TOWN OF PARADISE

Audited Financial Statements and Supplemental Information

June 30, 2024

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June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Paradise, California

Report on the Audit of the Financial Statements

Opinions

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, California (the Town) as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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 as of June 30, 2024, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Town Council
Paradise, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison for the General Fund and major Special Revenue Funds, Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Contributions to OPEB Plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 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 December 2, 2025 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulation, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Town's 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's internal control over financial reporting and compliance.

Richardson & Company, LLP

December 2, 2025

As management of the Town of Paradise (the Town), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town as of and for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the accompanying Independent Auditor's Report, the basic financial statements, and the accompanying notes to the financial statements.

USING THIS ANNUAL REPORT

This 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. 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 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 custodian for the benefit of those outside the government.

REPORTING THE TOWN AS A WHOLE

In the current year, the Town's net position increased to $282 million as compared to the prior year at $245 million. The Town's unrestricted and restricted cash and investments increased to $213 million, primarily as a result of the Town's change in investments, and inflow of reimbursements. Prior to extraordinary items, accounts and interest receivables, prepaid items, and the advance to the Successor Agency decreased to $1.4 million from $1.69 million in the prior year, which resulted primarily from an reduction in accounts receivable activity during the prior fiscal year. The Town's rebuilding efforts and capital projects resulted in increased total capital assets to $76 million compared to $62 million in the prior year.

The Town reports $20.4 million of pension liability and pension related net deferred use of resources to its activities as compared to $19.3 million the prior year. The Town contracts with CalPERS for Pension benefits for its employees. The Town is making the required contributions toward the long-term pension obligation just described. This obligation is being amortized over approximately a 25-year period.

Accounts payable increased to $6.4 million from $5.5 million in the prior fiscal year due to the increase in infrastructure construction for the rebuilding of the Town. Unearned revenues increased to $11.7 million from $6.7 million in the prior fiscal year. Unearned revenue sources include insurance claim advances, advances on grant funds awarded, retentions on grant reimbursements, and housing program insurance funds held for the 2018 Camp Fire. The Town's long-term liabilities due in more than one year increased to $50 million from $47.9 million in the prior year due primarily to investment losses on CalPERS plan assets and changes in staffing levels.

Table 1
GOVERNMENTAL ACTIVITIES NET POSITION AT JUNE 30, 2024

	AFS 2024	PY 2023
ASSETS		
Current and other assets	$ 264,832,947	$ 234,469,381
Capital assets, net	75,765,264	62,480,689
TOTAL ASSETS	340,598,211	296,950,070
DEFERRED OUTFLOWS OF RESOURCES	15,499,519	15,155,061
LIABILITIES		
Current and other liabilities	19,913,152	14,553,984
Long-term liabilities	50,817,805	47,921,701
TOTAL LIABILITIES	70,730,957	62,475,685
DEFERRED INFLOWS OF RESOURCES	3,228,463	4,552,367
NET POSITION		
Net investment in capital assets	75,204,510	59,280,800
Restricted	29,355,607	26,654,435
Unrestricted	177,518,193	159,141,844
TOTAL NET POSITION	$282,078,310	$245,077,079

Table 2 highlights the Town's change in net position for the fiscal years 2024 and 2023. Total revenues for 2024 increased significantly to $82.0 million, up from $44.7 million in 2023. This growth reflects substantial increases in both program and general revenues. Program revenues rose to $60.9 million, largely driven by capital contributions and grants of $31.2 million, while charges for services and operating contributions and grants also increased. General revenues totaled $21.2 million, up from $11.5 million, reflecting higher property taxes, motor vehicle in-lieu payments, and other general revenues, which were boosted by unrealized gains on investments and a transfer from Paradise Recovery and Operations funds.

Total program expenses increased to $45.0 million, compared to $27.6 million in 2023. The primary drivers of this increase were Community Development $21.0 million, Public Safety $14.0 million, and Streets $3.2 million, supporting ongoing rebuilding, infrastructure improvements, and asset replacements throughout the Town.

As a result, the Town's net position increased by $37 million in 2024, compared to an increase of $19.9 million in the prior year. The prior year included $2.7 million in extraordinary items, which were absent in 2024, emphasizing the underlying growth in net position from operational and capital activities.

Table 2
CHANGE IN GOVERNMENTAL ACTIVITIES NET POSITION

	AFS 2024	PY 2023
REVENUES		
Program revenues		
Charges for services	$21,236,491	$ 8,124,296
Operating contributions & grants	8,467,723	7,119,406
Capital contributions & grants	31,152,225	17,967,187
Total program revenues	60,856,439	33,210,889
General revenues		
Property Taxes	4,471,390	3,274,019
Other Taxes	3,949,917	4,043,732
Motor Vehicle In-lieu	1,642,149	1,327,485
Other General Revenues	11,121,279	2,889,279
Total general revenues	21,184,735	11,534,515
TOTAL REVENUES	82,041,174	44,745,404
Program expenses		
General Government	4,701,414	4,181,209
Community Development	20,998,241	9,966,093
Public Safety	13,974,123	8,823,382
Public Works	1,451,741	1,149,644
Parks & Recreation	273,831	248,706
Streets	3,206,803	2,709,160
Interest on Long Term Debt	433,790	478,220
TOTAL EXPENSES	45,039,943	27,556,414
Excess (deficiency) before extraordinary items	37,001,231	17,188,990
Extraordinary items (Note 16)	-	2,745,970
INCREASE/(DECREASE) IN NET POSITION	$37,001,231	$19,934,960

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 $213 million. Over 93% of this fund balance is assigned to the Long-Term Sustainability Plan and represents settlement proceeds paid to the Town by Pacific Gas & Electric Company for damages resulting from the 2018 Camp Fire.

General Fund Highlights

The Camp Fire had immediate and long-lasting impacts to the finances of the general fund. As the effects were unprecedented, the Town Council approved budget revisions for material changes as they were identified. A mid-year budget review was completed which reflected revised revenues, personnel costs and other operating expenditures when needed.

Exclusive of extraordinary items, the Town’s General Fund revenues increased by $7.2 million compared to the prior fiscal year. The primary drivers of this growth were higher interest earnings and unrealized gains on investments. Taxes and assessments continue to make up roughly half of all revenues and increased by $1.3 million. As the community enters the rebuilding phase of its regrowth, tax revenues are beginning to reflect both the rising population and the expanding property tax base.

Overall expenses were flat year over year, with notable increases in Public Safety and General Government. Capital Outlays declined this year as the Town has substantially completed the replenishment of assets lost in the 2018 Camp Fire.

The General Fund reported an ending balance of $205.9 million as of June 30, 2024, an increase of $1.9 million. Notably, the Town’s reserves have reached a level that no longer requires annual cash-flow borrowing to support operations. This marks a substantial improvement from seven years prior, when unassigned reserves were not available.

Other Major Governmental Funds

The Cal Home DA fund is a State Grant funding source to allow the Town to provide income-eligible community members loans for housing purposes. The Town provides low interest and interest-forgivable loans to owner-occupied rehabilitation/reconstruction as well as first time home buyers. The Town can also provide loans and grants for housing rehabilitation projects. The Town has provided funding for multi-family housing projects through this fund as well.

The Camp Fire 2018 Fund and Disaster Recovery Project Fund accounts for monies collected for the Camp Fire relief program. Revenues primarily consist of grant funding for recovery efforts and insurance claim reimbursements. Expenses consist of charges for continued support for rebuilding efforts of Town infrastructure and the overall community throughout the fiscal year. Some of the major projects for the year were, Off-System Road Rehabilitation and Camp Fire Hydrant Repairs.

The Community Development Block Grant funds, totaling $17.9 million, were invested to support the rebuilding of the Town of Paradise through a range of critical infrastructure and community development projects. These funds contributed to road rehabilitation, road improvements, and major road extensions and widenings that enhance safety and mobility throughout the community. Additionally, Community Development Block Grant resources supported the Paradise Sewer Project, a key component of long-term recovery and future development, and helped advance the construction of multi-family homes, expanding much-needed housing options as the Town continues to rebuild.

CAPITAL ASSETS

Major capital asset additions for the year totaled $13.3 million, including $15.1 million in construction in progress, with a depreciation adjustment of $1.86 million. Significant infrastructure investments include substantial additions to both on- and off-system road projects, as well as continued pre-construction development for the Paradise Sewer Project.

Table 3 below shows the $75.77 million total capital assets, net of depreciation.

Table 3
CAPITAL ASSETS AT YEAR-END
(Net of Depreciation)

	AFS 2024	PY 2023
Land	$ 1,845,010	$ 1,845,010
Construction in Progress	38,117,815	38,071,755
Buildings and Improvements	3,077,070	2,057,965
Infrastructure	28,838,352	17,440,335
Machinery and Equipment	1,374,247	750,908
Vehicles	2,512,770	2,314,716
Total	$ 75,765,264	$ 62,480,689

DEBT

Bonds payable and capital leases continued to be reduced compared to the prior year as payments were made according to the applicable amortization schedules. The Town's OPEB obligation increased from the prior year based upon assumption rates and increases in staffing. Although the Town contributed towards the net pension liability as dictated by CalPERS, the net pension liability increased 5.9% based upon assumption rate changes. The Town has taken measures to mitigate the benefits in the future and the obligation is being amortized over a period of about 25 years.

Table 4
OUTSTANDING DEBT AT JUNE 30, 2024

	AFS 2024	PY 2023
Bonds Payable: accrued interest	$ 6,872,537	$ 7,633,747
Capital Leases	30,196	49,366
OPEB	13,124,624	11,791,874
Net pension liability	30,790,448	29,081,689
CDF retiree health vesting		-
Compensated absences	615,001	528,776
Total Liabilities	$ 51,432,806	$ 49,085,452

THE TOWN AS TRUSTEE

The Town is the trustee, or fiduciary, for an employee bank fund and a police department fund money fund. As of January 2012, it elected to become the successor agency of the former Paradise Redevelopment Agency (Agency). The Town's current role is to manage the receipt and disbursement of monies related to debt service of enforceable obligations of the Agency. The Town also manages a general trust fund. All the related activity is being accounted for in the 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 the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. 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. The private-purpose trust funds have a net position of negative $6.45 million as of June 30, 2024.

NEXT YEAR'S BUDGET AND ASSUMPTIONS

The Camp Fire on November 8, 2018, was the most destructive wildfire in California’s history. While rebuilding the 10,000 structures destroyed is underway, it is expected to take over a decade for the Town of Paradise to be fully restored. Through a community visioning process, residents reached a consensus to rebuild a more resilient, fire-resistant town. With the support of federal, state, and local partners, the Town has continued implementing long-term recovery planning and projects.

The Town plans to restore the facilities and equipment lost or damaged during the fire through a combination of insurance claims, FEMA assistance, CDBG programs, CalTrans funding, and other funding sources. FEMA, along with the California Governor’s Office of Emergency Services, will support the Town’s infrastructure restoration efforts through public assistance and hazard mitigation grants. CalTrans funding is being used to support the repair and reconstruction of roads and transportation infrastructure, while CDBG programs help fund rebuilding projects that benefit the broader community, including housing, public facilities, and critical infrastructure.

