



Fiscal Year 2026/2027 Operating & Capital Budgets

TOWN OF PARADISE

JUNE 24, 2026

Agenda

- **Budget Introduction**
- **Budget Overview**
- **Departmental Budgets**
 - Accomplishments
 - Goals
 - FY 2026-2027 Expenditures
- **Successor Agency**
- **Questions**





Budget Introduction

TOWN MANAGER – JENNIFER MACARTHY

Town Financial Management Tools

Financial Health Report

- Where are we now?

Annual Budget

- Where are our priorities this year?

Fiscal Sustainability Model

- Where are we going?

2026 Financial Health & Organizational Impact Report

► Rebuilding Paradise

 **5,822**

Housing Units Restored

► Investing in Recovery

 **\$437M**

Grant Funding Secured

► Preserving Sustainability

 **\$219M**

Starting PRO Fund Balance

 **\$340M**

Spent since 2019

 **\$209M**

2026 Financial Resources



Total Budget = \$131,675,579

Expenditures
\$131,675,579

\$26,518,064 General Fund Expenditures
\$105,157,515 Tied to Reimbursable Grants and Enterprise Supported Activities

Revenues
\$118,050,218

16% General Fund Increase
3% Grant Fund Decrease

PRO Fund
\$15,150,588

PRO Fund = \$15,150,588 estimated use
PRO Fund = \$6,100,000 estimated investment return
PRO Fund = \$9,050,000 estimated net impact

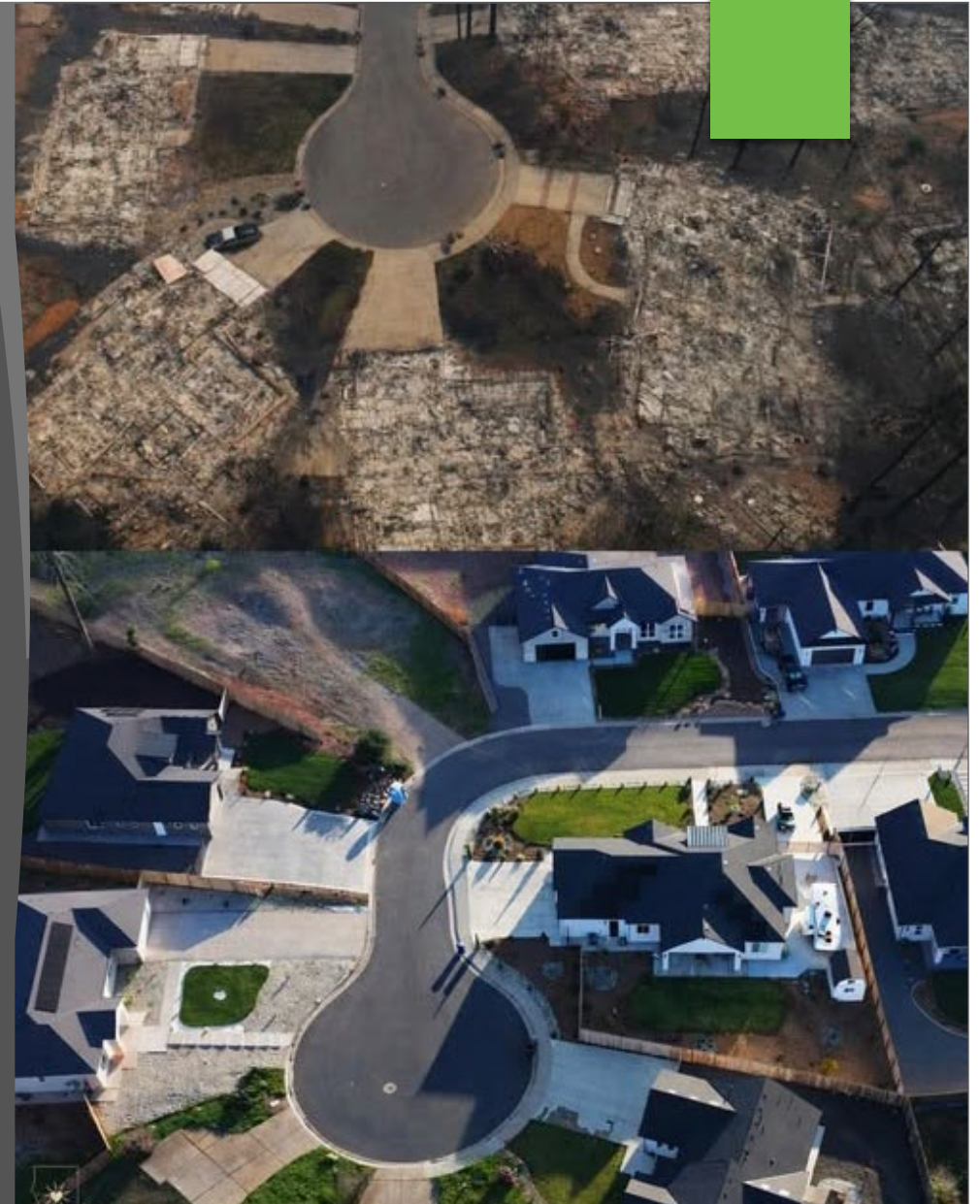


Budget Overview

FINANCE DIRECTOR – AIMEE BELEU

FY 26/27 Budget Recognizes Recovery Phases

- ▶ **Recovery Phase (2019–Present)**
 - ▶ Invest heavily in rebuilding Paradise
 - ▶ Restore services and infrastructure
 - ▶ Control growth in ongoing operating costs
- ▶ **Transition Phase (Future)**
 - ▶ Complete major recovery projects
 - ▶ Slow expenditure growth
 - ▶ Preserve PRO Fund resources
- ▶ **Stabilization Phase (Long-Term)**
 - ▶ Revenues support ongoing operations
 - ▶ Infrastructure is maintained
 - ▶ Financial resources remain sustainable



Key Budget Approach

- ▶ Conservative property tax projections based on prior-year county estimates.
- ▶ Staff Allocation budgeted under normal operating distributions; engineering and economic development staff costs will be charged to eligible projects where appropriate, reducing General Fund impact.
- ▶ Fire services budgeted at full contract cost, with anticipated savings from historical vacancy trends.
- ▶ Police services budgeted at full staffing levels, while historical staffing vacancies and leave patterns typically reduce actual expenditures.

There will be savings!!

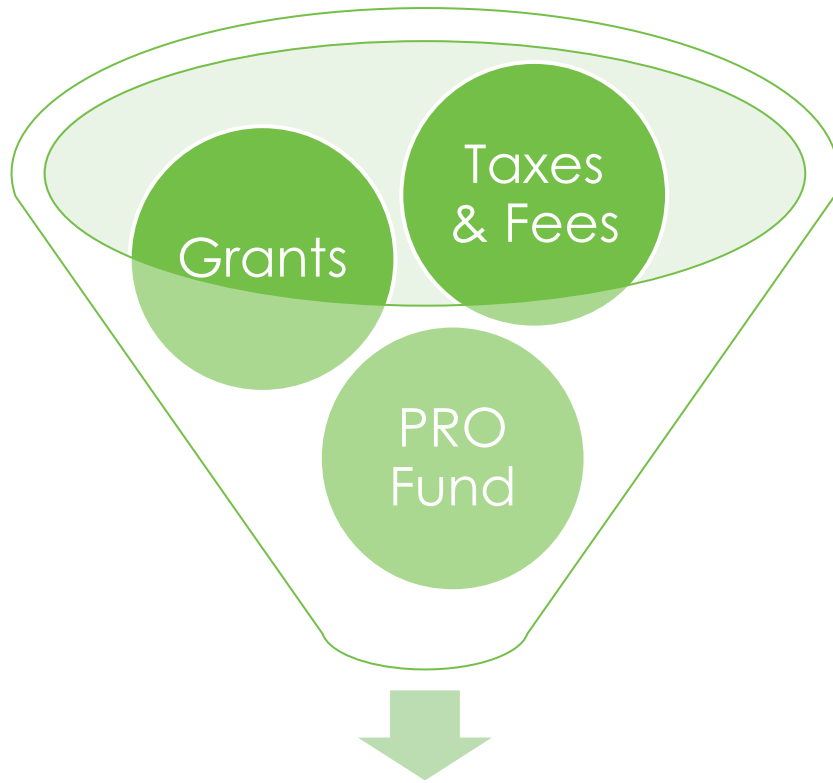
The Big Picture

- ▶ **All-funds spending:** Overall Town spending across all funds and programs. Includes grant-funded projects, enterprise activities, capital projects, and day-to-day operations.
- ▶ **General Fund Spending:** The Town's primary operating budget used to provide core services such as police, fire, administration, planning, public works, parks, and animal control.

