



Town of Paradise Town Council Meeting Agenda 6:00 PM – June 13, 2023

Town of Paradise Council Chamber – 5555 Skyway, Paradise, CA

Mayor, Greg Bolin
Vice Mayor, Rose Tryon
Council Member, Steve Crowder
Council Member, Steve “Woody” Culleton
Council Member, Ron Lassonde

Interim Town Manager, Marc Mattox
Town Attorney, Scott E. Huber
Town Clerk/Elections Official, Dina Volenski
CDD, Planning & Onsite, Susan Hartman
CDD, Building & Code Enforcement, Tony Lindsey
Finance Director/Town Treasurer – Aimee Belev
Public Works Director/Town Engineer, Marc Mattox
Division Chief, CAL FIRE/Paradise Fire, Patrick Purvis
Chief of Police, Eric Reinbold
Recovery & Economic Development Director, Colette Curtis
Human Resources & Risk Management Director, Crystal Peters
Information Systems Director, Luis Marquez

Meeting Procedures

- I. The Mayor is the Presiding Chair and is responsible for maintaining an orderly meeting. The Mayor calls the meeting to order and introduces each item on the agenda.
- II. The Town staff then provides a report to Council and answers questions from the Council.
- III. Citizens are encouraged to participate in the meeting process and are provided several opportunities to address Council. Any speaker addressing the Council is limited to three minutes per speaker - fifteen minutes per agenda item
 - A. If you wish to address the Council regarding a specific agenda item, please complete a “Request to Address Council” card and give it to the Town Clerk prior to the beginning of the meeting. This process is voluntary and allows for citizens to be called to the speaker podium in alphabetical order. Comments and questions from the public must be directed to the Presiding Chair and Town Council Members (please do not address staff.) Town staff is available to address citizen concerns Monday through Thursday at Town Hall between the hours of 8am and 5pm.
 - B. If you wish to address Council regarding an item not on the agenda, you may do so under Item 4, “Public Communication.” Again, please fill out a card and give it to the Town Clerk before the meeting. State Law prohibits Council action on items not listed on a public agenda.

In compliance with the Americans with Disabilities Act (ADA) Compliance, persons who need special accommodations to participate in the Town Council meeting may contact the Town Clerk at least three business days prior to the date of the meeting to provide time for any such accommodation.

1. OPENING

- 1a. Call to Order
- 1b. Pledge of Allegiance to the Flag of the United States of America
- 1c. Invocation
- 1d. Roll Call
- 1e. Presentation by Cal Fire Fire Chief Patrick Purvis on the upcoming 2023 Fire Season.
- 1f. Camp Fire Recovery Updates - Written reports are included in the agenda packet.

P5 Colette Curtis, Recovery and Economic Development Director - Recovery Projects, Advocacy, Economic Recovery and Development, Communications and Emergency Operations.

P8 Marc Mattox, Public Works Director/Town Engineer - Infrastructure and Sewer Update

p10 Tony Lindsey, CDD-Building and Code Enforcement - Code Enforcement Update

p15 Kate Anderson, Business and Housing Manager - Business and Housing Update

2. CONSENT CALENDAR

One roll call vote is taken for all items. Consent items are considered to be routine business that does not call for discussion.

- 2a. p17 Approve the Special and Regular minutes of the May 9, 2023 and Special meeting minutes of the May 10, 2023 and May 24, 2023 Town Council meetings.
- 2b. p26 Approve May 2023 Cash Disbursements in the amount of \$5,157,700.24
- 2c. p35 Adopt Resolution No. 2023-24, "A Resolution of the Town Council of the Town of Paradise updating and assigning representatives to NCCSIF Board of Directors."
- 2d. p37 Approve correction to Blue Flamingo contract amendment dated March 27, 2022, not to exceed amount from \$268,895.00 to \$373,895.00.
- 2e. p39 Adopt Resolution No. 2023-25, "A Resolution of the Town Council of the Town of Paradise accepting the work performed under the On-System Sign Replacement Project (Contract No. 7304.CON) performed by Mcguire-Pacific Constructors."
- 2f. p42 1. Concur with the recommended approvals provided by Exceptions Committee Members Culleton & Lassonde; and, 2. Authorize staff to issue a Temporary Use Permit, with the presence of a log deck, to the applicant; or, 3. Provide alternative direction to town staff.

- 2g. p49 Adopt Resolution 2023-26, “A Resolution of the Town Council of the Town of Paradise Approving an Amendment to the Agreement for Professional Legal Services Between the Town of Paradise and the Law Firm of Cole Huber, LLP.”
- 2h. p52 Ratify acceptance of a \$3,138.00 cash donation to the Paradise Animal Shelter by Dutch Bros of Paradise.
- 2i. p53 1. Concur with staff’s recommendation to extend the HQE System Contract for construction of the Early Warning Sirens to December 31, 2023; and, 2. Approve the attached amendment and authorize the Town Manager to execute the contract extension.
- 2j. p55 Consider approving the third amendment with Mark Thomas and Company, Inc. to increase the Not to Exceed budget by \$339,292.00 for the CIP 9390 Neal Gateway Project for a total of \$924,215.00.

3. ITEMS REMOVED FROM CONSENT CALENDAR

4. PUBLIC COMMUNICATION

For matters that are not on the Council business agenda, speakers are allowed three (3) minutes to address the Council. The Town Council is prohibited from taking action on matters that are not listed on the public agenda. The Council may briefly respond for clarification and may refer the matter to the Town staff.

5. PUBLIC HEARINGS

For items that require a published legal notice and/or a mailed notice.

Public Hearing Procedure:

- A. Staff Report
- B. Mayor opens the hearing for public comment in the following order:
 - i. Project proponents (in favor of proposal)
 - ii. Project opponents (against proposal)
 - iii. Rebuttals – if requested
- C. Mayor closes the hearing
- D. Council discussion and vote

- 5a. p66 1. Open the duly noticed and scheduled public hearing; and, 2. Concur with the project “CEQA determination” finding embodied within Planning Commission Resolution No. 2023-02; and, 3. Concur with the project recommended General Plan Land Use Map amendment and rezone action adopted by the Planning Commission on May 16, 2023, and embodied within Planning Commission Resolution No. 2023-02; and, 4. Adopt Town of Paradise Resolution No. 2023-27, “A Resolution of the Paradise Planning Commission Recommending Town Council Adoption of a Paradise General Plan Land Use Map Amendment and Rezoning of Certain Real Property Within the Town of Paradise (PID: PL23-00042)” and, 5. Waive the first reading of Town Ordinance No. ____ and read by title only; and, 6. Introduce Town of Paradise Ordinance No. ____ “An Ordinance Rezoning Certain Real Property From “C-C” (Community-Commercial) to a “C-F” (Community-Facilities) Zone Pursuant to Paradise Municipal Code Sections 17.45.500 Et. Seq. (PID: PL23-00042)”; or, 7. Adopt an alternative directive to town staff. (ROLL CALL VOTE)

- 5b. p87 1. Conduct the duly noticed and scheduled public hearing to solicit comments regarding a proposed Substantial Amendment No. 2 to the 2019

Annual Plan; and, 2. Adopt the Substantial Amendment to the 2019 Annual Plan; and, 3. Authorize staff to submit the Substantial Amendment No. 2 of the 2019 Plan to the U.S. Department of Housing and Urban Development; or, 4. Direct staff to revise the Substantial Amendment No. 2 to the 2019 Annual Plan. (ROLL CALL VOTE)

6. COUNCIL CONSIDERATION

Action items are presented by staff and the vote of each Council Member must be announced. A roll call vote is taken for each item on the action calendar. Citizens are allowed three (3) minutes to comment on agenda items.

- 6a. p123 Following the Town Council's review of the Fiscal Year 2021/22 financial statement audit report, staff recommends that the Council receive and file the Report, as submitted. (ROLL CALL VOTE)
- 6b. 219 1. Consider discussion and concurring with staff recommendation on Transient Occupancy Tax allocation; or 2. Provide alternative direction to staff. (ROLL CALL VOTE)
- 6c. p223 1. Consider adopting Resolution No. 2023-28, "A Resolution of the Town Council of the Town of Paradise Authorizing Execution of Administering Agency-State Master Agreements for State and Federal-Aid Funded Projects." (ROLL CALL VOTE)
- 6d. p235 Discuss and provide staff with verbal direction on desired changes to the Paradise Municipal Code relating to murals, if any, to present at a future council meeting.
- 6e. p238 Consider accepting two donated Unmanned Aerial System (UAS) devices (drones) from Pacific Gas & Electric valued at \$6,000 apiece. (ROLL CALL VOTE)

7. COUNCIL INITIATED ITEMS AND REPORTS

- 7a. Council initiated agenda items
- 7b. Council reports on committee representation
- 7c. Future Agenda Items

8. STAFF COMMUNICATION

- 8a. Town Manager Report
 - Community Development Director

9. CLOSED SESSION - None

10. ADJOURNMENT

STATE OF CALIFORNIA) COUNTY OF BUTTE)	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date: _____	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 1(f)

ORIGINATED BY: Colette Curtis, Recovery and Economic Development Director

REVIEWED BY: Marc Mattox, Interim Town Manager

SUBJECT: Monthly Recovery Update

LONG TERM RECOVERY PLAN: Yes

COUNCIL ACTION REQUESTED:

1. None

Background:

This report continues the Monthly Updates provided to keep the Town Council apprised of important developments related to the recovery of the Town of Paradise from the Camp Fire. Included in this update are items related to recovery projects, advocacy economic recovery and development, communications and emergency operations.

Analysis:

ECONOMIC DEVELOPMENT

Commercial Sign Removal Program

- Application period opened January 16th, 2023.
- 9 signs have been removed.
- About \$80,000 remains in the budget for this program.
- Additional advertising is underway.

CDBG-DR Economic Development

- The Butte County allocation for CDBG DR Economic Development has been announced at \$18.7 million.
- The Program Policies and Procedures Manual was released this month.
- Notice of Funding Availability (NOFA) is expected to be released this summer.
- In preparation, the Town is working with our regional workforce partners on a potential workforce training center project.
- Our partners include Paradise Unified School District, Butte College, Valley Contractor's Exchange, Oroville Adult School, Alliance for Workforce Development, and 3Core.

Paradise Ridge Brand Campaign

- Rebranding effort led by the Paradise Ridge Chamber of Commerce

- Goal is to create a cohesive brand strategy to market the ridge to businesses and residents.
- Currently drafting a marketing strategy based on a community survey.

RECOVERY

Category 4 Tree Removal Program

- Program opened to applicants on July 25th and received 577 applicants. This represents 1,014 acres of private property across the Town.
- The assessment Phase has been completed. Nearly 11,000 standing dead trees have been identified, tagged and catalogued for review by FEMA/CalOES
- Phase 2 continues to be in Federal Environmental Review. The draft Environmental Assessment is now complete and in final review with FEMA.
- Tree cutting process would commence after full phase 2 approval of submitted tree inventory.

Early Warning System

- The Early Warning System was fully approved in April 2022 and a contract was awarded in July 2022.
- Our contractor has been in Paradise since March 20 and construction is continuing on multiple locations simultaneously.
- We continue to work with PG&E on power supply and expect the system to be fully operational for this upcoming fire season.
- 16 Foundations of the 21 towers are in various stages of completion. All foundations should be complete in the coming weeks.
- 5 Towers have been stood up with another 5 planned for the first part of June. The remaining towers should be installed by the end of June.

Residential Ignition Resistant Retrofit Program

- Phase 1 (assessment) was opened to residents to apply in May 2023.
- Assessments will be performed by Town inspectors.
- 50 property owners have submitted applications. We anticipate we will assess between 100-150 properties for eligible improvements.
- The first 100 will begin the process of phase 2 improvement process upon FEMA/CalOES approval and then we will continue down the list of assessed properties until all \$7,000,000 of the grant funds are expended.

Hazardous Fuels Reduction Program

- Undergoing Federal Environmental Review. The draft Environmental Assessment is now complete and in final review with FEMA.
- All other Town required action items are complete.

Defensible Space Code Enforcement

- Undergoing Federal Environmental Review. The draft Environmental Assessment is now complete and in final review with FEMA.
- All other Town required action items are complete.

COMMUNICATIONS

- TOP POP Events
 - In order to build community in Paradise during the 5th anniversary year after the Camp Fire, the Town is hosting 12 months of pop-up events around town.
 - These events are a way to help acknowledge the progress and rebuilding over the last 5 years.
 - Each month, different pop-up events will take place around town, with a local partner organization hosting the event.
 - May's event was at Station 81 to highlight the renovations and give tours as well as provide information on fire season safety.
 - The June TOP POP event will coincide with our "Prepared Paradise" event on June 15th from 9am to 12pm at Paradise Community Park. The first 100 visitors will get a free go bag, along with information on evacuation, sirens, and defensible space. Emotional support will be available onsite provided by the Campfire Collaborative.

EMERGENCY MANAGEMENT

- "Prepared Paradise" a multi-agency emergency preparedness exercise is taking place on June 15th.
 - FEMA awarded the Town a grant to assist with the planning and administration of the exercise.
 - The event will be from 8am to 2pm.
 - The Paradise EOC will be activated, and staff will conduct a training exercise.
 - The Early Warning Sirens will be tested for the first time at 10am
 - A traffic detour will take place between 10am and 11am from Skyway to Wagstaff to Clark Rd.
 - The community is invited to get information and be involved from 9am to 12pm at Paradise community Park. This also serves as our June TOP POP event.
 - Emotional support will be available on site at the TOP POP as well.

Financial Impact:

None.



**TOWN OF PARADISE
Council Agenda Summary
Date: June 13, 2023**

Agenda No. 1(f)

ORIGINATED BY: Marc Mattox, Public Works Director / Town Engineer

REVIEWED BY: Marc Mattox, Interim Town Manager

SUBJECT: Camp Fire Recovery Updates - Infrastructure

COUNCIL ACTION REQUESTED:

1. None, written monthly update only.

Background:

This report continues the Monthly Disaster Recovery Updates provided to keep the Town Council apprised of important developments related to the recovery of the Town of Paradise from the Camp Fire.

Analysis:

Road Rehabilitation

As previously covered in related Agenda Summaries and Updates, the Town of Paradise has secured funding from both FEMA and Federal Highways Administration for the purposes of road rehabilitation associated with Camp Fire damages from the fire itself, debris removal and tree removal operations. These projects cover all Town of Paradise publicly owned and maintained roadways.

A revised paving plan has been published here:

https://www.google.com/maps/d/u/0/viewer?mid=1w-PjuvtL5rmmOj_EM-4lFaj7sV-YVRs&ll=39.763511840651375%2C-121.61120815000001&z=13

This paving plan informs residents of which roads are expected to be paved in which calendar year. The plan will be updated frequently as actual field conditions change.

The first project in this series, Skyway between Crossroads and Westchester Way is nearing full closeout, anticipated to be considered by Council in spring 2023.

The Town of Paradise has awarded and scheduled 9 miles of paving for 2023.

To date the roads below are complete with all paving and will be striped at the conclusion of the overall contract:

- Dean Rd
- Merrill Rd
- Stearns Rd
- Country Club

The below roads are slated to begin after July 1, 2023.

- Sawmill Rd (Bille to Pearson)
- Elliott Rd (Ingalls to Cameron)

- Pearson Rd (Clark to Pentz)
- S Libby Rd
- Wagstaff Rd (Clark to Pentz)
- Bille Rd (Clark to Vista Knolls)

Prior updates have noted the Town plans to pave 19 miles in 2023. The remaining 10 miles schedule are currently on hold until renewed environmental review is completed by FEMA. This second cycle of environmental review is due to the Improved Project status the project received recently. In the last month, staff has received notice that environmental review is complete. Currently we are waiting for official notice to proceed. As soon as the Town receives approval to proceed, we will advertise and bid the project accordingly.

Paradise Sewer Project

Efforts for Past Month:

- Previous Updates:

The Central Valley Regional Water Quality Control Board (Regional Board) hosted meetings of the Sewer Regionalization Project Advisory Committee (SRPAC). The SRPAC last met on March 21, 2022 and finalized the first draft of the Principles of Agreement (POA). The POA served as a starting point for drafting an inter-municipal agreement (IMA) between Paradise and Chico to address treatment of Paradise wastewater at the Chico Water Pollution Control Plant. Information about SRPAC meetings is at www.paradiseseWER.com.

The 30-day appeal period for the Final EIR closed on December 8, 2022. No appeals were filed.

Presented the draft IMA to the Paradise Town Council on February 14, 2023 and the Chico City Council on February 21, 2023 for their respective consideration. Both councils approved the IMA. The IMA was signed by both parties.

On February 22, 2023, issued a "Request for Qualifications for an On-call Owner's Agent for the Paradise Sewer Project." The Owner's Agent will assist the Town with the design and construction phases of the Project. SOQs were submitted to the Town on April 3, 2023.

- Reviewed Owner's Agent SOQs submitted on April 3. Interviewed short-listed firms on April 25 and 26. Selected the firm HDR Engineering, Inc. as Owner's Agent, and proceeded with contract negotiations.
- Completed limited environmental field efforts in support of future permitting.
- Continued to update the project's public website (www.paradiseseWER.com).
- Continued funding application efforts with the State and CDBG-DR.
- Butte LAFCo heard the "Extension of Services" request from the City of Chico on June 1. This request was unanimously approved.

Efforts for Next Month:

- Complete Owner's Agent contract negotiations and begin OA efforts.
- Continue funding application efforts and funding due diligence.
- Work on procurement document for Progressive Design Build project teams.



Town of Paradise
Council Agenda Summary
Date: June 13th, 2023

Agenda Item: 1(f)

ORIGINATED BY: Tony Lindsey, Community Development
Director, Building & Code Enforcement
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Camp Fire Recovery Updates – Code Enforcement
LONG-TERM RECOVERY PLAN: No
COUNCIL ACTION REQUESTED:

1. Code Enforcement Update

Background:

The mission of the Code Enforcement Division is to promote and maintain a safe and desirable living and working environment. We help maintain and improve the quality of our community by administering a fair and unbiased enforcement program to correct violations of municipal codes and land use requirements. We work with residents, neighborhood associations, public service agencies, and other Town departments to:

- Facilitate voluntary compliance with Town codes.
- Empower community self-help programs.
- Develop public outreach programs.
- Establish community priorities for enforcement programs.

Analysis:

Code Enforcement receives complaints of violations from staff and general community members. Each complaint is investigated and verified by our Officers.

Temporary Use Permits (TUPs) issued under Urgency Ordinance as of 5/31/2023 = 200 (Exhibit A):

- 45 – Parcels with RV Storage only (24 RVs on site)
- 155 – Parcels permitted to occupy an RV (98 currently occupied, 7 occupied sites have submitted building permit applications, and 20 are receiving rebuild assistance (Town Housing Division, North Valley Catholic Social Services Disaster Case Managers, Recover California, Tzu Chi)
- 15 – Accessory structures (Sheds, Shops, Non-habitable)
- Updates: 19 New RV applications, 12 storage, 2 occupied sites pending exceptions committee decisions, 3 TUPs removed, new home permits issued.

RV Code Enforcement activity for the reporting period April 28th – June 1st (Exhibit B & C):

- Occupied sites without TUPs – 69
- Occupied sites with TUP Violations – 2
- Compliance gained/RV cases closed – 57
 - 57 – Violations resolved (Storage permits issued, RVs removed, TUP conditions, Building permits issued, and lot merger)
- Civil Abatement Cases have been forwarded to Town Attorney – 66. 35 RV cases have been resolved, and 17 remain eligible for action. 14 Weed Abatement cases – 1 resolved.

The Community Enhancement Outreach Team, consisting of Fire Prevention, Police, Housing, Disaster Case Managers (DCMs), and Code Enforcement staff, visited 66 RV sites. The team contacted 43 community members in May:

- 1 – Refused assistance
- 4 – Do not qualify
- 13 – Tenants and did not own the property
- 53 – Owner-occupied
- 1 – Purchased the property post-Camp Fire
- 65 – Supplied contact information to DCM staff (North Valley Catholic Social Services have office hours at the BRC on Thursday afternoons)

Other Code Enforcement Items:

- Abandoned Vehicle Authority abatements – 18
 - 7 vehicles voluntarily abated.
 - 11 vehicles were towed.
- Complaints regarding waste and refuse, zoning, building without a permit, camping, fire hazards, vehicles, vending, no garbage service, grading, etc.

Fire Prevention is built upon the philosophy of three main objectives: Education, Engineering, and Enforcement. Fire Prevention is vital in the community and our continued economic development. Our defensible space and hazardous fuel management ordinance require property owners to keep their parcels fire-safe, whether they live in Town or not. The Fire Prevention staff performs weed abatement inspections on 11,100 parcels within our community.

