

Town of Paradise

Fiscal Year 2026/2027 Operating & Capital Budget



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Agenda

- Introduction
- Timeline
- General Fund Summary
- Questions from the Council
- Review Resolutions



Introduction

Every year a collaborative effort takes place to ensure we have a solid foundation for a full year of anticipated revenues and expenses for the Town of Paradise. It is important to understand budgets are an anticipation of what is to come for an entire year. A budget is only as good as the assumptions that are known of at a point in time. A budget can quickly change based upon unanticipated occurrences that can take place throughout the year. Our goal is to always keep recovery and financial stability as our number one priority.



Town Financial Management Tools

Financial Health Report

- Where are we now?

Annual Budget

- Where are our priorities this year?

Fiscal Sustainability Model

- Where are we going?

2026 Financial Health & Organizational Impact Report

- Rebuilding Paradise

 5,822

Housing Units Restored

- Investing in Recovery

 \$437M

Grant Funding Secured

- ▶ Preserving Sustainability

 \$219M

Starting PRO Fund Balance

 \$340M

Spent since 2019

 \$209M

2026 Financial Resources

Key Budget Approach

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

There will be savings!!

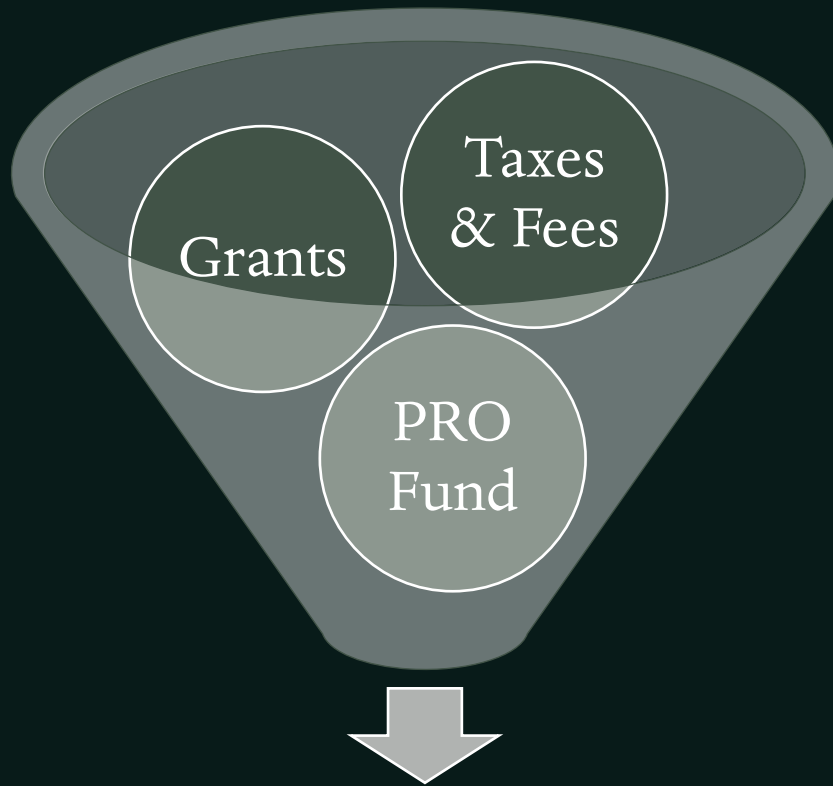
The Big Picture

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

\$131.7M

\$26.5M

What are our funding sources?



Town Operating Budget

- ▶ **General Fund Revenues: \$11.4M**
- ▶ **Grants: \$105M**
- ▶ **PRO Fund: \$15.1M**
- ▶ **TOTAL = \$131M**

General Fund

Summary

General Fund Expenditure Drivers

10% Overall Increase primarily due to:

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

General Fund Summary

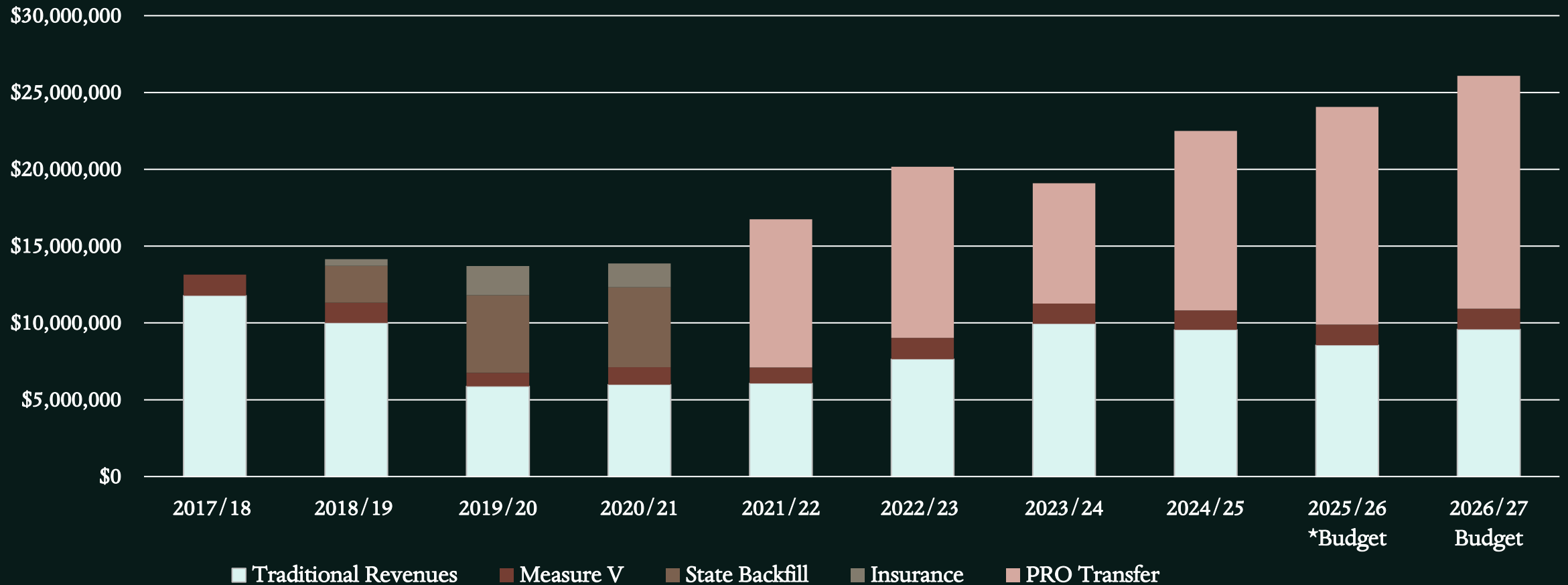
	2024/25 Actual	2025/26 Estimated Actual	2026/27 Proposed Budget
Revenue	\$10,808,634	\$10,625,434	\$10,928,132
<i>Pro Transfer</i>	<i>\$11,341,469</i>	<i>*\$10,795,155</i>	<i>\$15,161,188</i>
Expenditures	\$22,150,102	\$21,420,400	\$26,089,320
Net Income (Loss)	\$0	\$0	\$0

* 25/26 BUDGETED TRANSFER WAS \$14,181,001

General Fund Reserves

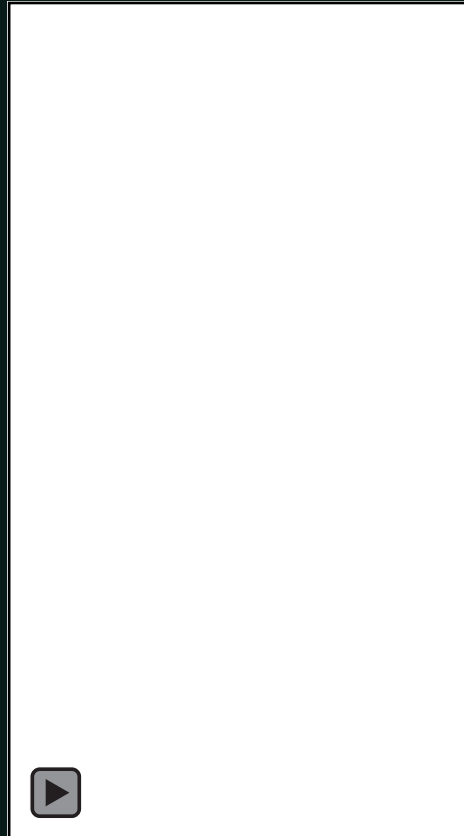
	2024/25 Actual	2025/26 Estimated Actual	2026/27 Proposed Budget
Non-spendable (RDA & Other Loans)	\$3,544,016	\$4,499,137	\$4,172,595
Unassigned – Cash Flow	\$909,263	\$0	\$311,562
Assigned – Measure V	\$888,691	\$842,834	\$857,813
Assigned – Pro Fund	\$153,348,072	\$146,426,052	\$136,155,464
Assigned – Recovery PRO	\$20,943,662	\$21,484,570	\$22,094,570
Assigned – Emergency PRO	\$21,900,000	\$22,467,410	\$23,077,410
Ending Fund Balance	\$201,533,704	\$195,720,003	\$186,669,415