\$131.7M

\$26.5M

What are our funding sources?



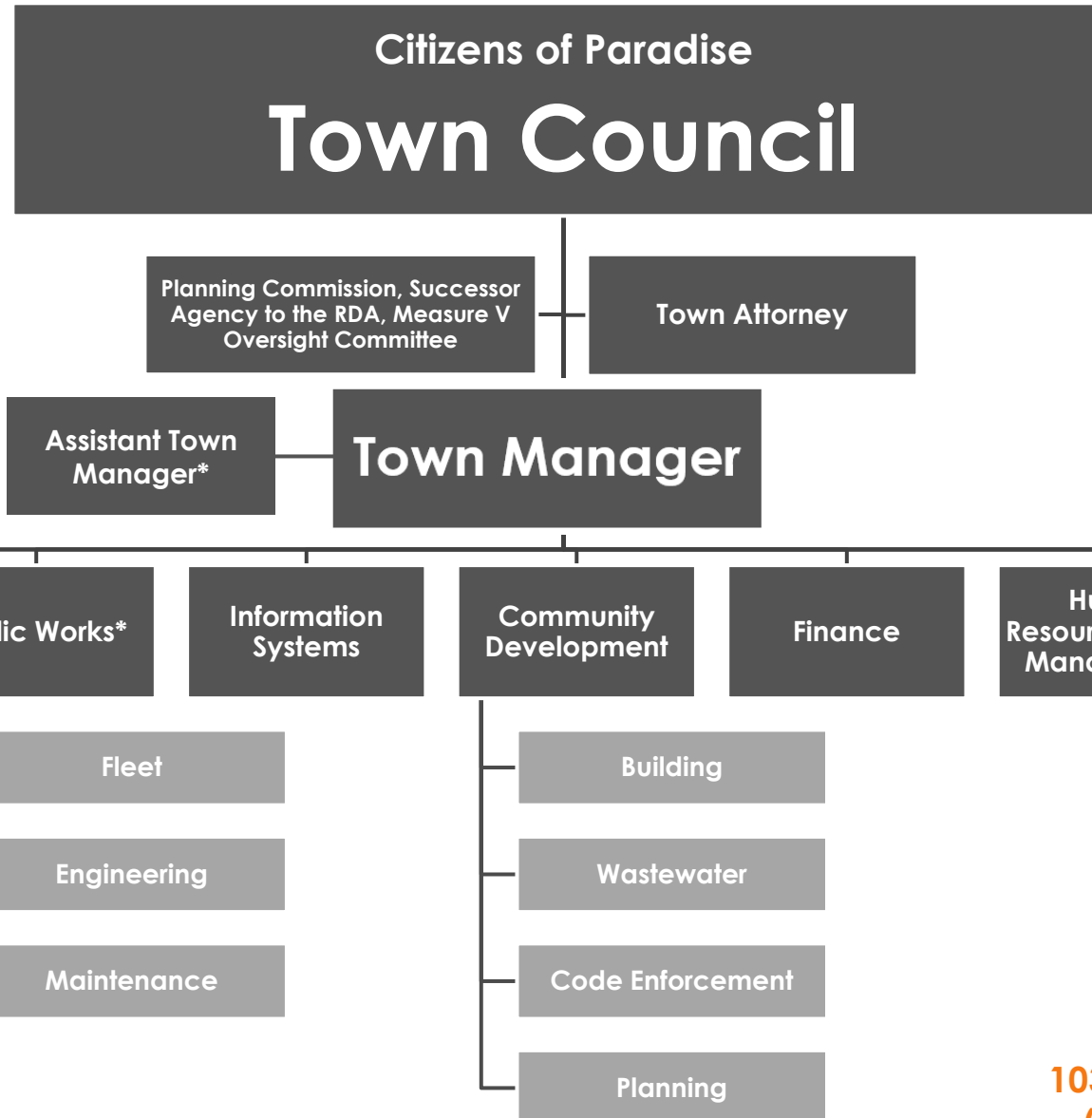
Town Operating Budget

- ▶ **General Fund Revenues:** \$11.4M
- ▶ **Grants:** \$105M
- ▶ **PRO Fund:** \$15.1M

- ▶ **TOTAL = \$131M**



Organization Chart



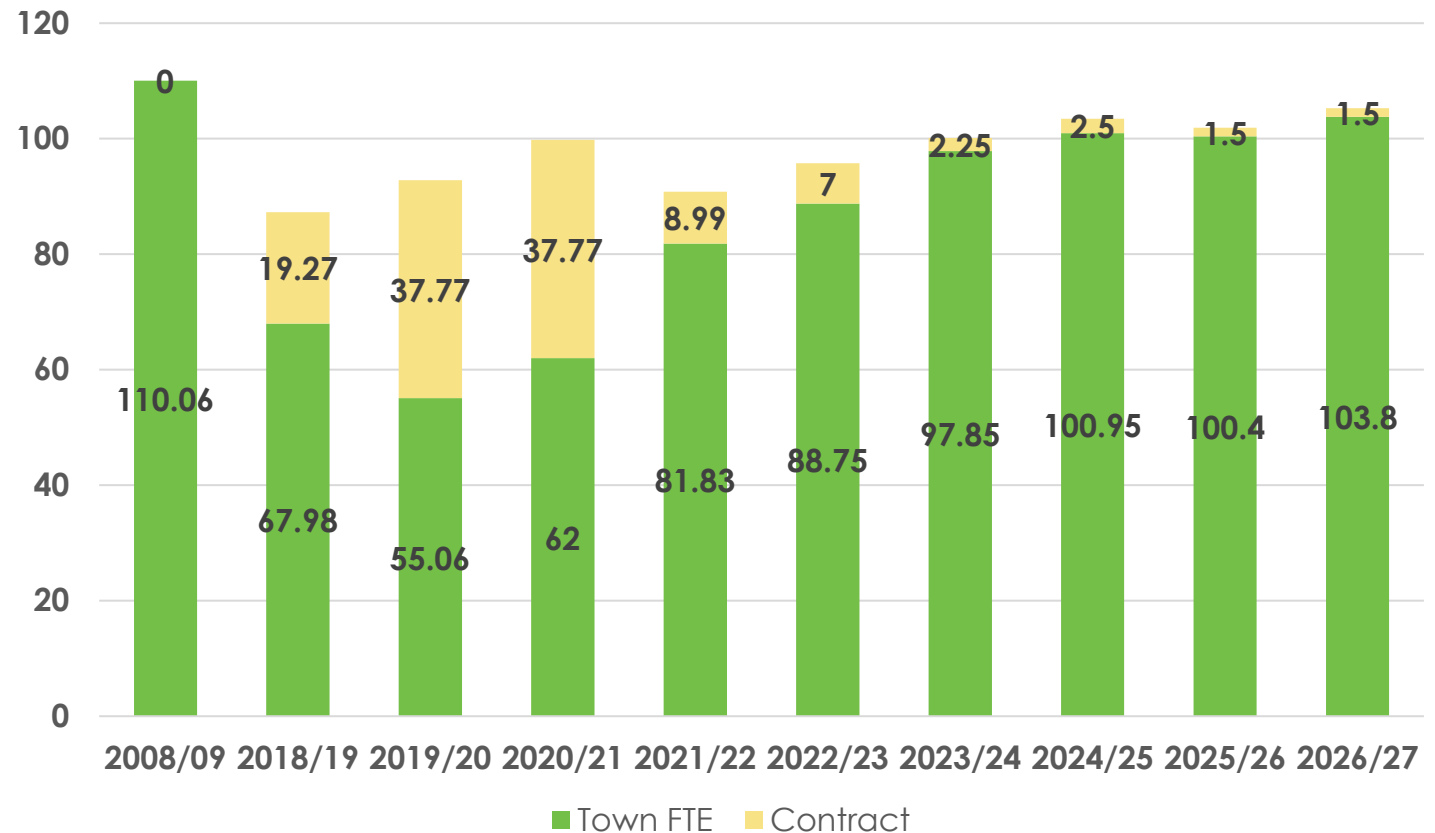
FY 2026/27
103.8 Full Time Equivalent Employees
(9 Town Manager Direct Reports)

*Assistant Town Manager role is currently held by the Public Works Director/Town Engineer

Organizational Capacity

FY 18/19
68.6 FTE
\$23.5M All-
Funds Annual
Spending

FY 26/27
103.8 FTE
\$131.5M All
Funds Annual
Spending



General Fund Expenditure Drivers

- ▶ 10% Overall Increase primarily due to:
 - ▶ Unfunded Liability
 - ▶ COLA 4%
 - ▶ 80/20 Employee Insurance (10% rate increase assumption)
 - ▶ Insurance
 - ▶ Fire Contractual Annual Cost Adjustment
 - ▶ New Positions (PD Sergeant, 1 Coordinator, 2 Fire Inspectors)
 - ▶ Worker's Compensation