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.

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BASIC FINANCIAL STATEMENTS

TOWN OF PARADISE

STATEMENT OF NET POSITION

June 30, 2024

	Governmental Activities
ASSETS	
Cash and investments	$ 213,092,108
Restricted cash and investments	102,768
Accounts receivable	109,839
Due from other governments	18,254,142
Interest receivable	12,109
Other receivable	1,000
Prepaid items	5,737
Advance to the Successor agency	1,275,519
Loans receivable	31,979,725
Capital assets:	
Non-depreciable:	
Land and construction in progress	39,962,825
Depreciable:	
Infrastructure, buildings, vehicles and equipment	61,125,863
Accumulated depreciation	(25,323,424)
Total capital assets	75,765,264
Total Assets	340,598,211
DEFERRED OUTFLOWS OF RESOURCES	
Related to net pension liability	11,769,660
Related to net OPEB liability	3,729,859
Total Deferred Outflows of Resources	15,499,519
LIABILITIES	
Accounts payable	6,387,198
Retentions payable	560,754
Accrued wages	637,352
Deposits payable	44,211
Unearned revenue	11,668,636
Compensated absences, due in more than one year	615,001
Long-term debt:	
Due within one year	1,204,135
Due in more than one year	5,698,598
Net pension liability	30,790,448
Other post employment benefits	13,124,624
Total Liabilities	70,730,957
DEFERRED INFLOWS OF RESOURCES	
Related to net pension liability	1,342,300
Related to net OPEB liability	1,946,163
Total Deferred Inflows of Resources	3,288,463
NET POSITION	
Net investment in capital assets	75,204,510
Restricted for:	
Community development	16,539,607
Public safety	269,125
Streets and roads	7,377,175
Wastewater and drainage	5,169,700
Unrestricted	177,518,193
Total Net Position	$ 282,078,310

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Governmental Activities:					
General government	$ 4,701,414	$ 593,133			$ (4,108,281)
Community development	20,998,241	19,838,301	$ 710,851	$ 11,768,637	11,319,548
Public safety	13,974,123	200,930	291,151	1,172,195	(12,309,847)
Public works	1,451,741	604,127	7,397,532	16,734,729	23,284,647
Parks and recreation	273,831		330		(273,501)
Streets	3,206,803		67,859	1,476,664	(1,662,280)
Interest on long-term debt	433,790				(433,790)
Total governmental activities	$ 45,039,943	$ 21,236,491	$ 8,467,723	$ 31,152,225	15,816,496

General revenues:	
Taxes:	
Secured and unsecured property taxes	4,471,390
Sales and use taxes	2,645,804
Transient lodging tax	155,051
Franchise fees	227,924
Real property transfer taxes	92,220
Gas tax	713,071
Other taxes	115,847
Motor vehicle in-lieu, restricted	1,642,149
Homeowners property tax relief, unrestricted	30,667
Investment income	9,658,775
Other	1,431,837
Total General Revenues	21,184,735
Changes in Net Position	37,001,231
Net position, beginning of year	245,077,079
Net position, end of year	$ 282,078,310

TOWN OF PARADISE

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2024

	Major Funds			
	General Fund	Camp Fire 2018 Fund	Loan Funds	CalHome Grants
ASSETS				
Cash and investments	$ 181,783,467		$ 4,504,301	$ 40,409
Restricted cash and investments	100,413	$ 2,355		
Accounts receivable	73,626			
Interest receivable	3,406		2,023	
Other receivable				
Prepaid expenses	5,737			
Due from other governments	1,222,249	7,087,808		3,405,346
Due from other funds	23,231,029			
Advance to the Successor Agency	1,275,519			
Loans receivable			9,488,442	9,981,697
TOTAL ASSETS	$ 207,695,446	$ 7,090,163	$ 13,994,766	$ 13,427,470
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 603,592	$ 1,705,709	$ 3,285	$ 17,464
Retentions payable		322,832		
Accrued wages	504,144	5,525	869	8,253
Deposits payable				
Due to other funds		4,746,143		3,392,497
Unearned revenue	665,182	2,692,941	409,780	
Total liabilities	1,772,918	9,473,150	413,934	3,418,214
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues			9,488,442	9,981,697
TOTAL DEFERRED INFLOWS OF RESOURCES			9,488,442	9,981,697
Fund balances:				
Nonspendable	1,281,256			
Restricted	100,413		4,092,390	27,559
Assigned	198,566,862			
Unassigned	5,973,997	(2,382,987)		
TOTAL FUND BALANCE	205,922,528	(2,382,987)	4,092,390	27,559
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 207,695,446	$ 7,090,163	$ 13,994,766	$ 13,427,470

The accompanying notes are an integral part of these financial statements.

Major Funds		
CDBG Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 8,389,490	$ 18,374,441	$ 213,092,108
		102,768
	36,213	109,839
11	6,651	12,109
	1,000	1,000
		5,737
2,346,266	4,192,473	18,254,142
		23,231,029
		1,275,519
12,509,586		31,979,725
$ 23,245,353	$ 22,610,778	$ 288,063,976
$ 3,786,174	$ 270,974	$ 6,387,198
21,523	216,399	560,754
13,214	105,347	637,352
	44,211	44,211
10,322,013	4,770,376	23,231,029
40,387	7,860,346	11,668,636
14,183,311	13,267,653	42,529,180
12,509,586	407,955	32,387,680
12,509,586	407,955	32,387,680
		1,281,256
	12,658,940	16,879,302
		198,566,862
(3,447,544)	(3,723,770)	(3,580,304)
(3,447,544)	8,935,170	213,147,116
$ 23,245,353	$ 22,610,778	$ 288,063,976

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TOWN OF PARADISE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO GOVERNMENT-WIDE STATEMENT OF NET POSITION

June 30, 2024

Total Governmental Fund Balances	$ 213,147,116
Amounts reported for governmental activities in the statement of net position are different because of the following:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, net of accumulated depreciation of $25,323,424	75,765,264
Certain notes, loans, claims, and interest receivables are not available to pay for current period expenditures and therefore are offset by deferred inflows of resources in the governmental funds.	32,387,680
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds payable	(2,622,128)
Accreted interest payable	(4,250,409)
Note payable	(30,196)
Net pension liability	(30,790,448)
Net OPEB liability	(13,124,624)
Compensated absences	(615,001)
Deferred outflows of resources related to changes in the net pension liability are not reported in the governmental funds.	11,769,660
Deferred outflows of resources related to 2022 pension contributions made subsequent to the measurement date.	
Deferred outflows of resources related to changes in the net OPEB liability are not reported in the governmental funds.	3,729,859
Deferred inflows of resources related to changes in the net pension liability are not applicable to the current period.	(1,342,300)
Deferred inflows of resources related to changes in the net OPEB liability are not applicable to the current period.	(1,946,163)
Net Position of Governmental Activities	$ 282,078,310

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended June 30, 2024

	Major Funds			
	General Fund	Camp Fire 2018 Fund	Loan Funds	Cal Home Grants
REVENUES				
Taxes and assessments	$ 9,379,058			
Licenses, permits and impact fees	344,692			
Fines and forfeitures	153,886			
Intergovernmental revenues	270,895	$ 8,096,370		$ 6,541,620
Use of money and property	9,630,544		$ 7,385	65
Reimbursements	81,138	2,630		
Charges for services	582,237			
Program income			807,212	
Other revenues	651,396			
TOTAL REVENUES	21,093,846	8,099,000	814,597	6,541,685
EXPENDITURES				
Current:				
General government	3,881,173	408,179		
Community development	1,320,869		242,749	3,925,371
Public safety	12,219,553			
Public works	824,221			
Parks and recreation	96,524			
Streets				
Capital outlay	874,693	6,721,846		
Debt service:				
Principal	470,100			
Interest and fiscal charges	735,762			
TOTAL EXPENDITURES	20,422,895	7,130,025	242,749	3,925,371
Excess of revenues over (under) expenditures	670,951	968,975	571,848	2,616,314
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	21,811			
Transfers in	1,189,541	2,540		
Transfers out	(12,051)		(108,052)	-
TOTAL OTHER FINANCING SOURCES (USES)	1,199,301	2,540	(108,052)	
Net Change in Fund Balances	1,870,252	971,515	463,796	2,616,314
Fund Balances (deficits), beginning of year	204,052,276	(3,354,502)	3,628,594	(2,588,755)
Fund Balances (deficits), end of year	$ 205,922,528	$ (2,382,987)	$ 4,092,390	$ 27,559

The accompanying notes are an integral part of these financial statements.

Major Funds CDBG Grants	Nonmajor Governmental Funds	Total Governmental Funds
	$ 1,633,672	$ 11,012,730
	894,436	1,239,128
	26,000	179,886
$ 17,560,984	5,735,428	38,205,297
40	21,505	9,659,539
	170,624	254,392
	2,091,640	2,673,877
		807,212
	676,328	1,327,724
17,561,024	11,249,633	65,359,785
	18,978	4,308,330
11,813,391	3,547,524	20,849,904
	194,310	12,413,863
21,708	192,371	1,038,300
		96,524
	1,327,825	1,327,825
6,112,736	2,630,521	16,339,796
	8,309	478,409
		735,762
17,947,835	7,919,838	57,588,713
(386,811)	3,329,795	7,771,072
		21,811
10,177	250,682	1,452,940
-	(1,332,837)	(1,452,940)
10,177	(1,082,155)	21,811
(376,634)	2,247,640	7,792,883
(3,070,910)	6,687,530	205,354,233
$ (3,447,544)	$ 8,935,170	$ 213,147,116

TOWN OF PARADISE

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	$ 7,792,883
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital outlay	16,339,796
Depreciation expense	(3,055,221)
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.	
Loans made during the year	16,802,433
Some receivables are deferred in the governmental funds because the amounts do not represent current financial resources that are recognized under the accrual basis in the statement of activities. Deferred receivables in the governmental funds are recognized once received in the subsequent period, but will not be accrued again in the statement of activities.	
Deferred revenue recognized	(139,669)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Government-wide Statement of Net Position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These are the amounts by which proceeds exceeded repayments.	
Principal repayments	478,409
Interest payments	301,972
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):	
Compensated absences	(86,225)
Pension expense related to liabilities, deferred outflows and inflows of resources	(1,019,367)
OPEB expense related to liabilities, deferred outflows and inflows of resources	(413,780)
Change in Net Position of Governmental Activities	$ 37,001,231

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2024

	Successor Agency Funds	Custodial Funds
ASSETS		
Cash and investments	$ 226,407	$ 8,676
Restricted cash and investments with fiscal agents	85,458	
Accounts receivable		
TOTAL ASSETS	311,865	8,676
LIABILITIES		
Accounts payable	4,000	(2,109)
Interest payable	22,211	
Due to other governments	102,452	
Long-term debt:		
Due within one year	6,630,519	
TOTAL LIABILITIES	6,759,182	(2,109)
NET POSITION		
Held in trust	(6,447,317)	
Restricted for organizations, individuals, and other governments		10,784
TOTAL FIDUCIARY NET POSITION	$ (6,447,317)	$ 10,784

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2024

	Successor Agency Funds	Custodial Funds
ADDITIONS		
Taxes and assessments	$ 23,240	
Investment revenue	4,384	
Other revenue		$ 23
TOTAL ADDITIONS	27,624	23
DEDUCTIONS		
Program and administrative expenses	(184,370)	
Interest expense	(145,768)	
TOTAL DEDUCTIONS	(330,138)	-
CHANGE IN NET POSITION	357,762	23
Net position, beginning of year	(6,805,079)	10,761
Net position, end of year	$ (6,447,317)	$ 10,784

The accompanying notes are an integral part of these financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Paradise (the Town) was incorporated in 1979 and is nestled in the foothills of California's Sierra Nevada Mountains. The Paradise Town Council is the chief policy-making body for the Town and is comprised of five members elected at large by the community to four-year staggered terms.