Escrow defensible space inspections during May:

Clearance requests received – 100

Certificates issued – 87

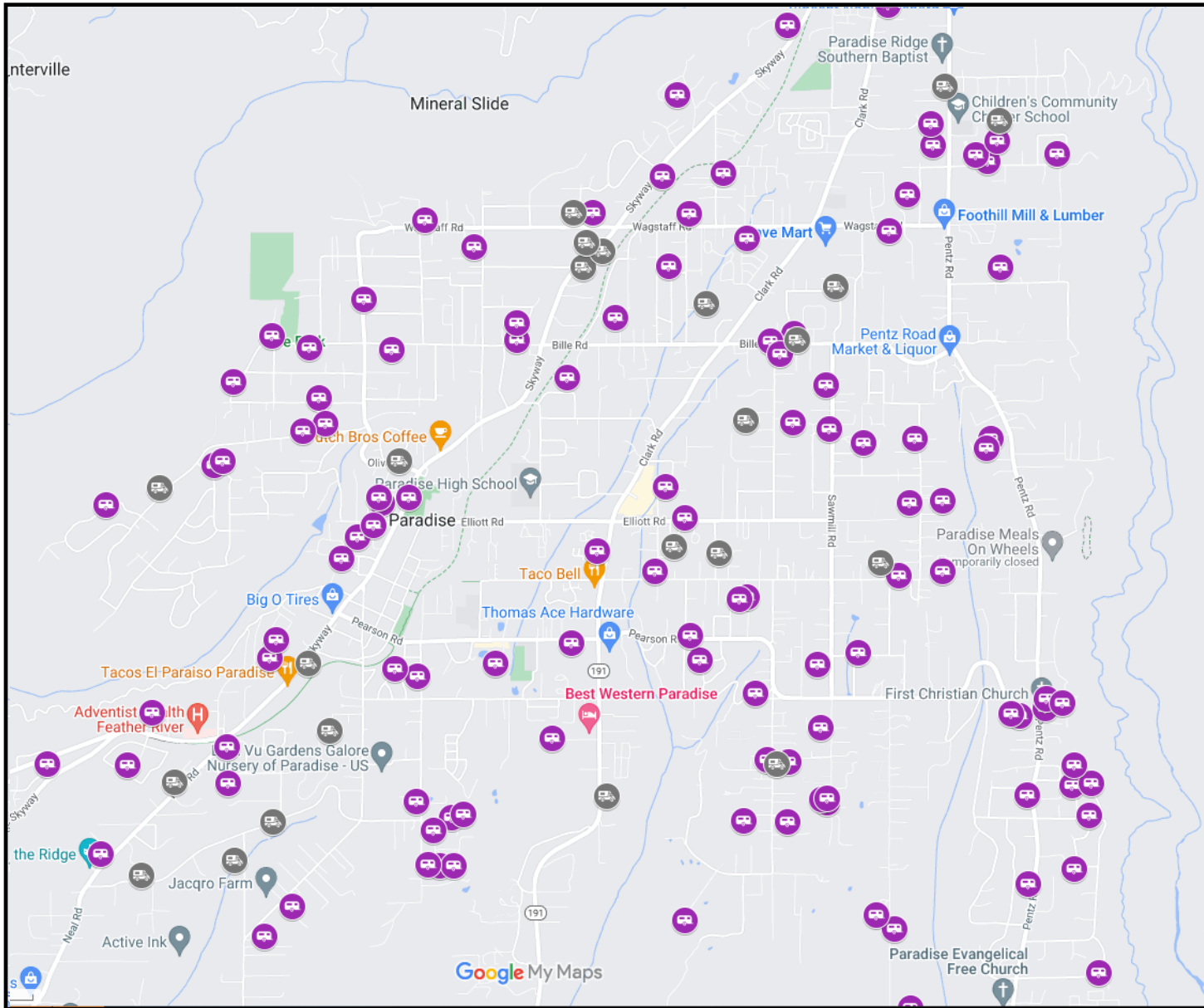
Land Surveyor's Certifications on file – 38

First inspection compliance rate – 77%

New data is being collected to update the Town-wide Defensible Space Program interactive Weed abatement map. Approximately 50% (5,545) parcels have had inspections completed as of 6/1/2023:

- Compliant – 2,781
- Non-compliant – 2,764 (not including active code enforcement cases)
- Code Enforcement Referrals for citation – 165 Active Code Cases
 - 12 – Commercial parcels, 153 – Residential parcels

TUPs under ORD 624 5/31/2023

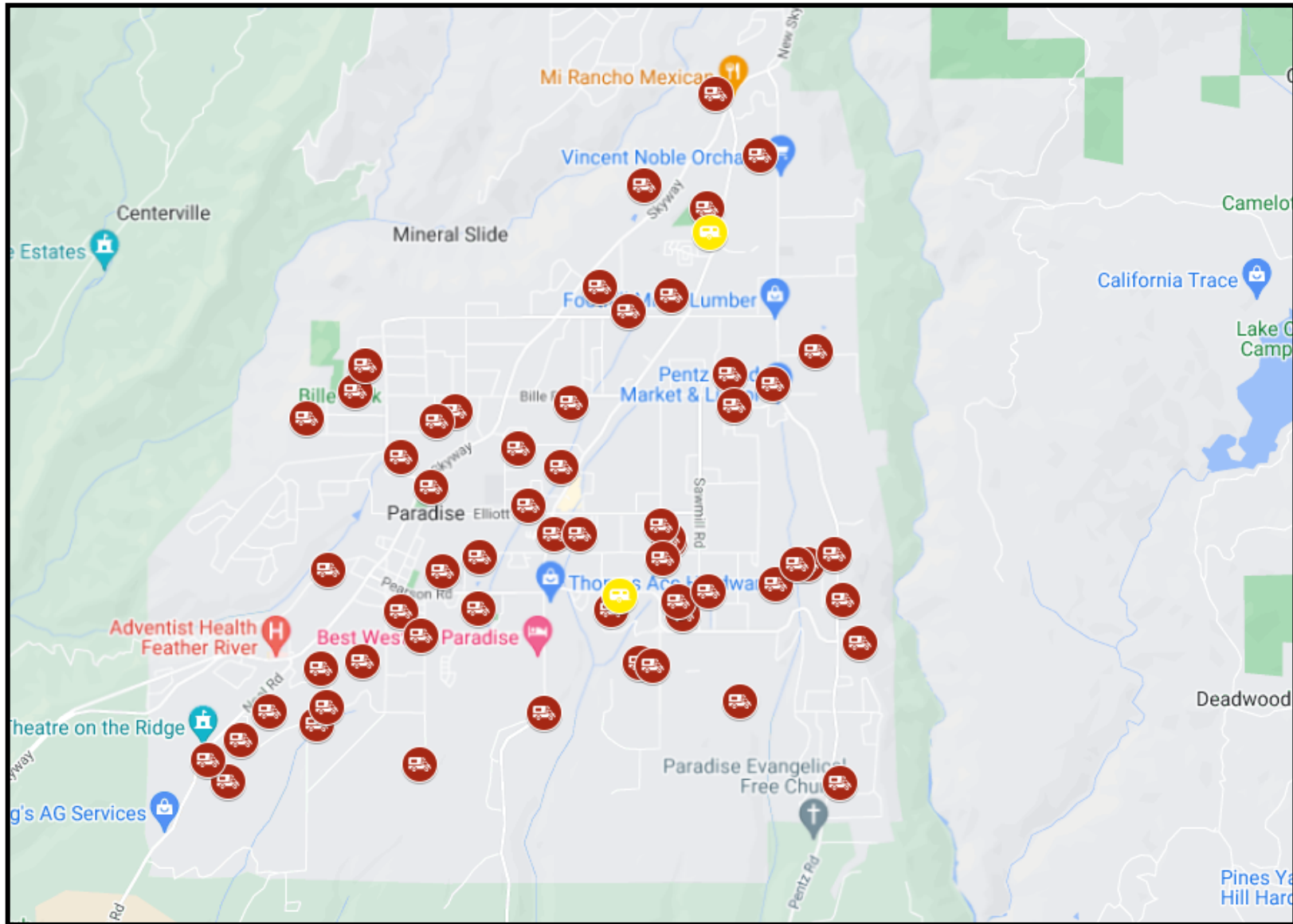


RV TUP STORAGE ONLY 45



RV TUP OCCUPIED 155

TUP Violations 5/31/2023



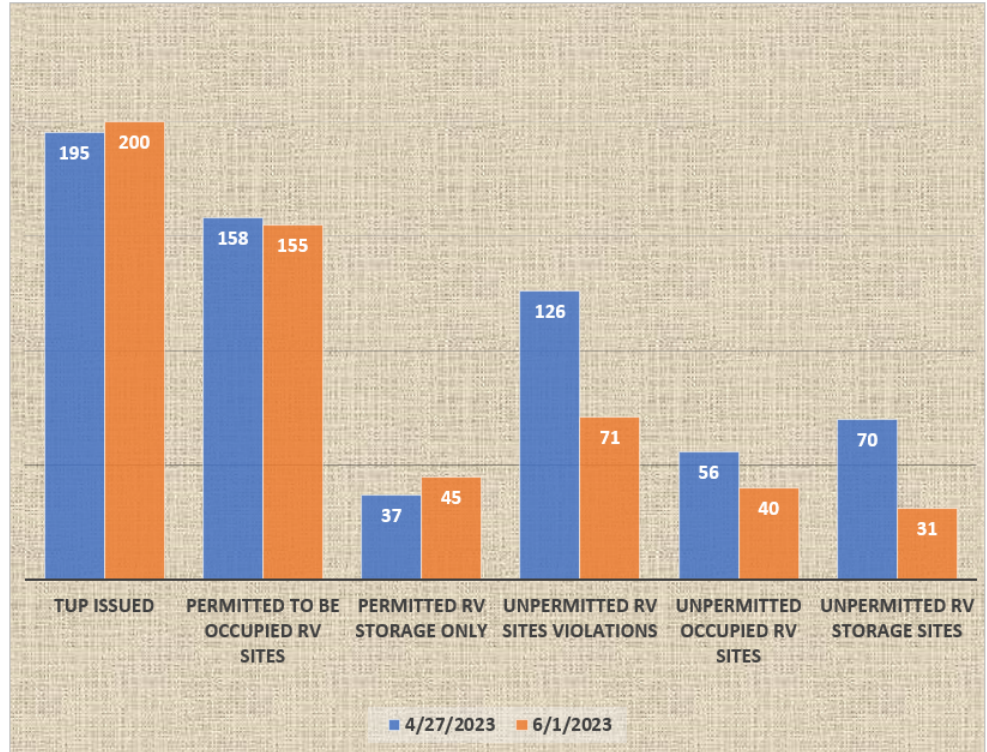
Violations w/ TUP 2



RV no TUP 69

Urgency Ordinance RV Activity

4/27/23 vs 6/1/23





Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 1(f)

ORIGINATED BY: Kate Anderson, Housing Program Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Housing Recovery Update
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. None

Background:

This report provide the Town Council with an update of Housing activities. A summary of the programs, with overall interest and change from the last month, follows.

Analysis:

We have 30.98% (+0.63) of our pre-disaster housing stock to-date (1,377 surviving units + 2,345 new CofOs to-date [+75 from last month] = 3,722 habitable dwellings / 12,015 housing units before the Camp Fire). An additional 840 (+29) permits have been issued but have not received their CofO yet.

Town of Paradise Owner-Occupied Rehabilitation/Reconstruction Program (\$21 million)

- This program helps homeowners rehabilitate or reconstruct their home.
- **To-date 36 (+2) homes rebuilt, 17 (-1) under construction, 38 (+3) in the application process.**

State of California/ReCoverCA: Owner-Occupied Rehabilitation/Reconstruction Program (\$47 million across state)

- Grants of up to \$500,000 for property owners.
- **To-date 10 (+1) homes finalized, 7 (+1) permits issued, 6 (-2) plans submitted for review.**

Town of Paradise First-Time Homebuyer Program (\$2 million)

- Helping to make home ownership more affordable by providing assistance toward the purchase price and closing costs of an owner-occupied, affordable housing unit.
- **To-date 14 (+2) homes purchased and 31 (+2) applications in process.**

Town of Paradise Septic Grant Program (\$570,000)

- Grants up to \$17,000 to assist Camp Fire survivors to repair or replace septic systems damaged or destroyed during the Camp Fire or subsequent clean-up efforts.
- **To-date 14 (+0) jobs completed, 10 (+0) under construction, 24 (-2) applications pending.**

CDBG-DR Multifamily Rental Housing Program (\$55 million)

- Goal is to create affordable rental housing

- **7 projects funded for 290 units; ground breaking event on May 10th, 3 projects (59 units) to be completed by fall 2024 and 4 projects (231 units) are dependent on tax credit allocations for full funding.**

HOME Infill New Construction (\$700,000)

- Create affordable housing for first-time homebuyers.
- North Valley Housing Trust receiving one lot.
- **Grant awarded, waiting for Standard Agreement from HCD.**

CDBG (2022 Annual Allocation: \$107,537, unspent funds=\$143,002)

- Continuing to fund public services and lot acquisition for affordable homeownership
- CV funds (\$208,244 not included above) being moved from Small Business Assistance to Public Services to assist households living in RVs with emergency rental assistance.

Financial Impact:

None.



**MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 5:30 PM – May 09, 2023**

1. OPENING

The Special meeting of the Paradise Town Council was called to order by Mayor Bolin at 5:30 p.m. in the Council Chambers located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Steve Crowder, Steve “Woody” Culleton, Ron Lassonde, Rose Tryon and Greg Bolin, Mayor.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Interim Town Manager Marc Mattox, Town Clerk/Elections Official Dina Volenski, Town Attorney Scott E. Huber, Community Development Director Tony Lindsey, and Information Systems Director Luis Marquez.

At 5:31 p.m. Mayor Bolin announced that the Town Council would adjourn to Closed Session for the following items:

2. CLOSED SESSION

- 2a. Pursuant to Government Code section 54956.9(d)(4), the Town Council will meet with the Town Manager and Town Attorney to consider initiation of litigation - nineteen (19) potential cases.

After reconvening from Closed Session at 5:57 p.m., Mayor Bolin announced that no reportable action was taken, direction was given.

3. ADJOURNMENT

Mayor Bolin adjourned the Council meeting at 5:58 p.m.

Date approved:

By:

Attest:

Greg Bolin, Mayor

Dina Volenski, CMC, Town Clerk



TOWN COUNCIL Meeting Minutes

6:00 PM – May 09, 2023

1. OPENING

The Regular meeting of the Paradise Town Council was called to order by Mayor Bolin at 6:03 p.m. in the Town Council Chamber located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America. An invocation was offered by Council Member Lassonde.

COUNCIL MEMBERS PRESENT: Steve Crowder, Steve “Woody” Culleton, Ron Lassonde, Rose Tryon and Greg Bolin, Mayor

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Interim Town Manager and Public Works Director/Town Engineer Marc Mattox, Town Attorney Scott E. Huber, Town Clerk/Elections Official Dina Volenski, Community Development Director Susan Hartman, Community Development Director Tony Lindsey, Recovery and Economic Development Director Colette Curtis, Business and Housing Manager Kate Anderson, Recovery and Economic Development Project Manager Brian Solecki, Engineering Division Manager Ashley Stanley, Capital Projects Manager David Kehn, Information Systems Director Luis Marquez, Police Chief Eric Reinbold, and Battalion Chief Rick Manson.

- 1a. Mayor Bolin presented a proclamation to John Little, Vice President of the California Unit of Mennonite Disaster Services, on behalf of MDS. (180-40-27)
- 1b. Calli-Jane West presented an update from the Butte County Fire Safe Council via Teams
- 1c. Camp Fire Recovery Updates - Written reports are included in the agenda packet. (110-60-061)

Colette Curtis, Recovery and Economic Development Director - Recovery Projects, Advocacy, Economic Recovery and Development, Communications and Emergency Operations.

Marc Mattox, Public Works Director/Town Engineer - Infrastructure and Sewer Update

Tony Lindsey, CDD-Building and Code Enforcement - Code Enforcement Update

Kate Anderson, Business and Housing Manager - Business and Housing Update

2. CONSENT CALENDAR

MOTION by Culleton, seconded by Lassonde, approved consent calendar items 2a through 2h. Roll call vote was unanimous.

- 2a. Approved the Special and Regular minutes of the April 11, 2023 Town Council meetings.
- 2b. Approved April 2023 Cash Disbursements in the amount of \$4,790,015.52. (310-10-034)
- 2c. Adopted Resolution No. 2023-18, “A Resolution of the Town Council of the Town of Paradise accepting the work performed under the CDBG Sidewalk Infill Project Contract 9417.CON performed by All-American Construction, Inc.” (510-20-361, 950-40-068)
- 2d. 1. Waived the second reading of Town Ordinance No. 625 and read by title only; and, 2. Adopted Town Ordinance No. 625 “An Ordinance Amending Text Regulations within Paradise Municipal Code Title 17 [Zoning] Relative to Short-Term Rentals”. (540-16-194)
- 2e. Adopted Resolution No. 2023-19, “A Resolution of the Town Council of the Town of Paradise Adopting a List of Projects for Fiscal Year 2023/24 Funded by SB 1: The Road Repair and Accountability Act of 2017.” (950-40-034)
- 2f. Adopted Resolution No. 2023-20, “A Resolution of the Town Council of the Town of Paradise acknowledging receipt of a report made by the Fire Chief of the Paradise Fire Department regarding the inspection of certain occupancies required to perform annual inspections in such occupancies pursuant to Sections 13146.2 and 13146.3 of the California Health and Safety Code.” (440-50-001)
- 2g. Adopted Resolution No. 2023-21, “A Resolution of the Town Council of Town of Paradise accepting the work performed under the On-System Roadway Rehabilitation Project –Skyway (Phase 1) Contract 7303.1 CON performed by Baldwin Contracting Company, Inc. dba Knife River Construction.” (510-20-346, 950-40-054)
- 2h. Re-appointed two Planning Commissioners, Lynn Costa and Carissa Garrard, whose terms expire on June 30, 2023 for one 4-year term effective July 1, 2023 through June 30, 2027. (760-45-012)

3. ITEMS REMOVED FROM CONSENT CALENDAR - None

4. PUBLIC COMMUNICATION

- 1. Rich Gowins spoke about potential funding to repair private roads and advocated for evacuation routes on private roads.
- 2. John Gillander spoke on the fence code and fee schedule.
- 3. Jon Remalia spoke on violators of burn permits.

4. Carrie Max said she received a visit from Code Enforcement and Paradise Police Department asking her what her plan was for rebuilding after Council had extended the urgency ordinance.

5. Ward Habriel spoke about the Paradise Garden Club tour of six local gardens.

5. PUBLIC HEARINGS

5a. Town Attorney Scott Huber provided an overview of the requirements for the police department to maintain military equipment, including an annual review of the ordinance by Town Council and a public hearing.

Mayor Bolin opened the public hearing at 6:53 p.m.

1. Ward Habriel spoke in favor of the renewal of Ordinance No. 615.

Mayor Bolin closed the public hearing at 6:54 p.m.

MOTION by Culleton, seconded by Crowder, approved the continued use of military equipment and the renewal of Ordinance No. 615. Roll call vote was unanimous. (540-16-184, 480-05-013)

6. COUNCIL CONSIDERATION

Mayor Bolin recused himself from the dias at 6:55 p.m. due to a potential conflict of interest.

6a. Recovery and Economic Development Director Colette Curtis provided an overview of the proposed professional service agreement with the Butte County Fire Safe Council for the implementation of Phase II of the Category 4 Hazardous Tree Removal Program.

1. Ward Habriel spoke in favor of this item.

2. Jon Remalia spoke in opposition to this item.

MOTION by Culleton, seconded by Lassonde, 1. Concurred with staff's recommendation to partner with the Butte Fire Safe Council to implement the Phase II Removal Process for the Category 4 Tree Removal Program; and, 2. Approved Professional Services Agreement with the Butte County Fire Safe Council; and, 3. Authorized the Town Manager to execute the contract upon full FEMA approval of the Phase II Scope of Work and obligation of funds for Phase II. Roll call vote was unanimous with Bolin absent and not voting. (510-20-381, 420-25-009)

6b. Engineering Division Manager Ashley Stanley provided an overview of the proposed Paradise Sewer Project Owner's Agent recommended firm and agreement.

MOTION by Culleton, seconded by Lassonde, 1. Concurred with staff's recommendation for the Paradise Sewer Project Owner's Agent; and, 2. Authorized the Town Manager to enter into a Professional Services Agreement with the recommended firm, HDR, contingent upon approval by the Town Attorney; and, 3. Adopted Resolution No. 2023-22, "A Resolution

Of The Town Council Of The Town Of Paradise Designating Authority To The Paradise Town Manager To Execute Individual Task Orders Under The Resultant Master Agreement For RFQ 2023-001 Paradise Sewer Project On-Call Owners Agent Up To The Maximum Contract Aggregate Amount Of \$5,000,000 To Expedite And Facilitate The Paradise Sewer Project, Initial Design And Progressive Design Build Process.” Roll call vote was unanimous with Bolin absent and not voting. (510-20-382, 960-70-004)

Mayor Bolin returned to the dais at 7:21 p.m.

- 6c. Town Attorney Scott Huber presented on the aspects of creating an arts commission. Council Member Culleton clarified that when he had asked for this item to be placed on the agenda, he was referencing more of the design review process and a way for Paradise to become an art destination with murals in Town.

1. Kathy Dysert explained her understanding of the City of Orland’s process concerning the arts commission and community funding.
2. Jon Remalia would like to see a partnership between the Town and those in the arts community applying for grants.

Council provided direction to staff to come back at a future meeting with options on how to augment the existing design review process to potentially include murals and public art. All Council concurred.

- 6d. Mayor Bolin presented on the request and invitation from the Natural Resources Committee to testify in Washington DC.

1. Ward Habriel spoke in favor of this item and donated \$100 to help fund this trip.

Council Member Culleton also donated \$100 to help fund this trip.

Town Attorney Huber stated, for the record, that two \$100 donations had been given to the Town Clerk for safe keeping and will be given to the Finance department tomorrow.

A third member of the public, Rich Gowins, contributed an additional \$100 for the purpose of this trip, after the close of the meeting.

MOTION by Culleton, seconded by Tryon, Approved of a proposed trip to be taken by Mayor Bolin to Washington DC, at the request of the Committee on Natural Resources, to testify in front of the House Natural Resources Committee on Wildfires and assign a budget adjustment, to fund the trip from the Town Council budget. Roll call vote was unanimous. (340-40-016)

7. COUNCIL INITIATED ITEMS AND REPORTS

- 7a. Council initiated agenda items – None

7b. Council reports on committee representation:

Council Member Culleton attended the solid waste committee meeting; Gold Nugget Days; and various meetings with PG&E subcontractors regarding the undergrounding efforts.

Vice Mayor Tryon attended the solid waste committee meeting; testified in Sacramento on AB1500 and AB556; attended BCAG and Butte County Air Quality Management meetings; and the Gold Nugget Days parade.

Council Member Crowder participated in a follow-up meeting with After the Fire; participated in the interview process for Finance Director; attended the Moose Lodge groundbreaking and kickoff dinner for the Silver Dollar Fair; shared that Achieve Charter School was honored with the title as a California Distinguished School; and attended the Paradise Recreation and Park District Liaison Meeting.

Council Member Lassonde attended the Chocolate, Wine and Brew Fest and the Silver Dollar Fair kickoff dinner.

Mayor Bolin attended the monthly LAFCo meeting and will participate in Town Manager interviews on May 10th.

7c. Future Agenda Items - Vice Mayor Tryon would like to discuss insurance options in the Town of Paradise and how to move forward in the current climate.

8. STAFF COMMUNICATION

8a. Interim Town Manager Marc Mattox announced a save-the-date for June 15th for a full-scale Emergency Operations Center exercise.

Community Development Director Susan Hartman reported that the Planning Commission will hold a public hearing on a general plan amendment and rezone application from Paradise Irrigation District, as well as a hearing to revoke a temporary use permit. Ms. Hartman shared that environmental health gave clearance to the new sushi restaurant and that the Community Development Department will help host a community meeting for a new multi-family housing project.

9. CLOSED SESSION - None

10. ADJOURNMENT

Mayor Bolin adjourned the meeting at 8:18 p.m.

Date approved:

By:

Attest:

Greg Bolin, Mayor

Dina Volenski, CMC, Town Clerk



**MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 12:15 PM – May 10, 2023**

1. OPENING

The Special meeting of the Paradise Town Council was called to order by Mayor Bolin at 12:16 p.m. in the Council Chambers located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Steve Crowder, Steve “Woody” Culleton, Ron Lassonde, Rose Tryon and Greg Bolin, Mayor.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Interim Town Manager Marc Mattox, Town Clerk/Elections Official Dina Volenski, Town Attorney Scott E. Huber, Human Resources and Risk Management Director Crystal Peters, and Deputy Town Clerk Melanie Elvis.

At 12:17 p.m. Mayor Bolin announced that the Town Council would adjourn to Closed Session for the following items:

2. CLOSED SESSION

- 2a. Pursuant to Government Code section 54957(b)(1), the Town Council, current Interim Town Manager, Town Attorney and Human Resources Director will meet in closed session to interview applicants for public employee appointment for the position of Town Manager.

After reconvening from Closed Session at 2:55 p.m. Mayor Bolin announced that no reportable action was taken, direction was given.

3. ADJOURNMENT

Mayor Bolin adjourned the Council meeting at 2:56 p.m.

Date approved:

By:

Attest:

Greg Bolin, Mayor

Dina Volenski, CMC, Town Clerk



**MINUTES
PARADISE TOWN COUNCIL
SPECIAL MEETING – 2:00 PM or
Immediately Following the Special Successor Agency
To The Paradise Redevelopment Agency Meeting– MAY 24, 2023**

1. OPENING

The Special meeting of the Paradise Town Council was called to order by Mayor Bolin at 2:12 p.m. in the Council Chambers located at 5555 Skyway, Paradise, California who led the Pledge of Allegiance to the Flag of the United States of America.

COUNCIL MEMBERS PRESENT: Steve Crowder, Steve “Woody” Culleton, Ron Lassonde, Rose Tryon and Greg Bolin, Mayor.

COUNCIL MEMBERS ABSENT: None

STAFF PRESENT: Interim Town Manager Marc Mattox, Town Clerk/Elections Official Dina Volenski, Town Attorney Scott E. Huber, Human Resources and Risk Management Director Crystal Peters, Engineering Division Manager Ashely Stanley, Fire Chief Patrick Purvis and Deputy Town Clerk Melanie Elvis.

2. COUNCIL CONSIDERATION

Mayor Bolin recused himself from the dais at 2:13 p.m. due to a potential conflict of interest.