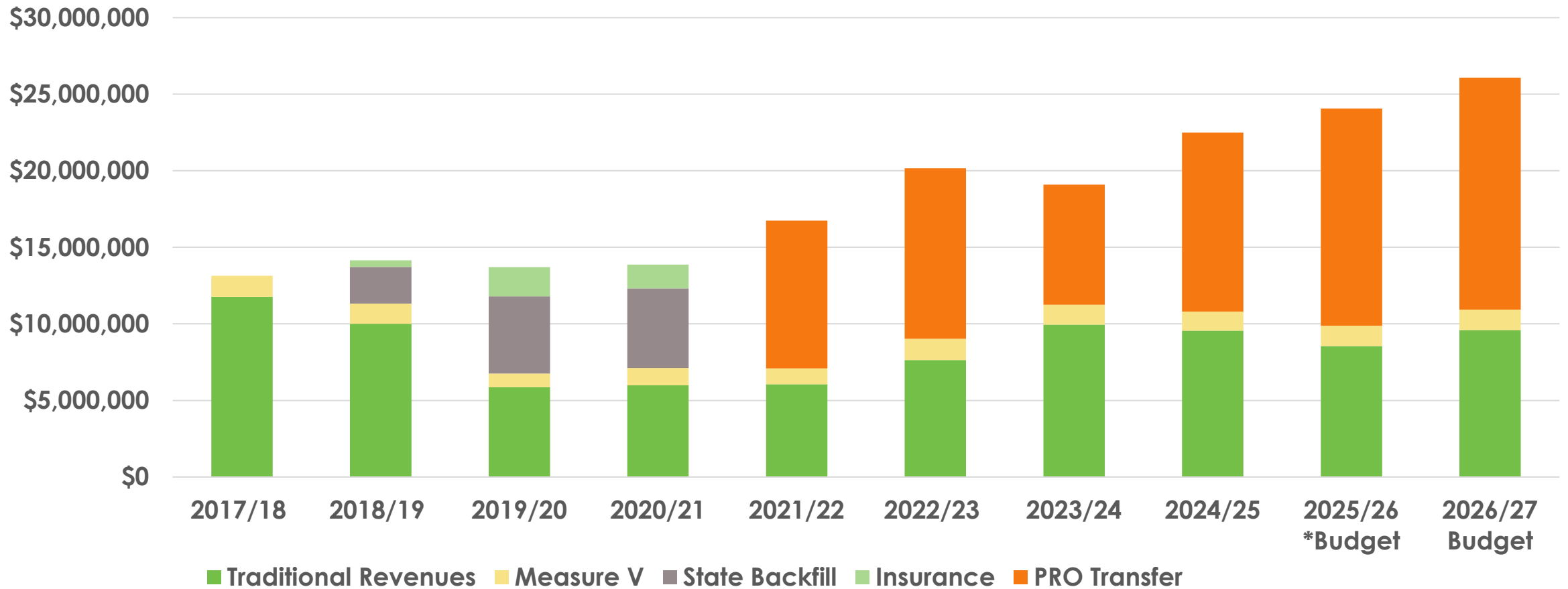
General Fund Summary

	2024/2025 Actual	2025/26 Amended Budget	YTD 2025/26 Actuals	2026/27 Proposed Budget
Total General Fund Operating Revenues	\$9,553,050	\$8,556,293	\$9,408,457	\$10,071,690
Measure V Revenues	\$1,258,297	\$1,330,000	\$907,744	\$1,346,979
Paradise Recovery & Operations Fund Transfer	\$11,692,626	\$14,181,001	\$11,138,121	\$15,150,588
Other Fund Transfers	\$(353,871)	\$(462,753)	\$(397,979)	\$(490,537)
Total Resources	\$22,150,102	\$23,604,541	\$21,056,343	\$26,078,720
Total Financial Uses	\$22,150,102	\$23,604,541	\$21,056,343	\$26,078,720
General Fund Net Income (Loss)	\$0	\$0	\$0	\$0

General Fund Reserves

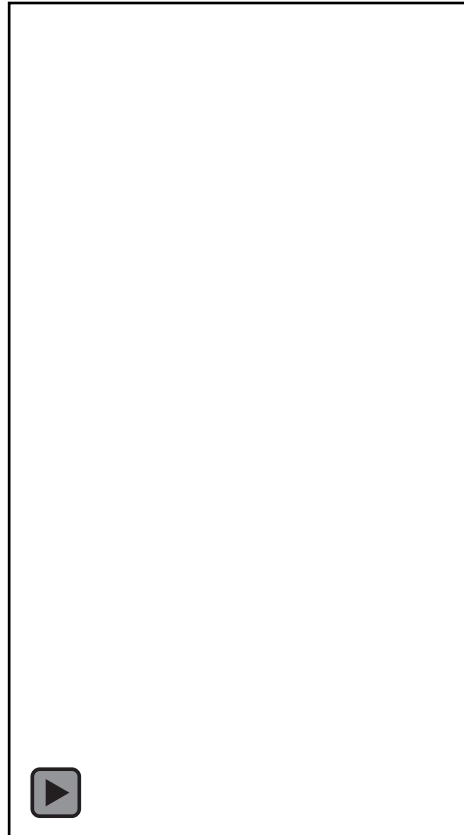
	2024/2025 Actual	2025/26 Amended Budget	YTD 2025/26 Actuals	2026/27 Proposed Budget
Nonspendable (RDA and Other Loans)	\$3,544,016	\$3,776,727	\$4,499,137	\$4,172,595
Unassigned – Cash Flow	\$909,263	\$814,361	\$0	\$311,562
Assigned – Measure V	\$888,691	\$770,430	\$842,834	\$857,813
Assigned – PRO Fund	\$153,348,072	\$130,974,094	\$146,426,052	\$136,155,464
Assigned – Recovery PRO Fund	\$20,943,662	\$20,769,500	\$21,484,570	\$22,094,570
Assigned – Emergency Reserve PRO Fund	\$21,900,000	\$22,611,500	\$22,467,410	\$23,077,410
Ending Fund Balance	\$201,533,704	\$179,716,612	\$195,720,003	\$186,669,415

General Fund Revenues



Measure V 2026/27 Budget

- ▶ *Measure V represents a ten-year continuation of this half cent temporary tax, which will automatically expire on March 31, 2031.*
- ▶ *Funds are used to preserve public services such as police protection, fire suppression, street maintenance, animal control and other services for the Town of Paradise.*



- ▶ Projected Fund Balance
June 30, 2026 = \$606,894
- ▶ Total Projected Revenues
= \$1,346,979
- ▶ Total Projected Expenditures
= \$1,096,060
- ▶ Projected Ending Fund Balance
June 30, 2027 = \$857,813