The Town operates under a Town Manager-Council form of government and provides the following services: public safety (Police and Fire), highways and streets, culture-recreation, public improvements, planning and zoning, and general administration. The voters of the Town of Paradise, California, give authority and responsibility for operations to the Town Council. The Town Council has the authority to employ administrative and support personnel to carry out its directives. The primary method used to monitor the performance of the Town's management is the financial budget, which is adopted annually by the Town Council.

The financial statements of the Town have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. In addition, the Town applies all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued after November 30, 1989, unless they conflict with or contradict GASB pronouncements related to its proprietary operations. The more significant of these accounting policies are described below.

Reporting Entity: The Town operates as a self-governing local government unit within the State. It has limited authority to levy taxes and has the authority to determine user fees for the services that it provides. The Town's main funding sources include property taxes, sales taxes, other intergovernmental revenue from state and federal sources, user fees, and federal and state financial assistance.

The financial reporting entity consists of (a) the primary government, the Town, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and either (a) the Town has the ability to impose its will on the organization or (b) there is a potential for the organization to provide a financial benefit to or impose a financial burden on the Town.

These basic financial statements present the financial status of the Town and its component units, which are included in the Town's reporting entity because of the significance of their operational or financial relationship with the Town. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The Town's reporting entity includes the following component units:

> Redevelopment Successor Agency Private-Purpose Trust Fund: The Town of Paradise Redevelopment Agency (the Agency) was formed as a separate legal entity under the Community Redevelopment Law. 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. The Town Council elected to become Successor Agency for the redevelopment agency in accordance with the bill. Based upon the nature of the successor agency's custodial role, it is reported as a fiduciary fund private-purpose trust fund.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation — Government-wide Financial Statements: The government-wide financial statements (i.e. the statement of net position and statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties. The Town has no business-type activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expenses of most business-type activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales taxes are recognized when the underlying sales transaction takes place. Grants and similar items are recognized as revenues when all eligibility requirements are met.

Basis of Presentation — Fund Financial Statements: The accounts of the Town are organized on the basis of funds. A fund is a separate self-balancing set of accounts. Each fund was established for the purpose of accounting for specific activities in accordance with applicable regulations, restrictions or limitations. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 to 365 days of the end of the current fiscal period, depending on the revenue source. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

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

Loan Fund – This fund accounts for grants to provide housing loans to qualified homebuyers.

CalHome Grants Fund – This fund accounts for housing rehabilitation made with CalHome grant monies.

CDBG Grants Fund – This fund accounts for development activities made with CDBG grant monies.

Additionally, the Town reports the following fund types:

GOVERNMENTAL FUNDS

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Town has no debt service funds.

Capital Projects Fund – The Capital Project Funds are used to account for financial resources used for the acquisition or construction of major capital facilities.

FIDUCIARY FUNDS

Private-Purpose Trust – Private Purpose Trust funds are used to account for trust arrangements where the principal and income benefit individuals, private organizations, or other governments. Examples include successor agencies for redevelopment agencies.

Custodial Funds – Custodial Funds account for assets held by the Town in a purely custodial capacity. Custodial Funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Cash and Cash Equivalents: The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including the Town's investment in California Local Agency Investment Fund (LAIF). Highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost.

Receivables and Payables: Sales, use, and utility user taxes related to the current fiscal year are accrued as revenue and receivables and considered available if received within 90 days of year-end. Property taxes related to the current fiscal year are accrued as revenue and receivables and considered available if

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

received within 60 days of year-end. Federal and State grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net position. The amount recognized as revenue under the modified accrual basis of accounting is limited to the amount that is deemed measurable and collectible if received within 365 days of year-end.

Transactions between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year 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 non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Property Taxes: The County of Butte (the County) is responsible for the collection and allocation of property taxes. Under California law, property taxes are assessed and collected by the County up to 1% of the full cash value of taxable property, plus other increases approved by the voters and distributed in accordance with statutory formulas. The Town recognizes property taxes when the individual installments are due, provided they are collected within 60 days after year end. Secured property taxes are levied on or before July 1 of each year. They become a lien on real property on March 1 preceding the fiscal year for which taxes are levied. These taxes are paid in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Secured property taxes, which are delinquent and unpaid as of June 30, are declared to be tax defaulted and are subject to redemption penalties, costs, and interest when paid.

The term "unsecured" refers to taxes on personal property other than land and buildings. Property tax revenues are recognized in the fiscal year for which they are levied, provided they are due and collected within sixty days after fiscal year-end. The County apportions secured property tax revenue in accordance with the alternate methods of distribution, the "Teeter Plan," as prescribed by Section 4717 of the California Revenue and Taxation code. Therefore, the Town receives 100% of the secured property tax levies to which it is entitled, whether or not collected. Unsecured delinquent taxes are considered fully collectible.

These taxes are accrued as intergovernmental receivables only if they are received from the County within 60 days after year-end for the governmental funds and are accrued when earned for government-wide presentation regardless of the timing of the related cash flows.

Capital Assets: Capital assets for governmental fund types of the Town are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements at historical cost or estimated historical cost if purchased or constructed. Contributed capital assets are recorded at their estimated fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the current year's additions to governmental capital assets. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	5 to 25 years
Infrastructure	20 years
Machinery, equipment and vehicles	5 to 10 years

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

It is the policy of the Town to capitalize all land, building, improvements, equipment, and eventually infrastructure assets, except assets costing less than $5,000. Costs of assets sold or retired and the resulting gain or loss is included in the operating statement of the related proprietary fund. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. The proceeds reported in the governmental fund are eliminated and the gain or loss on sale is reported in the government-wide presentation.

Compensated Absences: It is the Town's policy to permit employees to accumulate earned but unused vacation and compensatory time off. Vacation is accrued when incurred in the government-wide presentation and reported as a liability. Amounts that are expected to be liquidated with expendable available financial resources, for example, as a result of employee resignations or retirements that are currently payable, are reported as expenditures and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources represent a reconciling item between the fund and government-wide presentation. No expenditure is reported in the governmental fund financial statements for these amounts.

Sick leave is not payable upon termination, but may be converted to service credits under the Town's defined benefit pension plan. One group of employees is entitled to sick leave payout. If the employee was hired before November 12, 2012, has five years of service, and leaves in good standing, they can receive a payout for sick leave in excess of twenty days at half their normal rate of pay up to $3,750.

Long-term Obligations: Long-term debt of governmental funds are reported at face value in the government-wide financial statements and represent a reconciling item between the fund and government-wide presentation. Certain other governmental fund obligations not expected to be financed with current available financial resources are also reported in the government-wide financial statements and represent a reconciling item between the fund and government-wide presentation.

For governmental fund types, proceeds from borrowing are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Deferred Outflows and Inflows of Resources: In addition to liabilities, the statement of financial position reports a separate section for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net assets by the government that is applicable to a future reporting period. *Deferred inflows of resources* represent an acquisition of net assets that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expenditure/expense) or an inflow of resources (revenue) until the earnings process is complete. The governmental funds report unavailable revenues for grants and other revenues when the amounts meet the asset recognition criteria and were accrued as receivables, but the amounts were not received in the availability period. Deferred outflows and inflows of resources include amounts deferred related to the Town's pension and OPEB plans as described in Notes H and I.

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 Commission's California Public Employee's Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which comprise prepaid items and long-term receivables.

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Town Council. These amounts cannot be used for any other purpose unless the Town Council modifies or removes the fund balance commitment.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification of the Town's funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

Net Position: The government-wide financial statements utilize a net position presentation. Net position is categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the Town not restricted for any project or other purpose.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Town Council establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted, committed, assigned and unassigned resources as they are needed. The Town's committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Budgetary Information: The Town Council annually adopts the budget resolution for all operating funds of the Town. Budgetary control is legally maintained at the fund level. Department heads submit budget requests to the Town Administrator. The Administrator prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget may or may not be amended by the Town Council and is adopted by resolution by the Town Council on or before June 30.

All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions of the annual budgets during the year. Appropriations, except open project appropriations, and unexpended grant appropriations, lapse at the end of each fiscal year. Amounts shown in the financial statements represent the original budgeted amounts and all supplemental appropriations. The supplemental appropriations were immaterial. The budgetary data is prepared on the modified accrual basis consistent with the related "actual" amounts, except as indicated below. The Town does not use encumbrance accounting.

Excess Expenditures Over Appropriations: The following funds had excess expenditures over appropriations.

Fund	Appropriations	Total Expenditures and Transfers Out	Excess Expenditures
Nonmajor Special Revenue Funds:			
Public Safety Grants	$ 205,803	$ 259,367	$ (53,564)
Other Grants	259,225	521,959	(262,734)
Impact Fees	100,000	164,347	(64,347)

The Funds are over budget due to increased funding available in those funds.

Fund Deficits: At June 30, 2024, the following governmental funds had a fund balance deficit:

Fund	Deficit
Camp Fire 2018 Fund	$ 2,382,987
CDBG Grants Fund	3,447,544
Disaster Recovery Projects	2,776,831
Capital Projects Fund	473,186
FEMA Grants Fund	8,560
Home Grant Fund	465,193

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The fund balance deficits are primarily due to the Town incurring costs in advance of receipt of revenues and will be eliminated through future revenues and expenditure reductions.

New Pronouncements: In June 2022, the GASB issued Statement No. 101, Compensated Absences. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or paid in cash or settled through noncash means and leave that has been used but not paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in the liability for compensated absences. This Statement requires that a liability for certain types of compensated absences, including parental leave, military leave and jury duty leave, not be recognized until the leave commences. Certain salary related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. Governments are allowed to disclose the net change in the liability if identified as such in the footnotes to the financial statements. The provisions of this Statement are effective for years beginning after December 15, 2023.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures.* This statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The provisions of this Statement are effective for year ended June 30, 2025.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements.* This statement will implement changes to the financial reporting model including the Management's Discussion and Analysis, Unusual or Infrequent Items, presentation of the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position, Major Component Unit Information, and Budgetary Comparison Information. The provisions of this Statement are effective for year ended June 30, 2026.

