u>	<u>(108,553)</u>	<u>(22,301)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,086)</u>	<u>(108,553)</u>	<u>(22,301)</u>
Net Change in Fund Balances	<u>-</u>	<u>1,917</u>	<u>(180,196)</u>	<u>(8,254)</u>
Fund Balances (Deficits) - July 1, 2016	<u>(4,339)</u>	<u>(1,917)</u>	<u>271,186</u>	<u>8,254</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ (4,339)</u>	<u>\$ -</u>	<u>\$ 90,990</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Special Projects	Business and Housing Services	HUD Revolving Loan	SLESF
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	320	359	324
Intergovernmental revenues	-	-	185,869	129,324
Charges for services	-	-	-	-
Program Income	-	-	11,181	-
Other revenues	-	300	-	-
	<u>-</u>	<u>620</u>	<u>197,409</u>	<u>129,648</u>
Total Revenues	<u>-</u>	<u>620</u>	<u>197,409</u>	<u>129,648</u>
EXPENDITURES				
Current:				
General government	-	2,500	-	-
Community development	-	190,876	83,390	-
Public safety	-	-	-	-
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	625	-	-
Debt service:				
Principal	-	-	-	24,075
	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,075</u>
Total Expenditures	<u>-</u>	<u>194,001</u>	<u>83,390</u>	<u>24,075</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>(193,381)</u>	<u>114,019</u>	<u>105,573</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	240,002	-	-
Transfers out	-	(38,390)	(88,423)	(75,936)
	<u>-</u>	<u>201,612</u>	<u>(88,423)</u>	<u>(75,936)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>201,612</u>	<u>(88,423)</u>	<u>(75,936)</u>
Net Change in Fund Balances	<u>-</u>	<u>8,231</u>	<u>25,596</u>	<u>29,637</u>
Fund Balances (Deficits) - July 1, 2016	<u>255,359</u>	<u>84,868</u>	<u>59,940</u>	<u>38,456</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 255,359</u>	<u>\$ 93,099</u>	<u>\$ 85,536</u>	<u>\$ 68,093</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Citizen Police	Asset Seizure	Highway Safety Improvement	Active Transportation Program
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	47	12	-	-
Intergovernmental revenues	-	-	347,225	925,797
Charges for services	15	-	-	-
Program Income	-	-	-	-
Other revenues	<u>7,292</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>7,354</u>	<u>12</u>	<u>347,225</u>	<u>925,797</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	4,227	892	-	-
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>4,227</u>	<u>892</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>3,127</u>	<u>(880)</u>	<u>347,225</u>	<u>925,797</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(349,647)</u>	<u>(926,752)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(349,647)</u>	<u>(926,752)</u>
Net Change in Fund Balances	<u>3,127</u>	<u>(880)</u>	<u>(2,422)</u>	<u>(955)</u>
Fund Balances (Deficits) - July 1, 2016	<u>1,794</u>	<u>3,623</u>	<u>1</u>	<u>-</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 4,921</u>	<u>\$ 2,743</u>	<u>\$ (2,421)</u>	<u>\$ (955)</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

Special Revenue Funds				
	95 Impact Signalization	95 Impact PDFC	95 Impact FDFC	95 Impact Road
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	2,530	4,675	3,443	29,832
Fines and forfeitures	-	-	-	-
Use of money and property	304	54	116	2,507
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Program Income	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>2,834</u>	<u>4,729</u>	<u>3,559</u>	<u>32,339</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>
Excess of revenues over (under) expenditures	<u>2,834</u>	<u>4,729</u>	<u>3,559</u>	<u>32,339</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>2,834</u>	<u>4,729</u>	<u>3,559</u>	<u>32,339</u>
Fund Balances (Deficits) - July 1, 2016	<u>66,936</u>	<u>7,677</u>	<u>22,909</u>	<u>543,437</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 69,770</u>	<u>\$ 12,406</u>	<u>\$ 26,468</u>	<u>\$ 575,776</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Building Safety and Waste Water Services	Local Transportation	Housing Authority	Abandoned Vehicle
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	867,866	-	-	-
Fines and forfeitures	10,048	-	-	-
Use of money and property	2,048	3,040	267	506
Intergovernmental revenues	-	718,650	-	24,437
Charges for services	19,838	-	-	-
Program Income	-	-	-	-
Other revenues	<u>3,136</u>	<u>26,725</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>902,936</u>	<u>748,415</u>	<u>267</u>	<u>24,943</u>
EXPENDITURES				
Current:				
General government	5,000	-	-	-
Community development	248,677	-	-	1,012
Public safety	-	-	-	-
Public works	444,265	-	-	-
Streets	-	796,950	-	-
Capital Outlay	3,927	-	-	-
Debt service:				
Principal	<u>5,193</u>	<u>-</u>	<u>-</u>	<u>322</u>
Total Expenditures	<u>707,062</u>	<u>796,950</u>	<u>-</u>	<u>1,334</u>
Excess of revenues over (under) expenditures	<u>195,874</u>	<u>(48,535)</u>	<u>267</u>	<u>23,609</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	300	-	4,451	-
Transfers out	<u>(185,938)</u>	<u>(122,434)</u>	<u>-</u>	<u>(17,999)</u>
Total Other Financing Sources (Uses)	<u>(185,638)</u>	<u>(122,434)</u>	<u>4,451</u>	<u>(17,999)</u>
Net Change in Fund Balances	<u>10,236</u>	<u>(170,969)</u>	<u>4,718</u>	<u>5,610</u>
Fund Balances (Deficits) - July 1, 2016	<u>473,005</u>	<u>738,570</u>	<u>56,586</u>	<u>121,557</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 483,241</u>	<u>\$ 567,601</u>	<u>\$ 61,304</u>	<u>\$ 127,167</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	95 Impact Drainage	AVOID	General Plan Fee	Traffic Safety - DUI Impound Fees
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	14,568	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	3,018	-	1,101	240
Intergovernmental revenues	-	18,068	-	-
Charges for services	-	-	38,645	14,560
Program Income	-	-	-	-
Other revenues	-	-	-	-
Total Revenues	<u>17,586</u>	<u>18,068</u>	<u>39,746</u>	<u>14,800</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	-	7,798	-	6,594
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Total Expenditures	<u>-</u>	<u>7,798</u>	<u>-</u>	<u>6,594</u>
Excess of revenues over (under) expenditures	<u>17,586</u>	<u>10,270</u>	<u>39,746</u>	<u>8,206</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(10,270)	-	(300)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(10,270)</u>	<u>-</u>	<u>(300)</u>
Net Change in Fund Balances	<u>17,586</u>	<u>-</u>	<u>39,746</u>	<u>7,906</u>
Fund Balances (Deficits) - July 1, 2016	<u>675,502</u>	<u>-</u>	<u>212,867</u>	<u>47,159</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 693,088</u>	<u>\$ -</u>	<u>\$ 252,613</u>	<u>\$ 55,065</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	AB109 State Funds	Clark Road Signal	Tree Replacement in Lieu	Hydrant Maintenance
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	559	27	10	-
Intergovernmental revenues	30,291	-	-	-
Charges for services	-	-	-	-
Program Income	-	-	-	-
Other revenues	-	-	-	1,211
Total Revenues	<u>30,850</u>	<u>27</u>	<u>10</u>	<u>1,211</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	5,571
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,571</u>
Excess of revenues over (under) expenditures	<u>30,850</u>	<u>27</u>	<u>10</u>	<u>(4,360)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(87,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(87,245)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(56,395)</u>	<u>27</u>	<u>10</u>	<u>(4,360)</u>
Fund Balances (Deficits) - July 1, 2016	<u>214,935</u>	<u>6,078</u>	<u>2,509</u>	<u>7,301</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 158,540</u>	<u>\$ 6,105</u>	<u>\$ 2,519</u>	<u>\$ 2,941</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Disability Access and Education	SMIP Fund	Police Department Seizures Fund	Police Department Trading Card Fund
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	89	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	2	10	-	7
Intergovernmental revenues	-	-	-	-
Charges for services	63	-	-	-
Program Income	-	-	-	-
Other revenues	-	-	750	-
	<u>65</u>	<u>99</u>	<u>750</u>	<u>7</u>
Total Revenues	<u>65</u>	<u>99</u>	<u>750</u>	<u>7</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
	<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>65</u>	<u>99</u>	<u>750</u>	<u>7</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>65</u>	<u>99</u>	<u>750</u>	<u>7</u>
Fund Balances (Deficits) - July 1, 2016	<u>75</u>	<u>2,007</u>	<u>1,570</u>	<u>1,764</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 140</u>	<u>\$ 2,106</u>	<u>\$ 2,320</u>	<u>\$ 1,771</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