Measure V 2026/27 Budget Expenditures

▶ **Fire Department \$583,000**

- ▶ Cal Fire Contract Staffing Support
- ▶ E81 Replacement Year 1 of 3

▶ **Animal Control \$55,000**

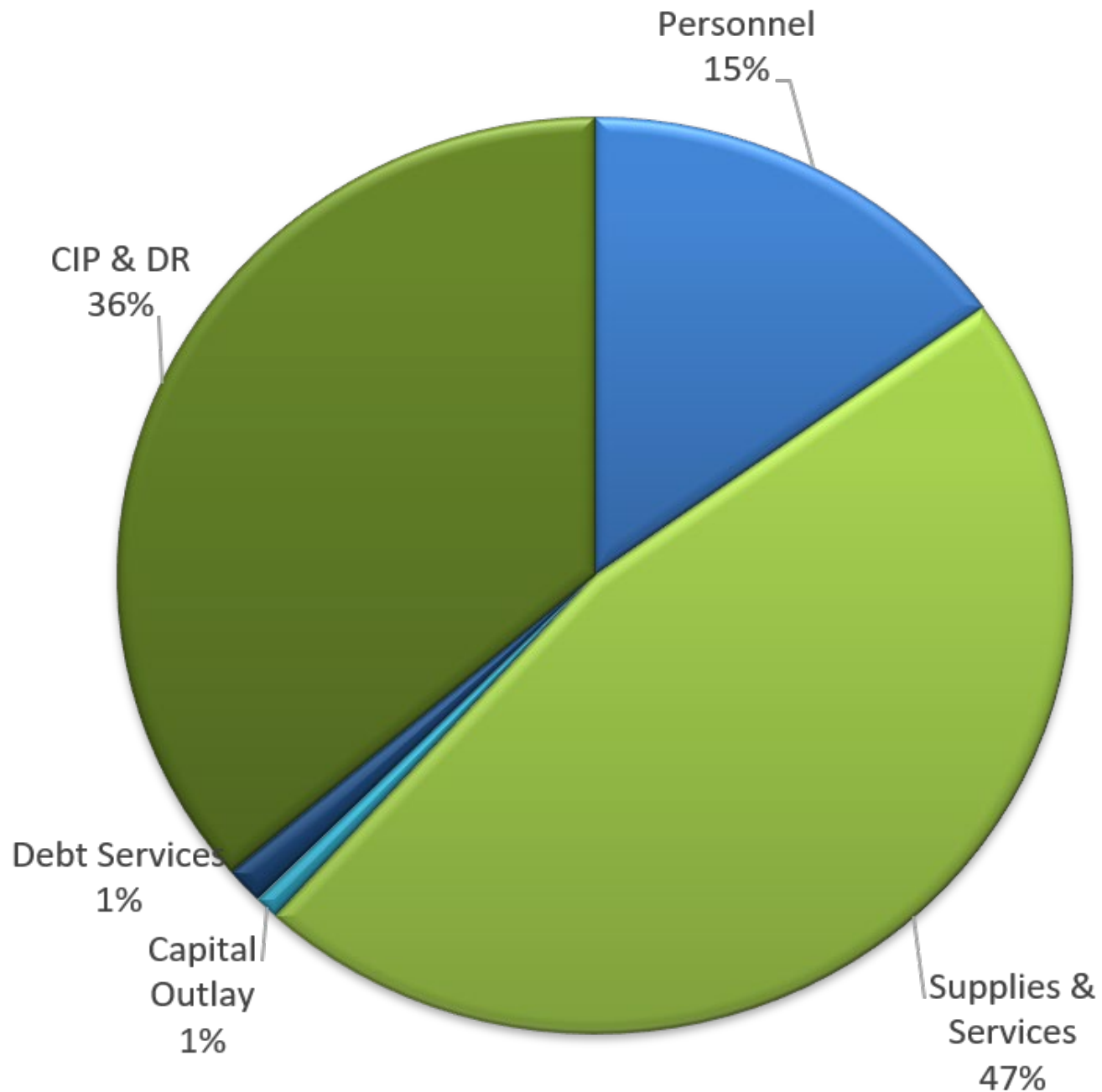
- ▶ Support to maintain shelter operations (non-salary expenses)

▶ **Public Works \$215,000**

- ▶ 3 Utility Trucks
- ▶ Snow Plow

▶ **Police Department \$243,060**

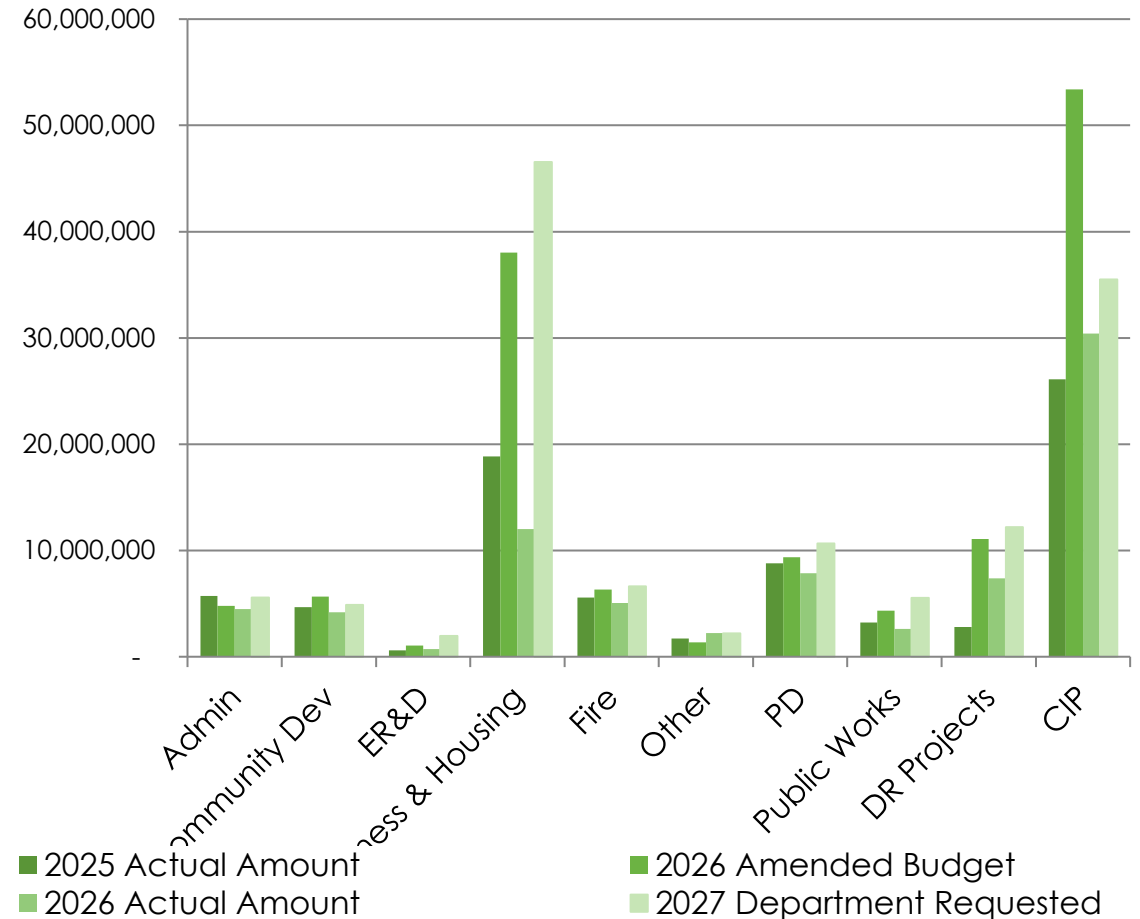
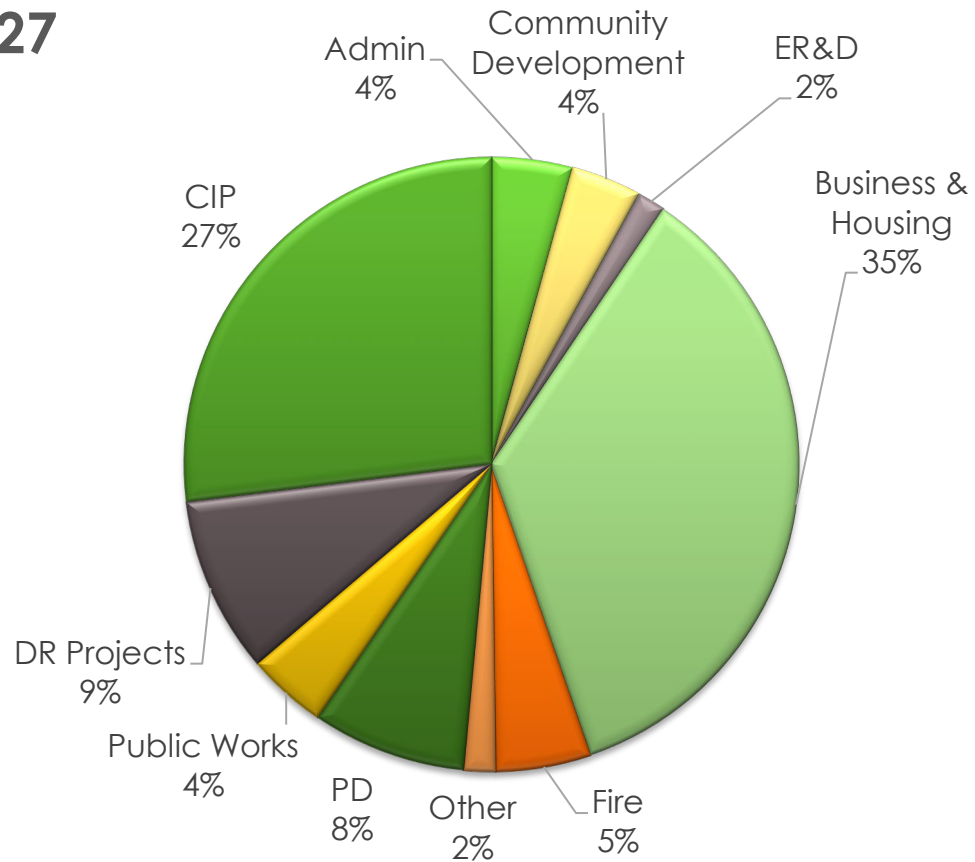
- ▶ Training & Cadet Sponsorship/Incentive
- ▶ Operational support and training
- ▶ K-9 Program Training & Care Costs
- ▶ Mandatory POST training
- ▶ Trainee
- ▶ Body Cam & SAAS (Year 1 of 5)
- ▶ Vehicle Conversion (VIPS, CSO, Investigation)