In October 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets,* that requires certain types of assets to be disclosed separately in the note disclosures and establishes requirements for capital assets held for sale. This Statement is effective for the year ended June 30, 2026.

The Town is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND INVESTMENTS

The Town follows the practice of pooling cash and investments of all funds. Cash represents cash on hand, demand deposits in the bank and amounts invested in the State of California Local Agency Investment Fund (LAIF). Cash and investments at June 30, 2024 are classified in the accompanying financial statements as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash and cash equivalents	$ 213,092,108	$ 235,083	$ 213,327,191
Restricted cash	102,768	85,458	188,226
	$ 213,194,876	$ 320,541	$ 213,515,417

NOTE B – CASH AND INVESTMENTS (Continued)

As of June 30, 2024, the Town's cash and investments consisted of the following:

Cash on hand	$ 8,725
Deposits in financial institutions	17,590,271
Investments:	
California CLASS prime fund	16,326,855
Local Agency Investment Fund	1,122,522
Commercial paper	1,496,380
Money market mutual funds	13,904
U.S. treasury	38,509,500
U.S. government agency	51,469,803
Corporate bonds	20,804,896
Supranational	14,758,541
Municipal notes/bonds	48,639,932
Negotiable certificates of deposit	1,444,537
Mortgage-backed security	1,229,138
Held by fiscal agent	
Money market fund	100,413
Total investments	195,916,421
Total cash and investments	$ 213,515,417

Investment policy: California statutes authorize cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. 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) that address interest rate risk, credit risk, and concentration of credit risk.

	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
Asset backed securities	5 years	20%	None
Banker acceptances	180 days	40%	30%
Collateralized bank deposits	5 years	Unlimited	None
Commercial paper	270 days	25%	10%
Local agency investment funds	5 years	Unlimited	$50 million
Medium term notes	5 years	30%	None
Mutual funds	5 years	20%	10%
Certificate of deposits	5 years	30%	None
Repurchase agreements	1 years	20%	None
Subranationals: IBRD, IFC, IADB	5 years	30%	None
Treasury bills and notes	5 years	Unlimited	None
US Government, state(s) and agency securities	5 years	Unlimited	None

The Town complied with the provisions of California Government Code pertaining to the types of investments held, institutions in which deposits were made and security requirements. The Town will continue to monitor compliance with applicable statutes pertaining to public deposits and investments.

NOTE B – CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements: Investment of debt proceeds held by the 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 Pension Obligation Bond debt agreement contains certain provisions that address interest rate risk, credit risk, and concentration of credit risk.

	Maximum Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. government agency obligations	5 years	None	None
Municipal obligations	None	None	None
Bankers acceptances	1 year	None	None
Commercial paper	None	None	None
Certificates of deposit	None	None	None
Money market funds	N/A	None	None
Local Agency Investment Fund	None	None	None
Investment contracts	None	None	None

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 the Town manages its exposure to interest rate risk 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 the bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity:

NOTE B – CASH AND INVESTMENTS (Continued)

	Remaining Maturity (in months)			
	Total	12 Months or Less	13 to 24 Months	25 to 60 Months
California CLASS Prime Fund	$ 16,326,855	$ 16,326,855		
Local Agency Investment Fund (LAIF)	1,122,522	1,122,522		
Money market mutual fund	13,904	13,904		
Commercial paper	1,496,380	1,496,380		
U.S. Treasury	38,509,500			$ 38,509,500
U.S. government agency	51,469,803	12,432,958	$ 24,453,904	14,582,941
Corporate bonds	20,804,896	891,036	6,633,050	13,280,810
Supranational	14,758,541	3,053,137	8,441,810	3,263,594
Municipal notes/bonds	48,639,932	24,371,581	22,743,264	1,525,087
Negotiable certificates of deposit	1,444,537	740,015	245,706	458,816
Mortgage-backed securities	1,229,138		1,229,138	
Held by fiscal agent				
Money market fund	100,413	100,413		
Total	$ 195,916,421	$ 44,221,946	$ 63,746,872	$ 71,620,748

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. The following are credit ratings issued by Moody's and Standard and Poor's as of June 30, 2024:

Investment Type	AAA	AA+/AA/AA-	A+/A	A-1	Total
California CLASS Prime Fund	$ 16,326,855				$ 16,326,855
Money Market Mutual Funds	13,904				13,904
Commercial paper				$ 1,496,380	1,496,380
U.S. Treasuries		$ 38,509,500			38,509,500
U.S. government agencies		48,198,423			48,198,423
Corporate bonds		10,519,130	$ 10,285,766		20,804,896
Supranational		14,758,541			14,758,541
Muncipal notes/bonds	9,287,346	39,352,586			48,639,932
Mortgage-backed securities		1,229,138			1,229,138
Held by fiscal agent:					
Money market fund	100,413				100,413
	$ 9,401,663	$ 152,567,318	$ 10,285,766	$ 1,496,380	
Not rated:					
LAIF					1,122,522
Exempt from credit rating disclosure:					
U.S. government agencies					3,271,380
Negotiable certificates of deposit					1,444,537
Total investments					$ 195,916,421

NOTE B – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk: The investment policy of the Town contains no limitations on the amount that can be invested with any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer represent more than 5% of the total investments (other than mutual funds and external investment pools) are as follows as of June 30, 2024.

Issuer	Investment Type	Amount	%
Federal Farm Credit Bank	U.S. Agency security	$ 11,476,400	5.86%
Federal Home Loan Mortgage Corporation	U.S. Agency security	10,273,603	5.24%
Federal National Mortgage Association	U.S. Agency security	16,464,668	8.40%

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 California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Governmental 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 governmental 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 public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2024, the carrying amount of the Town's deposits was $17,590,271 and the balance in financial institutions was $18,140,549. Of the balance in financial institutions, $500,000 was covered by federal depository insurance and $17,640,549 was covered by the pledging financial institution with assets held in a common pool for the Town and other governmental agencies.

Investment in LAIF: LAIF is stated at amortized cost, which approximates fair value. The LAIF is a special fund of the California State Treasury through which local governments may pool investments. The total fair value amount invested by all public agencies in LAIF is $179,046,993,600 managed by the State Treasurer. Of that amount, 3% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. 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 LAIF 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. At June 30, 2024, these investments matured in an average of 217 days.

Investment in the California Cooperative Liquid Assets Securities System: The Town is a voluntary participant in the California Cooperative Liquid Assets Securities System (California CLASS). California CLASS is a joint exercise of powers entity authorized under section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. The fair value of the Town's investment in this pool is reported in the accompanying financial statements.

NOTE B – CASH AND INVESTMENTS (Continued)

Fair Value Measurement: The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. 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. All of the Town's investments are considered to be value based on Level 2 inputs.

NOTE C – INTERFUND TRANSACTIONS

Interfund balances at June 30, 2024 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Major Governmental Funds:	
	General Fund	
	Camp Fire 2018	$ 4,746,143
	CalHOME Grants	3,392,497
	CDBG Grants	10,322,013
	Nonmajor Governmental Funds:	
	Disaster Recovery Projects	2,572,035
	Capital Project	461,583
	Highway Grants	113,055
	Community Development	264,523
	FEMA Grants	796,113
	Public Safety Grants	45,057
	Other Grants	88,094
	HOME Grants	429,916
		$ 23,231,029

NOTE C – INTERFUND TRANSACTIONS (Continued)

Transfers during the year ended June 30, 2024 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred
General Fund	Camp Fire 2018	$ 2,540
	Gas Tax	2,113
	Highway Grants	63
	FEMA Grants	6,883
	CDBG Grants	452
Major Governmental Funds:		
Loan Funds	HOME Grants	108,052
Nonmajor Governmental Funds:		
Building Safety and Wastewater Services	General Fund	301,727
	Community Development	425
	Debt Service	3,186
Local Transportation	General Fund	9,322
	Gas Tax	93
Highway Grants	General Fund	1
	Gas Tax	3,638
	CDBG Grants	9,725
Gas Tax	General Fund	252,818
Community Development	Disaster Recovery Projects	118,229
FEMA Grants	General Fund	525,611
Other Grants	Local Transportation	459
	Highway Grants	7,541
HOME Grants	General Fund	100,062
		$ 1,452,940

NOTE D – LOANS RECEIVABLE

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, 2024 was $31,979,725, which included loans to homeowners totaling $13,089,468, loans to the developer (Paradise Community Village) totaling $6,380,671, and loans to Community Housing Improvement Program totaling $12,509,586. As of June 30, 2024 loans receivable balances of $9,488,442, $9,981,697 and $12,509,586 are recorded in the Town's Loan Fund, Cal Home Grants Fund and CDBG Fund, respectively. On a modified accrual basis, these amounts are not available to pay for current period expenditures and are offset by deferred inflows of resources for the full amount as of June 30, 2024.

NOTE E – CAPITAL ASSETS

Governmental capital assets activity for the year ended June 30, 2024 was as follows:

	Balance at June 30, 2023	Additions	Retirements	Transfers	Balance at June 30, 2024
Capital assets, not being depreciated:					
Land	$ 1,845,010				$ 1,845,010
Construction in progress	38,071,755	$ 15,147,810		$ (15,101,750)	38,117,815
Total capital assets, not being depreciated	39,916,765	15,147,810	-	(15,101,750)	39,962,825
Capital assets, being depreciated:					
Infrastructure	32,550,959			13,247,384	45,798,343
Buildings	3,980,947	98,839		1,076,390	5,156,176
Machinery and equipment	2,671,351	229,743		777,976	3,679,070
Vehicles	5,828,771	863,404	$ (199,901)		6,492,274
Total capital assets, being depreciated	45,032,028	1,191,986	(199,901)	15,101,750	61,125,863
Less accumulated depreciation for:					
Infrastructure	(15,110,624)	(1,849,367)			(16,959,991)
Buildings	(1,922,982)	(156,124)			(2,079,106)
Machinery and equipment	(1,920,443)	(384,380)			(2,304,823)
Vehicles	(3,514,055)	(665,350)	199,901		(3,979,504)
Total accumulated depreciation	(22,468,104)	(3,055,221)	199,901	-	(25,323,424)
Capital assets being depreciated, net	22,563,924	(1,863,235)	-	15,101,750	35,802,439
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 62,480,689	$ 13,284,575	$ -	$ -	$ 75,765,264

Depreciation expense for governmental capital assets was charged to functions as follows:

General government	$ 234,503
Public safety	819,212
Streets and public works	1,824,199
Parks and recreation	177,307
Total governmental activities depreciation expense	$ 3,055,221

NOTE F – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Balance June 30, 2023	Additions	Payments	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Bonds payable	$ 3,081,366		$ (459,239)	$ 2,622,127	$ 448,824
Accreted interest payable	4,552,381		(301,971)	4,250,410	735,762
Finance purchase agreements	49,366		(19,170)	30,196	19,549
Total debt	7,683,113	-	(780,380)	6,902,733	1,204,135
Compensated absences	528,776	$ 86,225		615,001	
Net pension liability	29,081,689	1,708,759		30,790,448	
OPEB liability	11,791,874	1,332,750		13,124,624	
Governmental activities long-term liabilities	$ 49,085,452	$ 3,127,734	$ (780,380)	$ 51,432,806	$ 1,204,135

Note: The change in the compensated absences liability is presented as a net change.