Special Revenue Funds

	Canine Protect Fund	Fire Fund	Animal Control Fund	Police Fund
REVENUES	1			
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	51	33	118	1
Intergovernmental revenues	-	-	-	-
Charges for services	-	-	-	-
Program Income	-	-	-	-
Other revenues	<u>8,592</u>	<u>136</u>	<u>7,282</u>	<u>1,020</u>
Total Revenues	<u>8,643</u>	<u>169</u>	<u>7,400</u>	<u>1,021</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public safety	4,352	-	-	1,021
Public works	-	-	-	-
Streets	-	-	-	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>4,352</u>	<u>-</u>	<u>-</u>	<u>1,021</u>
Excess of revenues over (under) expenditures	<u>4,291</u>	<u>169</u>	<u>7,400</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(40,713)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(40,713)</u>	<u>-</u>
Net Change in Fund Balances	<u>4,291</u>	<u>169</u>	<u>(33,313)</u>	<u>-</u>
Fund Balances (Deficits) - July 1, 2016	<u>7,678</u>	<u>7,233</u>	<u>46,549</u>	<u>482</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 11,969</u>	<u>\$ 7,402</u>	<u>\$ 13,236</u>	<u>\$ 482</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Special Revenue Funds			
	Special Projects Donations Fund	Memorial Trailway	Transportation Capital Projects	State Water Board Prop 1 Grant
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and impact fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	15	-	-
Intergovernmental revenues	-	-	132,174	292,591
Charges for services	1,700	-	-	-
Program Income	-	-	-	-
Other revenues	-	-	-	-
	<u>1,700</u>	<u>15</u>	<u>132,174</u>	<u>292,591</u>
Total Revenues	<u>1,700</u>	<u>15</u>	<u>132,174</u>	<u>292,591</u>
EXPENDITURES				
Current:				
General government	1,652	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	14,954	-
Streets	-	-	3,538	-
Capital Outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,652</u>	<u>-</u>	<u>18,492</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>48</u>	<u>15</u>	<u>113,682</u>	<u>292,591</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	-	-	-	-
Transfers in	-	-	122,434	-
Transfers out	-	-	(208,335)	(292,591)
	<u>-</u>	<u>-</u>	<u>(85,901)</u>	<u>(292,591)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(85,901)</u>	<u>(292,591)</u>
Net Change in Fund Balances	<u>48</u>	<u>15</u>	<u>27,781</u>	<u>-</u>
Fund Balances (Deficits) - July 1, 2016	<u>(609)</u>	<u>3,364</u>	<u>(9,021)</u>	<u>-</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ (561)</u>	<u>\$ 3,379</u>	<u>\$ 18,760</u>	<u>\$ -</u>

TOWN OF PARADISE
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
JUNE 30, 2017

	Capital Projects	Debt Service	
	Capital Leases	Wastewater Design Assessment District	Total Non- major Governmental Funds
REVENUES			
Taxes and assessments	\$ -	\$ -	\$ 132,147
Licenses, permits, and impact fees	-	-	923,003
Fines and forfeitures	-	-	33,723
Use of money and property	64	-	15,795
Intergovernmental revenues	-	-	3,622,756
Charges for services	-	-	106,926
Program Income	-	-	11,181
Other revenues	-	-	74,900
	<u>64</u>	<u>-</u>	<u>4,920,431</u>
Total Revenues	<u>64</u>	<u>-</u>	<u>4,920,431</u>
EXPENDITURES			
Current:			
General government	-	-	9,152
Community development	-	-	523,955
Public safety	-	-	205,914
Public works	-	-	965,266
Streets	-	-	1,167,747
Capital Outlay	566,054	-	576,698
Debt service:			
Principal	-	-	52,674
	<u>-</u>	<u>-</u>	<u>52,674</u>
Total Expenditures	<u>566,054</u>	<u>-</u>	<u>3,501,406</u>
Excess of revenues over (under) expenditures	<u>(565,990)</u>	<u>-</u>	<u>1,419,025</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from the issuance of debt	565,990	-	565,990
Transfers in	-	-	495,025
Transfers out	-	-	(2,706,751)
	<u>-</u>	<u>-</u>	<u>(2,706,751)</u>
Total Other Financing Sources (Uses)	<u>565,990</u>	<u>-</u>	<u>(1,645,736)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>(226,711)</u>
Fund Balances (Deficits) - July 1, 2016	<u>6,963</u>	<u>6,278</u>	<u>3,988,586</u>
Fund Balances (Deficits) - June 30, 2017	<u>\$ 6,963</u>	<u>\$ 6,278</u>	<u>\$ 3,761,875</u>

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 CLUSTER SEPTIC FUND
 JUNE 30, 2017

	Original Budget*	Final Budget*	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Total revenues	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -
<u>EXPENDITURES:</u>				
Total expenditures	_____ -	_____ -	_____ -	_____ -
Net change in fund balance	-	-	-	-
Fund balance (deficit), July 1, 2016	_____ -	_____ -	(4,339)	(4,339)
Fund balance (deficit), June 30, 2017	\$ _____ -	\$ _____ -	\$ (4,339)	\$ (4,339)