- 2a. Engineering Division Manager Ashely Stanley provided an overview of the proposed resolution and application to the State Water Board.

Motion by Culleton, seconded by Crowder, 1. Adopted Resolution No. 2023-23, “A Resolution of the Town Council of the Town of Paradise Authorizing a Financial Assistance Application to The State Water Resources Control Board for the Paradise Sewer Project and Designating the Town Manager or Designee to Sign and Submit the Application” and, 2. Directed staff to formulate appropriate policy recommendations to guide the implementation of the Paradise Sewer Project relating to new and existing septic systems within the Sewer Service Area. Roll call vote was unanimous with Greg Bolin absent and not voting.

Mayor Bolin returned to the dais at 2:18 p.m. and announced that the Town Council would adjourn to Closed Session for the following items:

3. CLOSED SESSION

- 3a. Pursuant to Government Code section 54957(b)(1), the Town Council, Interim Town Manager, Town Attorney, and Human Resources and Risk Management Director will meet in closed session concerning the appointment for the position of Town Manager.

- 3b. Pursuant to Government Code section 54956.9(d)(4), the Town Council will meet with the Town Manager and Town Attorney to consider initiation of potential litigation - one (1) case.

After reconvening from Closed Session at 3:10 p.m., Mayor Bolin announced that direction was given, no reportable action was taken for both Closed Session items 3a and 3b.

4. ADJOURNMENT

Mayor Bolin adjourned the Council meeting at 3:11 p.m.

Date approved:

By:

Attest:

Greg Bolin, Mayor

Dina Volenski, CMC, Town Clerk

TOWN OF PARADISE

CASH DISBURSEMENTS REPORT

FOR THE PERIOD OF
May 1, 2023 - May 31, 2023



CASH DISBURSEMENTS REPORT
May 1, 2023 - May 31, 2023

Check Date	Pay Period End	Description	Amount	Total
5/12/2023	5/12/2023	Net Payroll - Direct Deposits and Checks	\$ 203,000.50	
5/26/2023	5/26/2023	Net Payroll - Direct Deposits and Checks	<u>208,443.27</u>	
				\$ 411,443.77
Accounts Payable				
		Payroll Vendors: Taxes, PERS, Dues, Insurance, Etc.	384,552.15	
		Operations Vendors: Supplies, Contracts, Utilities, Etc.	<u>\$ 4,361,704.32</u>	
		TOTAL CASH DISBURSEMENTS ACCOUNTS PAYABLE		<u>4,746,256.47</u>
		GRAND TOTAL CASH DISBURSEMENTS		<u>\$ 5,157,700.24</u>

APPROVED BY: *Aimee Beleu*
Aimee Beleu - Finance Director/Town Treasurer

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
AP - US Bank TOP AP Checking									
<u>Check</u>									
83335	05/04/2023	Open			Accounts Payable	Alvies, John	\$162.25		
83336	05/04/2023	Open			Accounts Payable	ANIMAL HOSPITAL/VETMOBILE	\$288.00		
83337	05/04/2023	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$102.47		
83338	05/04/2023	Open			Accounts Payable	AT&T MOBILITY	\$89.46		
83339	05/04/2023	Open			Accounts Payable	AT&T/CALNET3 - REPEATER LINES	\$196.20		
83340	05/04/2023	Open			Accounts Payable	AT&T/CALNET3 - COMMUNITY PARK	\$21.56		
83341	05/04/2023	Open			Accounts Payable	AT&T/CALNET3 - Summary	\$1,961.11		
83342	05/04/2023	Open			Accounts Payable	AT&T/CALNET3 - Summary	\$23.72		
83343	05/04/2023	Open			Accounts Payable	AT&T/CALNET3 - TH/FDPD FIBER LINES	\$1,138.44		
83344	05/04/2023	Open			Accounts Payable	AWARDS COMPANY	\$17.86		
83345	05/04/2023	Open			Accounts Payable	Bear Electrical Systems, Inc	\$54,500.00		
83346	05/04/2023	Open			Accounts Payable	BIDWELL TITLE & ESCROW	\$175.00		
83347	05/04/2023	Open			Accounts Payable	Biometrics4ALL, Inc	\$23.25		
83348	05/04/2023	Open			Accounts Payable	Broad & Gusman	\$4,000.00		
83349	05/04/2023	Open			Accounts Payable	BUTTE CO NEAL ROAD LANDFILL	\$10.00		
83350	05/04/2023	Open			Accounts Payable	BUTTE CO SHERIFF'S OFFICE	\$93,738.40		
83351	05/04/2023	Open			Accounts Payable	Butte County Construction Inc	\$25,000.00		
83352	05/04/2023	Open			Accounts Payable	BUTTE COUNTY FIRE SAFE COUNCIL	\$400.00		
83353	05/04/2023	Open			Accounts Payable	BUTTE REGIONAL TRANSIT	\$144.50		
83354	05/04/2023	Open			Accounts Payable	Colyer, Art	\$158.00		
83355	05/04/2023	Open			Accounts Payable	COMCAST CABLE	\$416.40		
83356	05/04/2023	Open			Accounts Payable	COMCAST CABLE	\$406.40		
83357	05/04/2023	Open			Accounts Payable	Creative Composition Inc	\$39.02		
83358	05/04/2023	Open			Accounts Payable	Cursor Control Inc.	\$1,500.00		
83359	05/04/2023	Open			Accounts Payable	DATCO SERVICES CORPORATION	\$315.00		
83360	05/04/2023	Open			Accounts Payable	De Lage Landen Public Finance LLC	\$781.25		
83361	05/04/2023	Open			Accounts Payable	DOBRICH & SONS SEPTIC	\$712.50		
83362	05/04/2023	Open			Accounts Payable	DOBRICH & SONS SEPTIC	\$12,091.50		
83363	05/04/2023	Open			Accounts Payable	Dokken Engineering, Inc.	\$11,886.00		
83364	05/04/2023	Open			Accounts Payable	DURHAM PENTZ TRUCK CENTER	\$394.21		
83365	05/04/2023	Open			Accounts Payable	Eidhammer, Trenton	\$339.25		
83366	05/04/2023	Open			Accounts Payable	ENLOE MEDICAL CENTER, INC.	\$336.00		
83367	05/04/2023	Open			Accounts Payable	ENTERPRISE FM TRUST	\$1,073.32		
83368	05/04/2023	Open			Accounts Payable	EVERGREEN JANITORIAL SUPPLY, INC.	\$228.45		
83369	05/04/2023	Open			Accounts Payable	EXECUTIVE HOMES	\$26,953.00		
83370	05/04/2023	Open			Accounts Payable	Golden State Emergency Vehicle Service, Inc.	\$649.12		
83371	05/04/2023	Open			Accounts Payable	Granicher Appraisals, Inc	\$400.00		
83372	05/04/2023	Open			Accounts Payable	GREAT AMERICA LEASING CORP.	\$145.47		
83373	05/04/2023	Open			Accounts Payable	HYDROTEC SOLUTIONS	\$350.00		
83374	05/04/2023	Open			Accounts Payable	I.M.P.A.C. PAYMENTS IMPAC GOV SVCS/US BANCORP	\$17,266.13		
83375	05/04/2023	Open			Accounts Payable	INTERSTATE OIL COMPANY	\$406.90		
83376	05/04/2023	Open			Accounts Payable	INTERSTATE SALES	\$422.98		

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83377	05/04/2023	Open			Accounts Payable	J.J.R. Enterprises Inc	\$1,109.03		
83378	05/04/2023	Open			Accounts Payable	JOHNNY ON THE SPOT PORTABLES	\$186.45		
83379	05/04/2023	Open			Accounts Payable	Junco, David	\$175.61		
83380	05/04/2023	Open			Accounts Payable	KNIFE RIVER CONSTRUCTION	\$532.43		
83381	05/04/2023	Open			Accounts Payable	KNIFE RIVER CONSTRUCTION	\$1,623.78		
83382	05/04/2023	Open			Accounts Payable	KNIFE RIVER CONSTRUCTION	\$889,593.75		
83383	05/04/2023	Open			Accounts Payable	Kovacs, Cameron	\$162.25		
83384	05/04/2023	Open			Accounts Payable	KP Research Services, Inc.	\$1,500.00		
83385	05/04/2023	Open			Accounts Payable	L.N. CURTIS & SONS	\$10,000.00		
83386	05/04/2023	Open			Accounts Payable	Ledbetter, Gary	\$125.00		
83387	05/04/2023	Open			Accounts Payable	LEHR AUTO ELECTRIC STOMMEL, INC.	\$22,902.88		
83388	05/04/2023	Open			Accounts Payable	LIFELINE TRAINING CENTER	\$715.00		
83389	05/04/2023	Open			Accounts Payable	Look Ahead Veterinary Services	\$679.64		
83390	05/04/2023	Open			Accounts Payable	MATTHEW D THOMPSON CONSTRUCTION	\$7,078.50		
83391	05/04/2023	Open			Accounts Payable	McGuire Pacific Constructors	\$95,496.14		
83392	05/04/2023	Open			Accounts Payable	Metropolitan Transportation Commission	\$9,500.00		
83393	05/04/2023	Open			Accounts Payable	Meyers Police K-9 Training, LLC	\$1,400.00		
83394	05/04/2023	Open			Accounts Payable	Milliman, Inc.	\$30,444.00		
83395	05/04/2023	Open			Accounts Payable	Morgan Ridge Construction, Inc.	\$24,549.00		
83396	05/04/2023	Open			Accounts Payable	MORGAN TREE SERVICE	\$3,000.00		
83397	05/04/2023	Open			Accounts Payable	Mt Shasta Spring Water Co., Inc	\$283.46		
83398	05/04/2023	Open			Accounts Payable	Munich Reinsurance America, Inc.	\$3,382.75		
83399	05/04/2023	Open			Accounts Payable	NHA Advisors, LLC	\$5,000.00		
83400	05/04/2023	Open			Accounts Payable	NORMAC INC	\$621.30		
83401	05/04/2023	Open			Accounts Payable	North State Tire Co. Inc.	\$329.51		
83402	05/04/2023	Open			Accounts Payable	NORTHGATE PETROLEUM CO	\$8,349.81		
83403	05/04/2023	Open			Accounts Payable	Nutrien	\$3,818.10		
83404	05/04/2023	Open			Accounts Payable	NV5, Inc.	\$496.08		
83405	05/04/2023	Open			Accounts Payable	NV5, Inc.	\$906.45		
83406	05/04/2023	Open			Accounts Payable	O'REILLY AUTO PARTS	\$71.61		
83407	05/04/2023	Open			Accounts Payable	OFFICE DEPOT ACCT#36233169	\$816.64		
83408	05/04/2023	Open			Accounts Payable	OROVILLE FORD	\$148,148.37		
83409	05/04/2023	Open			Accounts Payable	PACIFIC GAS & ELECTRIC	\$17,316.28		
83410	05/04/2023	Open			Accounts Payable	PARADISE POST	\$502.20		
83411	05/04/2023	Open			Accounts Payable	PBM SUPPLY & MFG INC	\$219.61		
83412	05/04/2023	Open			Accounts Payable	Peters, Habib, McKenna, Juhl- Rhodes & Cardoza, LLP	\$2,006.00		
83413	05/04/2023	Open			Accounts Payable	Pietsch, Ingrid	\$1,672.99		
83414	05/04/2023	Open			Accounts Payable	Proframe Construction, Inc.	\$72,621.07		
83415	05/04/2023	Open			Accounts Payable	Psomas	\$1,346.79		
83416	05/04/2023	Open			Accounts Payable	Psomas	\$60,896.46		
83417	05/04/2023	Open			Accounts Payable	Psomas	\$10,566.13		
83418	05/04/2023	Open			Accounts Payable	Psomas	\$28,663.31		
83419	05/04/2023	Open			Accounts Payable	RE CONSTRUCTION	\$15,300.00		
83420	05/04/2023	Open			Accounts Payable	Riebes Auto Parts- Motorpool	\$323.16		

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83421	05/04/2023	Open			Accounts Payable	Rural Community Assistance Corporation	\$6,765.25		
83422	05/04/2023	Open			Accounts Payable	SBA Monarch Towers III LLC	\$173.16		
83423	05/04/2023	Open			Accounts Payable	She Builds	\$75,111.94		
83424	05/04/2023	Open			Accounts Payable	Sigler Pest Control	\$50.00		
83425	05/04/2023	Open			Accounts Payable	SKYWAY TOOL CENTER	\$64.91		
83426	05/04/2023	Open			Accounts Payable	SONSRAY MACHINERY LLC	\$337.84		
83427	05/04/2023	Open			Accounts Payable	Spherion Staffing	\$5,465.75		
83428	05/04/2023	Open			Accounts Payable	Stratti	\$8,858.02		
83429	05/04/2023	Open			Accounts Payable	Stratton, Brock	\$339.25		
83430	05/04/2023	Open			Accounts Payable	T MOBILE USA, INC.	\$1,577.55		
83431	05/04/2023	Open			Accounts Payable	Tahoe Pure Water Co.	\$61.50		
83432	05/04/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - ENG. DEPT.	\$588.42		
83433	05/04/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - FIRE DEPT.	\$459.72		
83434	05/04/2023	Open			Accounts Payable	Tri Flame Propane	\$206.19		
83435	05/04/2023	Open			Accounts Payable	Valley Lock & Safe	\$18.94		
83437	05/04/2023	Open			Accounts Payable	WILKEY, JOHN	\$162.25		
83438	05/04/2023	Open			Accounts Payable	WILLDAN FINANCIAL SERVICES	\$3,800.00		
83439	05/11/2023	Open			Accounts Payable	Aflac	\$57.98		
83440	05/11/2023	Open			Accounts Payable	Met Life	\$11,430.52		
83441	05/11/2023	Open			Accounts Payable	OPERATING ENGINEERS	\$1,071.00		
83442	05/11/2023	Open			Accounts Payable	PARADISE POLICE OFFICERS ASSOCIATION	\$1,907.86		
83443	05/11/2023	Open			Accounts Payable	SUN LIFE INSURANCE	\$6,965.80		
83444	05/11/2023	Open			Accounts Payable	SUPERIOR VISION SVC INC	\$825.72		
83445	05/11/2023	Open			Accounts Payable	TOP CONFIDENTIAL MID MGMT ASSOCIATION	\$80.00		
83446	05/11/2023	Open			Accounts Payable	ICMA 457 - MissionSquare	\$2,587.08		
83447	05/11/2023	Open			Accounts Payable	STATE DISBURSEMENT UNIT	\$194.76		
83448	05/18/2023	Open			Accounts Payable	ACCESS INFORMATION PROTECTED	\$165.52		
83449	05/18/2023	Open			Accounts Payable	ADVANCED DOCUMENT CONCEPTS	\$14.05		
83450	05/18/2023	Open			Accounts Payable	AIRGAS SAFETY, INC.	\$125.49		
83451	05/18/2023	Open			Accounts Payable	ALAMEDA CO. SHERIFF'S DEPT.	\$1,005.00		
83452	05/18/2023	Open			Accounts Payable	ALLIANT INSURANCE	\$562.00		
83453	05/18/2023	Open			Accounts Payable	Asbury Environmental Services	\$134.69		
83454	05/18/2023	Open			Accounts Payable	AT&T & CALNET3 - CIRCUIT LINES	\$361.51		
83455	05/18/2023	Open			Accounts Payable	AT&T MOBILITY	\$85.60		
83456	05/18/2023	Open			Accounts Payable	AT&T MOBILITY	\$202.59		
83457	05/18/2023	Open			Accounts Payable	AWARDS COMPANY	\$33.85		
83458	05/18/2023	Open			Accounts Payable	Axon Enterprise Inc	\$346.96		
83459	05/18/2023	Open			Accounts Payable	BIDWELL TITLE & ESCROW	\$550.00		
83460	05/18/2023	Open			Accounts Payable	Big O Tires	\$384.90		
83461	05/18/2023	Open			Accounts Payable	Biometrics4ALL, Inc	\$21.00		
83462	05/18/2023	Open			Accounts Payable	Blue Flamingo Marketing Advocates	\$10,096.85		
83463	05/18/2023	Open			Accounts Payable	Bug Smart	\$83.00		
83464	05/18/2023	Open			Accounts Payable	BUTTE CO RECORDER	\$518.50		

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83465	05/18/2023	Open			Accounts Payable	CALIFORNIA STATE DEPARTMENT OF JUSTICE	\$1,069.00		
83466	05/18/2023	Open			Accounts Payable	COMCAST CABLE	\$401.40		
83467	05/18/2023	Open			Accounts Payable	COMCAST CABLE	\$421.40		
83468	05/18/2023	Open			Accounts Payable	COMCAST CABLE	\$148.40		
83469	05/18/2023	Open			Accounts Payable	Conflux Construction Inc	\$910.00		
83470	05/18/2023	Open			Accounts Payable	CRAIG DREBERTS AUTOMOTIVE	\$4,791.34		
83471	05/18/2023	Open			Accounts Payable	Creative Composition Inc	\$538.20		
83472	05/18/2023	Open			Accounts Payable	DEPARTMENT OF FORESTRY & FIRE PROTECTION	\$1,201,945.41		
83473	05/18/2023	Open			Accounts Payable	DIVISION OF THE STATE ARCHITECT	\$120.40		
83474	05/18/2023	Open			Accounts Payable	Dokken Engineering, Inc.	\$3,085.04		
83475	05/18/2023	Open			Accounts Payable	DURHAM PENTZ TRUCK CENTER	\$1,310.05		
83476	05/18/2023	Open			Accounts Payable	Entersect	\$109.95		
83477	05/18/2023	Open			Accounts Payable	FEATHER RIVER CONSTRUCTION	\$4,875.00		
83478	05/18/2023	Open			Accounts Payable	GOVERNOR'S OFFICE OF EMERGENCY SERVICES	\$736.00		
83479	05/18/2023	Open			Accounts Payable	Granicher Appraisals, Inc	\$400.00		
83480	05/18/2023	Open			Accounts Payable	Granicher Appraisals, Inc	\$400.00		
83481	05/18/2023	Open			Accounts Payable	GREAT AMERICA LEASING CORP.	\$129.31		
83482	05/18/2023	Open			Accounts Payable	GREEN RIDGE LANDSCAPING	\$5,671.20		
83483	05/18/2023	Open			Accounts Payable	Harmon, Trevor	\$15.00		
83484	05/18/2023	Open			Accounts Payable	Hope Crisis Response Network, Inc	\$25,500.00		
83485	05/18/2023	Open			Accounts Payable	Hope Crisis Response Network, Inc	\$25,000.00		
83486	05/18/2023	Open			Accounts Payable	Hope Crisis Response Network, Inc	\$20,000.00		
83487	05/18/2023	Open			Accounts Payable	Hope Crisis Response Network, Inc	\$20,000.00		
83488	05/18/2023	Open			Accounts Payable	HQE Systems, Inc.	\$509,498.72		
83489	05/18/2023	Open			Accounts Payable	I.M.P.A.C. PAYMENTS IMPAC GOV SVCS/US BANCORP	\$10,736.76		
83490	05/18/2023	Open			Accounts Payable	INTERSTATE OIL COMPANY	\$556.28		
83491	05/18/2023	Open			Accounts Payable	INTERSTATE SALES	\$2,944.02		
83492	05/18/2023	Open			Accounts Payable	Jennifer Arbuckle	\$4,875.00		
83493	05/18/2023	Open			Accounts Payable	KOEFRAN INDUSTRIES	\$1,200.00		
83494	05/18/2023	Open			Accounts Payable	KP Research Services, Inc.	\$3,000.00		
83495	05/18/2023	Open			Accounts Payable	L.N. CURTIS & SONS	\$15,070.18		
83496	05/18/2023	Open			Accounts Payable	LEFTA Systems	\$371.30		
83497	05/18/2023	Open			Accounts Payable	LEHR AUTO ELECTRIC STOMMEL, INC.	\$1,130.30		
83498	05/18/2023	Open			Accounts Payable	LIFE ASSIST INC	\$422.38		
83499	05/18/2023	Open			Accounts Payable	Look Ahead Veterinary Services	\$668.34		
83500	05/18/2023	Open			Accounts Payable	Mark Thomas & Company Inc	\$20,288.50		
83501	05/18/2023	Open			Accounts Payable	McGuire Pacific Constructors	\$46,373.53		
83502	05/18/2023	Open			Accounts Payable	McMaster-Carr Supply Company	\$1,183.34		
83503	05/18/2023	Open			Accounts Payable	Mennonite Disaster Service	\$10,000.00		
83504	05/18/2023	Open			Accounts Payable	Mennonite Disaster Service	\$3,803.40		
83505	05/18/2023	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
83506	05/18/2023	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$1,000.00		
83507	05/18/2023	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		
83508	05/18/2023	Open			Accounts Payable	MID VALLEY TITLE & ESCROW	\$100,000.00		

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83509	05/18/2023	Open			Accounts Payable	MORGAN TREE SERVICE	\$1,800.00		
83510	05/18/2023	Open			Accounts Payable	MUNIMETRIX SYSTEMS CORP	\$39.99		
83511	05/18/2023	Open			Accounts Payable	NGNL Properties LLC	\$298.67		
83512	05/18/2023	Open			Accounts Payable	North State Tire Co. Inc.	\$3,170.43		
83513	05/18/2023	Open			Accounts Payable	NORTHERN RECYCLING & WASTE SERVICES, INC.	\$151.60		
83514	05/18/2023	Open			Accounts Payable	NORTHSTAR	\$282.00		
83515	05/18/2023	Open			Accounts Payable	NORTHSTAR	\$210.00		
83516	05/18/2023	Open			Accounts Payable	NORTHSTAR	\$376.00		
83517	05/18/2023	Open			Accounts Payable	NORTHSTAR	\$188.00		
83518	05/18/2023	Open			Accounts Payable	NORTHSTAR	\$788.00		
83519	05/18/2023	Open			Accounts Payable	NV5, Inc.	\$11,802.64		
83520	05/18/2023	Open			Accounts Payable	O'REILLY AUTO PARTS	\$659.57		
83521	05/18/2023	Open			Accounts Payable	OFFICE DEPOT ACCT#36233169	\$379.74		
83522	05/18/2023	Open			Accounts Payable	OMG National	\$298.22		
83524	05/18/2023	Open			Accounts Payable	PARADISE AUTO BODY	\$1,841.15		
83525	05/18/2023	Open			Accounts Payable	PARADISE POST	\$288.24		
83526	05/18/2023	Open			Accounts Payable	Paxton, Liana	\$15.00		
83527	05/18/2023	Open			Accounts Payable	PETERSON TRACTOR CO	\$5,027.91		
83528	05/18/2023	Open			Accounts Payable	Proframe Construction, Inc.	\$72,621.07		
83529	05/18/2023	Open			Accounts Payable	RENTAL GUYS - CHICO	\$216.50		
83530	05/18/2023	Open			Accounts Payable	Riebes Auto Parts- Motorpool	\$482.37		
83531	05/18/2023	Open			Accounts Payable	Sakura Sushi #2	\$5,000.00		
83532	05/18/2023	Open			Accounts Payable	Santa Rosa Junior College/Accounting	\$49.50		
83533	05/18/2023	Open			Accounts Payable	She Builds	\$55,678.36		
83534	05/18/2023	Open			Accounts Payable	Spherion Staffing	\$3,538.38		
83535	05/18/2023	Open			Accounts Payable	Stratti	\$9,981.60		
83536	05/18/2023	Open			Accounts Payable	Stratton Appraisals	\$400.00		
83537	05/18/2023	Open			Accounts Payable	Tahoe Pure Water Co.	\$65.50		
83538	05/18/2023	Open			Accounts Payable	The Ferguson Group	\$5,449.81		
83539	05/18/2023	Open			Accounts Payable	THOMAS ACE HARDWARE	\$134.67		
83540	05/18/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - ENG. DEPT.	\$538.22		
83541	05/18/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - FIRE DEPT.	\$88.35		
83542	05/18/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - MOTORPOOL	\$7.25		
83543	05/18/2023	Open			Accounts Payable	THOMAS ACE HARDWARE - POLICE DEPT.	\$99.59		
83544	05/18/2023	Open			Accounts Payable	Tri Flame Propane	\$99.45		
83545	05/18/2023	Open			Accounts Payable	TRUEPOINT SOLUTIONS, LLC	\$1,275.00		
83546	05/18/2023	Open			Accounts Payable	TUCKER PEST CONTROL INC	\$90.00		
83547	05/18/2023	Open			Accounts Payable	US Ecology US Holding Company, LLC	\$6,975.49		
83548	05/18/2023	Open			Accounts Payable	VALLEY OAK VETERINARY CENTER	\$539.55		
83549	05/18/2023	Open			Accounts Payable	VERIZON WIRELESS	\$1,162.45		
83550	05/18/2023	Open			Accounts Payable	VERIZON WIRELESS	\$249.22		
83551	05/18/2023	Open			Accounts Payable	VERIZON WIRELESS	\$342.09		
83552	05/18/2023	Open			Accounts Payable	Wayne A. Murphy General Contractor	\$5,000.00		