Long-term debt of the Town's governmental activities consists of the following as of June 30, 2024:

<u>Bonds Payable</u>: 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 costs of issuance fees of $282,841.

Interest on Series A-2 capital appreciation bonds is payable on June 1 and December 1. The rate of interest varies from 5.160% to 5.694% per annum. Principal payment 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, 2024 was $2,622,127. The accreted interest on the capital appreciation bonds balance as of June 30, 2024 was $4,250,410.

NOTE F – LONG-TERM LIABILITIES (Continued)

Principal interest payments on bonds are due as follows:

Year Ending June 30:	Principal	Interest*	Total
2025	$ 448,824	$ 786,176	$ 1,235,000
2026	439,091	840,909	1,280,000
2027	428,182	891,818	1,320,000
2028	416,296	943,704	1,360,000
2029	406,621	998,379	1,405,000
2030-31	483,113	1,336,887	1,820,000
Totals	$ 2,622,127	$ 5,797,873	$ 8,420,000

* The amount includes accreted interest.

Finance purchase agreement: The Town has entered into various finance purchase agreements for financing the acquisition of capital assets. Finance purchase agreements include the following:

Axon Enterprises – During the fiscal year 2020-2021, the Town entered into an agreement to lease tasers and related hardware and accessories. The total amount of the lease is $52,485, with an implicit interest rate of 4.50%. The lease will be paid in four installments of $10,861 through December 1, 2024.

De Lage Landen Public Finance – During the fiscal year 2020-2021, the Town entered into an agreement to lease 8 printers. The total amount of the lease is $41,937, with an implicit interest rate of 4.50%. The lease will be paid by 60 monthly payments of $781.25.

Principal interest payments on the finance purchase agreements are due as follows:

Year Ending June 30:	Principal	Interest	Total
2025	$ 19,549	$ 687	$ 20,236
2026	9,084	291	9,375
2027	1,563	9	1,572
Totals	$ 30,196	$ 987	$ 31,183

NOTE G – FUND BALANCE

The following are the components of the Governmental Funds fund balances:

	General Fund	Camp Fire 2018 Fund	Loan Funds	CalHome Grants Fund	CDBG Grants	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable:							
Prepaid expenses	$ 5,737						$ 5,737
Advance to successor agency	1,275,519						1,275,519
Total Nonspendable	1,281,256	-	-	-	-	-	1,281,256
Restricted for:							
Debt service	100,413						100,413
Community development			$ 4,092,390	$ 27,559		$ 562,543	4,682,492
Public safety						269,125	269,125
Streets and roads						6,657,572	6,657,572
Wastewater and drainage						5,169,700	5,169,700
Total Restricted	100,413	-	4,092,390	27,559	-	12,658,940	16,879,302
Assigned for:							
PG&E subsequent funds	197,048,762						197,048,762
Measure V	1,368,100						1,368,100
Property abatement	150,000						150,000
Total assigned	198,566,862	-	-	-	-	-	198,566,862
Unassigned/Unrestricted	5,973,997	$ (2,382,987)	-	-	$ (3,447,544)	(3,723,770)	(3,580,304)
Total Unassigned	5,973,997	(2,382,987)	-	-	(3,447,544)	(3,723,770)	(3,580,304)
Total fund balances	$ 205,922,528	$ (2,382,987)	$ 4,092,390	$ 27,559	$ (3,447,544)	$ 8,935,170	$ 213,147,116

NOTE H – PENSION PLANS

Plan Descriptions: All qualified permanent and probationary employees are eligible to participate in the Town's cost-sharing multiple-employer defined benefit pension plan (the Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS). PERF C consists of a miscellaneous risk pool and a safety risk pool and the following rate plans:

- Town Miscellaneous Plan Classic Tier 1
- Town Miscellaneous Plan Classic Tier 2
- Town Miscellaneous PEPRA
- Safety Plan Classic Tier 1
- Safety Plan Classic Tier 2
- Safety Plan PEPRA

Although one pension plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately where available. Benefit provisions under the Plan is established by State statute and Town resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

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 (57 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of

NOTE H – PENSION PLANS (Continued)

service. The death benefit is the Optional Settlement 2 Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2024, are summarized as follows:

	City Miscellaneous Classic Tier 1	**City Miscellaneous Classic Tier 2**	**City Miscellaneous PEPRA**
	Prior to January 1, 1982	On or after January 1, 1982	On or after January 1, 2013
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	One Year	Three Year	Three Year
Retirement age	50 - 63	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	7.00%	6.75%
Required employer contribution rates	12.47%	10.10%	7.68%

	Safety Classic Tier 1	**Safety Classic Tier 2**	**Safety PEPRA**
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013
Benefit formula (at full retirement)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	Three Year	Three Year	Three Year
Retirement age	50	50 - 57	50 - 55
Monthly benefits, as a % of eligible compensation	3.00%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.00%	9.00%	13.00%
Required employer contribution rates	27.11%	22.83%	13.54%

The Miscellaneous Plan & Safety is closed to new participants that were not CalPERS participants prior to January 1, 2013 under the Public Employees' Pension Reform Act of 2013 (PEPRA). Any new participants that were not previously CalPERS participants would be required to join the PEPRA Miscellaneous Plan.

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.

NOTE H – PENSION PLANS (Continued)

For the year ended June 30, 2024, the employer contributions made to the Plan were $3,015,733.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2024, the Town reported a net pension liability for its proportionate share of the net pension liability as follows:

	Proportionate Share of Net Pension Liability/Asset
City Miscellaneous Risk Pool	$ 8,528,344
Safety Risk Pool	22,262,104
Total Net Pension Liability	$ 30,790,448

The Town's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 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 plans 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, 2024 and 2023 was as follows:

	Miscellaneous Plan	Safety Plan
Proportion - June 30, 2023	0.16950%	0.30779%
Proportion - June 30, 2024	0.17055%	0.29782%
Change - Increase (Decrease)	0.00105%	-0.00997%

For the year ended June 30, 2024, the Town recognized a pension expense of $1,323,764 for the Miscellaneous Plan and $2,711,336 for its Safety Plan. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to the Plan combined from the following sources:

City Miscellaneous Risk Pool	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,071,992	
Net differences between projected and actual earnings on plan investments	1,380,816	
Difference between employer's and proportionate share of contributions	69,339	$ (128,312)
Difference between expected and actual experience	435,674	(67,584)
Change in employer's proportion	43,086	(131,043)
Changes of assumptions	514,895	
Total	$ 3,515,802	$ (326,939)

NOTE H – PENSION PLANS (Continued)

Safety Risk Pool	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 1,943,741	
Net differences between projected and actual earnings on plan investments	3,046,563	
Difference between employer's and proportionate share of contributions	202,751	$ (644,600)
Difference between expected and actual experience	1,634,449	(139,926)
Change in Employer's Proportion	127,108	(230,835)
Changes of assumptions	1,299,246	
Total	$ 8,253,858	$ (1,015,361)
Total - all risk pools	$ 11,769,660	$ (1,342,300)

The $3,015,733 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 subsequent fiscal year. Other amounts reported as net deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	City Miscellaneous Risk Pool	Safety Risk Pool	Total
2025	$ 580,111	$ 1,584,766	$ 2,164,877
2026	422,402	1,174,279	1,596,681
2027	1,074,737	2,450,676	3,525,413
2028	39,621	85,035	124,656
	$ 2,116,871	$ 5,294,756	$ 7,411,627

Actuarial Assumptions: The total pension liabilities in the actuarial valuations for the Plan were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by entry age and service
Mortality	Derived using CalPERS Membership Data for all Funds

The mortality table used was developed based on CalPERS-specific data. The rate incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details on this table, please refer to the December 2021 experience

NOTE H – PENSION PLANS (Continued)

study report (based on CalPERS demographic data from 1997 to 2019) that can be found on the CalPERS website.

Discount Rate: The discount rate used to measure the total pension liability was 6.90% for the Plan, which remained the same as the prior year rate of 6.90%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound 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 for the Plan. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)
Global Equity - cap-weighted	30.0%	4.54%
Global Equity - non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.0%	

(a) An expected inflation of 2.30% used for this period.

NOTE H – PENSION PLANS (Continued)

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 Plans, calculated using the discount rate for the Plans, as well as what the Town's proportionate share of the 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:

	City Miscellaneous Risk Pool	Safety Risk Pool	Total
1% Decrease Net Pension Liability	$ 12,564,001	$ 30,946,855	$ 43,510,856
Current Discount Rate Net Pension Liability	$ 8,528,344	$ 22,262,104	$ 30,790,448
1% Increase Net Pension Liability	$ 5,206,652	$ 15,161,701	$ 20,368,353

Pension Plan Fiduciary Net Position: Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE I – OTHER POST EMPLOYMENT BENEFITS (OPEB)

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

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

Employees Covered: As of the June 30, 2023 actuarial valuation, the following current and former employees were covered by the benefit terms under the Health Plan:

Inactive employees or beneficiaries currently receiving benefit payments	80
Active employees	83
Total	163

NOTE I – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Contributions: The Town funds the Plan on a pay-as-you-go basis. For the year ended June 30, 2024, the Town paid $706,148 on behalf of retirees, and made implicit subsidy payments of $91,886. The Town did not contribute to the trust.

Net OPEB Liability: The Town's net OPEB liability (NOL) was measured as of June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2023 based on the following actuarial methods and assumptions:

Funding Method	Entry Age Normal Cost, level percent pay
Asset Valuation Method	Market value of assets
Long Term Return on Assets	6.50%
Discount Rates	3.89%
Participates Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation. Employees with no current medical coverage are assumed to elect PERS Choice upon retirement, with no dependents.
Service Retirement Rates	Retirement rates for non-safety employees are taken from the 2014 CalPERS OPEB Assumptions Model for "Public Agency Miscellaneous 2.0% at 55" For police employees, retirement rates are taken from the CalPERS "Police with 3.0% at 50" table
Benefit Cap Increases	Benefit caps for all employees are assumed to remain uncahnged in future years
General Inflation Rate	2.30% per annum
Payroll Growth	2.80%
Mortality Improvement	Based on CalPERS rates
Healthcare Trend Rate	Based on medical long-term trends from Society of Actuaries "Long Term Healthcare Cost Trends 2023 using baseline assumptions applied to both claims and premiums through 2023 followed by 7.40% (Pre-Medicare) / 4.20% (Medicare) in 2023, decreasing gradually to an ultimate rate of 4.14%

Discount Rate: The discount rate used to measure the total OPEB liability was 3.89%. The discount rate used is up to the expected long-term rate of return on the assets in the Trust set aside pay benefits, of the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the Plan's actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments. Based on this requirement, and with approval of the plan sponsor.