* The Town did not adopt a budget for the Cluster Septic Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL SHELTER FUND
JUNE 30, 2017

	<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	\$ 132,147	\$ (215)
Fines and forfeitures	12,000	6,500	9,628	3,128
Charges for services	35,696	31,015	32,000	985
Other revenues	<u>11,900</u>	<u>7,152</u>	<u>6,687</u>	<u>(465)</u>
Total revenues	<u>191,958</u>	<u>177,029</u>	<u>180,462</u>	<u>3,433</u>
<u>EXPENDITURES:</u>				
Current:				
Public Safety	175,592	185,554	175,459	10,095
Capital outlay	<u>800</u>	<u>800</u>	<u>-</u>	<u>800</u>
Total expenditures	<u>176,392</u>	<u>186,354</u>	<u>175,459</u>	<u>10,895</u>
Excess of revenues over (under) expenditures	<u>15,566</u>	<u>(9,325)</u>	<u>5,003</u>	<u>14,328</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	28,874	42,697	40,713	(1,984)
Transfers out	<u>(44,439)</u>	<u>(44,495)</u>	<u>(43,799)</u>	<u>696</u>
Total other financing sources (uses)	<u>(15,565)</u>	<u>(1,798)</u>	<u>(3,086)</u>	<u>(1,288)</u>
Net change in fund balance	1	(11,123)	1,917	13,040
Fund balance (deficit), July 1, 2016	<u>(1,917)</u>	<u>(1,917)</u>	<u>(1,917)</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ (1,916)</u>	<u>\$ (13,040)</u>	<u>\$ -</u>	<u>\$ 13,040</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GAS TAX FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Use of money and property	\$ 100	\$ 500	\$ 635	\$ 135
Charges for services	200	100	105	5
Intergovernmental revenues	578,214	553,625	818,330	264,705
Other revenues	<u>5,500</u>	<u>3,500</u>	<u>11,769</u>	<u>8,269</u>
Total revenues	<u>584,014</u>	<u>557,725</u>	<u>830,839</u>	<u>273,114</u>
<u>EXPENDITURES:</u>				
Current:				
Public works	551,383	544,504	506,047	38,457
Streets	390,274	369,049	367,259	1,790
Capital outlay	-	1,559	6,092	(4,533)
Debt service:				
Principal	<u>26,091</u>	<u>29,098</u>	<u>23,084</u>	<u>6,014</u>
Total expenditures	<u>967,748</u>	<u>944,210</u>	<u>902,482</u>	<u>41,728</u>
Excess of revenues over (under) expenditures	<u>(383,734)</u>	<u>(386,485)</u>	<u>(71,643)</u>	<u>314,842</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	468,857	467,857	87,125	(380,732)
Transfers out	<u>(181,203)</u>	<u>(185,246)</u>	<u>(195,678)</u>	<u>(10,432)</u>
Total other financing sources (uses)	<u>287,654</u>	<u>282,611</u>	<u>(108,553)</u>	<u>(391,164)</u>
Net change in fund balance	(96,080)	(103,874)	(180,196)	(76,322)
Fund balance (deficit), July 1, 2016	<u>271,186</u>	<u>271,186</u>	<u>271,186</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 175,106</u>	<u>\$ 167,312</u>	<u>\$ 90,990</u>	<u>\$ (76,322)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY FUND
JUNE 30, 2017

	<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	\$ 22,000	\$ 22,000	\$ 14,047	\$ (7,953)
Use of money and property	<u>1</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
Total revenues	<u>22,001</u>	<u>22,001</u>	<u>14,047</u>	<u>(7,954)</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>22,001</u>	<u>22,001</u>	<u>14,047</u>	<u>(7,954)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(22,301)</u>	<u>7,699</u>
Total other financing sources (uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(22,301)</u>	<u>7,699</u>
Net change in fund balance	(7,999)	(7,999)	(8,254)	(255)
Fund balance (deficit), July 1, 2016	<u>8,254</u>	<u>8,254</u>	<u>8,254</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 255</u>	<u>\$ 255</u>	<u>\$ -</u>	<u>\$ (255)</u>

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 SPECIAL PROJECTS FUND
 JUNE 30, 2017

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Fund balance (deficit), July 1, 2016	\$ _____ -	\$ _____ -	\$ 255,359	\$ 255,359
Fund balance (deficit), June 30, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ 255,359</u>	<u>\$ 255,359</u>

* The Town did not adopt a budget for the Special Projects Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUSINESS AND HOUSING SERVICES
JUNE 30, 2017

	<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	\$ -	\$ -	\$ 320	\$ 320
Other revenues	-	-	300	300
	<u>-</u>	<u>-</u>	<u>620</u>	<u>620</u>
Total revenues	<u>-</u>	<u>-</u>	<u>620</u>	<u>620</u>
<u>EXPENDITURES:</u>				
Current:				
General government	2,500	2,500	2,500	-
Community development	231,998	231,998	190,876	41,122
Capital outlay	-	-	625	-
	<u>-</u>	<u>-</u>	<u>625</u>	<u>-</u>
Total expenditures	<u>234,498</u>	<u>234,498</u>	<u>194,001</u>	<u>40,497</u>
Excess of revenues over (under) expenditures	<u>(234,498)</u>	<u>(234,498)</u>	<u>(193,381)</u>	<u>41,117</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	314,724	314,724	240,002	(74,722)
Transfers out	(41,840)	(41,840)	(38,390)	3,450
	<u>272,884</u>	<u>272,884</u>	<u>201,612</u>	<u>(71,272)</u>
Total other financing sources (uses)	<u>272,884</u>	<u>272,884</u>	<u>201,612</u>	<u>(71,272)</u>
Net change in fund balance	38,386	38,386	8,231	(30,155)
Fund balance (deficit), July 1, 2016	<u>84,868</u>	<u>84,868</u>	<u>84,868</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 123,254</u>	<u>\$ 123,254</u>	<u>\$ 93,099</u>	<u>\$ (30,155)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HUD REVOLVING LOAN FUND
JUNE 30, 2017

	<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	\$ 130	\$ 130	\$ 359	\$ 229
Intergovernmental revenues	353,820	353,820	185,869	(167,951)
Program income	<u>13,733</u>	<u>13,733</u>	<u>11,181</u>	<u>(2,552)</u>
Total revenues	<u>367,683</u>	<u>367,683</u>	<u>197,409</u>	<u>(170,274)</u>
<u>EXPENDITURES:</u>				
Current:				
Community development	<u>372,194</u>	<u>372,194</u>	<u>83,390</u>	<u>288,804</u>
Total expenditures	<u>372,194</u>	<u>372,194</u>	<u>83,390</u>	<u>288,804</u>
Excess of revenues over (under) expenditures	<u>(4,511)</u>	<u>(4,511)</u>	<u>114,019</u>	<u>118,530</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(68,859)</u>	<u>(68,859)</u>	<u>(88,423)</u>	<u>(19,564)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(88,423)</u>	<u>(19,564)</u>
Net change in fund balance	(4,511)	(4,511)	25,596	30,107
Fund balance (deficit), July 1, 2016	<u>59,940</u>	<u>59,940</u>	<u>59,940</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 55,429</u>	<u>\$ 55,429</u>	<u>\$ 85,536</u>	<u>\$ 30,107</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
SLESF FUND
JUNE 30, 2017