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
83554	05/18/2023	Open			Accounts Payable	White Glove Cleaning Svc Inc, Theresa Contreras	\$5,610.00		
83555	05/18/2023	Open			Accounts Payable	Williams Scotsman, Inc. (Mobile Mini)	\$475.93		
83556	05/18/2023	Open			Accounts Payable	WILSON PRINTING	\$70.36		
83557	05/18/2023	Open			Accounts Payable	PACIFIC GAS & ELECTRIC	\$15,162.25		
83558	05/18/2023	Open			Accounts Payable	PG&E CFM/PPC Department	\$16,293.68		
83559	05/18/2023	Open			Accounts Payable	PG&E CFM/PPC Department	\$13,264.51		
83560	05/31/2023	Open			Accounts Payable	ICMA 457 - MissionSquare	\$2,587.08		
83561	05/31/2023	Open			Accounts Payable	STATE DISBURSEMENT UNIT	\$194.76		
Type Check Totals:									
EFT									
1426	05/10/2023	Open			Accounts Payable	CALPERS	\$149,206.99		
1427	05/11/2023	Open			Accounts Payable	CALPERS - RETIREMENT	\$50,442.85		
1428	05/11/2023	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$9,317.04		
1429	05/11/2023	Open			Accounts Payable	ING LIFE INS & ANNUITY COMPANY	\$8,800.76		
1430	05/11/2023	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$33,984.40		
1431	05/25/2023	Open			Accounts Payable	CALPERS - RETIREMENT	\$50,783.13		
1432	05/25/2023	Open			Accounts Payable	EMPLOYMENT DEVELOPMENT DEPARTMENT	\$9,826.23		
1433	05/25/2023	Open			Accounts Payable	ING LIFE INS & ANNUITY COMPANY	\$8,800.76		
1434	05/25/2023	Open			Accounts Payable	INTERNAL REVENUE SERVICE	\$35,487.43		
Type EFT Totals:									
AP - US Bank TOP AP Checking Totals									

Checks	Status	Count	Transaction Amount	Reconciled Amount
	Open	224	\$4,389,606.88	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Stopped	0	\$0.00	\$0.00
	Total	224	\$4,389,606.88	\$0.00

EFTs	Status	Count	Transaction Amount	Reconciled Amount
	Open	9	\$356,649.59	\$0.00
	Reconciled	0	\$0.00	\$0.00
	Total	9	\$356,649.59	\$0.00

Payment Register

From Payment Date: 5/1/2023 - To Payment Date: 5/31/2023

Number	Date	Status	Void Reason	Reconciled/ Voided Date	Source	Payee Name	Transaction Amount	Reconciled Amount	Difference
				All	Status	Count	Transaction Amount	Reconciled Amount	
					Open	233	\$4,746,256.47	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					Total	233	\$4,746,256.47	\$0.00	
Grand Totals:									
				Checks	Status	Count	Transaction Amount	Reconciled Amount	
					Open	224	\$4,389,606.88	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					Total	224	\$4,389,606.88	\$0.00	
				EFTs	Status	Count	Transaction Amount	Reconciled Amount	
					Open	9	\$356,649.59	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Total	9	\$356,649.59	\$0.00	
				All	Status	Count	Transaction Amount	Reconciled Amount	
					Open	233	\$4,746,256.47	\$0.00	
					Reconciled	0	\$0.00	\$0.00	
					Stopped	0	\$0.00	\$0.00	
					Total	233	\$4,746,256.47	\$0.00	



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(c)

ORIGINATED BY: Aimee Belev, Finance Director / Town Treasurer
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Adopt a resolution appointing a Representative and Alternate to Northern California Cities Self Insurance Fund (NCCSIF)

COUNCIL ACTION REQUESTED:

1. Adopt Resolution No. 2023-24, "A Resolution of the Town Council of the Town of Paradise updating and assigning representatives to NCCSIF Board of Directors."

Background:

As a matter of procedure, it is necessary to adopt a resolution appointing the Town's designated representatives for Northern California Cities Self Insurance Fund (NCCSIF) director and alternate for the Town of Paradise.

Adoption of the attached resolution will ensure that the Town of Paradise is a full voting member on the NCCSIF Board of Directors. The resolution appoints Aimee Belev, Finance Director / Town Treasurer as the representative and Crystal Peters, Human Resources and Risk Management Director, as the alternate.

Financial Impact:

Adoption of the attached resolution does not result in a cost to the Town of Paradise.

**TOWN OF PARADISE
RESOLUTION NO. 2023-24**

**A RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF PARADISE, CALIFORNIA, RESCINDING
RESOLUTION NO. 21-22 AND APPOINTING REPRESENTATIVES
TO THE NORTHERN CALIFORNIA CITIES SELF-INSURANCE FUND**

WHEREAS, the Town Council of the Town of Paradise has by its adoption of Resolution No. 85-24 approved the participation of the Town of Paradise in the Northern California Cities Joint Powers Authority for the provision of public liability insurance, and

WHEREAS, this same Joint Powers Agreement provides that the Town Council will, by resolution, appoint a representative and an alternate to the Board of Directors of this authority.

NOW, THEREFORE BE IT RESOLVED by the Town Council of the Town of Paradise as follows:

SECTION 1. The Town Council rescinds Resolution No. 21-22 and does hereby appoint the following persons to represent the Town of Paradise on the Board of Directors of the Northern California Cities Self-Insurance Fund:

Representative: Aimee Belue, Finance Director / Town Treasurer
Alternate: Crystal Peters, Human Resources and Risk Management Director

PASSED AND ADOPTED by the Town Council of the Town of Paradise this 13th day of June 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Greg Bolin, Mayor

ATTEST:

By: _____
Dina Volenski, CMC, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(d)

ORIGINATED BY: Colette Curtis, Recovery and Economic Development Director

REVIEWED BY: Marc Mattox, Interim Town Manager

SUBJECT: Corrected Contract Not to Exceed Amount – Blue Flamingo

LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Approve correction to Blue Flamingo contract amendment dated March 27, 2022, not to exceed amount from \$268,895.00 to \$373,895.00.

Background:

In March 2022, Council extended the contract for communications services through Blue Flamingo Marketing Advocates for 3 years at \$55,560 per year.

Analysis:

At the time of the amendment, the previous not to exceed amount was incorrectly calculated, and did not include two previous contract extensions. Blue Flamingo’s original contract approved by Council in April 2019 was for \$102,215. In August 2020 the contract was amended to add \$50,000 for additional services, and again in February 2021 for \$55,000. At that time the not to exceed amount of their contract totaled \$207,215.

With the 3-year contract awarded in March 2022, the new not to exceed amount should have been \$373,895. However, the not to exceed amount was incorrectly calculated and identified as \$268,895, as it did not include the two previous contract extensions.

This item is to correct his miscalculation in the contract to the correct not to exceed amount of \$373,895.00.

Financial Impact:

There is no financial impact as the correct not to exceed amount was already included in the budget. This item simply corrects the contract to match the budgeted amount.

**AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT FOR
PARADISE RECOVERY COMMUNICATIONS**

This Amendment (“Amendment”) dated _____, 2023 is between the Town of Paradise (“Town”) and Blue Flamingo Marketing Advocates, a California Corporation, (“Consultant”) relating to the underlying agreement dated April 19, 2019 (“Agreement”) between the parties. In consideration of the terms and conditions herein, the Town and Consultant agree that the Agreement shall be amended as follows:

1. The Agreement shall be extended for three years through March 31, 2025.
2. The total amount payable under the Agreement shall be increased from \$102,215 to a total amount not to exceed \$373,895.00.
3. Conflicts between the Agreement, and this Amendment shall be controlled by this Amendment. All other provisions within the Agreement shall remain in full force and effect.

TOWN OF PARADISE

**BLUE FLAMINGO MARKETING
ADVOCATES**

By: _____
Marc Mattox, Interim Town Manager

By: _____

APPROVED AS TO FORM:

ATTEST:

By: _____
Scott E. Huber, Town Attorney

By: _____
Dina Volenski, Town Clerk



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(e)

ORIGINATED BY: Jessica Erdahl, Sr. Capital Projects Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: On-System Sign Replacement – Construction Contract Acceptance

LONG TERM RECOVERY PLAN: Yes, Tier 1

COUNCIL ACTION REQUESTED:

1. Consider adopting Resolution No. 2023-25, of the Town Council of Town of Paradise accepting the work performed under the On-System Sign Replacement Project (Contract No. 7304.CON) performed by Mcguire-Pacific Constructors.

Background:

As a result of the 2018 Camp Fire, numerous roadway signs were damaged. Upon completion of an assessment in spring 2019, 123 locations were identified that required removal, replacement or resetting of roadway signs.

The Town coordinated with Caltrans and Federal Highways Administration (FHWA) to secure Emergency Relief permanent restoration funding to repair the damaged infrastructure town wide. Through the Emergency Relief Program, the Town of Paradise has been approved for \$324,100 for the On-system Sign Replacement Project. The approved project is located on Federal-Aid “On-System” roads – meaning the Town’s primary collectors and arterials such as Skyway, Clark, Pearson, Elliott, Bille, Wagstaff, Pentz, etc.

On December 11, 2018, Paradise Town Council awarded a contract to Mark Thomas to perform engineering services on disaster related projects. Subsequently, in July 2020, task orders were issued to perform civil design services on the sign replacement project.

On October 12, 2021 Paradise Town Council adopted a resolution approving the Plans & Specifications for the On-System Sign Replacement project. Council further directed staff to advertise for bids.

On January 11, 2022 Paradise Town Council awarded contract No 7304.CON On-System Sign Replacement Project to Mcguire-Pacific Constructors in the amount of their base bid \$124,324 and approved contingency expenditures not exceeding 10%.

Analysis:

Construction efforts began on April 10, 2023 and the project was substantially complete on April 26, 2023.

Financial Impact:

The total estimated construction cost of the Project, including a 10% contingency, was \$136,756.40. The actual total construction cost is \$149,336.49. Actual construction expenditures exceeded the 10% contingency due to contract change orders ensuring sign sheeting materials meet current standards. McGuire-Pacific Constructors bid was below available construction funding; therefore, ER funds are available to cover these additional costs. Project expenditures and a funding summary is detailed below:

Contract Items	Participating Reimb. Ratio	Total Cost	Participating Cost	AC ER	Local Match
Construction Contract - Actuals	88.53%	\$ 149,336.49	\$ 149,336.49	\$ 132,207.59	\$ 17,128.90
Construction Management - Estimate	88.53%	\$ 38,900.00	\$ 38,900.00	\$ 34,438.17	\$ 4,461.83
Total		\$ 188,236.49	\$ 188,236.49	\$ 166,645.76	\$ 21,590.73
Available Funding CON/CE		\$298,100.00	\$ 298,100.00	\$ 263,907.93	\$ 34,192.07
Balance		\$ 109,863.51	\$ 109,863.51	\$ 97,262.17	\$ 12,601.34

Attachments:

- A. Resolutions

RESOLUTION NO. _____

**RESOLUTION OF THE TOWN COUNCIL OF TOWN OF PARADISE
ACCEPTING THE WORK PERFORMED UNDER THE ON-SYSTEM
SIGN REPLACEMENT PROJECT (CONTRACT NO. 7304.CON)
PERFORMED BY MCGUIRE-PACIFIC CONSTRUCTORS**

WHEREAS, the Town of Paradise has heretofore contracted with Mcguire-Pacific Constructors for certain work performed under that certain project known as the On-System Sign Replacement Project, being Contract No. 7304.CON; and

WHEREAS, said work of improvements, as called for by the contract between the Town of Paradise and Mcguire-Pacific Constructors, referable to said project was completed on April 26, 2023 to the satisfaction of the Town; and

WHEREAS, there has been posted a bond insuring the work of improvements from a maintenance standpoint for a period of one year from and after completion.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Town Council of the Town of Paradise that it hereby accepts the work performed on those certain improvements, the subject of a contract between the Town of Paradise and Mcguire-Pacific Constructors, known and referred to as the On-System Sign Replacement Project.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the Town Council of the Town of Paradise at a regular meeting thereof held on the 13th day of June 2023.

AYES:

NOES:

ABSENT:

Greg Bolin, Mayor

ATTEST:

Dina Volenski, CMC, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(f)

ORIGINATED BY: Susan Hartman, Community Development
Director – Planning & Wastewater
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Interim Housing Urgency Ordinance Exceptions
Committee Application – 6848 Quail Way

LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Concur with the recommended approvals provided by Exceptions Committee Members Culleton & Lassonde; and,
2. Authorize staff to issue a Temporary Use Permit, with the presence of a log deck, to the applicant; or,
3. Provide alternative direction to town staff.

Background:

At the September 14, 2021 Town Council meeting, the Interim Housing Urgency Ordinance was amended to include the formation of an “Exceptions Committee” comprised of two Town Council members to review applications for exceptions to the urgency ordinance due to extraordinary circumstances. At the November 9, 2021 Town Council meeting, the application standards and general format were reviewed and approved by the Council.

In April 2023, an exception committee application was received for consideration by Exception Committee Members Culleton & Lassonde. It was:

6848 Quail Way – applicants, Terry & Hilary Johnson, owned and lived on the property at the time of the fire and have been residing on-site in an RV since the fall of 2021. The RV is served by temporary electrical service (no record of inspection by the Town), an on-site septic system, PID water service, and trash service. A Temporary Use Permit (TUP) application was submitted by the owners on December 22, 2020, but the defensible space standards were not being met and an email sent to the owners the following day on December 23, 2020 detailing the items that still needed to be corrected prior to the issuance of the TUP permit. While the applicants never responded, Town Fire Prevention staff did an additional site inspection on September 27, 2021, prior to a permit expiration date in the urgency ordinance, which showed the property to still be out of compliance and the application materials were voided on September 30, 2021 in accordance with the urgency ordinance regulations (Paradise Municipal Code section 8.61.050).

Fire Prevention staff inspected the site for defensible space standards on December 20, 2020, September 27, 2021, May 16, 2022, and May 12, 2023. The site was non-compliant for logs and weeds on all occasions.

On April 13, 2023, the Code Enforcement Office sent the owners a Notice of Violation for an occupied RV without a valid Temporary Use Permit. On April 27, 2023, an Exceptions Committee application was received from the owners.

Analysis:

The site has been subject to code enforcement and fire prevention notices for an occupied RV without the required Temporary Use Permit (TUP) and non-compliance with the Town's defensible space standards. Both Exceptions Committee members have reviewed the submitted materials and visited the site, during which the weeds were actively being cut down, and agree that the property should be considered for issuance of a Temporary Use Permit – with the presence of the log deck. If approved, the owners will need to bring the site into full compliance with the defensible space standards or risk revocation of the TUP per PMC section 8.61.070.

Attached with this council agenda summary for your consideration and recommended concurrence is the Exceptions Committee application for 6848 Quail Way which is recommended for approval by Committee Members Culleton & Lassonde. If authorized by the Town Council through this agenda item, the issued TUP will be effective for the duration of the urgency ordinance, currently April 30, 2024, subject to on-going compliance with all health and safety standards or until the rebuilt house is finalized if the construction permit is issued prior to the expiration of the urgency ordinance.

Financial Impact:

The cost of staff time processing the Temporary Use Permit application is covered through the Council-adopted application fee.



TOWN OF PARADISE
Development Services Department
6295 Skyway, Paradise CA 95969

Interim Housing Urgency Ordinance
Exceptions Committee Permit Application Form

Applicant Name: Hilary Johnson

Owner Name (if different):

Mailing Address: 6848 Quail Way Paradise, Ca 95969

Email Address:

Property Address: 6848 Quail Way Paradise, California 95969

After the Camp Fire, has there been an occupied RV on the property? Yes No

If "No", stop - you do not qualify to file an application.

If "Yes", please answer the following:

- Did you have a Temporary Use Permit to occupy an RV on that site? Yes No
• Have you been issued a Notice of Violation or Administrative Citation? Yes No
• Are you currently complying with the following required standards of the Urgency Ordinance?
1) Property owner owned the property at time of the Camp Fire. Yes No
2) Occupant(s) of the RV were Town residents who were displaced by the Camp Fire (proof of residency required). Yes No
3) There is only one temporary dwelling that is an RV or movable tiny house licensed by DMV. Yes No
4) RV and cargo container comply with all required setbacks (property line, road, septic tank, easement, etc.). Yes No
5) RV is connected to a functioning septic system (not a porta-potty). Yes No
6) RV is connected to a power pole/pedestal and inspected electrical service hookup (not a generator). Yes No
7) RV is connected to PID, a water well, or potable water holding tank. Yes No
8) Site is served by NRWS for solid waste collection. Yes No
9) Paradise Municipal Codes relating to maintenance of residential property:
- Is the property complying with defensible space? Yes No
- Are there inoperable/unregistered or wrecked/dismantled vehicles? Yes No
- Is there outdoor junk, broken or discarded household appliances? Yes No

If you are not complying with one or more of the above listed requirements of the Urgency Ordinance, please explain why (attach additional sheets, if needed):

Defensible space is being taken care of by the Butte County Fire Counsel on Friday May 12, 2023. They are scheduled to clear the lot on this day and are scheduled at 8am.

Why are you currently not rebuilding?

We are in the process of rebuilding. We have been waiting for the insurance company to complete our claim. We have come to an agreement and the process should be complete in the next 60 days. This will allow us to submit our plans in the coming months and start our rebuild.

What is your timeline for rebuilding?

Within a resonable timeframe as stated above. Weather permitting.

Please explain why you are requesting an exception to the Urgency Ordinance (attach additional sheets, if needed):

I was unaware of the original RV permit void as I was never notified of any issues. I paid for the permits in December of 2020, had the temporary pole put in and garbage service ordered at that time. We did not move the RV and occupy the property until Fall of 2021. The property was scrapped clean by us at that time so there was no compliance issue until this year. We now have it scheduled to be scrapped and cleared again this coming Friday. At that point it will be managable until the rebuild begins.

If approved, you be required to respond to a quarterly questionnaire regarding your progress towards rebuilding.

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT THE ABOVE STATEMENTS ARE TRUE, ACCURATE, COMPLETE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Applicant's Signature _____ Date 05/10/23

Property Owner's Signature _____ Date 05/10/23

FOR TOWN USE ONLY

Code Enforcement verification of currently occupied RVs:

- 1) Property owner owned at time of fire:
 - Verified
 - Non-compliant: Drivers license provided
- 2) RV occupants are displaced residents:
 - Verified
 - Non-compliant: Drivers license verifies address
- 3) One RV/tiny home that is DMV registered:
 - Verified
 - Non-compliant: included w/ application in 2020
- 4) Complies with setbacks:
 - Verified
 - Non-compliant: per 2020 site plan submitted
- 5) Connected to functioning septic system:
 - Verified
 - Non-compliant: _____
- 6) Connected to pedestal/pole with inspected electrical service:
 - Verified
 - Non-compliant: _____
- 7) Water connection:
 - Verified
 - Non-compliant: _____
- 8) Active NRWS service:
 - Verified
 - Non-compliant: _____
- 9) Property maintenance:
 - Verified
 - Non-compliant: News working on def space at time of inspection

Additional notes: Application for TUP applied 12/22/20, due to log decks and non compliance with defensible spaces this permit was never issued when the Sept. 30th 2021 deadline passed. only code violation is RV w/o TUP

ALL APPROVALS ISSUED WITH CONDITIONS WILL BE GIVEN A 30-DAY DEADLINE FOR COMPLIANCE

CULLETON:

- Deny
- Approve
- Conditions of approval:

JONES:

- Deny
- Approve
- Conditions of approval:

Hartman, Susan

From: Vierra, Anne
Sent: Monday, May 15, 2023 10:25 AM
To: Hartman, Susan
Subject: FW: Rv Temporary Use Comments

Below is the email sent to the applicant when their application was reviewed in 2020. I never received a response from the applicant that they were compliant. NRWS confirmed they started services with them June 21, 2021. As of 9/27/2021 Rainey inspected the property and noted there were felled trees still on the property and they were non-compliant with defensible space.



Anne Vierra

Assistant planner | CDD
Town of Paradise | (530) 872-6291 x 412
[Website](#) | [Contact Us](#) | [Facebook](#)

From: Vierra, Anne
Sent: Wednesday, December 23, 2020 7:22 AM
To: johnsonranch9@comcast.net
Subject: Rv Temporary Use Comments

Good Morning,

Your application for RV temporary use has been reviewed. There are a few comments that need your attention prior to issuance of the permit

The Fire inspector has requested;

Within 100' of proposed RV complete the following:

1. Cut grasses to a height of four (4) inches and;
2. The majority of the native brush (broom/blackberry vines) shall be cut and removed and;
3. Cut and remove tree limbs that are within six (6) feet of the ground.

Within 30' of property lines complete the following:

1. Cut and remove grasses to a height of four (4) inches;
2. The majority of the native brush (broom/blackberry vines) shall be cut and removed and;
3. Cut and remove tree limbs that are within six (6) feet of the ground.

Remove log pile(s).

Also, please sign up for garbage Service with NRWS by calling 530-876-3340 or emailing customerservice@northernrecycling.biz

Thank you



Anne Vierra
Assistant Planner
Town of Paradise
(530) 872-6291 ext. 412
avierra@townofparadise.com



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(g)

ORIGINATED BY: Marc Mattox, Interim Town Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Amendment to Town Attorney Professional Services Agreement

LONG TERM RECOVERY PLAN: No.

COUNCIL ACTION REQUESTED:

1. Adopt Resolution 2023-26, "A Resolution of the Town Council of the Town of Paradise Approving an Amendment to the Agreement for Professional Legal Services Between the Town of Paradise and the Law Firm of Cole Huber, LLP."

Background:

Following an RFP process, the Town selected Cole Huber LLP to provide Town Attorney services, with Scott Huber to serve as Town Attorney in May 2021. The current Agreement expires on July 31, 2023. The proposed Amendment to the Agreement would extend the legal services agreement for a period of 11 months, through June 30, 2024.

Analysis:

The purpose of the proposed Agreement for legal services is to ensure continuing Town Attorney legal services to the Town after July 31, 2023, at which time the current Town Attorney services contract expires. Adopt a resolution approving the Amendment to the Agreement for legal services between the Town of Paradise and the law firm of Cole Huber LLP for an 11-month period, effective August 1, 2023 through June 30, 2024.

Financial Impact:

The Proposed Agreement is not expected to materially increase or decrease the monthly fee for legal services incurred by the Town.