Changes in Actuarial Assumptions: The discount rate decreased from 4.27% to 3.89%. Payroll growth, mortality and retirement rates have been updated. Health care trend rates were updated to actual premium increases from 2022 to 2023 followed by 7.40% (non-Medicare) and 4.20% (Medicare), decreasing gradually to 4.14% in 2075. In addition, the Town signed a Memorandum of Understanding in June 2022 that increases the Town's maximum employee subsidy from non-safety employees to the same level as safety employees.

NOTE I – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Net OPEB Liability: The changes in the net OPEB liability for the Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance - beginning of year	$ 12,046,535	$ 254,661	$ 11,791,874
Service cost	325,798		325,798
Interest cost	511,261		511,261
Investment income		26,982	(26,982)
Difference between expected and actual experience	1,501,673		1,501,673
Changes in assumptions	(180,966)		(180,966)
Employer contributions		798,034	(798,034)
Benefit payments	(798,034)	(798,034)	
Administrative expenses			-
Net changes	1,359,732	26,982	1,332,750
Balance - end of year	$ 13,406,267	$ 281,643	$ 13,124,624

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following represents the net OPEB liability of the Town, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2023:

	1% Decrease 2.89%	Discount Rate 3.89%	1% Increase 4.89%
Net OPEB liability	$ 14,518,817	$ 13,124,624	$ 11,934,855

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates: The following represents the net OPEB liability of the Town, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2023:

	1% Decrease 6.40%	Current Healthcare Cost Trend Rates 7.40%	1% Increase 8.40%
Net OPEB liability	$ 12,843,012	$ 13,124,624	$ 13,422,355

NOTE I – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Recognition of Deferred Outflows and Deferred Inflows of Resources: Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amount are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expenses.

The recognition period differs depending on the source of the gain or loss. The net difference between projected and actual earnings on OPEB plan investments is recognized over 5 years. All other amounts are recognized over the expected average remaining service lifetime (EARSL), which was 6.4 years at June 30, 2024.

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB: For the fiscal year ended June 30, 2024, the Town recognized OPEB expense of $1,281,707. As of fiscal year ended June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Outflows of Resources	Inflows of Resources
OPEB contributions subsequent to measurement date	$ 822,432	
Differences between actual and expected experience	1,312,932	$ (232,890)
Changes in assumptions	1,592,657	(1,713,273)
Net differences between projected and actual earnings on OPEB plan investments	1,838	
Total	$ 3,729,859	$ (1,946,163)

The $822,432 reported as deferred outflows of resources related to contributions subsequent to the measurement will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as follows:

Year Ending June 30:	
2025	$ 476,393
2026	534,670
2027	(164,569)
2028	(174,132)
2029	206,361
Thereafter	82,541
	$ 961,264

NOTE J – INSURANCE

The Town is a member of the Northern California Cities Self Insurance Fund (NCCSIF) along with twenty other northern California cities. The NCCSIF is a joint powers authority (JPA) organized in accordance with Article I, Chapter 5, Division 7, Title I 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 of Paradise 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. The NCCSIF is empowered to make supplemental assessments as needed to eliminate deficit positions of member cities. If the JPA becomes insolvent, the Town is responsible only to the extent of any deficiency in its equity balance.

Coverage	Coverage	Excess	Banking Layer/ Deductible
Liability	$ 500,000	$ -	$ 50,000
Property	1,000,000,000	-	10,000
Boiler and machinery	100,000,000	-	2,500
Wildfire deductible	-	-	2,500,000
Mobile equipment	5,445,635	-	5,000
Workers Compensation liability	500,000	4,500,000	100,000
Cyber Excess	2,000,000	25,000,000	50,000
Crime	3,000,000	-	5,000
Deadly Weapon Response Program	500,000	-	50,000

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 reported. 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.

Settlements have not exceeded the insurance coverage for the past three fiscal years. There have not been any significant reductions in insurance coverage over the prior year. The audited financial statements of the JPA are available at the NCCSIF's office.

NOTE K – COMMITMENTS AND CONTINGENCIES

The Town participates in various federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors. The audits by the grantors for the year ended June 30, 2024, have not yet been conducted. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

NOTE K – COMMITMENTS AND CONTINGENCIES (Continued)

The Town has the following contract commitments at June 30, 2023:

Sewer Project Design	$ 2,713,125
2024 On System Road Rehabilitation	4,961,787
2024 Off System Road Rehabilitation	5,756,809
Early Warning System	817,365
Disaster Recovery	1,045,256
Communicatoin Strategy and Support Services	240,922
	$ 15,535,264

On March 9, 2021, the Town Council of the Town of Paradise approved the CAL FIRE contract for services from July 1, 2021 through June 30, 2025 for a maximum amended amount not to exceed $18,994,417. As of June 30, 2024, $5,273,422 was committed for fiscal year 2024/2025.

NOTE L – SUCCESSOR AGENCY TRUST FOR FORMER PARADISE REDEVELOPMENT AGENCY

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, as amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies on January 31, 2012.

Under the provisions of AB 1484, the Town elected to become the Successor Agency and the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency. ABx1 26 requires the establishment of an Oversight board to oversee the activities of the Successor Agency and one was established in April 2012. The activities of the Successor Agency are subject to review and approval of the Oversight Board, which is comprised of seven members, including one member of the Town Council, one former Redevelopment Agency employee appointed by the Mayor and the remaining members are appointed by external agencies with an interest in Successor Agency assets. Pursuant to Senate Bill 107, on July 1, 2018, a single consolidated County Oversight Board was established for the four Town Oversight Boards.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The Town provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency, including paying debt service payments of existing Redevelopment Agency debt agreements.

The following disclosures of the Successor Agency as of June 30, 2024 are required by debt continuing disclosure requirements.

NOTE L – SUCCESSOR AGENCY TRUST FOR FORMER PARADISE REDEVELOPMENT AGENCY (Continued)

Long-term Liabilities

The following is a summary of changes in the Successor Agency's long-term liabilities for the year ended June 30, 2024:

	Balance July 01, 2023	Additions	Retirements	Balance June 30, 2024	Due Within One Year
Advance Payable	$ 1,275,519			$ 1,275,519	$ 1,275,519
Bonds payable - 2009	3,975,000			3,975,000	3,975,000
Bonds payable - 2016	1,380,000			1,380,000	1,380,000
	$ 6,630,519	$ -	$ -	$ 6,630,519	$ 6,630,519

The long-term liabilities consisted of the following components for the fiscal year ended June 30, 2024:

Advance payable consisted of advances totaling $1,275,519 from the General Fund to the Town to assist the Successor Agency with administrative, operation, and program costs. The interest rate on this advance rate is 4.50%. These loans were approved by the Oversight Board as enforceable obligations. No payments have been made since fiscal year 2018/19.

Bonds payable consisted of the following as of June 30, 2024:

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 fonds 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 transferring from the Town. The principal balance outstanding, as of June 30, 2024 was $3,975,000.

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.

NOTE L – SUCCESSOR AGENCY TRUST FOR FORMER PARADISE REDEVELOPMENT AGENCY (Continued)

The Refunding Bonds will be subject to option 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.

Default on Bonds: As outlined in the 2022 Annual Continuing Disclosure Information Statement for the 2009 Bonds and the 2016 Bonds, tax revenues for fiscal years 2022-23 and thereafter are projected to be insufficient to pay debt service on the 2009 Bonds and the 2016 Bonds due to the destruction of properties located in the Project Area by the Camp Fire in 2018. As a result, the amount on deposit in the reserve fund for the 2009 Bonds will be insufficient to pay the full amount of the principal and interest coming due and payable on the 2009 Bonds starting on June 1, 2023, and the amount on deposit in the reserve fund for 2016 Bonds will be insufficient to pay the full amount of the principal and interest coming due and payable on the 2016 Bonds starting on June 1, 2023. The Agency began making payments on the 2009 Bonds during fiscal year 2024/25 and must complete all payments on the 2009 Bonds before making payments on the 2016 bonds. As a result, the bonds are reported as currently due and payable. It is important to note that these financial obligations are solely those of the Paradise Redevelopment Agency and are not obligations of the Town of Paradise.

Scheduled future debt service for Successor Agency at June 30, 2024 is as follows:

2009 Tax Allocation Refunding Bonds

Fiscal Year ended June 30:	Principal	Interest	Total
2025	$ 110,000	$ 230,638	$ 340,638
2026	110,000	224,313	334,313
2027	120,000	217,988	337,988
2028	125,000	211,088	336,088
2029	135,000	203,900	338,900
2030-2034	805,000	890,938	1,695,938
2035-2039	1,055,000	621,900	1,676,900
2040-2044	1,515,000	500,388	2,015,388
Totals	$ 3,975,000	$ 3,101,153	$ 7,076,153

NOTE L – SUCCESSOR AGENCY TRUST FOR FORMER PARADISE REDEVELOPMENT AGENCY (Continued)

2016 Tax Allocation Refunding Bonds

Fiscal Year ended June 30:	Principal	Interest	Total
2025	$ 20,000	$ 54,389	$ 74,389
2026	20,000	53,629	73,629
2027	25,000	52,869	77,869
2028	25,000	51,919	76,919
2029	25,000	50,969	75,969
2030-2034	135,000	240,419	375,419
2035-2039	165,000	212,694	377,694
2040-2044	200,000	177,581	377,581
2045-2049	245,000	134,119	379,119
2050-2054	295,000	79,818	374,818
2055-2057	225,000	72,267	297,267
Totals	$ 1,380,000	$ 1,180,673	$ 2,560,673

State Approval of Enforceable Obligations: The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semiannually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The Town expects such amounts, if any, to be immaterial.

NOTE M – EXTRAORDINARY ITEMS – CAMP FIRE

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

In fiscal years 2020 and 2019, the State of California advanced $8.5 million towards a FEMA public assistance claim. The remaining balance of the grant, $2,692,941 is recorded as unearned revenue in the Camp Fire Fund.