	<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	\$ 11	\$ 11	\$ 324	\$ 313
Intergovernmental revenues	<u>100,000</u>	<u>100,000</u>	<u>129,324</u>	<u>29,324</u>
Total revenues	<u>100,011</u>	<u>100,011</u>	<u>129,648</u>	<u>29,637</u>
<u>EXPENDITURES:</u>				
Current:				
Debt service:				
Principal	<u>24,074</u>	<u>24,074</u>	<u>24,075</u>	<u>(1)</u>
Total expenditures	<u>24,074</u>	<u>24,074</u>	<u>24,075</u>	<u>(1)</u>
Excess of revenues over (under) expenditures	<u>75,937</u>	<u>75,937</u>	<u>105,573</u>	<u>29,636</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(75,936)</u>	<u>(75,936)</u>	<u>(75,936)</u>	<u>-</u>
Total other financing sources (uses)	<u>(75,936)</u>	<u>(75,936)</u>	<u>(75,936)</u>	<u>-</u>
Net change in fund balance	1	1	29,637	29,636
Fund balance (deficit), July 1, 2016	<u>38,456</u>	<u>38,456</u>	<u>38,456</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 38,457</u>	<u>\$ 38,457</u>	<u>\$ 68,093</u>	<u>\$ 29,636</u>

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 CITIZEN POLICE FUND
 JUNE 30, 2017

	<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	\$ 15	\$ 4
Use of money and property	20	20	47	27
Other revenues	<u>8,000</u>	<u>8,000</u>	<u>7,292</u>	<u>(708)</u>
Total revenues	<u>8,031</u>	<u>8,031</u>	<u>7,354</u>	<u>(677)</u>
<u>EXPENDITURES:</u>				
Current:				
Public safety	<u>5,400</u>	<u>5,400</u>	<u>4,227</u>	<u>1,173</u>
Total expenditures	<u>5,400</u>	<u>5,400</u>	<u>4,227</u>	<u>1,173</u>
Net change in fund balance	2,631	2,631	3,127	496
Fund balance (deficit), July 1, 2016	<u>1,794</u>	<u>1,794</u>	<u>1,794</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 4,425</u>	<u>\$ 4,425</u>	<u>\$ 4,921</u>	<u>\$ 496</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ASSET SEIZURE FUND
JUNE 30, 2017

	<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	\$ 12	\$ 7
Charges for Services	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
Total revenues	<u>505</u>	<u>505</u>	<u>12</u>	<u>(493)</u>
<u>EXPENDITURES:</u>				
Current:				
Public safety	<u>1,000</u>	<u>1,000</u>	<u>892</u>	<u>108</u>
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>892</u>	<u>108</u>
Net change in fund balance	(495)	(495)	(880)	(601)
Fund balance (deficit), July 1, 2016	<u>3,623</u>	<u>3,623</u>	<u>3,623</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 3,128</u>	<u>\$ 3,128</u>	<u>\$ 2,743</u>	<u>\$ (385)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HIGHWAY SAFETY IMPROVEMENT FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 1,313,708	\$ 1,313,708	\$ 347,225	\$ (966,483)
Total revenues	<u>1,313,708</u>	<u>1,313,708</u>	<u>347,225</u>	<u>(966,483)</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>1,313,708</u>	<u>1,313,708</u>	<u>347,225</u>	<u>(966,483)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(1,313,708)</u>	<u>(1,313,708)</u>	<u>(349,647)</u>	<u>964,061</u>
Total other financing sources (uses)	<u>(1,313,708)</u>	<u>(1,313,708)</u>	<u>(349,647)</u>	<u>964,061</u>
Net change in fund balance	-	-	(2,422)	(2,422)
Fund balance (deficit), July 1, 2016	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Fund balance (deficit), June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,421)</u>	<u>\$ (2,421)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ACTIVE TRANSPORTATION PROGRAM
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 1,971,672	\$ 1,971,672	\$ 925,797	\$ (1,045,875)
Total revenues	<u>1,971,672</u>	<u>1,971,672</u>	<u>925,797</u>	<u>(1,045,875)</u>
<u>EXPENDITURES:</u>				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over (under) expenditures	<u>1,971,672</u>	<u>1,971,672</u>	<u>925,797</u>	<u>(1,045,875)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(1,971,672)</u>	<u>(1,971,672)</u>	<u>(926,752)</u>	<u>1,044,920</u>
Total other financing sources (uses)	<u>(1,971,672)</u>	<u>(1,971,672)</u>	<u>(926,752)</u>	<u>1,044,920</u>
Net change in fund balance	1,971,672	1,971,672	(955)	(1,972,627)
Fund balance (deficit), July 1, 2016	-	-	-	-
Fund balance (deficit), June 30, 2017	<u>\$ 1,971,672</u>	<u>\$ 1,971,672</u>	<u>\$ (955)</u>	<u>\$ (1,972,627)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT SIGNALIZATION FUND
JUNE 30, 2017

	<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	\$ 2,530	\$ 530
Use of money and property	<u>115</u>	<u>115</u>	<u>304</u>	<u>189</u>
Total revenues	<u>2,115</u>	<u>2,115</u>	<u>2,834</u>	<u>719</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	2,115	2,115	2,834	719
Fund balance (deficit), July 1, 2016	<u>66,936</u>	<u>66,936</u>	<u>66,936</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 69,051</u>	<u>\$ 69,051</u>	<u>\$ 69,770</u>	<u>\$ 719</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT PDFC FUND
JUNE 30, 2017

	<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	\$ 4,200	\$ 4,200	\$ 4,675	\$ 475
Use of money and property	<u>70</u>	<u>70</u>	<u>54</u>	<u>(16)</u>
Total revenues	<u>4,270</u>	<u>4,270</u>	<u>4,729</u>	<u>459</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	4,270	4,270	4,729	459
Fund balance (deficit), July 1, 2016	<u>7,677</u>	<u>7,677</u>	<u>7,677</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 11,947</u>	<u>\$ 11,947</u>	<u>\$ 12,406</u>	<u>\$ 459</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT FDFC FUND
JUNE 30, 2017

	<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	\$ 3,200	\$ 3,200	\$ 3,443	\$ 243
Use of money and property	<u>30</u>	<u>30</u>	<u>116</u>	<u>86</u>
Total revenues	<u>3,230</u>	<u>3,230</u>	<u>3,559</u>	<u>329</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	3,230	3,230	3,559	329
Fund balance (deficit), July 1, 2016	<u>22,909</u>	<u>22,909</u>	<u>22,909</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 26,139</u>	<u>\$ 26,139</u>	<u>\$ 26,468</u>	<u>\$ 329</u>