**TOWN OF PARADISE
RESOLUTION NO. 2023-26**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
APPROVING AN AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL
LEGAL SERVICES WITH LAW FIRM COLE HUBER LLP**

WHEREAS, the Town of Paradise has received Town Attorney services from the law firm of Cole Huber LLP; and

WHEREAS, the initial legal services agreement was for a period of one year and expired on June 30, 2022; and

WHEREAS, the first amendment was for a period of an additional year and expires July 31, 2023; and,

WHEREAS, the Town and Cole Huber LLP would like to extend the legal services agreement through the next fiscal year.

NOW THEREFORE, BE IT RESOLVED by the Town Council of the Town of Paradise as follows:

SECTION 1. The Town Council hereby approves the second amendment to the professional services agreement for Town Attorney services with Cole Huber LLP.

SECTION 2. The Mayor is hereby authorized to execute the amendment to the agreement attached hereto as Exhibit A for Town Attorney services with Cole Huber LLP.

PASSED AND ADOPTED by the Town Council of the Town of Paradise this 13th day of June, 2023 by the following vote:

AYES:

NOES:

ABSENT:

NOT VOTING:

Greg Bolin, Mayor

ATTEST:

Dina Volenski, CMC, Town Clerk

APPROVED AS TO FORM:

Mark Habib, Special Counsel

**AMENDMENT TO LEGAL SERVICES AGREEMENT
BETWEEN TOWN OF PARADISE
AND COLE HUBER, LLP**

This Amendment dated June 13, 2023 is to the Legal Services Agreement dated May 12, 2021 between the Town of Paradise (“Town”) and Cole Huber, LLP (“Law Firm”).

In consideration of terms and conditions herein, Town and Law Firm agree that the Legal Services Agreement shall be amended as follows:

1. The Legal Services Agreement shall be extended through June 30, 2024.
2. Conflicts between the Agreement and this Amendment to the Agreement shall be controlled by this Amendment. All other provisions within the Legal Services Agreement shall remain in full force effect.

TOWN OF PARADISE

COLE HUBER, LLP

Greg Bolin, Mayor

Scott E. Huber

ATTEST:

APPROVED AS TO FORM:

Dina Volenski, Town Clerk

Mark Habib, Special Counsel



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(h)

ORIGINATED BY: Eric Reinbold, Police Chief
REVIEWED BY: Marc Mattox, Interim Town Manager
Scott E. Huber, Town Attorney
SUBJECT: Dutch Bros. Donation to Animal Shelter Acceptance
LONG TERM RECOVERY PLAN: No.
COUNCIL ACTION REQUESTED:

1. Ratify acceptance of a \$3,138.00 cash donation to the Paradise Animal Shelter by Dutch Bros.

Background:

Dutch Bros has been a part of the community of Paradise for over a decade. Dutch Bros regularly hosts fundraisers where they donate proceeds from sales to various charitable organizations in the communities they serve. On March 1, 2023, Dutch Bros hosted a fund raiser for the Paradise Animal Shelter. The local fundraiser raised \$638.00. The Dutch Bros corporate foundation donated an additional \$2,500.00. In total, Dutch Bros. donated \$3,138.00 to the Paradise Animal Shelter to be put toward the benefit the shelter and its animals.

Analysis:

Town Council Resolution No. 96-17 provides for the formal presentation and acceptance of donations made to the Town of Paradise at a public meeting. This process provides a tax record for the citizen or organization as well as clear direction to the Finance Director to deposit such donations to specific accounts as requested by donor(s).

Staff recommends the Town Council accept the cash donation of \$3,138.00 to the Paradise Animal Shelter to be put to the benefit of the Shelter and its animals.

Financial Impact:

The donation of the \$3,138.00 will have no negative fiscal impacts on the Town and will benefit the Town by assisting with funding for the benefit of the Shelter and animals.



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(i)

ORIGINATED BY: Colette Curtis, Recovery and Economic Development Director

REVIEWED BY: Marc Mattox, Interim Town Manager

SUBJECT: HQE Systems Contract Extension

LONG TERM RECOVERY PLAN: Yes

COUNCIL ACTION REQUESTED:

1. Concur with staff's recommendation to extend the HQE System Contract for construction of the Early Warning Sirens to December 31, 2023; and,
2. Approve the attached amendment and authorize the Town Manager to execute the contract extension.

Background:

The Town of Paradise has been working in partnership with HQE Systems since August 2022 on the construction of the Town Early Warning Siren System. The project remains on schedule to be operational for the 2023 fire season. There have been minor delays to overall construction schedule due to the extended winter, council directed changes to the aesthetic design of the towers and difficulties faced in ground conditions at tower locations. As of 5/25/23, 16 tower foundations are complete, 5 towers have been installed and we anticipate all remaining foundations will be complete by mid-June 2023.

Analysis:

HQE have been effective partners in the construction of the Early Warning Sirens, and we look forward to the completion of the project in the coming months. The original services contract from July 5, 2022 had a pre-mature closure of contract date of June 30, 2023. We are asking for an extension to December 31, 2023 to allow for completion of the project and continued training and orientation for the operational handoff of the sirens to the Town Emergency Services Team.

Financial Impact:

There is no additional financial impact to the approved project budget. Overall, the project remains under budget.

**ATTACHMENT A:
AMENDMENT TO AGREEMENT
BETWEEN THE TOWN OF PARADISE AND HQE ENTERPRISES**

This Amendment to Agreement is made on June 13, 2023, to the Agreement dated July 5, 2022 by and between the Town of Paradise, a California Municipal Corporation (“Town”) and HQE SYSTEMS (“Contractor”)

RECITALS:

- A. The initial period of the agreement was from July 5, 2022 and ending on June 30, 2023 for the construction of the Town of Paradise Early Warning System.
- B. Town and Contractor have agreed to amend the agreement so that the period of service will be from July 5, 2022 and ending on December 31, 2023.

AGREEMENT NOW, THEREFORE, Town and Contractor agree as follows:

- 1. The Agreement shall be amended as follows:
 - 1.1 Town and Contractor have agreed to amend the Agreement so that the period of service will be from July 5, 2022 and ending on December 31, 2023.
- 2. All other provisions of the agreement shall remain in full force and effect.
- 3. If there is a conflict between this First Amendment and the agreement, this First Amendment shall be controlling.

TOWN OF PARADISE

By:

Date:

REVIEWED FOR CONTRACT POLICY COMPLIANCE

By:

TOWN CLERK

DATE:

HQE SYSTEMS

By:

Date:

REVIEWED AS TO FORM:

By:



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 2(j)

ORIGINATED BY: David Kehn, Capital Projects Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: CIP 9390 Neal Gateway Project Amendment #3
LONG TERM RECOVERY PLAN: Yes, Tiers 1-3, Numerous

COUNCIL ACTION REQUESTED:

1. Consider approving the third Amendment with Mark Thomas and Company, Inc. to increase the Not to Exceed budget by \$339,292.00 for the CIP 9390 Neal Gateway Project for a total of \$924,215.00.

Background:

On June 7, 2019 the Town of Paradise received an authorization to proceed on a new Congestion Mitigation Air Quality (CMAQ) grant in the amount of \$550,000 for the Neal Gateway Project. On October 14, 2021, staff issued a formal Request for Proposals (RFP) utilizing consultant selection procedures per the Caltrans Local Assistance Procedures Manual for Federal-Aid projects. The Town ultimately selected Mark Thomas and Company, Inc. to conduct/prepare Environmental Documentation (ED); prepare Plans, Specifications and Engineer's Estimates (PS&E); coordinate with regulatory agencies; coordinate with Town staff in the preparation of the ED and PS&E package; provide bid support services; and provide Construction Administration (CA) support services.

In Spring 2022, Caltrans announced the Call-for-Projects for the Active Transportation Program Cycle 6. In June 2022 the Town of Paradise submitted five complete grant applications for funding, including Neal Gateway Project. On December 7, 2022, the California Transportation Committee announced the adoption of Statewide and Small Urban and Rural components of the program, including an award for the Neal Gateway Project. The Town has been awarded a total of \$12.348M for Project Engineering, Right-of-Way, and Construction for the Neal Gateway Project.

Amendment #1 (3/10/2022) and Amendment #2 (8/2/2022) included changes in the personnel of sub-consultant GPA Consulting, but did not include a change in contract amount.

The Neal Gateway Project addresses a deficiency in the active transportation network along Neal Road. The complete project will provide a Class 1 multi-use trail that will separate bicyclists and pedestrians from vehicular traffic along Neal Road from Town limits to the Skyway (1.62 miles).

Analysis:

As design and development of the project has progressed, the scope of engineering and field work associated with project has increased due to expanded project limits. The Class 1 multi-use path will be installed with curb and gutter, which includes a new storm drainage system. Initially it was assumed that existing outfalls could be utilized. However, a Drainage Analysis has been performed and determined that two new outfalls will be required; an existing outfall on Grinding Rock Road will need to be upsized and a new outfall will be installed on Wayland Road. These outfalls are a significant distance from the Neal Road corridor and will require design of an extended storm drain system beyond the original project limits to reach the outfall locations.

The expanded project limits will require additional work from the primary consultant including; topographic surveying, additional design and right-of-way analysis, and environmental support. The environmental sub-consultant has also identified additional permitting requirements and has included scope to assist in the following efforts; streambed alteration agreements and tree surveys, United States Fish and Wildlife Section 7 consultation, CA Endangered Species Act consultation, and the performance of an Initial Study for our NEPA filing. Amendment #3 also includes updating the Town's hydraulic model including the Special Permit Zones. With two new outfalls, we'll be able to understand changes to any localized flooding and the impacts to future development that may occur upstream or downstream.

Amendment #3 includes up to 30 potholes to confirm utility locations to assist in the design and to mitigate construction related conflicts.

Based on staff analysis in an independent cost estimate, the proposed cost of services is reasonable. With an estimated total project cost of \$13.7M, the Project Engineering phase, including this amendment, is approximately 7% of the total budget. This percentage is in line with industry standards.

Financial Impact:

The contract services for this effort will be 100% funded by the Congestion Mitigation and Air Quality Improvement Program (CMAQ), Active Transportation Program (ATP) Cycle 6 grant, and an allocation from the Town's Community Development Block Grant Disaster Recovery (CDBG-DR) grant. The combined budgeted grant amount for the Project Engineering phase of the project is \$1M, with a total for Amendment #3 of \$924,215.00. Services will be paid on a not-to-exceed basis, with several tasks listed as Optional only to be performed when authorized. Anticipated Town staff time has been considered and budgeted.

Funding Source	Budget
CMAQ	\$550,000.00
ATP (PE Allocation)	\$352,000.00
CDBG-DR (PE Allocation)	\$98,000.00
Total	\$1,000,000.00

Contract	Amount
Current Not-to-Exceed	\$584,923.00
AM #3 Tasks	\$200,043.00
AM #3 (Optional) Tasks	\$139,249.00
New Contract Not-to-Exceed	\$924,215.00

Available Budget for Recipient Administration	\$76,489.10
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CMAQ = Congestion Mitigation and Air Quality Program

ATP = Active Transportation Program

CDBG-DR = California Developmental Block Grant Disaster Recovery

Financial Impact:

- A. Amendment #3 – Scope of Services



MARK THOMAS

May 30, 2023

File No. 21-00220

Mr. David Kehn
Town of Paradise
5555 Skyway
Paradise, CA 95969

RE: Neal Pathway Project _ Additional Drainage on Grinding Rock Rd and Wayland Rd – AMENDMENT NO. 3

Dear Kehn:

This letter is to inform you that Mark Thomas is requesting additional budget for additional engineering support services performed beyond the original contract. The additional budget being requested is a result of I out of scope work consisting of:

- Expanded Project limits – The project limits of the project have been expanded based on a focused design meeting with the Town. It was decided that two drainage outfalls would be added to the project - one on Grinding Rock Rd and the other on Wayland Rd. The new drainage system on these two roads will provide outfalls for the drainage system on Neal Rd. This additional drainage design work will require additional design budget to produce a complete set of construction documents for the project. In order to move forward with the drainage design, we'll also require supplemental topo and right of way delineation.

Additional Tasks (Mark Thomas):

Amendment #3

Task 1.1– Supplemental Topographic Survey

Mark Thomas will prepare project control based on previously established control from the Neal Pathway project in the Town of Paradise. A narrative will be prepared describing the points held, the benchmark(s), along with horizontal and vertical datum. Mark Thomas will include control points with ground values in a spreadsheet, which will include coordinates and elevations used for each control point.

Mark Thomas will conduct a topographic survey along Grinding Rock Road for approximately 1600 LF beginning at the intersection of Neal Road and heading westerly, and Wayland Road for approximately 1000 LF beginning at the intersection of Neal Road and heading easterly. The survey will be limited to 15 feet behind the edge of pavement or to the ditch or fence line (whichever is closest to the current apparent right-of-way).

The topographic survey will include major grade breaks, tops & toes, edge of pavement, crown of road, curb & flow lines, sidewalk, ramps, driveways, signs & striping, surface visible utilities and exiting underground utility paint markings, manhole dips and inlet inverts. Additionally, the topographic survey will include planimetric features such as trees (greater than 6 inches in diameter), fences, surface visible utilities and building corners where accessible. No irrigation features or street furniture such as benches, bicycle racks, parking meters or street signs will be located with this contract. All access necessary for thorough and efficient surveys will be provided by the Town.

Mark Thomas will include right-of-way line work based on Butte County GIS parcel data. Mark Thomas will conduct record research to enhance County GIS information by plotting roadway widths as shown on current Assessor Maps, Record of Surveys, Parcel and/or Subdivision maps. Based upon record maps found showing existing monuments, Mark Thomas will

locate a sample of monuments to allow record right-of-way to be shifted/rotated in place. This scope of work does not include a boundary survey, and parcel and right-of-way line work provided will be approximate.

Based upon information gathered, Mark Thomas will compile an electronic base map and shall be drafted at a scale of 1" = 40' with a one-foot contour interval. This will include a Digital Terrain Model. Mark Thomas will run break lines as appropriate; include elevation spot shots and other relevant features from the Topographic Survey.

Deliverables

- One (1) electronic base map with survey control and topographic information.
- One (1) copy of all survey notes and photos.

Assumptions and Exclusions

- All access will be secured by the Town, including project areas outside of right of way.
- It is assumed no lane closures will be needed to complete field surveys.
- No preparation or implementation of traffic control plans is anticipated.
- Assumed no encroachment permits will be required by the Town.
- Monument Preservation is not included in this scope of work.
- No Record of Survey is included in this scope of work.
- No underground locations, borings or potholes are included in this scope of work.
- Mark Thomas will not obtain utility as-built or locating service.

Task 1.2 – Easement Description and Plat (Optional)

Mark Thomas will provide up to one legal description and 8.5" X 11" plat for the realigned storm drain facility on the property identified at the westerly end of Grinding Rock Road by APN 055-540-006. The description will be based on the current location of the storm drain culvert/outfall and exiting boundary monuments as located during the topographic survey task per this scope of work.

Deliverables

- One (1) Legal description and 8.5" X 11" plat

Task 2.1 – Additional Design

This task includes the additional design and sheet production work for an additional 2600' of drainage design. This work is part of the expanded project limits as discussed by Town staff with Mark Thomas. Included in our budget request is a budget for 30 potholes (\$67,500). The storm drainage design will be consistent with the drainage design and plans that we have for the project.

Task 2.2 – Utility Coordination

This task includes the additional utility coordination, mapping, and conflicts with utility companies for the additional drainage on Grinding Rock Rd and Wayland Rd.

Task 3.1 – Wetland Delineation

The original scope of work included a Wetland Delineation. Based on coordination with Mark Thomas during the preparation of the proposal, the project design was anticipated to have very minor to no impacts on biological resources and limited to no impacts on waters of the U.S. and state. Waters of the U.S. and state were expected to be limited to potentially jurisdictional wetlands and waters associated with roadside drainage. Since the original scope was prepared, Mark Thomas requested an expanded BSA be surveyed and evaluated. Within the expanded BSA, is an un-named, natural blueline stream that will require evaluation.

The following scope of work includes evaluation of the expanded study limits from what was previously included in the BSA to support the biological studies and regulatory permitting.



Field Surveys

GPA will conduct a jurisdictional delineation to identify potential wetlands and/or waters of the U.S. and state within the expanded BSA, including the un-named, natural blue-line stream. Delineation surveys within the expanded survey limits are expected to require up to two staff and one day.

Aquatic Resource Delineation Report

Following completion of the background research and field surveys of the areas within the expanded BSA, GPA will summarize the results of the delineation within an Aquatic Resource Delineation Report.

Deliverables:

- Jurisdictional delineation surveys within the expanded BSA
- Summary of the potential wetlands and waters of the U.S. and state with the expanded BSA in the Aquatic Resource Delineation Report

Task 3.2 – Regulatory Permit Applications (Optional)

The original scope of work included an optional task for preparation of regulatory permit applications. Based on coordination with Mark Thomas during the preparation of the proposal, the project design was anticipated to have very minor to no impacts on biological resources, with little to no impacts on waters of the U.S. and state. Waters of the U.S. and state were expected to be limited to potentially jurisdictional wetlands and waters associated with roadside drainage. Since the original scope was prepared, there is potential for impacts on an un-named, natural blue-line stream resulting in further analysis and greater permitting efforts than what was previously anticipated. If required, GPA will coordinate with the agencies to seek coverage for impacts on the un-named, natural blue-line stream. GPA assumes up to one minor informational request would be required to obtain the permitting authorizations from the USACE, RWQCB and CDFW. GPA will attend up to one phone coordination meeting with the RWQCB in compliance with the 30-day pre-application coordination notification request. GPA assumes a site visit will not be required.

Deliverables:

- Inclusion of the un-named, natural blue-line stream within the 404, 401, and 1602 notification/application packages

Task 3.3 – 1602 Streambed Alteration Agreement Tree Survey (Optional)

Notification of a Streambed Alteration to the CDFW pursuant to Section 1602 of the California Fish and Game Code requires documentation of the location, size, and species of all trees and shrubs equal to or greater than four inches in diameter at breast height (DBH) that would be removed or trimmed by construction of a project within their jurisdiction. GPA will complete a tree survey to generate the required information concurrent with the preparation of the regulatory permit applications. GPA will record the tree species, trunk DBH, and GPS location of all standing trees, alive, sized four inches or greater at DBH within the engineer-provided tree removal limits. Each tree will be given a tree tag with a unique identification number that will correspond with tree data collected. The survey results will be summarized in a table and the shapefiles containing the tree location data will be provided. If requested, GPA will create a figure showing the tree locations within the proposed tree removal limits. GPA assumes the surveys would require one survey day with two biologists.

Deliverables:

- One electronic copy of Tree Survey table; shapefiles with tree location data, and tree survey data

Task 3.4 – USFWS Section 7 Consultation (Optional)

Under the Federal Endangered Species Act (FESA), if the project may affect a listed species or designated critical habitat, Section 7 consultation with the USFWS is required. Based on research conducted during the drafting of the PES, there is potential for the federally listed California red-legged frog to be in the project vicinity. Because there is an un-named stream in the expanded BSA, potentially suitable for the species, that may be impacted by the project, Section 7 consultation with USFWS may be required. No known USFWS critical habitat is within the BSA. Consultation with the National Oceanic and Atmospheric Administration is not anticipated. GPA will prepare the Biological Assessment (BA), and will coordinate with Mark Thomas, the Town, and Caltrans for review and submittal of the BA to the USFWS. If requested,

GPA will attend up to two internal phone meetings and/or agency phone meetings held as part of the consultation process. GPA assumes Section 7 consultation would be limited to California red-legged frog.

Deliverables:

- One electronic copy of the BA

Task 3.5 – California Endangered Species Act Consultation (Optional)

Under the California Endangered Species Act (CESA), if the project may result in the ‘take’ of a state listed or candidate species, consultation with the CDFW is required. Based on preliminary research conducted during the drafting of the PES, there is a potential for foothill yellow-legged frog to be in the project vicinity. Pending the results of the biological studies, if the project would result in take of foothill yellow-legged frog, GPA will prepare the request for an Incidental Take Permit application and will coordinate for review and submittal of the consultation initiation package/Incidental Take Permit application to CDFW. GPA assumes a site visit will not be required. GPA will prepare up to one minor supplemental information request from CDFW. GPA will also provide technical assistance to Mark Thomas and the Town to refine impact avoidance, minimization, and mitigation measures, as required by CDFW to reduce project impacts and potential for take of listed species to the maximum extent feasible. If requested, GPA will attend up to two internal phone meetings and/or agency phone meetings held as part of the consultation process. GPA assumes that an Incidental Take Permit (ITP), if needed, would be limited to foothill yellow-legged frog.

Deliverables:

- One electronic copy of the ITP permit application package

Task 3.6 – Initial Study

GPA will review the findings and conclusions of the technical studies to assist the Town with determining whether an IS is required for the project. If there may be potentially significant impacts associated with the project that could require mitigation measures to avoid or reduce these impacts to a less than significant level, GPA will prepare an IS. GPA assumes that with the implementation of available mitigation measures, no significant impacts are expected; therefore, an IS/MND would be the appropriate level of CEQA documentation to meet the Town’s lead agency responsibilities. However, the Town would make the final determination as to the appropriate level of CEQA documentation.

Administrative Draft Initial Study

Following completion of the technical studies, GPA will reference the results of the analysis, as well as other background research, to prepare an Administrative Draft IS, consistent with CEQA Guidelines Appendix G and in a format acceptable to the Town. The document will include all required sections for an IS and will address on-site and off-site impacts of the project. GPA will submit the Administrative Draft IS to the Town. GPA will address any comments received prior to public circulation of the document.

Draft Initial Study

Once the Administrative Draft IS has been reviewed and approved by the Town, GPA will finalize the Draft IS (with anticipated MND) and circulate the document to the public for the required 30-day review period. GPA will prepare and file the Notice of Intent (NOI) on Town letterhead. It is assumed that the Town will be responsible for any local and/or media postings of notices and document copies. GPA will maintain a file of any comments received during the public circulation period for use in preparing the final document.

Final Initial Study with Mitigated Negative Declaration

Following circulation of the Draft IS (with anticipated MND), GPA will coordinate with the Town to prepare responses to any public comments received (as appropriate) and incorporate the responses and any required revisions into the document. GPA will then prepare a Final IS and submit it to the Town for review. GPA will coordinate as needed to make further revisions and obtain approval to finalize the document. Upon completion of the Final IS, GPA will coordinate with the Town to obtain a Notice of Determination (NOD) for the project within five days of approval.

Deliverables:

- Electronic copies of the Administrative IS, Draft IS, NOI, Final IS and NOD.