FY 26/27 All
Governmental
Funds
Appropriations
by Use

All Governmental Funds Appropriations by Function

2027

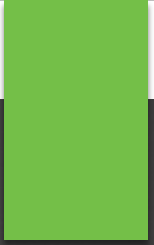


General Fund Department Allocations

Department	Allocation	Percentage
Police	\$9,514,129	36%
Fire	\$6,561,122	25%
Administrative Services	\$3,060,309	12%
Public Works	\$1,527,784	6%
Community Development	\$1,379,515	5%
Recovery & Economic Development	\$1,166,731	4%
Measure C/V TUT	\$1,096,060	4%
Finance	\$663,552	3%
Non Department Activity	\$571,946	2%
Town Clerk	\$401,894	2%
Town Council	\$110,678	0.4%
Successor Agency	\$25,000	0.1%



Departmental Budgets



Town Clerk

MELANIE ELVIS

TOWN CLERK/ELECTIONS OFFICIAL



FY 25/26 Accomplishments

- ▶ Took in 383 Public Records Requests in 2025
- ▶ Clerked 67 Council, Commission, Committee Meetings in 2025



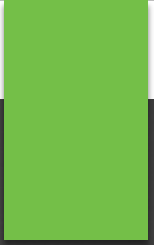
FY 26/27 Goals

- ▶ Proposed plan to undertake a comprehensive phased approach to update the Municipal Code
- ▶ Manage the migration of the Town's website to an upgraded platform
- ▶ Administer the Agenda Management System Migration and staff training

FY 26/27 New Financial Changes

- ▶ 2026 General Municipal Election





Town Manager

JENNIFER MACARTHY

TOWN MANAGER

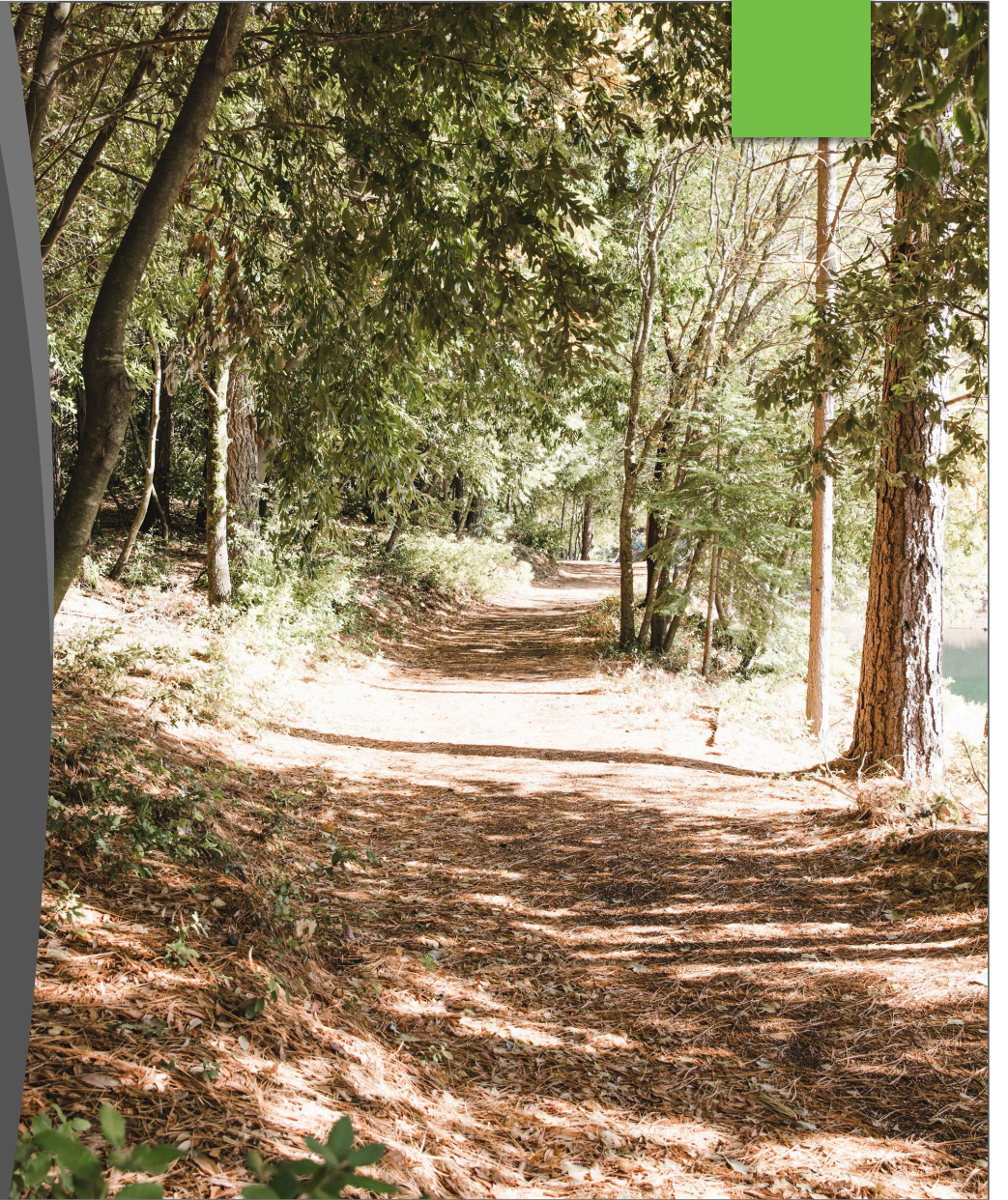


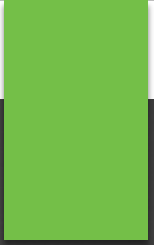
FY 26/27 Goals

- ▶ Implement Town Council policies.
- ▶ Provide management, direction, and leadership to Town staff.
- ▶ Foster collaboration with community stakeholders.

FY 26/27 New Financial Changes

- ▶ Shared Reclassification of Administrative Assistant to Executive Assistant (Town Manager/HR)





Information Technology

LUIS MARQUEZ

INFORMATION TECHNOLOGY DIRECTOR



FY 25/26 Accomplishments

- ▶ Deployed new servers at Town Hall.
- ▶ Mobile Device Manager setup
- ▶ Deployed new tandem firewalls at PD
- ▶ Workstation refresh at PD
- ▶ Animal Control IT infrastructure setup

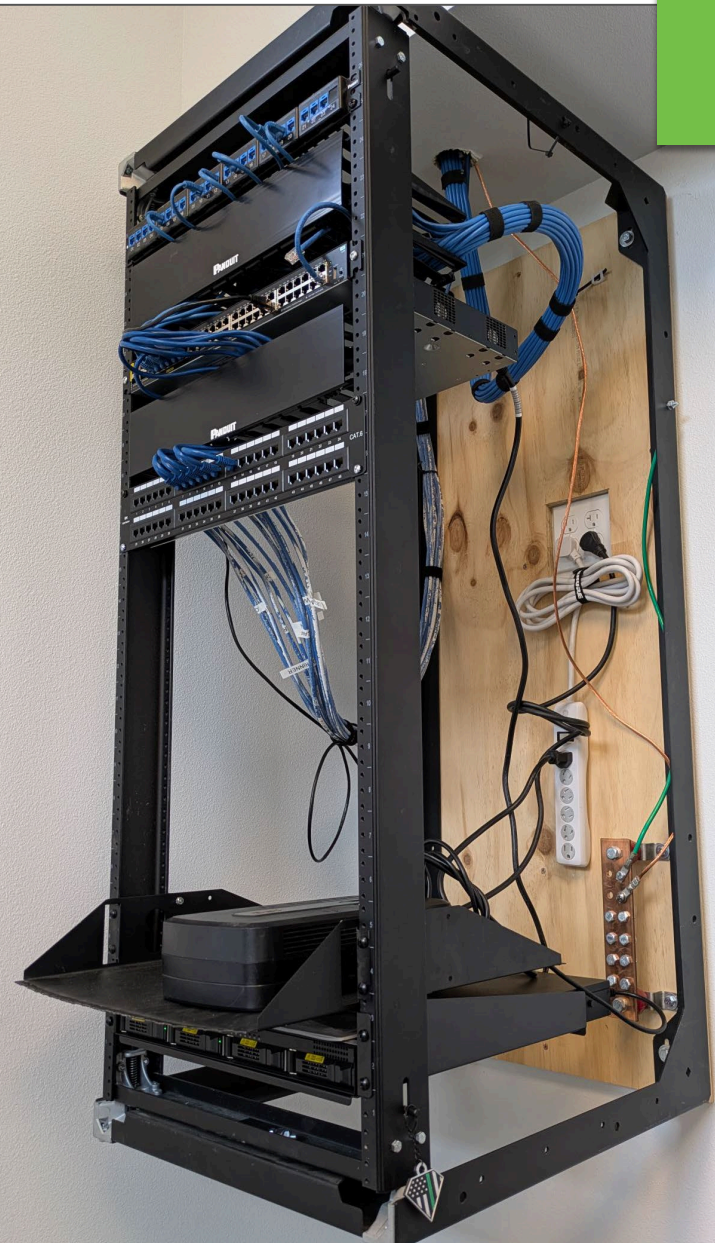
FY 26/27 Goals

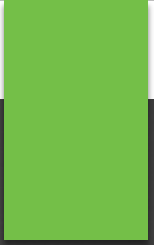
- ▶ Upgrade server infrastructure at various town locations
- ▶ Deploy new enterprise wireless hardware at town hall
- ▶ Further test and implement AI tools for certain use cases town wide.
- ▶ Continue updating aging IT infrastructure as possible