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 95 IMPACT ROAD FUND
 JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Licenses, permits, and impact fees	\$ 30,000	\$ 30,000	\$ 29,832	\$ (168)
Use of money and property	<u>800</u>	<u>800</u>	<u>2,507</u>	<u>1,707</u>
Total revenues	<u>30,800</u>	<u>30,800</u>	<u>32,339</u>	<u>1,539</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	30,800	30,800	32,339	1,539
Fund balance (deficit), July 1, 2016	<u>543,437</u>	<u>543,437</u>	<u>543,437</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u><u>\$ 574,237</u></u>	<u><u>\$ 574,237</u></u>	<u><u>\$ 575,776</u></u>	<u><u>\$ 1,539</u></u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUILDING SAFETY & WASTE WATER SERVICES FUND
JUNE 30, 2017

	<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	\$ 830,044	\$ 843,449	\$ 867,866	\$ 24,417
Fines and forfeitures	11,000	13,000	10,048	(2,952)
Use of money and property	-	-	2,048	2,048
Charges for services	13,000	19,827	19,838	11
Other Revenues	<u>-</u>	<u>6,453</u>	<u>3,136</u>	<u>(3,317)</u>
Total revenues	<u>854,044</u>	<u>882,729</u>	<u>902,936</u>	<u>20,207</u>
<u>EXPENDITURES</u>				
General government	5,000	5,000	5,000	-
Community development	254,139	247,987	248,677	(690)
Public works	448,899	458,127	444,265	13,862
Capital outlay	3,600	3,600	3,927	-
Debt service				
Principal	<u>7,249</u>	<u>5,193</u>	<u>5,193</u>	<u>-</u>
Total expenditures	<u>718,887</u>	<u>719,907</u>	<u>707,062</u>	<u>12,845</u>
Excess of revenues over (under) expenditures	<u>135,157</u>	<u>162,822</u>	<u>195,874</u>	<u>33,052</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	3,322	300	(3,022)
Transfers out	<u>(174,888)</u>	<u>(183,609)</u>	<u>(185,938)</u>	<u>(2,329)</u>
Total Other Financing Sources (Uses)	<u>(174,888)</u>	<u>3,322</u>	<u>(185,638)</u>	<u>(188,960)</u>
Net change in fund balance	(39,731)	166,144	10,236	(155,908)
Fund balance (deficit), July 1, 2016	<u>473,005</u>	<u>473,005</u>	<u>473,005</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 433,274</u>	<u>\$ 639,149</u>	<u>\$ 483,241</u>	<u>\$ (155,908)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
LOCAL TRANSPORTATION FUND
JUNE 30, 2017

	<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	\$ 3,040	\$ 2,440
Intergovernmental revenues	872,091	872,091	718,650	(153,441)
Other revenue	<u>30,000</u>	<u>30,000</u>	<u>26,725</u>	<u>(3,275)</u>
Total revenues	<u>902,691</u>	<u>902,691</u>	<u>748,415</u>	<u>(154,276)</u>
<u>EXPENDITURES:</u>				
Current:				
Streets	<u>905,753</u>	<u>905,753</u>	<u>796,950</u>	<u>108,803</u>
Total expenditures	<u>905,753</u>	<u>905,753</u>	<u>796,950</u>	<u>108,803</u>
Excess of revenues over (under) expenditures	<u>(3,062)</u>	<u>(3,062)</u>	<u>(48,535)</u>	<u>(45,473)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(287,859)</u>	<u>(287,859)</u>	<u>(122,434)</u>	<u>165,425</u>
Total Other Financing Sources (Uses)	<u>(287,859)</u>	<u>(287,859)</u>	<u>(122,434)</u>	<u>165,425</u>
Net change in fund balance	(290,921)	(290,921)	(170,969)	119,952
Fund balance (deficit), July 1, 2016	<u>738,570</u>	<u>738,570</u>	<u>738,570</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 447,649</u>	<u>\$ 447,649</u>	<u>\$ 567,601</u>	<u>\$ 119,952</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HOUSING AUTHORITY FUND
JUNE 30, 2017

	<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	\$ -	\$ -	\$ 267	\$ 267
Total revenues	-	-	267	267
<u>EXPENDITURES:</u>				
Current:				
General government	56,436	56,436	-	56,436
Total expenditures	56,436	56,436	-	56,436
Excess of revenues over (under) expenditures	(56,436)	(56,436)	267	56,703
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	6,046	6,046	4,451	(1,595)
Total other financing sources (uses)	6,046	6,046	4,451	-
Net change in fund balance	(50,390)	(50,390)	4,718	55,108
Fund balance (deficit), July 1, 2016	56,586	56,586	56,586	-
Fund balance (deficit), June 30, 2017	<u>\$ 6,196</u>	<u>\$ 6,196</u>	<u>\$ 61,304</u>	<u>\$ 55,108</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ABANDONED VEHICLE FUND
JUNE 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Use of money and property	\$ 150	\$ 150	\$ 506	\$ 356
Intergovernmental revenues	<u>15,500</u>	<u>15,500</u>	<u>24,437</u>	<u>8,937</u>
Total revenues	<u>15,650</u>	<u>15,650</u>	<u>24,943</u>	<u>9,293</u>
<u>EXPENDITURES:</u>				
Current:				
Community development	790	790	1,012	(222)
Debt service:				
Principal	<u>322</u>	<u>322</u>	<u>322</u>	<u>-</u>
Total expenditures	<u>1,112</u>	<u>1,112</u>	<u>1,334</u>	<u>(222)</u>
Excess of revenues over (under) expenditures	<u>14,538</u>	<u>14,538</u>	<u>23,609</u>	<u>9,071</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(5,500)</u>	<u>(14,000)</u>	<u>(17,999)</u>	<u>(3,999)</u>
Total other financing sources (uses)	<u>(5,500)</u>	<u>(14,000)</u>	<u>(17,999)</u>	<u>(3,999)</u>
Net change in fund balance	9,038	538	5,610	5,072
Fund balance (deficit), July 1, 2016	<u>121,557</u>	<u>121,557</u>	<u>121,557</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 130,595</u>	<u>\$ 122,095</u>	<u>\$ 127,167</u>	<u>\$ 5,072</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
95 IMPACT DRAINAGE FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Licenses, permits, and impact fees	\$ 22,000	\$ 22,000	\$ 14,568	\$ (7,432)
Use of money and property	<u>800</u>	<u>800</u>	<u>3,018</u>	<u>2,218</u>
Total revenues	<u>22,800</u>	<u>22,800</u>	<u>17,586</u>	<u>(5,214)</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>22,800</u>	<u>22,800</u>	<u>17,586</u>	<u>(5,214)</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>
Net change in fund balance	(27,200)	(27,200)	17,586	44,786
Fund balance (deficit), July 1, 2016	<u>675,502</u>	<u>675,502</u>	<u>675,502</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 648,302</u>	<u>\$ 648,302</u>	<u>\$ 693,088</u>	<u>\$ 44,786</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
AVOID FUND
JUNE 30, 2017