NOTE N – SUBSEQUENT EVENTS

Subsequent to June 30, 2024, the Town awarded agreement for professional services with Placeworks for a not to exceed amount of $2.2 million.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and assessments	$ 6,690,500	$ 7,815,514	$ 9,379,058	$ 1,563,544
Licenses, permits and impact fees	326,718	326,718	344,692	17,974
Fines and forfeitures	25,100	25,100	153,886	128,786
Intergovernmental revenues	103,050	43,050	270,895	227,845
Use of money and property	2,016,805	2,016,805	9,630,544	7,613,739
Reimbursements	5,400	5,400	81,138	75,738
Charges for services	377,425	377,425	582,237	204,812
Other revenues	293,575	293,575	651,396	357,821
TOTAL REVENUES	9,838,573	10,903,587	21,093,846	10,190,259
EXPENDITURES				
Current:				
General government	3,814,335	4,020,289	3,881,173	139,116
Community development	768,773	1,781,136	1,320,869	460,267
Public safety	12,315,533	12,450,286	12,219,553	230,733
Public works	943,516	962,816	824,221	138,595
Parks and recreation	119,010	119,010	96,524	22,486
Capital outlay	1,521,472	1,769,505	874,693	894,812
Debt Service:				
Principal	470,100	470,100	470,100	-
Interest and fiscal charges	735,762	735,762	735,762	-
TOTAL EXPENDITURES	20,688,501	22,308,904	20,422,895	1,886,009
Excess of revenues over (under) expenditures	(10,849,928)	(11,405,317)	670,951	12,076,268
OTHER FINANCING SOURCES (USES)				
Transfers in	1,736,485	936,485	1,189,541	253,056
Transfers out	(2,963,870)	(1,230,907)	(12,051)	1,218,856
Total other financing sources	(1,227,385)	(294,422)	1,199,301	1,493,723
Net change in fund balance	(12,077,313)	(11,699,739)	1,870,252	13,569,991
Fund balance, beginning of year	204,052,276	204,052,276	204,052,276	
Fund balances, end of year	$ 191,974,963	$ 192,352,537	$ 205,922,528	$ 13,569,991

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) - CAMP FIRE 2018 FUND

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	
	Original	Final	(Budgetary Basis)	Variance with Final Budget
REVENUES				
Intergovernmental revenues	$ 8,050,226	$ 8,050,226	$ 8,096,370	$ 46,144
Reimbursements	-	-	2,630	2,630
Other revenues	-	-	-	-
TOTAL REVENUES	8,050,226	8,050,226	8,099,000	48,774
EXPENDITURES				
Current:				
General government	60,000	60,000	408,179	(348,179)
Public works	8,613,574	8,613,574		8,613,574
Capital outlay	-	-	6,721,846	(6,721,846)
TOTAL EXPENDITURES	8,673,574	8,673,574	7,130,025	1,543,549
Excess of revenues over (under) expenditures	(623,348)	(623,348)	968,975	1,592,323
OTHER FINANCING SOURCES (USES)				
Transfers in	844,422	844,422	2,540	(841,882)
Transfers out	(7,530)	(7,530)	-	7,530
Total other financing sources	836,892	836,892	2,540	(834,352)
Net change in fund balance	213,544	213,544	971,515	757,971
Fund balance, beginning of year	(3,354,502)	(3,354,502)	(3,354,502)	
Fund balances, end of year	$ (3,140,958)	$ (3,140,958)	$ (2,382,987)	$ 757,971

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) - LOAN FUNDS

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property			$ 7,385	$ 7,385
Program income	$ 270,000	$ 270,000	807,212	537,212
TOTAL REVENUES	270,000	270,000	814,597	544,597
EXPENDITURES				
Current:				
Community development	1,310,000	1,310,000	242,749	1,067,251
TOTAL EXPENDITURES	1,310,000	1,310,000	242,749	1,067,251
Excess of revenues over (under) expenditures	(1,040,000)	(1,040,000)	571,848	(522,654)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,500	2,500		(2,500)
Transfers out	(267,100)	(267,100)	(108,052)	159,048
Total other financing sources	(264,600)	(264,600)	(108,052)	156,548
Net change in fund balance	(1,304,600)	(1,304,600)	463,796	(366,106)
Fund balance, beginning of year	3,628,594	3,628,594	3,628,594	
Fund balances, end of year	$ 2,323,994	$ 2,323,994	$ 4,092,390	$ (366,106)

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) - CalHOME GRANTS

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	$ 6,720,000	$ 6,720,000	$ 6,541,620	$ (178,380)
Use of money and property			65	65
TOTAL REVENUES	6,720,000	6,720,000	6,541,685	(178,315)
EXPENDITURES				
Current:				
Community development	5,700,000	5,700,000	3,925,371	1,774,629
TOTAL EXPENDITURES	5,700,000	5,700,000	3,925,371	1,774,629
Excess of revenues over (under) expenditures	1,020,000	1,020,000	2,616,314	1,596,314
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,020,000)	(1,020,000)	-	1,020,000
Total other financing sources	(1,020,000)	(1,020,000)	-	1,020,000
Net change in fund balance	-	-	2,616,314	2,616,314
Fund balance, beginning of year	(2,588,755)	(2,588,755)	(2,588,755)	
Fund balances, end of year	$ (2,588,755)	$ (2,588,755)	$ 27,559	$ 2,616,314

The accompanying notes are an integral part of these financial statements.

TOWN OF PARADISE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS) - CDBG GRANTS FUND

For the Year Ended June 30, 2024

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	$ 73,026,598	$ 73,026,598	$ 17,560,984	$(55,465,614)
Use of money and property			40	40
TOTAL REVENUES	73,026,598	73,026,598	17,561,024	(55,465,574)
EXPENDITURES				
Current:				
Community development	12,365,190	12,365,190	11,813,391	551,799
Public safety			21,708	(21,708)
Capital outlay			6,112,736	(6,112,736)
TOTAL EXPENDITURES	12,365,190	12,365,190	17,947,835	(5,582,645)
Excess of revenues over (under) expenditures	60,661,408	60,661,408	(386,811)	(61,048,219)
OTHER FINANCING SOURCES (USES)				
Transfers in			10,177	10,177
Transfers out	(60,501,012)	(60,501,012)		60,501,012
Total other financing sources	(60,501,012)	(60,501,012)	10,177	60,511,189
Net change in fund balance	160,396	160,396	(376,634)	(537,030)
Fund balance, beginning of year	(3,070,910)	(3,070,910)	(3,070,910)	
Fund balances, end of year	$ (2,910,514)	$ (2,910,514)	$ (3,447,544)	$ (537,030)

The accompanying notes are an integral part of these financial statements.

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - MISCELLANEOUS AND SAFETY PLAN (UNAUDITED)
Last 10 Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the net pension liability	0.24681%	0.25177%	0.31455%	0.23328%	0.22936%	0.22659%	0.21895%	0.21960%	0.21454%	0.20733%
Proportionate share of the net pension liability	$ 30,790,448	$ 29,081,689	$ 17,011,738	$ 25,381,614	$ 23,502,428	$ 21,834,378	$ 21,713,980	$ 19,003,356	$ 14,725,536	$ 12,901,028
Covered payroll - measurement period	$ 6,435,817	$ 5,416,012	$ 4,792,559	$ 3,834,730	$ 3,849,696	$ 3,764,228	$ 3,789,395	$ 3,511,751	$ 3,474,659	$ 3,208,769
Proportionate share of the net pension liability as a percentage of covered payroll	478.42%	536.96%	354.96%	661.89%	610.50%	580.05%	573.02%	541.14%	423.80%	402.06%
Plan fiduciary net position as a percentage of the total pension liability	71.42%	71.88%	84.89%	75.10%	75.30%	75.30%	73.30%	74.06%	78.40%	79.82%

Notes to Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions: The discount rate was changed from 7.15 to 6.90% in the 2021 valuation

Omitted years: GASB Statement No. 68 was implemented during the year ended June 30, 2015. No information was available prior to this dat

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN - MISCELLANEOUS AND SAFETY PLAN (UNAUDITED)
Last 10 Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution (actuarially determined)	$ 3,015,733	$ 2,890,885	$ 2,545,505	$ 2,261,174	$ 1,476,369	$ 1,168,177	$ 1,458,470	$ 1,248,468	$ 628,975	$ 563,889
Contributions in relation to the actuarially determined contributions	(3,015,733)	(2,890,885)	(2,545,505)	(2,261,174)	(1,940,581)	(1,610,515)	1,387,082	(1,189,673)	(1,070,254)	(550,258)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (464,212)	$ -	$ -	$ 58,795	$ (441,279)	$ -
Covered payroll - fiscal year	$ 7,484,964	$ 6,435,817	$ 5,416,012	$ 4,792,559	$ 3,834,730	$ 3,849,696	$ 3,764,228	$ 3,789,395	$ 3,511,751	$ 3,474,659
Contributions as a percentage of covered payroll	40.29%	44.92%	47.00%	47.18%	50.61%	41.83%	-36.85%	31.39%	30.48%	15.84%
Valuation date:	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry age normal									
Amortized method	Level percentage of payroll, closed									
Remaining amortization period	Varies, not more than 30 years									
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Inflation	2.30%	2.50%	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by Entry Age and Service									
Payroll growth	2.80%	2.75%	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	6.80% (1)	7.00% (1)	7.00% (1)	7.00% (1)	7.25% (1)	7.375% (1)	7.50% (1)	7.50% (1)	7.50% (1)	7.50% (1)
Mortality	(5)	(4)	(4)	(4)	(3)	(3)	(3)	(2)	(2)	(2)

Notes to Schedule:

(1) Net of administrative expenses, includes inflation.

(2) Probabilities of retirement and mortality are based on CalPERS' 2010 Experience Study for the period from 1997 to 2007.

(3) Probabilities of retirement and mortality are based on CalPERS' 2014 Experience Study for the period from 1997 to 2011.

(4) Probabilities of retirement and mortality are based on CalPERS' 2017 Experience Study for the period from 1997 to 2015.

(5) Probabilities of retirement and mortality are based on CalPERS' 2021 Experience Study for the period from 1997 to 2019.

Omitted years: The year ended June 30, 2015 was the first year of implementation of GASB Statement No. 68, the information prior to this date were not presented.