FY 26/27 New Financial Changes

- ▶ Additional funds budgeted for training
- ▶ Cyber security defense
- ▶ Hardware cost increases





Human Resources

CRYSTAL PETERS

HUMAN RESOURCES & RISK MANAGEMENT DIRECTOR



FY 25/26 Accomplishments

- ▶ Hired 9 new employees (4 new positions & 5 backfill for retirements, resignations, promotions)
- ▶ Vacancy rate at 2.9%

FY 26/27 Goals

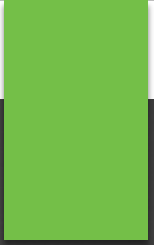
- ▶ Training for new staff & ongoing, required, and professional training for existing staff
- ▶ Continue to navigate the many and ever-changing employment laws with focus on safety
- ▶ Policy updates



FY 26/27 New Financial Changes

- ▶ Shared Reclassification of Administrative Assistant to Executive Assistant (Town Manager/HR)





Finance

AIMEE BELEU

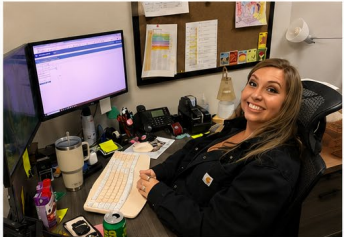
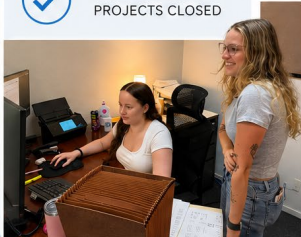
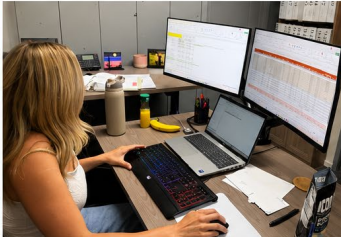
FINANCE DIRECTOR/TOWN TREASURER

FY 25/26 Accomplishments

- ▶ Reduced AP processing time by 20%
- ▶ Modernized financial systems and reporting infrastructure
- ▶ Digitized and strengthened payroll and records management
- ▶ Improved audit readiness, compliance and external review outcomes
- ▶ Closed legacy FEMA projects and enhanced grant oversight
- ▶ Expanded and developed Finance team to support organizational growth

OUR FINANCE TEAM

DEDICATED. ACCOUNTABLE.



 **20%+**
AP TIME REDUCTION

 **7 YEARS**
DIGITIZED RECORDS

 **\$135M+**
BUDGET OVERSIGHT

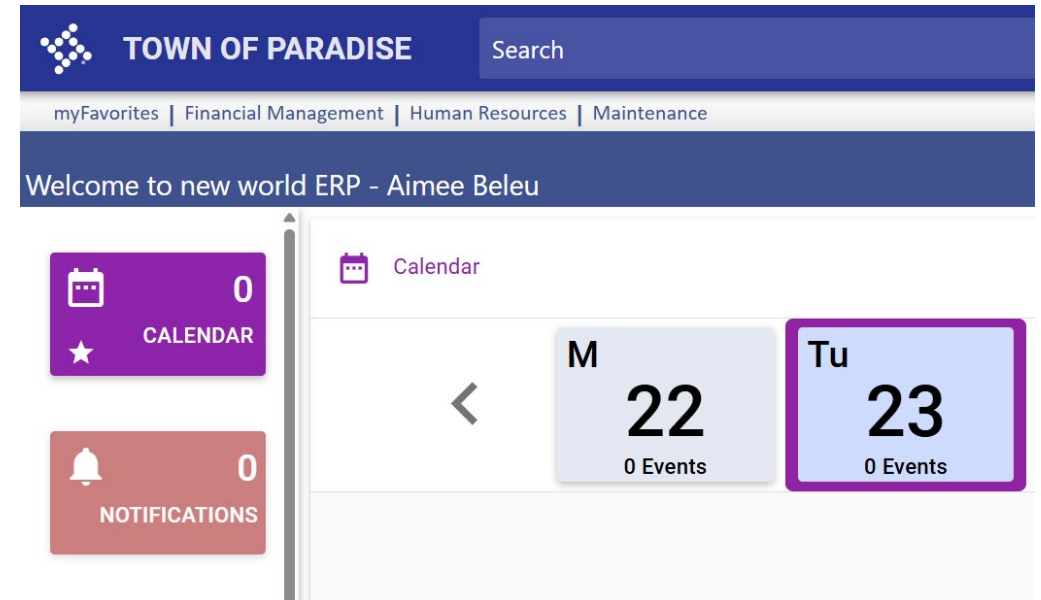
 **LEGACY FEMA**
PROJECTS CLOSED

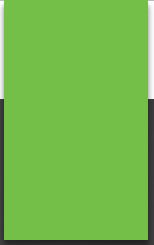
FY 26/27 Goals

- ▶ Continue staff training and cross-training initiatives
- ▶ Implement New World Employee Self-Service Portal
- ▶ Recover outstanding grant reimbursements
- ▶ Maintain year-round audit readiness and compliance standards

FY 26/27 New Financial Changes

- ▶ Additional Training Costs for staff
- ▶ Staff Membership CSMFO
- ▶ Implementation Costs for New World employee modules





Police

ERIC REINBOLD

CHIEF OF POLICE



FY 25/26 Accomplishments

- ▶ Completed AC Shelter expansion / Remodel
- ▶ SRO position serving PUSD
- ▶ Filled vacant Lieutenant position
- ▶ Promoted two Sergeants

FY 26/27 Goals

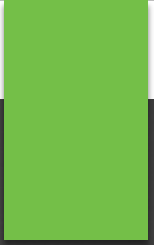
- ▶ Maintain staffing across organization
- ▶ Fill Sergeant position vacated by long term injury to ensure supervision
- ▶ Hire and fill vacant Officer position
- ▶ Continue succession planning accounting for upcoming retirements



FY 26/27 New Financial Changes

- ▶ Adjust one Officer position to Sergeant position ~5% difference
- ▶ Adjustments to budget due to inflation and costs of services
- ▶ No vehicle purchases this FY





Fire

JASON FINNEY

ASSISTANT CHIEF – NORTH DIVISION OPERATIONS, BUTTE UNIT

FY 25/26 Accomplishments

- ▶ Placed Engine 82 into service, enhancing emergency response capabilities
- ▶ Completed AVL/MDT upgrades on all Paradise Fire Department apparatus
- ▶ Transitioned to Tablet Command, improving real-time incident tracking, resource management, and command and control capabilities
- ▶ Hired 5th Firefighter II position as part of the transition to the 66-hour workweek
- ▶ Completed Station 82 kitchen and office renovation project



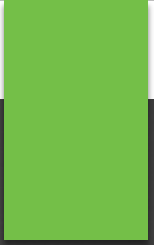
FY 26/27 Goals

- ▶ Continue to upgrade mobile radios on Paradise Fire Apparatus to the Motorola APX 8500
- ▶ Expand public education and outreach programs
- ▶ Take delivery of Engine 382 and place it into service
- ▶ Maintain and enhance emergency response readiness through training, equipment, and technology improvements
- ▶ Continue hazardous fuels reduction work within the Town of Paradise and the South Paradise VMP

FY 26/27 New Financial Changes

- ▶ Add a Firefighter II position to fully implement the 66-hour workweek
- ▶ Equip and upfit Engine 382.
- ▶ Radio upgrades
- ▶ Increase fuel and utility budgets
- ▶ Budget to support OSHA-required ISP cleaning and inspection process