	<u>Final Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental	\$ -	\$ -	\$ 18,068	\$ 18,068
Total revenues	<u>-</u>	<u>-</u>	<u>18,068</u>	<u>18,068</u>
<u>EXPENDITURES</u>				
Public Safety	<u>-</u>	<u>-</u>	<u>7,798</u>	<u>(7,798)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>7,798</u>	<u>(7,798)</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>10,270</u>	<u>10,270</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>-</u>	<u>-</u>	<u>(10,270)</u>	<u>(10,270)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(10,270)</u>	<u>(10,270)</u>
Net change in fund balance	-	-	-	-
Fund balance (deficit), July 1, 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

* The Town did not adopt a budget for the Avoid Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL PLAN FEE FUND
JUNE 30, 2017

	<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	\$ 1,101	\$ 801
Charges for services	<u>41,000</u>	<u>41,000</u>	<u>38,645</u>	<u>(2,355)</u>
Total revenues	<u>41,300</u>	<u>41,300</u>	<u>39,746</u>	<u>(1,554)</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	41,300	41,300	39,746	(1,554)
Fund balance (deficit), July 1, 2016	<u>212,867</u>	<u>212,867</u>	<u>212,867</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 254,167</u>	<u>\$ 254,167</u>	<u>\$ 252,613</u>	<u>\$ (1,554)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRAFFIC SAFETY-DUI IMPOUND FEES FUND
JUNE 30, 2017

	<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	\$ 75	\$ 75	\$ 240	\$ 165
Charges for services	<u>14,000</u>	<u>14,000</u>	<u>14,560</u>	<u>560</u>
Total revenues	<u>14,075</u>	<u>14,075</u>	<u>14,800</u>	<u>725</u>
<u>EXPENDITURES</u>				
Public Safety	<u>4,440</u>	<u>4,440</u>	<u>6,594</u>	<u>(2,154)</u>
Total Expenditures	<u>4,440</u>	<u>4,440</u>	<u>6,594</u>	<u>(2,154)</u>
Excess of revenue over (under) expenditures	<u>9,635</u>	<u>9,635</u>	<u>8,206</u>	<u>(1,429)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>-</u>	<u>-</u>	<u>(300)</u>	<u>(300)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(300)</u>	<u>(300)</u>
Net change in fund balance	9,635	9,635	7,906	(1,729)
Fund balance (deficit), July 1, 2016	<u>47,159</u>	<u>47,159</u>	<u>47,159</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 56,794</u>	<u>\$ 56,794</u>	<u>\$ 55,065</u>	<u>\$ (1,729)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
AB109 STATE FUND
JUNE 30, 2017

	<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	\$ 285	\$ 285	\$ 559	\$ 274
Intergovernmental revenues	<u>-</u>	<u>-</u>	<u>30,291</u>	<u>30,291</u>
Total revenues	<u>285</u>	<u>285</u>	<u>30,850</u>	<u>30,565</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>285</u>	<u>285</u>	<u>30,850</u>	<u>30,565</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers Out	<u>(81,682)</u>	<u>(81,682)</u>	<u>(87,245)</u>	<u>5,563</u>
Total other financing sources (uses)	<u>(81,682)</u>	<u>(81,682)</u>	<u>(87,245)</u>	<u>5,563</u>
Net change in fund balance	(81,397)	(81,397)	(56,395)	25,002
Fund balance (deficit), July 1, 2016	<u>214,935</u>	<u>214,935</u>	<u>214,935</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 133,538</u>	<u>\$ 133,538</u>	<u>\$ 158,540</u>	<u>\$ 25,002</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CLARK ROAD SIGNAL FUND
JUNE 30, 2017

	<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	\$ <u> 9</u>	\$ <u> 9</u>	\$ <u> 27</u>	\$ <u> 18</u>
Total revenues	<u> 9</u>	<u> 9</u>	<u> 27</u>	<u> 18</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	9	9	27	18
Fund balance (deficit), July 1, 2016	<u> 6,078</u>	<u> 6,078</u>	<u> 6,078</u>	<u> -</u>
Fund balance (deficit), June 30, 2017	<u><u> 6,087</u></u>	<u><u> 6,087</u></u>	<u><u> 6,105</u></u>	<u><u> 18</u></u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TREE REPLACEMENT IN LIEU FUND
JUNE 30, 2017

	<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	\$ 10	\$ 7
Total revenues	<u>3</u>	<u>3</u>	<u>10</u>	<u>7</u>
<u>EXPENDITURES:</u>				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	3	3	10	7
Fund balance (deficit), July 1, 2016	<u>2,509</u>	<u>2,509</u>	<u>2,509</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 2,512</u>	<u>\$ 2,512</u>	<u>\$ 2,519</u>	<u>\$ 7</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
HYDRANT MAINTENANCE FUND
JUNE 30, 2017

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Other revenues	\$ -	\$ -	\$ 1,211	\$ 1,211
Total revenues	-	-	1,211	1,211
<u>EXPENDITURES:</u>				
Public safety	-	-	5,571	(5,571)
Total Expenditures	-	-	5,571	(5,571)
Net change in fund balance	-	-	(4,360)	(4,360)
Fund balance (deficit), July 1, 2016	-	-	7,301	7,301
Fund balance (deficit), June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,941</u>	<u>\$ 2,941</u>

* The Town did not adopt a budget for the Hydrant Maintenance Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
DISABILITY ACCESS AND EDUCATION FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Use of money and property	\$ -	\$ -	\$ 2	\$ 2
Charges for services	<u>20</u>	<u>20</u>	<u>63</u>	<u>43</u>
Total revenues	<u>20</u>	<u>20</u>	<u>65</u>	<u>45</u>
<u>EXPENDITURES:</u>				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	20	20	65	45
Fund balance (deficit), July 1, 2016	<u>75</u>	<u>75</u>	<u>75</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 95</u>	<u>\$ 95</u>	<u>\$ 140</u>	<u>\$ 45</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
SMIP FUND
JUNE 30, 2017

	<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	\$ 10	\$ 7
Licenses and permits	<u>700</u>	<u>700</u>	<u>89</u>	<u>(611)</u>
Total revenues	<u>703</u>	<u>703</u>	<u>99</u>	<u>(604)</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	703	703	99	(604)
Fund balance (deficit), July 1, 2016	<u>2,007</u>	<u>2,007</u>	<u>2,007</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 2,710</u>	<u>\$ 2,710</u>	<u>\$ 2,106</u>	<u>\$ (604)</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE DEPARTMENT SEIZURES FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Other revenues	\$ 400	\$ 400	\$ 750	\$ 350
Total revenues	<u>400</u>	<u>400</u>	<u>750</u>	<u>350</u>
<u>EXPENDITURES:</u>				
Public Safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	400	400	750	350
Fund balance (deficit), July 1, 2016	<u>1,570</u>	<u>1,570</u>	<u>1,570</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 1,970</u>	<u>\$ 1,970</u>	<u>\$ 2,320</u>	<u>\$ 350</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
POLICE TRADING CARDS FUND
JUNE 30, 2017