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)
Last 10 Years

Reporting Date - Based on Measurement Period	2023	2022	2021	2020	2019	2018	2017
TOTAL OPEB LIABILITY							
Service Cost	$ 325,798	$ 402,152	$ 110,454	$ 107,237	$ 153,868	$ 149,386	$ 145,035
Interest	511,261	357,063	643,913	637,764	663,993	661,804	661,041
Changes in benefit terms		609,318					
Difference Between Expected and Actual Experience	1,501,673	72,957	(436,000)		(424,055)		
Changes of Assumptions	(180,966)	(2,336,582)	3,981,641		(19,451)		
Benefit Payments	(798,034)	(773,894)	(748,993)	(784,503)	(771,250)	(783,788)	(792,419)
Net Change in Total OPEB Liability	**1,359,732**	**(1,668,986)**	**3,551,015**	**(39,502)**	**(396,895)**	**27,402**	**13,657**
Total OPEB Liability - Beginning	**12,046,535**	**13,715,521**	**10,164,506**	**10,204,008**	**10,600,903**	**10,573,501**	**10,559,844**
Total OPEB Liability - Ending (a)	**$ 13,406,267**	**$ 12,046,535**	**$ 13,715,521**	**$ 10,164,506**	**$ 10,204,008**	**$ 10,600,903**	**$ 10,573,501**
PLAN FIDUCIARY NET POSITION							
Contributions - Employer	$ 798,034	$ 773,890	$ 748,993	$ 784,503	$ 771,250	$ 852,682	$ 817,419
Net Investment Income	26,982	(26,800)	63,661	(227)	12,915	11,096	11,016
Benefit Payments	(798,034)	(773,894)	(748,993)	(784,503)	(771,250)	(783,788)	(792,419)
Administrative expenses	4	(572)	(487)	(323)	(323)	(198)	
Net Change in Fiduciary Net Position	**26,986**	**(27,376)**	**63,174**	**(550)**	**12,592**	**79,792**	**36,016**
Plan Fiduciary Net Position - Beginning	**254,657**	**282,033**	**218,859**	**219,409**	**206,817**	**127,025**	**91,009**
Plan Fiduciary Net Position - Ending (b)	**$ 281,643**	**$ 254,657**	**$ 282,033**	**$ 218,859**	**$ 219,409**	**$ 206,817**	**$ 127,025**
Plan Net OPEB Liability/(Asset) - Ending (a) - (b)	**$ 13,124,624**	**$ 11,791,878**	**$ 13,433,488**	**$ 9,945,647**	**$ 9,984,599**	**$ 45,061,840**	**$ 10,446,476**
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	**2.10%**	**2.11%**	**2.06%**	**2.15%**	**2.15%**	**1.95%**	**1.20%**
Covered-employee payroll - measurement period	**$ 6,756,552**	**$ 5,128,559**	**$ 4,579,309**	**$ 3,834,730**	**$ 3,849,529**	**$ 4,290,581**	**$ 3,854,764**
Net OPEB liability as percentage of covered-employee payroll	**194.25%**	**229.93%**	**293.35%**	**259.36%**	**259.37%**	**1050.25%**	**271.00%**

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)
Last 10 Years

	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution - employer fiscal year	$ 994,136	$ 878,029	$ 863,005	$ 676,317	$ 709,387	$ 701,420	$ 1,165,684
Contribution in relation to the actuarially determined contributions	(822,432)	(749,022)	(766,353)	(748,993)	(781,580)	(701,420)	(779,349)
Contribution deficiency (excess)	$ 171,704	$ 129,007	$ 96,652	$ (72,676)	$ (72,193)	$ -	$ -
Covered-employee payroll - employer fiscal year	$ 6,945,735	$ 6,435,817	$ 5,128,559	$ 4,579,309	$ 3,849,529	$ 4,290,581	$ 3,854,764
Contributions as a percentage of covered-employee payroll	11.84%	11.64%	14.94%	16.36%	20.30%	16.35%	20.22%
Notes to Schedule							
Valuation date	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry Age Normal Cost Method						
Amortization method	Level percentage of payroll, closed						
Amortization period	30 years						
Asset valuation method	Market value of assets						
Inflation	2.30%	2.30%	2.50%	2.50%	2.50%	2.26%	2.26%
Salary increases	Varies by entry age and service						
Discount rate	3.89%	4.27%	2.60%	6.50%	6.50%	7.28%	7.28%
Investment rate of return	6.50%	6.50%	6.50%	6.50%	6.50%	7.28%	7.28%
Healthcare cost-trend rate, initial	7.40%	5.50%	5.75%	6.40%	6.40%	7.85%	7.85%
Heathcare trending down to	4.14%	4.04%	4.04%	4.00%	4.00%	5.00%	5.00%
Retirement age	Most recent CalPERS Experience Study						
Mortality	Most recent CalPERS Experience Study						

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COMBINING STATEMENTS AND INDIVIDUAL FUND STATEMENTS

TOWN OF PARADISE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2024

	Special Revenue				
	Building Safety and Wastewater Services	Disaster Recovery Projects	Capital Projects	Local Transportation	Highway Grants
ASSETS					
Cash and investments	$ 4,767,572			$ 42,529	$ 3,019,433
Accounts receivable	5,466			709	
Interest receivable	2,045			2	
Other receivable	1,000				
Due from other governments				407,955	2,105,563
Loans receivable					
TOTAL ASSETS	$ 4,776,083	$ -	$ -	$ 451,195	$ 5,124,996
LIABILITIES					
Accounts payable	$ 87,994			$ 480	$ 68,656
Retentions payable		$ 204,796	$ 11,603		
Accrued wages	56,458			714	4,657
Deposits					
Due to other funds		2,572,035	461,583		113,055
Unearned revenue				5	55,056
TOTAL LIABILITIES	144,452	2,776,831	473,186	1,199	241,424
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue				407,955	
TOTAL DEFERRED INFLOWS OF RESOURCES				407,955	
FUND BALANCES (DEFICITS)					
Restricted	4,631,631			42,041	4,883,572
Unassigned		(2,776,831)	(473,186)		
TOTAL FUND BALANCES (DEFICITS)	4,631,631	(2,776,831)	(473,186)	42,041	4,883,572
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	$ 4,776,083	$ -	$ -	$ 451,195	$ 5,124,996

Special Revenue							
Gas Tax	Community Development	FEMA Grants	Public Safety Grants	Other Grants	Impact Fees	Home Grant Fund	Total Nonmajor Governmental Funds
$ 8,360,646	$ 19,265	$ 3,034	$ 190,188	$ 515,635	$ 1,446,979	$ 9,160	$ 18,374,441
				(14,942)	44,980		36,213
3,667	2		87	210	634	4	6,651
							1,000
90,927	551,586	798,477	48,195	189,511		259	4,192,473
$ 8,455,240	$ 570,853	$ 801,511	$ 238,470	$ 690,414	$ 1,492,593	$ 9,423	$ 22,610,778
$ 37,342	$ 213	$ 2,364	$ 200	$ 14,080	59,588	$ 57	$ 270,974
							216,399
32,007		8,584		2,495		432	105,347
						44,211	44,211
	264,523	796,113	45,057	88,094		429,916	4,770,376
7,472,956		3,010		329,319			7,860,346
7,542,305	264,736	810,071	45,257	433,988	59,588	474,616	13,267,653
							407,955
							407,955
912,935	306,117		193,213	256,426	1,433,005		12,658,940
		(8,560)				(465,193)	(3,723,770)
912,935	306,117	(8,560)	193,213	256,426	1,433,005	(465,193)	8,935,170
$ 8,455,240	$ 570,853	$ 801,511	$ 238,470	$ 690,414	$ 1,492,593	$ 9,423	$ 22,610,778

TOWN OF PARADISE

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2024

	Special Revenue				
	Building Safety and Wastewater Services	Disaster Recovery Projects	Capital Projects	Local Transportation	Highway Grants
REVENUES					
Taxes and assessments					
Licenses, permits and impact fees	$ 819,952				
Fines and forfeitures	26,000				
Intergovernmental revenues	(3,319)			$ 555,313	$ 3,651,282
Use of money and property	7,463			7	
Reimbursement	27,695			12,391	
Charges for services	2,089,760				
Other revenues	5,705			1,272	486,900
TOTAL REVENUES	2,973,256			568,983	4,138,182
EXPENDITURES					
Current:					
General government	15,233				462
Community development	2,844,093	$ 121,129			
Public safety					
Public works			$ 61,819		31,680
Streets				39,737	
Capital outlay				280,842	1,139,707
Debt Service:					
Principal	8,309				
TOTAL EXPENDITURES	2,867,635	121,129	61,819	320,579	1,171,849
EXCESS OF REVENUES (OVER) (UNDER) EXPENDITURES	105,621	(121,129)	(61,819)	248,404	2,966,333
OTHER FINANCING SOURCES (USES)					
Transfers in		118,229		459	7,604
Transfers out	(305,338)			(9,415)	(13,364)
TOTAL OTHER FINANCING SOURCES (USES)	(305,338)	118,229	-	(8,956)	(5,760)
NET CHANGE IN FUND BALANCES	(199,717)	(2,900)	(61,819)	239,448	2,960,573
Fund balances, beginning of year	4,831,348	(2,773,931)	(411,367)	(197,407)	1,922,999
Fund balances, end of year	$ 4,631,631	$(2,776,831)	$ (473,186)	$ 42,041	$ 4,883,572

Special Revenue							Debt Service	
Gas Tax	Community Development	FEMA Grants	Public Safety Grants	Other Grants	Impact Fees	Home Grant Fund	Debt Service	Total Nonmajor Governmental Funds
$ 1,633,672								$ 1,633,672
					$ 74,484			894,436
								26,000
	$ 448,645	$ 508,144	$ 243,141	$ 332,222				5,735,428
13,383	9	(2,802)	347	766	2,317	$ 15		21,505
67,859				62,679				170,624
	1,880							2,091,640
			27,642	154,209		600		676,328
1,714,914	450,534	505,342	271,130	549,876	76,801	615		11,249,633
2,370			757	156				18,978
	3,508	157,030		323,658		94,920	$ 3,186	3,547,524
			194,310					194,310
					98,872			192,371
1,288,088								1,327,825
209,490	314,005	366,557	64,300	190,145	65,475			2,630,521
								8,309
1,499,948	317,513	523,587	259,367	513,959	164,347	94,920	3,186	7,919,838
214,966	133,021	(18,245)	11,763	35,917	(87,546)	(94,305)	(3,186)	3,329,795
5,844	425	6,883				108,052	3,186	250,682
(252,818)	(118,229)	(525,611)		(8,000)		(100,062)		(1,332,837)
(246,974)	(117,804)	(518,728)	-	(8,000)	-	7,990	3,186	(1,082,155)
(32,008)	15,217	(536,973)	11,763	27,917	(87,546)	(86,315)	-	2,247,640
944,943	290,900	528,413	181,450	228,509	1,520,551	(378,878)		6,687,530
$ 912,935	$ 306,117	$ (8,560)	$ 193,213	$ 256,426	$ 1,433,005	$ (465,193)	$ -	$ 8,935,170

TOWN OF PARADISE

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS

June 30, 2024

	Employee Bank	PD Found Money	Total
ASSETS			
Cash and investments	$ 1,708	$ 6,968	$ 8,676
Accounts receivable		2,108	2,108
TOTAL ASSETS	$ 1,708	$ 9,076	$ 10,784
NET POSITION			
Restricted for organizations, individuals and other governments	$ 1,708	$ 9,076	$ 10,784
TOTAL FIDUCIARY NET POSITION	$ 1,708	$ 9,076	$ 10,784

TOWN OF PARADISE

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS

June 30, 2024

	Employee Bank	PD Found Money	Total
ADDITIONS			
Other revenue	$ 2	$ 21	$ 23
TOTAL ADDITIONS	2	21	23
CHANGE IN NET POSITION	2	21	23
Net position, beginning of year	1,706	9,055	10,761
Net position, end of year	$ 1,708	$ 9,076	$ 10,784