Community Development

SUSAN HARTMAN

COMMUNITY DEVELOPMENT DIRECTOR, PLANNING, WASTEWATER, & SOLID WASTE

TONY LINDSEY

COMMUNITY DEVELOPMENT DIRECTOR, BUILDING, CODE ENFORCEMENT & FIRE PREVENTION

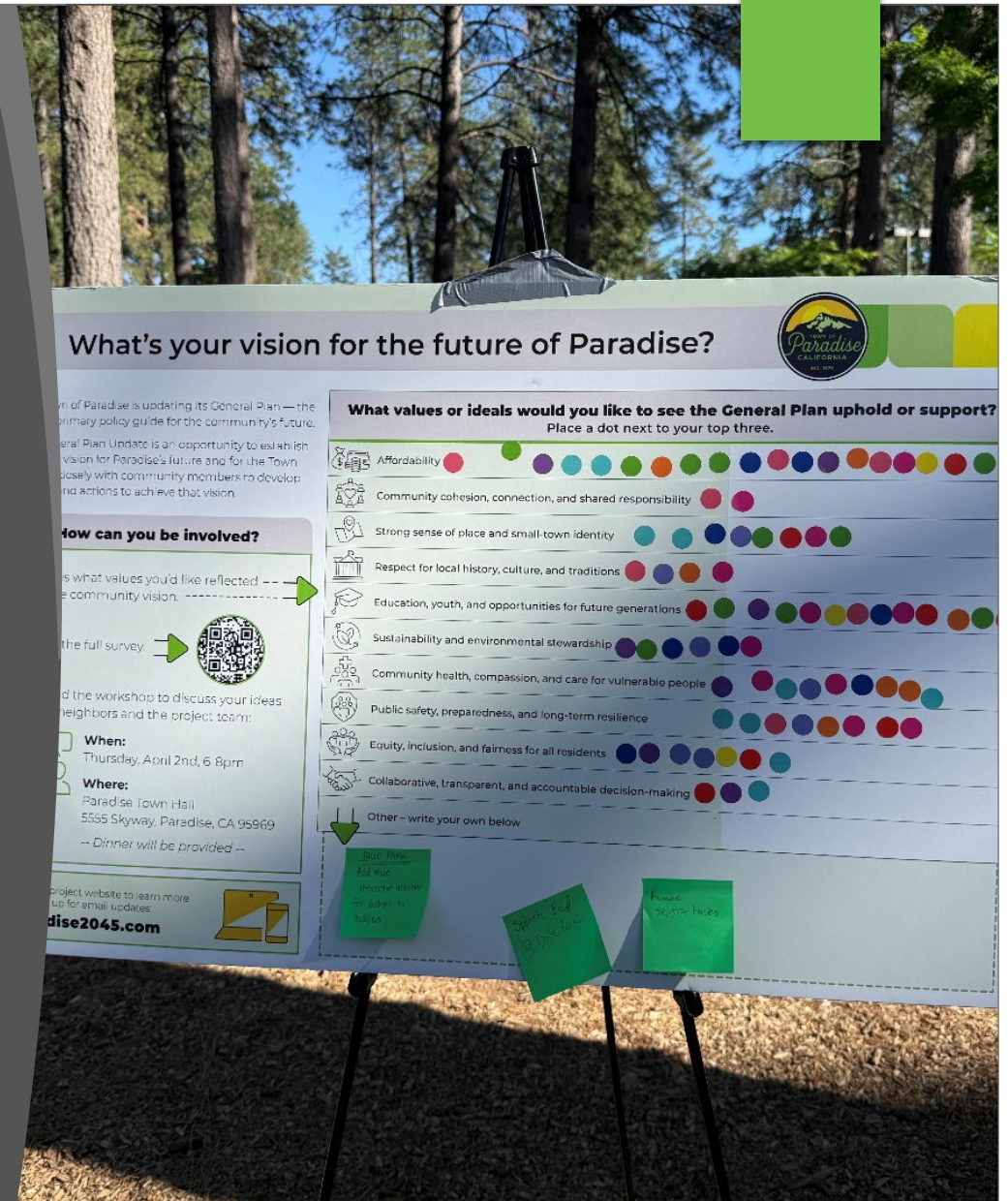
A group of approximately 15 people, including men and women, are standing in a large room with exposed wooden framing, likely a construction site or a modern building under development. They are dressed in casual to business-casual attire. The background shows the intricate wooden structure of the ceiling and walls. A solid green rectangular block is positioned in the top right corner of the image.

FY 25/26 Accomplishments

- ▶ Issued the contract to update the remaining five General Plan Elements.
- ▶ Participated as a top 10 finalist in the global “Fire Grand Challenge” by Conservation X Labs for wildfire mitigation, response, and landscape recovery.
- ▶ Onboarded a new permitting software that allows for online submittals and more cohesive project management across all departments (AB 2234).
- ▶ Implemented townwide solid waste mixed organics collection in compliance with SB 1383.

FY 26/27 Goals

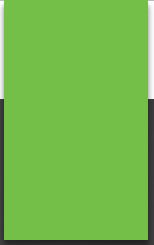
- ▶ Maintain defensible space compliance rates in the 90%+ range with continued education and outreach.
- ▶ Work with NRWS to conduct recovered organic material giveaways (SB 1383).
- ▶ Develop Land Use Alternatives for the General Plan Update.
- ▶ Partner with the Shasta Cascade Chapter of ICC for local training.
- ▶ Continue to refine the online permit submittal processes for the public.



FY 26/27 New Financial Changes

- ▶ Increased training budget for Building staff by 30% at the recommendation of the building audit.
- ▶ Budgeted \$5,100 for a movable meeting monitor to replace the existing monitor that can no longer support operating system updates.
- ▶ Reduced the General Fund expense budget (Planning, Code Enforcement, Solid Waste, & Fire Prevention) by 12.5% from the 2025/26 adopted budget.
- ▶ Reduced the Enterprise Fund expense budget (Building & Wastewater) by 2% from the 2025/26 adopted budget (before adjustment).