	<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	\$ <u>2</u>	\$ <u>2</u>	\$ <u>7</u>	\$ <u>5</u>
Total revenues	<u>2</u>	<u>2</u>	<u>7</u>	<u>5</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	2	2	7	5
Fund balance (deficit), July 1, 2016	<u>-</u>	<u>-</u>	<u>1,764</u>	<u>1,764</u>
Fund balance (deficit), June 30, 2017	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 1,771</u>	<u>\$ 1,769</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CANINE PROTECT FUND
JUNE 30, 2017

	<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	\$ 10	\$ 10	\$ 51	\$ 41
Other Revenues	<u>3,500</u>	<u>3,500</u>	<u>8,592</u>	<u>5,092</u>
Total revenues	<u>3,510</u>	<u>3,510</u>	<u>8,643</u>	<u>5,133</u>
<u>EXPENDITURES:</u>				
Public Safety	<u>-</u>	<u>-</u>	<u>4,352</u>	<u>(4,352)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>4,352</u>	<u>(4,352)</u>
Net change in fund balance	3,510	3,510	4,291	781
Fund balance (deficit), July 1, 2016	<u>7,678</u>	<u>7,678</u>	<u>7,678</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 11,188</u>	<u>\$ 11,188</u>	<u>\$ 11,969</u>	<u>\$ 781</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
FIRE FUND
JUNE 30, 2017

	<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	\$ 9	\$ 9	\$ 33	\$ 24
Other revenues	<u>-</u>	<u>-</u>	<u>136</u>	<u>136</u>
Total revenues	<u>9</u>	<u>9</u>	<u>169</u>	<u>160</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	9	9	169	160
Fund balance (deficit), July 1, 2016	<u>7,233</u>	<u>7,233</u>	<u>7,233</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u><u>\$ 7,242</u></u>	<u><u>\$ 7,242</u></u>	<u><u>\$ 7,402</u></u>	<u><u>\$ 160</u></u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
ANIMAL CONTROL FUND
JUNE 30, 2017

	<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	\$ 65	\$ 65	\$ 118	\$ 53
Other revenues	<u>3,000</u>	<u>3,000</u>	<u>7,282</u>	<u>4,282</u>
Total revenues	<u>3,065</u>	<u>3,065</u>	<u>7,400</u>	<u>4,335</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>3,065</u>	<u>3,065</u>	<u>7,400</u>	<u>4,335</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	<u>(28,874)</u>	<u>(42,697)</u>	<u>(40,713)</u>	<u>1,984</u>
Total other financing sources (uses)	<u>(28,874)</u>	<u>(42,697)</u>	<u>(40,713)</u>	<u>1,984</u>
Net change in fund balance	(25,809)	(39,632)	(33,313)	6,319
Fund balance (deficit), July 1, 2016	<u>46,549</u>	<u>46,549</u>	<u>46,549</u>	<u>-</u>
Fund balance (deficit), June 30, 2017	<u>\$ 20,740</u>	<u>\$ 6,917</u>	<u>\$ 13,236</u>	<u>\$ 6,319</u>

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 POLICE FUND
 JUNE 30, 2017

	Original Budget*	Final Budget*	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES:</u>				
Use of money and property	\$ -	\$ -	\$ 1	\$ 1
Other revenues	-	-	1,020	1,020
	-	-	1,021	1,021
Total revenues	-	-	1,021	1,021
<u>EXPENDITURES:</u>				
Public Safety	-	-	1,021	(1,021)
	-	-	1,021	(1,021)
Total Expenditures	-	-	1,021	(1,021)
Net change in fund balance	-	-	-	-
Fund balance (deficit), July 1, 2016	-	-	482	482
Fund balance (deficit), June 30, 2017	\$ -	\$ -	\$ 482	\$ 482

* The Town did not adopt a budget for the Police Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
SPECIAL PROJECTS DONATIONS FUND
JUNE 30, 2017

	<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	\$ _____ -	\$ _____ -	\$ _____ 1,700	\$ _____ 1,700
Total revenues	_____ -	_____ -	_____ 1,700	_____ 1,700
<u>EXPENDITURES:</u>				
General government	_____ -	_____ -	_____ 1,652	_____ (1,652)
Total Expenditures	_____ -	_____ -	_____ 1,652	_____ (1,652)
Net change in fund balance	-	-	48	48
Fund balance (deficit), July 1, 2016	_____ -	_____ -	_____ (609)	_____ (609)
Fund balance (deficit), June 30, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ (561)</u>	<u>\$ _____ (561)</u>

* The Town did not adopt a budget for the Special Projects Donation Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
MEMORIAL TRAILWAY
JUNE 30, 2017

	<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	\$ _____ -	\$ _____ -	\$ _____ 15	\$ _____ (15)
Total revenues	_____ -	_____ -	_____ 15	_____ (15)
<u>EXPENDITURES:</u>				
Capital Outlay	_____ -	_____ -	_____ -	_____ -
Total expenditures	_____ -	_____ -	_____ -	_____ -
Net change in fund balance	-	-	15	15
Fund balance (deficit), July 1, 2016	_____ -	_____ -	_____ 3,364	_____ 3,364
Fund balance (deficit), June 30, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ 3,379</u>	<u>\$ _____ 3,379</u>

* The Town did not adopt a budget for the Memorial Trailway Fund for the year ended June 30, 2017.

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
TRANSPORTATION CAPITAL PROJECTS FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ _____ -	\$ _____ -	\$ _____ 132,174	\$ _____ 132,174
Total revenues	_____ -	_____ -	_____ 132,174	_____ 132,174
<u>EXPENDITURES:</u>				
Public works	\$ 14,904	\$ 14,904	\$ 14,954	\$ (50)
Streets	_____ 3,728	_____ 3,728	_____ 3,538	_____ 190
Total Expenditures	_____ 18,632	_____ 18,632	_____ 18,492	_____ 140
Excess of revenue over (under) expenditures	_____ (18,632)	_____ (18,632)	_____ 113,682	_____ 132,314
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	287,859	287,859	122,434	(165,425)
Transfers out	_____ (132,357)	_____ (132,590)	_____ (208,335)	_____ (75,745)
Total other financing sources (uses)	_____ 287,859	_____ 287,859	_____ (85,901)	_____ (373,760)
Net change in fund balance	269,227	269,227	27,781	(241,446)
Fund balance (deficit), July 1, 2016	_____ (43,646)	_____ (43,646)	_____ (43,646)	_____ -
Fund balance (deficit), June 30, 2017	\$ _____ 225,581	\$ _____ 225,581	\$ _____ 18,760	\$ _____ (206,821)