General Fund Revenues



Measure V 2026/27 Budget

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



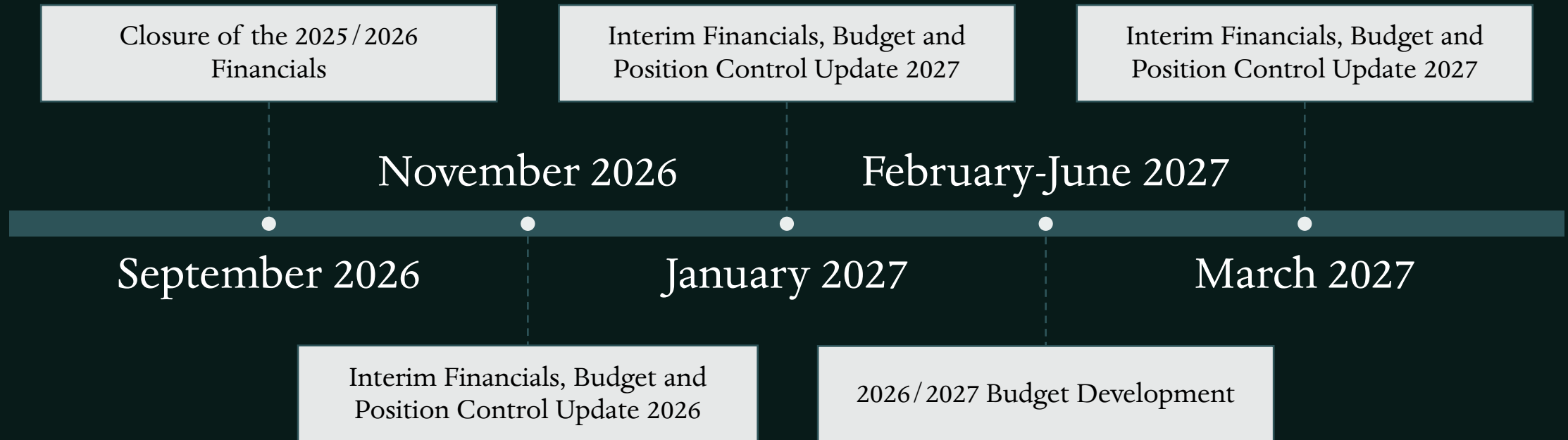
- Projected Fund Balance
June 30, 2026 = \$606,894
- Total Projected Revenues =
\$1,346,979
- Total Projected Expenditures
= \$1,096,060
- Projected Ending Fund Balance
June 30, 2027 = \$857,813

Budget

- Presented to Finance Committee: June 17, 2026
- Preliminary Budget presented to Council:
June 24, 2026
 - Typographical updates to
 - Position Control Title
 - Org Chart Update
 - Added in \$10,600 to Clerk's budget
- Final Adoption: July 14, 2026



Timeline for Interim Financials and Budget Updates



2026/27 Budget Resolutions

- **Resolution 26-45 : Adopting Final Budget FY 2026/27**
- **Resolution 26-46 : Approving and Adopting Annual Appropriations Limit**
- **Resolution 26-47 : Amending General Fund Reserves**
- **Resolution 26-48 : Adopting Capital Improvement Plan and Disaster Recovery Plan**
- **Resolution 26-49 : Approving New Job Classifications**
- **Resolution 26-50 : Adopting Amended Salary Pay Plan**



Questions from the Council

Thank you

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