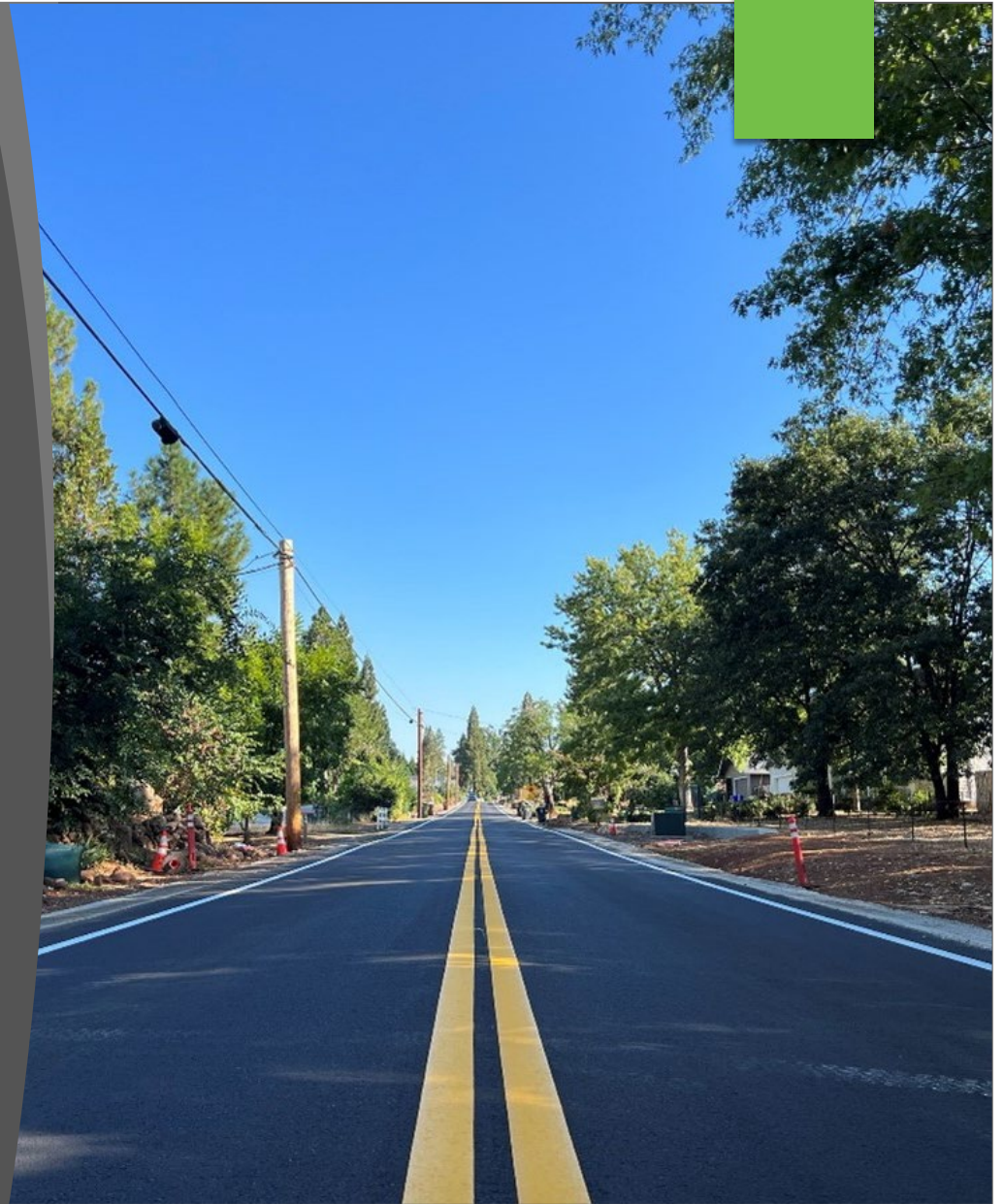
Public Works

MARC MATTOX

ASST. TOWN MANAGER/PUBLIC WORKS DIRECTOR/TOWN ENGINEER

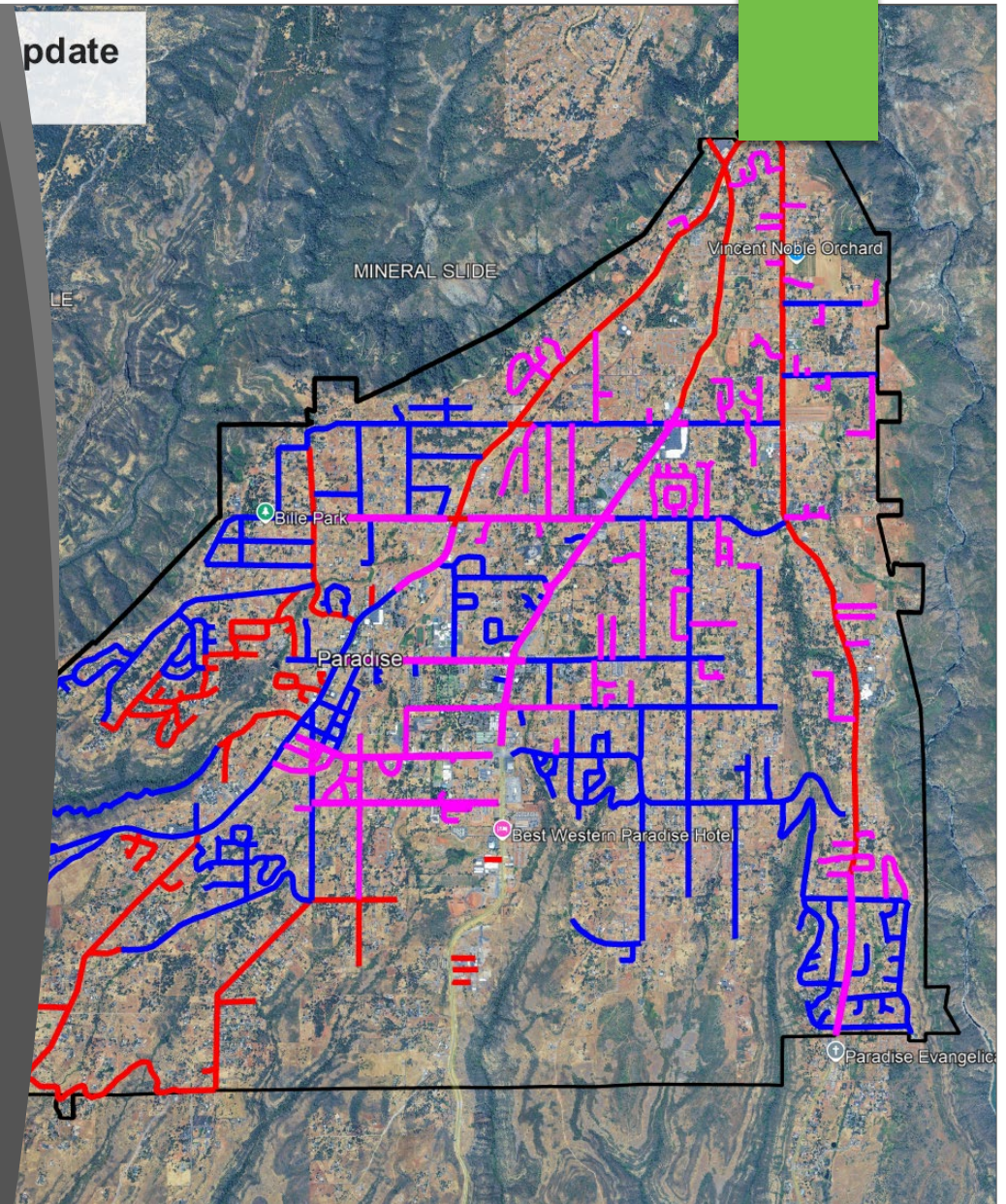
FY 25/26 Accomplishments

- ▶ Paved nearly 30 miles of roadway
- ▶ Advanced a \$400M Capital Improvement Program
- ▶ Maintained 100 miles of roadway including snow response event
- ▶ Maintained 140 active fleet items
- ▶ Completed Fleet Shop Renovations



FY 26/27 Goals

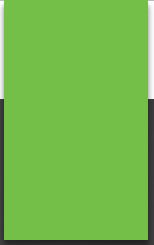
- ▶ Release the Subsequent Programmatic Environmental Impact Report for the Paradise Sewer Project
- ▶ Complete all paving projects excluding future leveraging projects with widening/other improvements
- ▶ Maintain
 - ▶ Facilities
 - ▶ Fleet
 - ▶ Infrastructure



FY 26/27 New Financial Changes

- ▶ Interim repairs to Skyway between Bille Road and Wagstaff Road ahead of capital project
- ▶ Continued delivery of CIP (\$43M for 2026/2027)
- ▶ Flashing beacons at PHS crosswalks
- ▶ Security improvements at the BRC





Recovery & Economic Development

COLETTE CURTIS

RECOVERY & ECONOMIC DEVELOPMENT DIRECTOR

FY 25/26 Accomplishments

- ▶ Completed Category 4 Tree Removal Program, removing 9,000 Trees
- ▶ Completed Emergency Warning Siren Project, including distribution of first 450 In Home Safe units
- ▶ Completed the Downtown Phase 3 Strategy
- ▶ Completed the Strategic Healthcare Recovery Plan
- ▶ Completed the Utility Box Mural Project



FY 26/27 Goals

- ▶ Complete Residential Ignition Resistant Rehab Program
- ▶ Complete Long Term Recovery Plan Update, including Economic Development Strategy and Incentives program
- ▶ Hire Economic Development Coordinator
- ▶ Support Existing businesses and recruit new businesses
- ▶ Apply for Opportunity Zone 2.0

FY 26/27 New Financial Changes

- ▶ Census Survey to address the population count issue
- ▶ Postcards for Firewise Communities
- ▶ Transient Occupancy Tax Community Investment Program increase



FIREWISE USA™
Residents reducing wildfire risks

FY 25/26 Housing Accomplishments

- ▶ 73 Homes completed under the Owner-Occupied Reconstruction Program, with over \$11M in loan assistance.
- ▶ Continue offering Rehabilitation Program for Health and Safety repairs.
- ▶ 105 Households assisted under the First Time Homebuyer Program, with over \$10M in loans approved.



FY 26/27 Housing Goals

- ▶ 7 Projects under CDBG-DR MHP Grant, with \$83M in funding.
- ▶ 150 Units completed and leased
- ▶ 142 units under construction with projected completion date in late 2027
- ▶ Continue offering the high-demand First-Time Homebuyer Program for our residents.
- ▶ Launch an Infill New Construction Program to build more homes
- ▶ Use every funding source available to support the mission of replacing lost housing





Successor Agency

FY 2026/2027 BUDGET

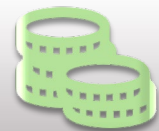
Town of Paradise Successor Agency



Not enough funds to cover all costs, only principal and interest will be paid



Is generating funds



Will make payments when possible during the year on the first bond issuance. All payments will only be made to 2009 Bond



Next Steps

QUESTIONS & COMMENTS TODAY

JULY 14TH CONSIDERATION OF BUDGET APPROVAL



Questions