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
STATE WATER BOARD PROP 1 GRANT FUND
JUNE 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
<u>REVENUES:</u>				
Intergovernmental revenues	\$ _____ -	\$ _____ -	\$ 292,591	\$ 292,591
Total revenues	_____ -	_____ -	292,591	292,591
<u>EXPENDITURES:</u>				
Capital outlay	_____ -	_____ -	_____ -	_____ -
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess of revenue over (under) expenditures	_____ -	_____ -	292,591	292,591
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	(360,000)	(360,000)	(292,591)	67,409
Total other financing sources (uses)	(360,000)	(360,000)	(292,591)	67,409
Net change in fund balance	(360,000)	(360,000)	-	360,000
Fund balance (deficit), July 1, 2016	_____ -	_____ -	_____ -	_____ -
Fund balance (deficit), June 30, 2017	<u>\$ (360,000)</u>	<u>\$ (360,000)</u>	<u>\$ _____ -</u>	<u>\$ 360,000</u>

TOWN OF PARADISE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CAPITAL LEASES FUND
JUNE 30, 2017

	<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	\$ _____ -	\$ _____ -	\$ _____ 64	\$ _____ 64
Total revenues	_____ -	_____ -	_____ 64	_____ 64
<u>EXPENDITURES:</u>				
Capital outlay	_____ -	_____ -	_____ 566,054	_____ (566,054)
Total Expenditures	_____ -	_____ -	_____ 566,054	_____ (566,054)
Excess of revenue over (under) expenditures	_____ -	_____ -	_____ (565,990)	_____ (565,990)
<u>OTHER FINANCING SOURCES (USES):</u>				
Proceeds from the issuance of debt	_____ -	_____ -	_____ 565,990	_____ 565,990
Total other financing sources (uses)	_____ -	_____ -	_____ 565,990	_____ 565,990
Net change in fund balance	-	-	-	-
Fund balance (deficit), July 1, 2016	_____ -	_____ -	_____ 6,963	_____ 6,963
Fund balance (deficit), June 30, 2017	<u>\$ _____ -</u>	<u>\$ _____ -</u>	<u>\$ _____ 6,963</u>	<u>\$ _____ 6,963</u>

* The Town did not adopt a budget for the Capital Leases Fund for the year ended June 30, 2017.

TOWN OF PARADISE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUAL
 WASTEWATER DESIGN ASSESSMENT DISTRICT FUND
 JUNE 30, 2017

	<u>Original Budget*</u>	<u>Final Budget*</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance (deficit), July 1, 2016	<u>-</u>	<u>-</u>	<u>6,278</u>	<u>6,278</u>
Fund balance (deficit), June 30, 2017	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,278</u>	<u>\$ 6,278</u>

* The Town did not adopt a budget for the Wastewater Design Assessment District Fund for the year ended June 30, 2017.

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017

	General Trust	Successor RDA Fund	RDA Debt Service Obligation Retirement Fund	Totals
<u>ASSETS</u>				
Cash and investments	\$ 63,274	\$ 183,910	\$ -	\$ 247,184
Restricted cash and investments with fiscal agents	-	419,378	-	419,378
Due from the Town	-	27	-	27
	<u>63,274</u>	<u>603,315</u>	<u>-</u>	<u>666,589</u>
Total assets				
<u>LIABILITIES</u>				
Accounts payable	59,175	-	-	59,175
Accrued payroll payable	-	152	-	152
Interest payable	-	22,211	-	22,211
Long-term debt, due within one year	-	90,000	-	90,000
Long-term debt, due in more than one year	-	7,124,971	-	7,124,971
	<u>59,175</u>	<u>7,237,334</u>	<u>-</u>	<u>7,296,509</u>
Total liabilities				
<u>NET POSITION</u>				
Unrestricted	<u>4,099</u>	<u>(6,634,019)</u>	<u>-</u>	<u>(6,629,920)</u>
Total net position (deficit)	<u>\$ 4,099</u>	<u>\$ (6,634,019)</u>	<u>\$ -</u>	<u>\$ (6,629,920)</u>

TOWN OF PARADISE
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2017

	<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	\$ 67,815	\$ -	\$ 428,554	\$ 496,369
Investment revenue	-	623,705	-	623,705
Intergovernmental revenue	<u>-</u>	<u>653,164</u>	<u>-</u>	<u>653,164</u>
Total additions	<u>67,815</u>	<u>1,276,869</u>	<u>428,554</u>	<u>1,773,238</u>
<u>DEDUCTIONS</u>				
Administrative expenses	-	10,285	-	10,285
Interest expense	-	579,417	-	579,417
Intergovernmental expense	<u>63,716</u>	<u>5,518</u>	<u>653,164</u>	<u>722,398</u>
Total deductions	<u>63,716</u>	<u>595,220</u>	<u>653,164</u>	<u>1,312,100</u>
Change in Net position	4,099	681,649	(224,610)	461,138
Net deficit - July 1, 2016	<u>-</u>	<u>(7,315,668)</u>	<u>224,610</u>	<u>(7,091,058)</u>
Net deficit - June 30, 2017	<u>\$ 4,099</u>	<u>\$ (6,634,019)</u>	<u>\$ -</u>	<u>\$ (6,629,920)</u>

TOWN OF PARADISE
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 JUNE 30, 2017

	Employee BankFund	Police Department Found Money Fund	Total
<u>ASSETS</u>			
Cash and investments	\$ 495	\$ 6,567	\$ 7,062
Interest receivable	1	-	1
Total assets	\$ 496	\$ 6,567	\$ 7,063
<u>LIABILITIES</u>			
Due to others	\$ 496	\$ 6,567	\$ 7,063
Total liabilities	\$ 496	\$ 6,567	\$ 7,063

TOWN OF PARADISE
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
EMPLOYEE BANK FUND				
ASSETS				
Cash and investments	\$ 442	\$ 53	\$ -	\$ 495
Interest receivable	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
Total Assets	<u>\$ 442</u>	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ 496</u>
LIABILITIES				
Due to others	<u>\$ 442</u>	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ 496</u>
Total liabilities	<u>\$ 442</u>	<u>\$ 54</u>	<u>\$ -</u>	<u>\$ 496</u>
POLICE DEPARTMENT FOUND				
MONEY FUND				
ASSETS				
Cash and investments	<u>\$ 5,585</u>	<u>\$ 982</u>	<u>\$ -</u>	<u>\$ 6,567</u>
Total assets	<u>\$ 5,585</u>	<u>\$ 982</u>	<u>\$ -</u>	<u>\$ 6,567</u>
LIABILITIES				
Due to others	<u>\$ 5,585</u>	<u>\$ 982</u>	<u>\$ -</u>	<u>\$ 6,567</u>
Total liabilities	<u>\$ 5,585</u>	<u>\$ 982</u>	<u>\$ -</u>	<u>\$ 6,567</u>