ASSUMPTIONS

This scope has been prepared based on the following assumptions:

- If Caltrans requires technical studies not included in the original contract or this amended scope of work, GPA will prepare a separate scope and fee to support this effort.
- This scope of work is based on the project information provided by the Town and Mark Thomas. If the limits of the project area or scope of the project change substantially, GPA will provide an additional scope of work and budget to support this effort.
- This scope of work is limited to the evaluation of existing conditions and one build alternative. Evaluation of additional build alternatives is not included and may require additional scope and budget.
- Thirty-five percent plans and associated CAD/Microstation files will be provided prior to initiating biological studies.
- Any rights of entry required to conduct field surveys under the optional tasks will be provided by others.
- GPA assumes that project limits will be provided by the design engineers prior to initiation of surveys.
- Under the NES(MI), scoped surveys are for reconnaissance level surveys in support of an NES(MI). Protocol-level surveys for special-status wildlife species, if required, are not included in this scope of work. It is anticipated that the presence or absence of special-status wildlife species can be inferred based on the field surveys scoped for the project. If protocol surveys are requested, GPA will provide an additional scope of work and budget to support this effort.
- Under the NES(MI) task, reconnaissance level surveys of the expanded BSA would require no more than one day of surveying by two biologists.
- Under the Wetland Delineation task, delineation surveys of the expanded BSA would require no more than one day of surveying by two biologists.
- Consultation for the optional USFWS Section 7 Consultation task is for California red-legged frog only. If other species would require consultation, additional scope/cost would be prepared.
- GPA assume no site visits will be required to obtain regulatory permitting approvals.
- An ITP, if needed, would be limited to foothill yellow-legged frog. If additional species require authorization, GPA can provide additional scope/cost.
- It is assumed that the technical reports prepared for the project (NES[MI] and Aquatic Resource Delineation) will be sufficient to support CDFW's issuance of an ITP for the project. If additional biological investigations or reporting is required to support an ITP, GPA will provide an additional scope of work and budget to support this effort.
- Under the Optional 1602 Streambed Alteration Agreement Tree Survey task, GPA will attempt to record each tree using a GPS unit with sub-meter accuracy. Due to the heavily vegetated nature of the project area, GPS signal strength may be limited, which may affect the ability to record all trees. Where recordation with a GPS unit is not possible due to site limitations, GPA will map tree locations based on aerial maps and field observations by staff to provide the most accurate information possible.
- Under the Optional 1602 Streambed Alteration Agreement Tree Survey task, GPA assumes that locations of tree removal limits will be provided by the design engineers prior to initiation of the survey.
- GPA assumes 65% plans will be provided to complete the regulatory permitting with the RWQCB, USACE, and CDFW. Plans would include all work and/or features that may encroach, for any amount of time, within the jurisdictional areas.
- GPA assumes the project design team will provide the necessary design information to complete the regulatory permitting with the RWQCB, CDFW, and USACE. The limits of all temporary and permanent disturbances will be provided, including, but not limited to: equipment staging, work access, material stockpile areas, limits of grading (cut and fill), RSP, drainage outfall structures, piers, abutments and/or foundations, water diversions, work trestles (or similar), vegetation removal, etc.
- The project design team would provide step by step descriptions, and duration, of all activities that will be performed for each construction activity, including equipment usage to perform the required actions, within jurisdictional areas. Jurisdictional areas are expected to include the bed, channel, bank, and floodplain of a

waterway and any associated wetland features. All materials, structures, and/or features that will temporarily or permanently encroach within jurisdictional areas will be identified and quantified (volumes, dimensions, linear feet). Approximate quantities and/or range thresholds are expected to be adequate to meet the regulatory requirements. Materials may include, but are not limited to: concrete/reinforced concrete, asphalt, RSP, earthen fill, gravel, steel, piles, drilling mud, materials to construct water diversion, etc.

- One pre-application meeting to support the RWQCB application will be required. No field meetings are anticipated.
- GPA assumes the County will directly pay all permitting fees in support of all permits and/or authorizations.
- The scope of work does not include the preparation of a revegetation and/or restoration plan or similar mitigation plan.
- Up to two rounds of comments are anticipated, one from Town (concurrent with Mark Thomas) and one from Caltrans. If responses to additional comments are requested, GPA will provide an additional scope of work and budget to support this effort.
- The Town will be responsible for preparing the Notice of Exemption (NOE) and all fees associated with filing the NOE with the County Clerk.
- If an IS is required for CEQA:
 - GPA will not be required to attend public hearings.
 - The Town will conduct the required agency-to-agency consultation under AB52 for the purpose of identifying Tribal Cultural Resources, without the assistance of GPA.
 - The Town will provide all fees associated with filing of notifications (such as the Notice of Determination) and any local newspaper or media postings.

Should you have any questions, please don't hesitate to contact me (916) 765-0745.

Sincerely,

MARK THOMAS



Raul Cervantes
Division Manager



Town of Paradise
Public Works Department
5555 Skyway
Paradise, CA 95969
(530) 872-6291

Amendment No. 3
Agreement for Professional Services
9390.PE Skyway-Neal Bike/Ped project

OWNER: Town of Paradise
5555 Skyway
Paradise, CA 95969

Date: June 13, 2023

CONSULTANT: Raul Cervantes, Project Manager
Mark Thomas and Company, Inc.
701 University Ave, Suite 200
Sacramento, CA 95825

CLIENT AND CONSULTANT AGREE AS FOLLOWS:

1. This agreement will serve as an addendum to our previous Agreement for Professional Services, effective January 25, 2022. Work under this Agreement will be subject to the terms and conditions of our previous Agreement, except as noted below.
2. Owner agrees (unless otherwise stated herein) to compensate Consultant for its Services according to the amended cost proposal Paradise-Skyway Neal Bike/Ped (AM#3) to increase the Not To Exceed budget for the project to \$924,215.00. Amendment #3 is attached hereto as Exhibit "A" and incorporated herein.

PREPARATION OF AGREEMENT:

By signing the Agreement, both parties consent that the Agreement has been prepared and negotiated equally by Client and Consultant.

IN WITNESS WHEREOF, the parties hereby execute this Agreement upon the terms and conditions stated above and on the date first above written.

Town of Paradise

Consultant

Signed: _____

Signed: _____

By: _____

By: _____

Date: _____

Date: _____

ATTACHMENTS included and made a part of this agreement:

 X EXHIBIT A Cost Proposal

Working together to rebuild a thriving community.

COST PROPOSAL FOR PROJECT SCOPE: Paradise-Skyway Neal Bike/Ped (AM #3)

MARK THOMAS														Subconsultants		TOTAL COST
	Engineering Manager \$305	Sr. Project Engineer \$168	Design Engineer II \$128	Design Engineer I \$105	Intern \$60	Survey Manager \$199	Project Surveyor \$162	Lead Survey Technician \$147	Survey Technician \$90	2 Person Field Crew \$295	Sr. Project Coordinator \$130	Total Hours	Total MT Cost	GPA DBE	Wood Rodgers Non-DBE	
1.0 SUPPLEMENTAL TOPOGRAPHIC SURVEY																
1.1 Supplemental Topographic Survey						12	24	10	40	50	4	140	\$26,616	-	-	\$26,616
Subtotal Phase 1	0	0	0	0	0	12	24	10	40	50	4	140	\$26,616	\$0	\$0	\$26,616
2.0 ADDITIONAL DESIGN																
2.1 Additional Design	4	44	80	240	40							408	\$46,452	-	-	\$46,452
2.2 Utility Coordination		16	40									56	\$7,808	-	-	\$7,808
Subtotal Phase 2	4	60	120	240	40	0	0	0	0	0	0	464	\$54,260	\$0	\$0	\$54,260
3.0 ENVIRONMENTAL DOCUMENTATION																
3.1 Wetland Delineation	5	10										15	\$3,205	12,291	-	\$15,496
3.2 Regulatory Permit Applications												0	\$0	6,956	-	\$6,956
Subtotal Phase 3	5	10	0	0	0	0	0	0	0	0	0	15	\$3,205	\$19,247	\$0	\$22,452
4.0 STORM DRAIN TECHNICAL SERVICES																
4.1 Refine Existing Conditions Hydrologic Analysis												0	\$0	-	3,885	\$3,885
4.2 Model Proposed Project Drainage												0	\$0	-	15,542	\$15,542
4.3 Technical Memorandum												0	\$0	-	4,994	\$4,994
4.4 Meetings & Coordination												0	\$0	-	3,830	\$3,830
Subtotal Phase 4	0	0	0	0	0	0	0	0	0	0	0	0	\$0	\$0	\$28,251	\$28,251
TOTAL HOURS	9	70	120	240	40	12	24	10	40	50	4	619				
OTHER DIRECT COSTS													\$67,710	\$755	\$0	\$68,465
TOTAL COST	\$2,745	\$11,760	\$15,360	\$25,200	\$2,400	\$2,388	\$3,888	\$1,470	\$3,600	\$14,750	\$520		\$151,791	\$20,002	\$28,251	\$200,043
OPTIONAL TASKS																
1.2 Easement Description & Plat						2	4	2	12			20	\$2,420	-	-	\$2,420
3.3 1602 Streambed Alteration Agreement Tree Survey												0	\$0	10,650	-	\$10,650
3.4 USFWS Section 7 Consultation	2	4										6	\$1,282	35,475	-	\$36,757
3.5 California Engangered Species Act Consultation	2	4										6	\$1,282	37,072	-	\$38,354
3.6 Initial Study	2	4										6	\$1,282	48,786	-	\$50,068
Subtotal Optional Tasks	6	12	0	0	0	2	4	2	12	0	0	38	\$6,266	\$131,983	\$0	\$138,249
TOTAL HOURS - OPTIONAL	6	12	0	0	0	2	4	2	12	0	0	38				
OTHER DIRECT COSTS - OPTIONAL													\$1,000	\$0	\$0	\$1,000
TOTAL COST - OPTIONAL	\$1,830	\$2,016	\$0	\$0	\$0	\$398	\$648	\$294	\$1,080	\$0	\$0		\$7,266	\$131,983	\$0	\$139,249



Town of Paradise

Council Agenda Summary

Agenda Item: 5(a)

Date: June 13, 2023

ORIGINATED BY: Susan Hartman, Community Development
Director – Planning & Wastewater

REVIEWED BY: Marc Mattox, Interim Town Manager
Scott Huber, Town Attorney

SUBJECT: Public Hearing: Planning Commission
Recommendation for Town Council Adoption of a
Paradise General Plan Land Use Map Amendment and
Property Rezone for an Application Identified as PID:
PL23-00042

LONG TERM RECOVERY PLAN: N/A

COUNCIL ACTION REQUESTED:

1. Open the duly noticed and scheduled public hearing; and,
2. Concur with the project “CEQA determination” finding embodied within Planning Commission Resolution No. 2023-02; AND
3. Concur with the project recommended General Plan Land Use Map amendment and rezone action adopted by the Planning Commission on May 16, 2023, and embodied within Planning Commission Resolution No. 2023-02; AND
4. Adopt Town of Paradise Resolution No. 2023-27, “A Resolution of the Paradise Planning Commission Recommending Town Council Adoption of a Paradise General Plan Land Use Map Amendment and Rezoning of Certain Real Property Within the Town of Paradise (PID: PL23-00042)”
5. Waive the first reading of Town Ordinance No. ____ and read by title only; AND
6. Introduce Town of Paradise Ordinance No. ____ “An Ordinance Rezoning Certain Real Property From “C-C” (Community-Commercial) to a “C-F” (Community-Facilities) Zone Pursuant to Paradise Municipal Code Sections 17.45.500 Et. Seq. (PID: PL23-00042)”; OR
7. Adopt an alternative directive to town staff. (ROLL CALL VOTE)

Background:

Project applicant Paradise Irrigation District (PID) is seeking Town of Paradise approval of a Paradise General Plan land use designation amendment from Town-Commercial (T-C) to Community-Service (C-S) and a zone change from Community-Commercial (C-C) to Community-Facilities (C-F) affecting ±4.06 acres of property which currently serve as PID’s office and corporation yard. 6332 & 6344 Clark Road were purchased and developed by PID after the 1994 General Plan Update and therefore not included in the Community-Service/Community-Facilities

designations provided to PID's previous office/corporation yard properties on Black Olive Drive. The Community-Facilities zoning designation is for land uses which "serve a community purpose or benefit the community". While no new building construction is proposed, the general plan amendment and rezone will allow PID to replace the existing post sign in front of the office building with an electronic message sign. In addition, the C-F zoning district establishes a 10' side/rear property line setback which helps to buffer the corporation yard land uses from the neighboring Community-Commercial zoned properties which have a 0' side/rear yard setback.

PID was issued a Conditional Use Permit in October 2010 to establish their new corporation and operations yard at 6344 Clark Rd. A Conditional Use Permit is required for a "major utility" land use whether the property is zoned Community-Commercial or Community-Facilities so the rezone will not impact the existing land use entitlement and the previously issued project conditions will still apply. Any new building construction in the future would potentially require modification of the use permit, through a public hearing process, and environmental review of the project.

Analysis:

Surrounding land use is characterized by developed commercial properties to the west, north, and east respectively and vacant commercial and residential properties to the south.

Attached with this staff report for your review and consideration is a copy of the application form and other application materials that were filed with the Town of Paradise by PID.

The proposed project application has been evaluated in accordance with the requirements of the California Environmental Quality Act (CEQA) and it was determined that there is no possibility adoption and implementation of the rezone would result in a direct and significantly adverse effect on the environment. Therefore, the proposed general plan amendment and rezone can be found to be exempt from the requirements of CEQA, pursuant to CEQA Guidelines section 15061 (b)(3) [General Rule Exemption].

The attached Planning Commission resolution document recommends Town Council adoption and assignment of a specific Paradise General Plan land use designation and rezone of certain real property. Attached with this agenda summary for consideration, possible adoption, and introduction respectively by the Town Council, are copies of a proposed Town of Paradise resolution document and a zoning ordinance document, both of which reflect the Planning Commission's recommended actions.

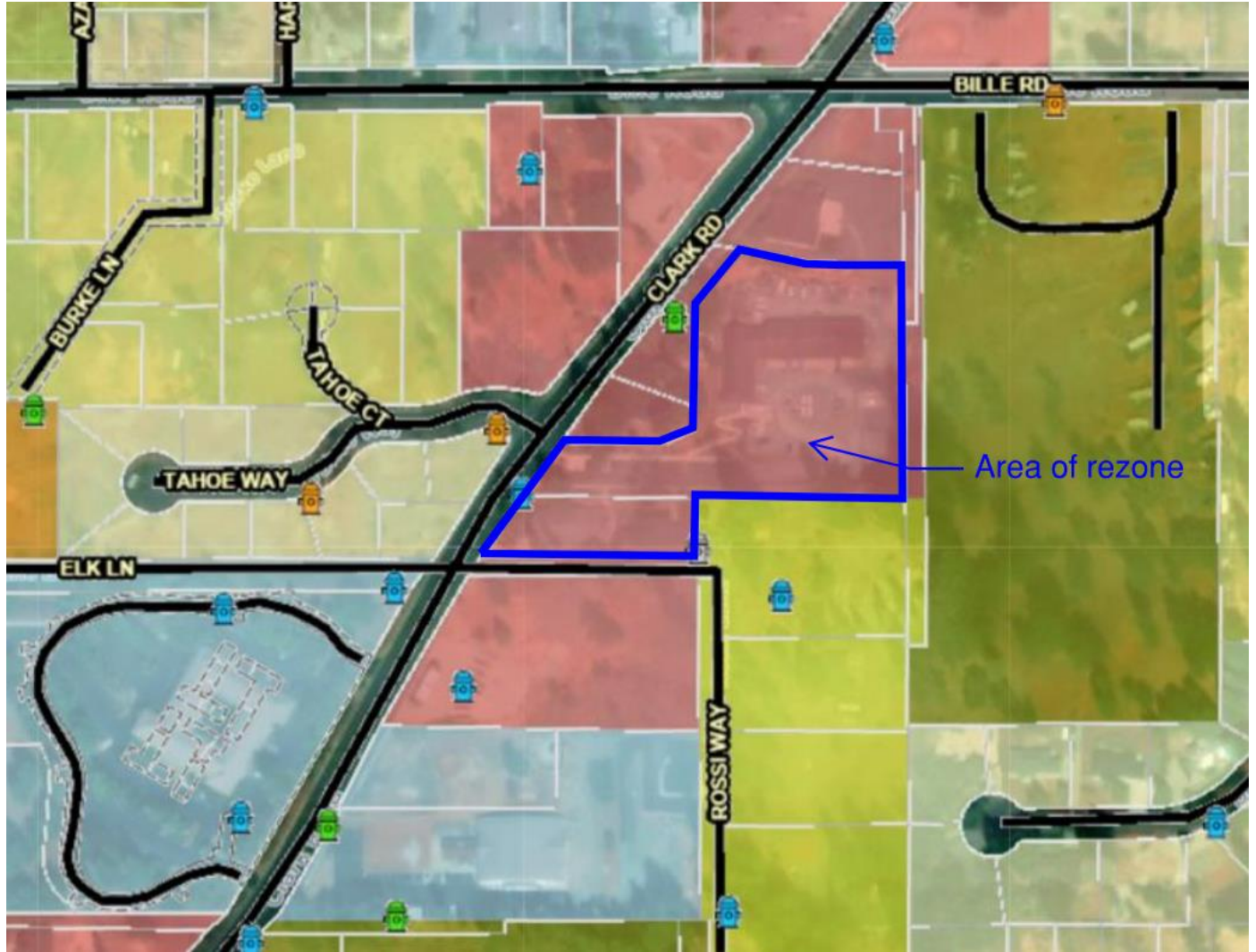
Lastly, for your convenience, town planning staff has also generated and attached other information materials related to this agenda item.

Financial Impact:

The Town incurs no direct costs for the General Plan amendment and first reading and introduction of the zoning ordinance for the rezone. The digital land use and zoning maps are maintained and updated by the Chico State Geographical Information Center (GIC) under an existing contract.

**ATTACHEMENTS
FOR
PID: PL23-00042 GENERAL PLAN AMENDMENT/REZONE**

1. Project vicinity map.
2. Notice sent to surrounding property owners and the Paradise Post for the June 13, 2023 public hearing regarding the PID project application.
3. Mailing list of property owners and agencies notified of the public hearing.
4. Notice of Exemption prepared for the PID project.
5. General Plan Amendment/rezone application submitted by PID.
6. Planning Commission Resolution No. 2023-02 adopted May 16, 2023.
7. Town of Paradise Resolution No. 2023-____, "A Resolution of the Town Council of the Town of Paradise Amending the Land Use Map of the 1994 Paradise General Plan (PL23-00042)".
8. Town of Paradise Ordinance No. _____, "An Ordinance Rezoning Certain Real Property From "C-C" (Community-Commercial) to a "C-F" (Community-Facilities) Zone Pursuant to Paradise Municipal Code Sections 17.45.500 Et. Seq. (PID: PL23-00042)"



APPLICANT: Paradise Irrigation District

OWNER: Paradise Irrigation District

6332 & 6344 Clark Road

PROJECT DESCRIPTION:

Town Council consideration of a General Plan Amendment and Rezone for PID's office and corp yard on Clark Rd to reinstate the Community Facilities (CF) zoning previously assigned to PID at their former location on Black Olive Drive.

ZONING: C-C to become C-F

GENERAL PLAN: T-C to C-S

FILE NO. PL23-00042

ASSESSOR PARCEL NOS. 053-012-022 & 053-150-197

MEETING DATE: 06/13/2023

**TOWN OF PARADISE
NOTICE OF PUBLIC HEARING
PARADISE TOWN COUNCIL**

NOTICE IS HEREBY GIVEN by the Paradise Town Council that a public hearing will be held on **Tuesday, June 13, 2023** at 6:00 p.m., or as soon thereafter as possible, in the Town Hall Council Chambers, 5555 Skyway, Paradise, California, regarding the following matters:

a. Item determined to be exempt from environmental review:

PARADISE IRRIGATION DISTRICT GENERAL PLAN AMENDMENT/REZONE APPLICATION (PL23-00042): Town Council consideration of a Planning Commission Resolution recommending Town Council approval of an amendment to the Town of Paradise General Plan land use designation affecting ± 4.06 acres of property from Town Commercial (TC) to Community Service (CS) and change the zoning for the same properties from Community Commercial (CC) to Community Facilities (CF) to reassign the zoning previously assigned to Paradise Irrigation District at their prior location on Black Olive Drive. No new development is proposed. The project site is located at 6332 and 6344 Clark Road; Assessor Parcel Nos. 053-012-022 and 053-150-197.

The project file is available for public inspection at the Building Resiliency Center, 6295 Skyway. If you challenge this matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Town Clerk at, or prior to, the public hearing. For further information please contact the Community Development Director, Building Resiliency Center, 6295 Skyway, Paradise, CA (530) 872-6291, extension 424.

Dina Volenski
Town Clerk

053-400-018-000
Paradise Medical Center Building Own
Assoc
Po Box 1028
Paradise Ca 95967

053-011-052-000
Mitchell Susie Etal
Beach Steve & Beach Dan
8401 Ne 39th Ave
Vancouver Wa 98665

053-011-055-000
Carrillo Revocable Trust
C/O Carrillo Vince & Mary Trustee
30 Manzanita Ter
Orinda Ca 94563

053-011-104-000
Paradise Lodge No 2026 Bpoe Usa
P O Box 418
Paradise Ca 95967

053-012-023-000
F & B Land Holdings Llc
1053 Pleasant Hill Rd
Lafayette Ca 94549

053-150-071-000
Wagner Greg
1822 Greenway Ln
Paradise Ca 95969

053-150-167-000
Trent Rick Donald Etal
Rostad Ruffner Ragna
1904 Palm Ave
Chico Ca 95926

053-150-198-000, 053-150-199-000,
053-012-022-000, 053-150-197-000
Paradise Irrigation District
6332 Clark Rd
Paradise Ca 95969

053-011-053-000
Hubbell Family Rev Living Trust
C/O Hubbell Donald R & Louan Co-
Trustees
1258 Tahoe Way
Paradise Ca 95969

053-011-057-000
Armstrong Christine A Etal
Tovar Eileen Rhonda Trustee
125 Glenshire Ln
Chico Ca 95973

053-011-112-000
053-011-113-000
6361 Clark Road Llc
2370 Kelton Ave
Los Angeles Ca 90064

053-150-006-000
William Hamilton Llc
P O Box 1733
Paradise Ca 95967

053-150-103-000
Stach Richard & Gaumer Deborah
2949 Winter Nell Cir
Medford Or 97504

053-150-186-000
Patterson Kiley C
Po Box 1934
Paradise Ca 95967

053-011-054-000
Prosperous Road Inc
1266 Tahoe Wy
Paradise Ca 95969

053-011-058-000
Gale Annette H Trust
C/O Gale Annette H Trustee
12207 S Stoneridge Cir
Paradise Ca 95969

053-150-194-000
Rose Chapel Inc
6382 Clark Rd
Paradise Ca 95969

053-150-056-000
Ramsay Harold & Joanne Revocable Living
Trust
C/O Ramsay Harold & Joanne Trustees
6090 Rossi Way
Paradise Ca 95969

053-150-154-000
Weber Emily Ss
377 Desert Falls Dr E
Pam Desert Ca 92211

PID

Paradise Unified School District
6696 Clark Road
Paradise, CA 95969

Paradise Irrigation District
6332 Clark Road
Paradise, CA 95969

Paradise Recreation & Park Dist.
6626 Skyway
Paradise, CA 95969

Paradise Ridge Chamber of
Commerce
6161 Clark Road Ste. 1
Paradise, CA 95969

Paradise Board of Realtors
6161 Clark Road Ste. 2
Paradise, CA 95969

Pacific Gas & Electric
Laird Oelrichs, Land Agent
350 Salem St.
Chico, CA 95928

Butte County Planning
Courier

Paradise Cemetery District
980 Elliott Road
Paradise, CA 95969

Butte Co. Air Quality Mgmt. Dist.
629 Entler Ave., Suite 15
Chico, CA 95928

Butte Environmental Council
313 Walnut St., Ste. 140
Chico, CA 95928

DND

NOTICE OF EXEMPTION

To: File

From: Town of Paradise, Development Services Department,
Planning Division, 6295 Skyway, Paradise, CA 95969

Project Title: Paradise Irrigation District GPA/Rezone

Project Applicant: Town of Paradise

Project Location: N/A

Project Description: General Plan Amendment and Rezone to reinstate the Community Facilities zoning previously assigned to PID at their former location on Black Olive Drive.

Approving Public Agency: Town of Paradise

**Person or Agency
Carrying Out Project:** Town of Paradise

Exempt Status:
 Ministerial (Section 15268)
 Emergency Project (Section 15269)
 Categorical Exemption (Section 15302)
 General Rule Exemption (Section 15061)

Reason for Exemption: The amendments do not constitute a project under CEQA, no physical activity is planned and there is no possibility of a significant environmental effect.

Contact Person: Susan Hartman, Planning Director
(530) 872-6291 x424

Signature: 

Date: 05/08/2023

DEPARTMENT USE ONLY:
Receipt No. _____ Fee 43618.80
Project No. PL13-00042

TOWN OF PARADISE
APPLICATION FOR GENERAL PLAN AMENDMENT/REZONING
(Including TEXT ONLY Amendments)

Applicant's Name Paradise Irrigation District Phone (530)877-4971
Applicant's Mailing Address 6332 Clark Rd, Paradise, CA 95969
Applicant's email MRich@ParadiseIrrigation.com Fax (530)876-
Applicant's Interest in Property (Owner, Lessee*, Other*) Owner
***If applicant is not the owner, the owner's signature or letter of authorization MUST accompany this application.**
Owner's Name _____ Phone _____
Owner's Mailing Address _____
Property Address _____
Engineer (Name, Address) _____
Engineer's Phone _____ Fax _____ email _____
AP Number(s) 053-012-022-000 & 053-150-197-000 Zone CC Existing Use Corporate Office & Corporate Yard

Check all that apply: 1. General Plan Amendment A. Map Change
2. Rezoning B. Text Change

(For MAP changes, complete entire application. For TEXT ONLY changes, attach a separate sheet detailing the requested change and your reason for the change.)

Present General Plan Designation Town-Commercial Present Zoning Community Commercial
Requested General Plan Designation Community-Service Requested Zoning Community-Facilities

Location, dimensions and size of area(s) to be amended/rezoned: 6332 Clark Rd, Approximately 0.66 Acres for the corporate office and 3.40 acres for the corporate yard.

Is this application a part of a related development project (e.g., use permit, land division, etc.)? No, N/A

Applicant's reasons for amendment/rezoning:(attach additional sheets if necessary) _____
Replacement of existing sign with an electronic sign

FOR GENERAL PLAN MAP AMENDMENT: Provide details of how the amendment would be of environmental, social and economic benefit to the Town? Installation of a digital sign will allow PID to provide the community with important information. Properly classify our property for public agencies.

Attach additional sheet(s) if necessary.

I hereby declare under penalty of perjury that the above statements and attached plot plan are true, accurate, complete, and correct to the best of my knowledge and belief.

Applicant's Signature Mickey L. Rich Date 4/20/2023

Property Owner Signature _____ Date _____
(If applicable)

J:\CDD\Planning\forms\counter handouts\gpa-rezone (4/18)

**TOWN OF PARADISE
PLANNING COMMISSION**

RESOLUTION NO. 2023-02

**A RESOLUTION OF THE PARADISE PLANNING COMMISSION RECOMMENDING TOWN
COUNCIL ADOPTION OF A PARADISE GENERAL PLAN LAND USE MAP AMENDMENT
AND REZONING OF CERTAIN REAL PROPERTY WITHIN THE TOWN OF PARADISE
(PID; PL23-00042)**

WHEREAS, the Paradise Planning Commission has conducted a public hearing, pursuant to the California Planning and Zoning Law, concerning a proposed amendment to the Paradise General Plan and property rezone; and

WHEREAS, said public hearing also included review of potential environmental impacts, pursuant to the California Environmental Quality Act; and

WHEREAS, Sections 65353, 65354 and 65854 of the California Government Code require the Planning Commission to conduct a public hearing and notify the Town Council in writing of its recommendation; and

WHEREAS, the Planning Commission has considered the analysis and recommendation of the Community Development Department (Planning Division) and has considered the comments made at a public hearing conducted by the Planning Commission on May 16, 2023; and

WHEREAS, the Planning Commission has determined that an amendment to the Paradise General Plan Land Use Map for a Community-Service (C-S) land use designation and its related zone change to a Community Facilities (C-F) zoning district affecting properties located at 6332 and 6344 Clark Road and further identified as AP Nos. 053-012-022 and 053-150-197, as proposed, is in the public interest.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The Planning Commission of the Town of Paradise hereby finds:

- a. That the proposed project is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15601 (General Rule Exemption).
- b. That the general plan land use designation and zoning district requested to be assigned to the project property via the general plan amendment/rezone project application (PL23-

RESOLUTION NO. 2023-02

00042) is appropriate and reasonable because it would assign a Community-Service (C-S) General Plan land use designation and Community-Facilities (C-F) zoning to property situated at a location with characteristics that satisfy the 1994 Paradise General Plan policies that are applicable to community facility land use development.

SECTION 2. The Planning Commission of the Town of Paradise hereby recommends to the Town Council approval of the project application for Paradise General Plan Land Use Map amendment and its related zone change known as the PID (PL23-00042) application for properties identified as AP Nos. 053-012-022 and 053-150-197 as described in Exhibit "A" and shown in Exhibit "B" attached hereto and made a part hereof by reference.

PASSED AND ADOPTED by the Planning Commission of the Town of Paradise this 16th day of May 2023, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- NOT VOTING:**



Lynn Costa, Chair

ATTEST: 5-16-2023



Melanie Elvis, Deputy Town Clerk

EXHIBIT "A"
REZONE
(PID)

ASSESSOR'S PARCEL NUMBER 053-012-022:

PARCEL I:

A PORTION OF LOT 15, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "OFFICIAL MAP OF SECTION 14, TOWNSHIP 22 NORTH, RANGE 3 EAST, M.D.B. & M. BUTTE COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, ON APRIL 21, 1925, IN BOOK B OF MAPS, AT PAGE(S) 28 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOW:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 15 AND RUNNING NORTH 00 DEG. 12' 15" WEST 53 FEET TO AN IRON PIPE AND POINT OF BEGINNING FOR THE LAND HEREIN DESCRIBED; THENCE NORTH 89 DEG. 19' 33" WEST 393.59 FEET; THENCE NORTH 33 DEG. 57' EAST 95.53 FEET; THENCE SOUTH 89 DEG. 19' 33" EAST 339.87 FEET; THENCE SOUTH 00 DEG. 12' 15" EAST 80 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION DEEDED TO THE COUNTY OF BUTTE, BY DEED RECORDED MAY 9, 1979, IN BOOK 2397 OF OFFICIAL RECORDS, AT PAGE 459, RECORDS OF BUTTE COUNTY, CALIFORNIA.

PARCEL II:

AN EASEMENT FOR ROAD PURPOSES OVER THAT PORTION OF LAND DESCRIBED AS FOLLOWS:

BEING THAT PORTION OF PARCEL 1, LYING WITHIN THE EXTERIOR BOUNDARIES OF ROSSI LANE, AS SHOWN ON THAT CERTAIN PARCEL MAP, FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, ON DECEMBER 17, 1984, IN BOOK 98 OF MAPS, AT PAGE(S) 41 AND 42.

ASSESSOR'S PARCEL NUMBER 053-150-197:

All that certain real property situate in the Town of Paradise, County of Butte, State of California described as follows:

Being a portion of the North Half of Section 14 and the North Half of Section 13, Township 22 North, Range 3 East, Mount Diablo Meridian more particularly described as follows:

Beginning at the southeast corner of the west half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13 as shown on that certain Record of Survey Map filed for record on July 15, 2004 in Map Book 160, at Page 38 in the Butte County Recorder's Office;

Thence, along the southerly line of the west one-half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13, South 89°56'35" West, 330.06 feet to the southwest corner of the west half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13 as shown on said Map;

Thence, along the southerly extension of the easterly line of Parcel 4 as described in that certain deed filed for record on December 7, 2007 from Norman B. Madsen and Elsa M. Madsen, trustees of the Norman B. and Elsa M. Madsen Revocable Trust to Paradise Irrigation District under Serial Number 2007-0056947 in the Butte County Recorder's Office, North 00°13'18" West, 1.65 feet as shown on said Map to the southeasterly corner of said Parcel 4;

Thence, along the southerly line of said Parcel 4, North 89°20'36" West, 301.18 feet to the southeasterly right-of-way line of Clark Road as shown on said Map, said point being the beginning of a non-tangent 1960.00 foot radius curve, concave southeasterly from which point the radius point bears South 55°50'44" East;

Thence, along the southeasterly right-of-way line of Clark Road, Northeasterly, 113.14 feet along said curve, through a central angle of 03°18'27";

Thence South 52°32'18" East, 13.35 feet;

Thence South 89°20'36" East, 177.16 feet;

Thence North 63°41'30" East, 52.22 feet to the westerly line of said Section 13;

Thence, along the westerly line of said Section 13, North 00°13'18" West, 203.73 feet;

Thence, leaving said westerly line, parallel to the southeasterly right-of-way line of Clark Road, North 40°26'12" East, 113.31 feet to the southerly boundary line of the last parcel described per said Serial Number 2007-0056947 and as shown as the 0.86 acre parcel of the "Lands of Rose Chapel, Inc" on said Map, said point being located South 79°24'47" East, 46.12 feet along said southerly line from the southwesterly corner of said last parcel described in said Serial Number 2007-0056947 and the southwesterly corner of said 0.86 acre parcel;

Thence, along the southerly boundary of said parcel per Serial Number 2007-0056947 and the southerly boundary of said 0.86 acre parcel, South 79°24'47" East, 112.79 feet;

Thence, continuing along said southerly boundary, South 88°27'04" East, 145.29 feet to the southeasterly corner of said parcel per Serial Number 2007-0056947 and the southeasterly corner of said 0.86 acre parcel as shown on said Map, said point being located on the east line of the west one-half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13;

Thence, along said east line, South 00°06'13" East, 374.80 feet to the point of beginning.

Containing 3.40 acres more or less.

The basis of bearings for the above described property is the same as that shown on said Map book 160, at Page 38.

**TOWN OF PARADISE
RESOLUTION NO. 2023-27**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
AMENDING THE LAND USE MAP OF THE 1994 PARADISE GENERAL PLAN
(PID: PL23-00042)**

WHEREAS, the Paradise Planning Commission and the Paradise Town Council have conducted public hearings, pursuant to California planning and zoning law concerning a proposed amendment to the land use map of the 1994 Paradise General Plan; and

WHEREAS, such public hearings also included review of potential environmental impacts associated with the amendment to the Paradise General Plan, pursuant to requirements of the California Environmental Quality Act; and

WHEREAS, Section 65358 of the California Government Code allows a legislative body to amend its General Plan, and

WHEREAS, the action of the Town Council follows the requirements of Government Code Sections 65353, 65354, 65854 and 65090; and

WHEREAS, the Town Council has considered the analysis and recommendation of the Community Development Department; has received and considered the recommendations of the Planning Commission via adopted Planning Commission Resolution No. 2023-02; and has considered the comments made at public hearings conducted by the Planning Commission and the Town Council; and on the basis thereof has determined pursuant to Section 65358 of the Government Code that a certain amendment of the 1994 Paradise General Plan Land Use Map is in the public interest; and

WHEREAS, the Paradise Planning Commission and the Town Council have determined that the proposed General Plan (land use map) amendment and rezone project is appropriate and reasonable because it would result in the assignment of general plan land use and zoning designations to the affected property that are appropriate and reasonable in a manner that **a)** promotes the objectives of the Paradise Irrigation District [PID] to replace an existing freestanding sign, **b)** is compatible with existing land uses and zoning in the Clark Road/Bille Road neighborhood and therefore is consistent with applicable 1994 Paradise General Plan policies, and, **c)** will result in the assignment of zoning that conforms to the resultant PID owned properties.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. The Town Council hereby finds that there is no land division or commercial density increase development proposed in association with the requested actions, and further finds that the requested actions are exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061 (General Rule Exemption) based on the materials submitted in association with the requested actions, the associated staff report and all public comments relating to the project.

Section 2. The Town Council hereby adopts this amendment to the 1994 Paradise General Plan known as PL23-00042, assigning a Community-Service (C-S) General Plan land use map designation for a +/-4.06-acre land area located at 6332 and 6344 Clark Road in Paradise and further identified as AP Nos. 053-012-022 and 053-150-197, as described in Exhibit "A" and shown in Exhibit "B" attached hereto and made a part hereof by reference.

PASSED AND ADOPTED by the Town Council of the Town of Paradise this 13th day of June 2023, by the following vote:

AYES:

NOES:

ABSENT:

NOT VOTING:

Greg Bolin, Mayor

ATTEST:

By: _____
Dina Volenski, Town Clerk

APPROVED AS TO FORM:

By: _____
Scott E. Huber, Town Attorney

EXHIBIT "A"
General Plan Amendment
(PID)

ASSESSOR'S PARCEL NUMBER 053-012-022:

PARCEL I:

A PORTION OF LOT 15, AS SHOWN ON THAT CERTAIN MAP ENTITLED, "OFFICIAL MAP OF SECTION 14, TOWNSHIP 22 NORTH, RANGE 3 EAST, M.D.B. & M. BUTTE COUNTY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, ON APRIL 21, 1925, IN BOOK B OF MAPS, AT PAGE(S) 28 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOW:

COMMENCING AT THE SOUTHEAST CORNER OF SAID LOT 15 AND RUNNING NORTH 00 DEG. 12' 15" WEST 55 FEET TO AN IRON PIPE AND POINT OF BEGINNING FOR THE LAND HEREIN DESCRIBED; THENCE NORTH 89 DEG. 19' 33" WEST 393.59 FEET; THENCE NORTH 33 DEG. 57' EAST 95.53 FEET; THENCE SOUTH 89 DEG. 19' 33" EAST 339.87 FEET; THENCE SOUTH 00 DEG. 12' 15" EAST 80 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM ALL THAT PORTION DEEDED TO THE COUNTY OF BUTTE, BY DEED RECORDED MAY 9, 1979, IN BOOK 2397 OF OFFICIAL RECORDS, AT PAGE 459, RECORDS OF BUTTE COUNTY, CALIFORNIA.

PARCEL II:

AN EASEMENT FOR ROAD PURPOSES OVER THAT PORTION OF LAND DESCRIBED AS FOLLOWS:

BEING THAT PORTION OF PARCEL 1, LYING WITHIN THE EXTERIOR BOUNDARIES OF ROSSI LANE, AS SHOWN ON THAT CERTAIN PARCEL MAP, FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF BUTTE, STATE OF CALIFORNIA, ON DECEMBER 17, 1984, IN BOOK 98 OF MAPS, AT PAGE(S) 41 AND 42.

ASSESSOR'S PARCEL NUMBER 053-150-197:

All that certain real property situate in the Town of Paradise, County of Butte, State of California described as follows:

Being a portion of the North Half of Section 14 and the North Half of Section 13, Township 22 North, Range 3 East, Mount Diablo Meridian more particularly described as follows:

Beginning at the southeast corner of the west half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13 as shown on that certain Record of Survey Map filed for record on July 15, 2004 in Map Book 160, at Page 38 in the Butte County Recorder's Office;

Thence, along the southerly line of the west one-half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13, South 89°56'35" West, 330.06 feet to the southwest corner of the west half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13 as shown on said Map;

Thence, along the southerly extension of the easterly line of Parcel 4 as described in that certain deed filed for record on December 7, 2007 from Norman B. Madsen and Else M. Madsen, trustees of the Norman B. and Else M. Madsen Revocable Trust to Paradise Irrigation District under Serial Number 2007-0056947 in the Butte County Recorder's Office, North 00°13'18" West, 1.65 feet as shown on said Map to the southeasterly corner of said Parcel 4;

Thence, along the southerly line of said Parcel 4, North 89°20'36" West, 301.18 feet to the southeasterly right-of-way line of Clark Road as shown on said Map, said point being the beginning of a non-tangent 1960.00 foot radius curve, concave southeasterly from which point the radius point bears South 55°50'44" East;

Thence, along the southeasterly right-of-way line of Clark Road, Northeasterly, 113.14 feet along said curve, through a central angle of 03°18'27";

Thence South 52°32'18" East, 13.35 feet;

Thence South 89°20'36" East, 177.16 feet;

Thence North 63°41'30" East, 52.22 feet to the westerly line of said Section 13;

Thence, along the westerly line of said Section 13, North 00°13'18" West, 203.73 feet;

Thence, leaving said westerly line, parallel to the southeasterly right-of-way line of Clark Road, North 40°26'12" East, 113.31 feet to the southerly boundary line of the last parcel described per said Serial Number 2007-0056947 and as shown as the 0.86 acre parcel of the "Lands of Rose Chapel, Inc" on said Map, said point being located South 79°24'47" East, 46.12 feet along said southerly line from the southwesterly corner of said last parcel described in said Serial Number 2007-0056947 and the southwesterly corner of said 0.86 acre parcel;

Thence, along the southerly boundary of said parcel per Serial Number 2007-0056947 and the southerly boundary of said 0.86 acre parcel, South 79°24'47" East, 112.79 feet;

Thence, continuing along said southerly boundary, South 88°27'04" East, 146.29 feet to the southeasterly corner of said parcel per Serial Number 2007-0056947 and the southeasterly corner of said 0.86 acre parcel as shown on said Map, said point being located on the east line of the west one-half of the northwest one-quarter of the northwest one-quarter of the northwest one-quarter of said Section 13;

Thence, along said east line, South 00°06'13" East, 374.80 feet to the point of beginning.

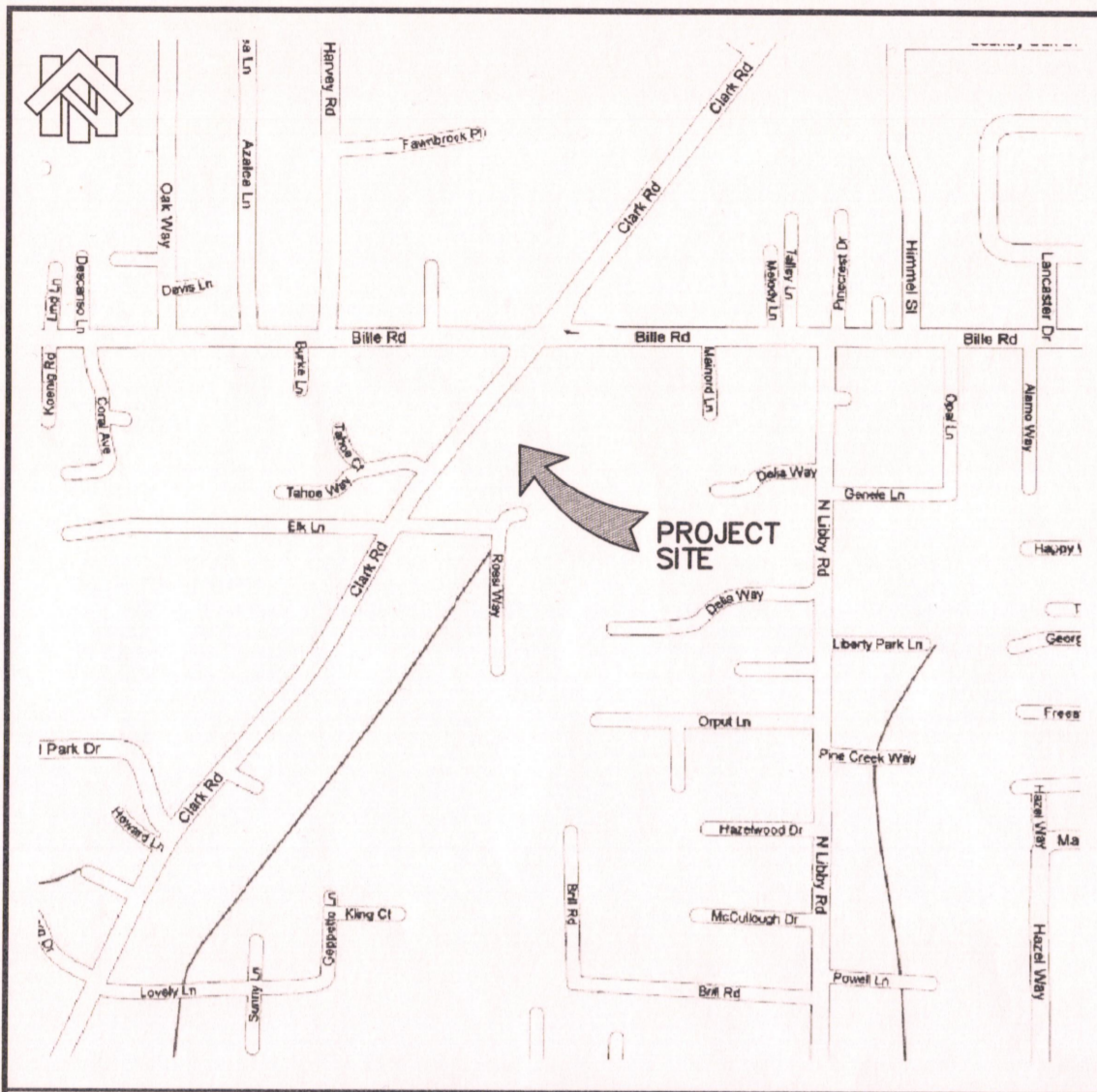
Containing 3.40 acres more or less.

The basis of bearings for the above described property is the same as that shown on said Map book 160, at Page 38.

CORPORATION YARD

PARADISE IRRIGATION DISTRICT

EXHIBIT "B" General Plan Amendment (PID)



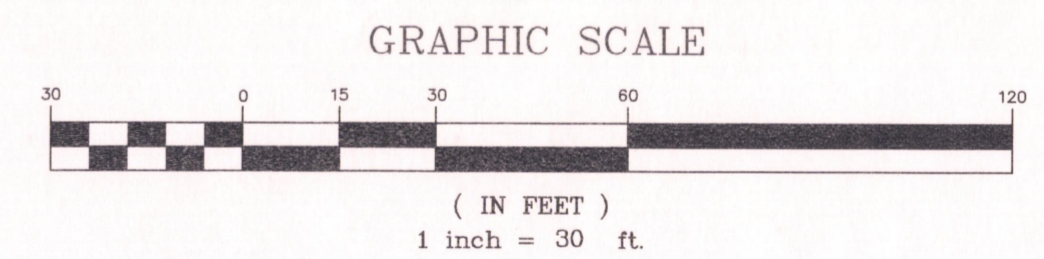
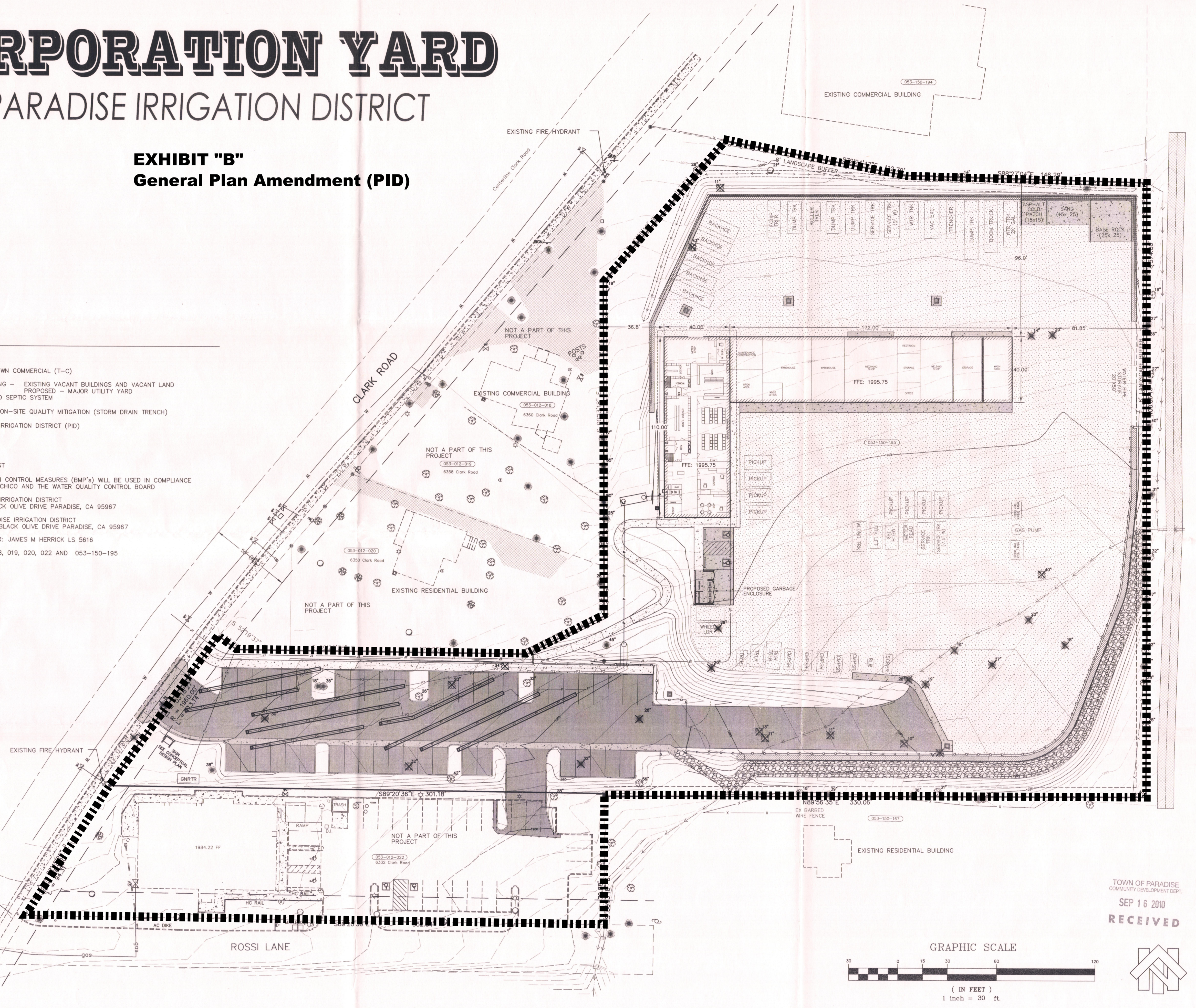
LOCATION MAP NTS

LEGEND

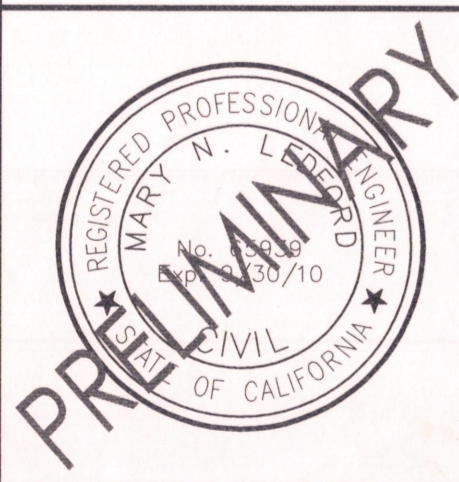
- 224 --- EXISTING GROUND 1' CONTOUR LINE MINOR
- 225 --- EXISTING GROUND 5' CONTOUR LINE MAJOR
- 226.5 --- FINISHED GROUND 0.5' CONTOUR LINE MINOR
- 225.0 --- FINISHED GROUND 1' CONTOUR LINE MAJOR
- [T] EXISTING TRANSFORMER PAD
- [*] EXISTING STREET LIGHT
- [---] EXISTING FENCE LINE
- [---] EXISTING FLOW LINE
- [---] EXISTING EDGE OF PAVEMENT
- [---] EXISTING EASEMENT
- [---] EXISTING SURROUNDING PARCELS
- [O] FOUND MONUMENT AS DESCRIBED
- [M] EXISTING WATER METER
- [P] EXISTING POWER POLE WITH ANCHOR
- [I] EXISTING STORM DRAIN INLET
- [M] EXISTING STORM DRAIN MANHOLE
- [V] EXISTING WATER VALVE
- [S] EXISTING SIGN
- [H] EXISTING FIRE HYDRANT
- [V] EXISTING GAS VALVE
- [M] EXISTING SANITARY SEWER MANHOLE
- [O] EXISTING OAK (xx" IN SIZE)
- [O] EXISTING CEDAR (xx" IN SIZE)
- [O] EXISTING PINE (xx" IN SIZE)
- [O] EXISTING TREE (xx" IN SIZE)
- [X] EXISTING TREE TO BE REMOVED
- [H] PROPOSED FIRE HYDRANT
- [---] EXISTING PARCEL LINE
- [---] PROPOSED PROPERTY LINE
- [---] GRADING FLOWLINE
- [---] GUTTER FLOWLINE
- [---] BUILDING SETBACK LINE
- [---] GRADE BREAK
- [M] SD MANHOLE
- [M] SS MANHOLE
- [O] UTILITY POLE
- [S] STREET/STOP SIGN
- [P] SURVEY CONTROL POINT
- [---] STORM DRAIN LINE
- [---] SANITARY SEWER LINE
- [---] CURB INLET
- [---] PROPOSED CHAIN LINK FENCE
- [---] PROPOSED FLOW LINE
- [---] PROPOSED 4" WIDE PARKING STRIPE
- [---] PROPOSED VERTICAL CONCRETE CURB
- [---] PROPOSED CONCRETE PAVING
- [---] PROPOSED PAVING 3" TYPE "B" ASPHALT CONCRETE ON 9" CLASS II AGGREGATE BASE
- [---] PROPOSED GRAVEL PARKING AND DRIVEWAY
- [TRUCK] PID VEHICLE/TRAILER/EQUIP. AREA DESIGNATION AND TYPE

NOTES

1. ZONING: CC
2. GENERAL PLAN: TOWN COMMERCIAL (T-C)
3. LAND USE: EXISTING - EXISTING VACANT BUILDINGS AND VACANT LAND PROPOSED - MAJOR UTILITY YARD
4. SEWAGE: STANDARD SEPTIC SYSTEM
5. STORM DRAINAGE: ON-SITE QUALITY MITIGATION (STORM DRAIN TRENCH)
6. WATER: PARADISE IRRIGATION DISTRICT (PID)
7. POWER: PG&E
8. TELEPHONE: AT&T
9. CABLE TV: COMCAST
10. STANDARD EROSION CONTROL MEASURES (BMP's) WILL BE USED IN COMPLIANCE WITH THE CITY OF CHICO AND THE WATER QUALITY CONTROL BOARD
11. OWNER: PARADISE IRRIGATION DISTRICT
5325 BLACK OLIVE DRIVE PARADISE, CA 95967
12. DEVELOPER: PARADISE IRRIGATION DISTRICT
5325 BLACK OLIVE DRIVE PARADISE, CA 95967
13. PROJECT SURVEYOR: JAMES M HERRICK LS 5616
14. APN: 053-012-018, 019, 020, 022 AND 053-150-195



TOWN OF PARADISE
COMMUNITY DEVELOPMENT DEPT.
SEP 16 2010
RECEIVED



Designed:	Revision	Date	By
Drawn By: JRL			
Approved:			
Date: 6-15-09			

NorthStar
Civil Engineers • Surveyors
Chico, California

111 MISSION RANCH BLVD., SUITE 100
CHICO, CALIFORNIA 95926
PHONE: (530) 893-1600 FAX: (530) 893-2113
WEB SITE: www.northstareng.com

PARADISE IRRIGATION DISTRICT
CLARK ROAD
PARADISE, CALIFORNIA

USE PERMIT			
PID CORPORATION YARD			
APN Number 053-150-195	Job Number 09-071	1" = 30" Scale Horz. N/A Vert.	Sheet 1 Of 1

TOWN OF PARADISE

ORDINANCE NO. _____

AN ORDINANCE REZONING CERTAIN REAL PROPERTY FROM "C-C" (COMMUNITY-COMMERCIAL) TO A "C-F" (COMMUNITY-FACILITIES) ZONE PURSUANT TO PARADISE MUNICIPAL CODE SECTIONS 17.45.500 ET. SEQ. (PID: PL23-00042)

The Town Council of the Town of Paradise, State of California, does hereby **ORDAIN AS FOLLOWS:**

SECTION 1. The hereinafter described real properties situated in the Town of Paradise, State of California, shall be and is hereby zoned "C-F" (Community Facilities) as described in Chapter 17.26 of the Paradise Municipal Code and such land area shall be subject to the restrictions, restricted uses, and regulations of such chapter. The real property so zoned is located at 6332 and 6344 Clark Rd in the Town of Paradise and is more particularly identified as AP Nos. 053-012-022 and 053-150-197.

SECTION 2. This ordinance shall take effect thirty (30) days beyond the date of its passage. Before the expiration of fifteen (15) days after its passage, this ordinance shall be published in a newspaper of general circulation and circulated within the Town of Paradise along with the names of the members of the Town Council of Paradise voting for and against same.

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/ / / / / / / /

/ / / / / / / /

ORDINANCE NO. ____

PASSED AND ADOPTED by the Town Council of the Town of Paradise, County of Butte, State of California, on this ____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

NOT VOTING:

Greg Bolin, Mayor

ATTEST:

By: _____
Dina Volenski, Town Clerk

APPROVED AS TO FORM:

By: _____
Scott E. Huber, Town Attorney



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 5(b)

ORIGINATED BY: Kate Anderson, Housing Program Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Public Hearing for Substantial Amendment No. 2 to the 2019 Annual Plan for the Community Development Block Grant.

LONG TERM RECOVERY PLAN: No.

COUNCIL ACTION REQUESTED:

1. Conduct the duly noticed and scheduled public hearing to solicit comments regarding a proposed Substantial Amendment No. 2 to the 2019 Annual Plan; and,
2. Adopt the Substantial Amendment to the 2019 Annual Plan; and,
3. Authorize staff to submit the Substantial Amendment No. 2 of the 2019 Plan to the U.S. Department of Housing and Urban Development; or,
4. Direct staff to revise the Substantial Amendment No. 2 to the 2019 Annual Plan

Background:

The Town of Paradise has been a U.S. Department of Housing and Development (HUD) entitlement city since 1994. HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

As part of the CARES Act, the Town of Paradise received two tranches of funding totaling \$208,477.

According to federal regulations and the Town of Paradise Citizen Participation Plan, any changes to an adopted CDBG budget that amounts to more than 25% of the annual allocation, and/or a cancellation or addition of a new project/activity, requires: (a) public notification for solicitation of comments, (b) one public hearing, and (c) Town Council approval. The amendment is then submitted to HUD for acceptance.

Analysis:

HUD has allocated funding to entitlement communities in order to address the COVID-19 Pandemic; Paradise was allocated two tranches of funding in the amount of \$208,477. Originally, Town Staff was to work with our HUD representative to create a program to assist small businesses in Paradise with this funding. However, the Town also received

funds through the American Rescue Plan Act (ARPA) which has been allocated to assist small businesses in Paradise.

Since CDBG-CV funds can be used in a variety of ways, Town Staff has identified another need for which these funds can be used. Emergency rental assistance is an activity that can assist households living in RVs to find permanent housing options without having to move into a congregate shelter.

Public Participation Process:

The Draft Substantial Amendment is made available to the public on May 10th, 2023. The draft is available on the Town's website (www.townofparadise.com), Town Hall, the Building Resiliency Center, Paradise Ridge Chamber of Commerce and the Paradise Branch of the Butte County Library. The public comment period is from May 10th, 2023 – June 13th, 2023. Written comments should be addressed to Town of Paradise, Housing Department, 5555 Skyway, Paradise, CA 95969, housing@townofparadise.com or fax (530) 872-5914.

Town Council on the Substantial Amendment: The public hearing, held Tuesday, June 13th, 2023, at 6:00 p.m. in the Town Hall Council Chambers at 5555 Skyway, Paradise, California, asks Council to receive additional public comment at this time and to consider approving the submission of the proposed Substantial Amendment.

Financial Impact:

The impact of this agenda item will be to allocate \$208,477 of CDBG-CV funding for emergency rental assistance. There is no impact on the general fund.



TOWN OF PARADISE
 SUBSTANTIAL AMENDMENT TO THE 2019-20 ANNUAL PLAN

<p><u>Jurisdiction:</u></p> <p>TOWN OF PARADISE</p> <p>www.townofparadise.com</p>	<p><u>CDBG Contact Person and Address:</u></p> <p>Kate Anderson 5555 Skyway, Paradise, CA 95969 Phone: 530-872-6291 x122 Email: housing@townofparadise.com</p>
--	---

According to federal regulations and the Town of Paradise Citizen Participation Plan, any changes to an adopted CDBG budget that amounts to more than 25% of the annual allocation, and/or a cancellation or addition of a new project/activity, requires: (a) public notification for solicitation of comments, (b) a public hearing, and (c) Town Council approval. The amendment is then submitted to HUD for acceptance.

The following amendment to the 2019-20 CDBG Annual Plan is proposed for Council Consideration.

1. Reallocated CDBG-CV funding for COVID-19 relief efforts

The Town of Paradise has been allocated a total of \$208,477 CDBG-CV funds that are to be spend in response to the COVID 19 pandemic. This amendment will reallocate this funding, of the Annual Plan for 2019-20, from Small Business Assistance and into Public Services where the funds can be utilized for emergency rental assistance for the households living in RVs who do not have the financial means to build a home within the coming 12-months.

CDBG-CV Funding
 CDBG Annual Plan Amendment

Program Year	CDBG-CV Funds
2019-20	\$208,477

PUBLIC PARTICIPATION:

The Draft Substantial Amendment was made available to the public on Feb. 9, 2021, following the first public hearing. The draft was available on the Town’s website (www.townofparadise.com); and Town of Paradise Town Hall. The public comment period was from Feb. 9, 2021 to March 9, 2021. Written comments should be addressed to Colette Curtis, 5555 Skyway, Paradise, CA 95969.

Town Council on the final Substantial Amendment: A second public hearing will be held Tuesday, March 9, 2021 at 6:00 p.m.in the Town Hall Council Chambers at 5555 Skyway, Paradise, California. The Council will consider approving the submission of the proposed Substantial Amendment and receive additional public comment at this time.



2019 Annual Action Plan Substantial Amendment No. 2

DRAFT

Public Comment period May 10, 2023-June 13, 2023

Town of Paradise
5555 Skyway
Paradise, CA 95969

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Town of Paradise, through its Community Development Block Grant (CDBG) program, has historically developed a strategy that focuses on cultivating Paradise as a viable community by providing decent housing, a suitable living environment, and by expanding economic opportunities, principally for low and moderate income persons.

On November 8, 2018 the Camp Fire ignited near the Town of Paradise. Due to high winds the fire spread at a rate of eighty football fields a minute and ultimately destroyed the Town of Paradise within hours. Over 26,000 residents of the Town were displaced, 90% of structures in Paradise - more than 11,000 homes and 1,000 businesses were burned to the ground, and most tragically, 85 people lost their lives.

This year, in the aftermath of the devastating Camp Fire, the Town's priorities are focused on helping our residents return home, rebuild and improve our Town's infrastructure, and support our business community as they reopen.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The objectives for the 2019-2020 program year are as follows:

1. Housing Assistance - The Town will continue our First Time Home Buyer and Owner Occupied Rehabilitation loan programs. In addition we will look for additional opportunities to support our residents as they rebuild and return to Paradise. As identified in our Long Term Recovery Plan, we will ensure a housing market study is performed and work to support residents with programs to help with the cost of rebuilding.
2. Sewer - As outlined in the Long Term Recovery Plan, a sewer for the commercial and densely populated areas of Paradise is crucial to our ability to rebuild. The Town will utilize every resource available to move forward on the next steps for a sewer: Environmental Review, Design and Engineering, Right of Way Acquisition, and district formation.

3. Long Term Recovery Goals - The projects identified in the Long Term Recovery Plan will be goals and objectives for the Town in the coming year and the years to come as we move through the recovery process.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The Town's past experience with CDBG funds has shown a great need in our community for affordable housing and services for low income residents. As a result, the Town continues to provide low income first time home buyers with assistance. The Town also continues to provide help to low income homeowners who need assistance with repairs and code corrections. Our past experience with subrecipients has also shown that there is a great need in our community for services for battered women, children, the elderly and low income families. The funding we grant to subrecipients is focused on providing for these needs.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The citizen participation for this year occurred differently than in prior years. Our citizen participation was an integral part of drafting our Long Term Recovery Plan. Starting in February 2018, the public was invited to attend 6 meetings held over the next three months to give share their ideas and give input on rebuilding our community. These meetings were noticed publicly through press releases, TV interviews, online and through social media, an online survey and through direct mailers to every address in Paradise (forwarded). Attendance at these meetings far surpassed anything we have ever experienced prior to the fire, with thousands of residents participating.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public comments were numerous, please see the attached Long Term Recovery Plan document for the comments in response to each public meeting, the online survey, and on each of the recovery projects.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments were rejected.

7. Summary

DRAFT

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	PARADISE	Business & Housing Services

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

Public Contact Information:

Kate Anderson

Housing Program Manager

(530) 872-6291 ext 115

kanderson@townofparadise.com

5555 Skyway

Paradise, CA 95969

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

In a normal program year, the Town of Paradise coordinates with the Butte County Continuum of Care, Chico Housing Improvement Program (CHIP), and Butte County Housing Authority regarding affordable housing, mental health and other services. This year, in the aftermath of the Camp Fire, the Town has continued close coordination with these entities as well as others such as Cal OES, FEMA, the City of Chico, the City of Oroville, Butte County and others as we move through recovery and rebuilding Paradise.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

In a normal program year, the Town of Paradise coordinates with the Butte County Continuum of Care, Chico Housing Improvement Program (CHIP), and Butte County Housing Authority regarding affordable housing, mental health and other services. This year, in the aftermath of the Camp Fire, the Town has continued close coordination with these entities as well as others such as Cal OES, FEMA, the City of Chico, the City of Oroville, Butte County and others as we move through recovery and rebuilding Paradise.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

In a normal program year, the Town of Paradise coordinates with the Butte County Continuum of Care, Chico Housing Improvement Program (CHIP), and Butte County Housing Authority regarding affordable housing, mental health and other services. This year, in the aftermath of the Camp Fire, the Town has continued close coordination with these entities as well as others such as Cal OES, FEMA, the City of Chico, the City of Oroville, Butte County and others as we move through recovery and rebuilding Paradise.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

NA

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

DRAFT

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Chico Housing Improvement Program
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Town of Paradise coordinated with CHIP regarding rebuilding Paradise Community Village, a 36 unit low income housing project that was destroyed in the fire. We also discussed future affordable housing project opportunities as the Town rebuilds and a sewer is constructed.

DRAFT

2	Agency/Group/Organization	BUTTE COUNTY
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Health Agency Child Welfare Agency Other government - County Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Market Analysis Economic Development

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Town coordinated with Butte County after the Camp Fire to meet immediate, short, medium and long term housing, mental health, basic services, and other needs of our community.
3	Agency/Group/Organization	City of Chico Public Works
	Agency/Group/Organization Type	Housing Services - Housing Services-homeless Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Town coordinated with the City of Chico after the Camp Fire to meet immediate, short, medium and long term housing, mental health, basic services, and other needs of our community.
4	Agency/Group/Organization	Butte County Continuum of Care
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Town coordinated with the Butte County Continuum of Care after the Camp Fire regarding homeless needs and issued immediately after the fire, and on a longer term basis.

5	Agency/Group/Organization	Adventist Health Feather River
	Agency/Group/Organization Type	Services-Health Health Agency
	What section of the Plan was addressed by Consultation?	Health Care Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Town coordinated with Adventist Health Feather River after the Camp Fire to discuss the evolving health care needs of the community.

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Butte County Continuum of Care	Our goal of creating and supporting affordable housing and reducing homelessness are supported.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The Town of Paradise has not consulted with any agency on lead based paint. 90% of homes in the Town of Paradise burned down, and as a result will be rebuilt with non-lead based paint to today's standards. Priorities for the plan were gathered at public meetings, which were held at times and locations known to be easily accessible to all residents, especially low income residents.

AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The citizen participation for this year occurred differently than in prior years. Our citizen participation was an integral part of drafting our Long Term Recovery Plan. Starting in February 2018, the public was invited to attend 6 meetings held over the next three months to give share their ideas and give input on rebuilding our community. These meetings were noticed publicly through press releases, TV interviews, online and through social media, an online survey and through direct mailers to every address in Paradise (forwarded). Attendance at these meetings far surpassed anything we have ever experienced prior to the fire, with thousands of residents participating.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Camp Fire Survivors	Thousands	See attached Long Term Recovery Plan	NA	https://makeitparadise.org/road-to-recovery
2	Newspaper Ad	Residents of Paradise/Camp Fire Survivors	Thousands	See attached Long Term Recovery Plan	NA	
3	Internet Outreach	Paradise Residents/Camp Fire Survivors	Thousands	See Long Term Recovery Plan	NA	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	164,394	306,572	115,337	586,303	0	
Other	public - federal	Housing	0	0	0	0	0	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Public Services Other	208,477	0	0	208,477	0	The Town of Paradise originally proposed to include economic development activities in the form of small grants and loans to businesses to assist with COVID-19-related needs. Current need is greater in the area of emergency rental assistance as the Town continues to have over 100 household living in RVs, with no viable plan for permanent housing.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The Town of Paradise will utilize any and all funds available to leverage CDBG funds to make them go as far as possible. The Town has applied for a CalHOME grant to assist our residents rebuild their homes after the Camp Fire. CDBG-CV funds will be used to assist households living in RVs who cannot build a permanent home on their lot within the next 12 months.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Discussion

DRAFT

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Assistance	2015	2020	Affordable Housing	Paradise	Affordable Housing Homelessness	CDBG: \$131,515	Homeowner Housing Rehabilitated: 100 Household Housing Unit
2	Public Services	2015	2020	Homeless Non-Homeless Special Needs Non-Housing Community Development		Homelessness	CDBG-CV: \$208,477	Public service activities other than Low/Moderate Income Housing Benefit: 10 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 40 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Housing Assistance
	Goal Description	

2	Goal Name	Public Services
	Goal Description	CV funds will be used toward emergency rental assistance for residents living in RVs with no viable plan for permanent housing

DRAFT

Projects

AP-35 Projects – 91.220(d)

Introduction

This year, the Town of Paradise will focus on the projects included in the Long Term Recovery Plan, including housing assistance and sewer. Housing assistance will include continuing our First Time Homebuyer program and Owner Occupied Rehabilitation program, which will now focus on rebuilding and repairing homes after the Camp Fire.

Projects

#	Project Name
1	Program Administration
2	Housing Assistance
3	CV-Emergency Rental Assistance

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The number one priority after the Camp Fire is to help our residents come home. That means helping them rebuild in a way that is affordable and sustainable. In order to do that, we need to have the staff to provide the services needed to support rebuilding. As a result, Housing Assistance and Program Administration are the priorities to which we will allocate our funding.

AP-38 Project Summary
Project Summary Information

DRAFT

1	Project Name	Program Administration
	Target Area	Paradise
	Goals Supported	Housing Assistance
	Needs Addressed	Affordable Housing Homelessness
	Funding	CDBG: \$32,878
	Description	Program Administration
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	No families will directly benefit from this activity as this activity is Program Administration. The funding will be used to pay a staff person to administer the grant.
	Location Description	All activities will be performed in the Town of Paradise.
	Planned Activities	Program Administration
2	Project Name	Housing Assistance
	Target Area	Paradise
	Goals Supported	Housing Assistance
	Needs Addressed	Affordable Housing Homelessness
	Funding	CDBG: \$131,515
	Description	Housing Assistance
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 250 families will benefit from our housing programs over the next three years. The CDBG funding allocated to our housing activities (First time homebuyer program and owner occupied rehab program) will assist low income families with standing homes that need repairs after the fire as well as low income families who need gap funding to affordably rebuild after the Camp Fire. Since our programs follow HUD established income limits, all of the families assisted will be low income.
	Location Description	All activities will take place in the Town of Paradise.

	Planned Activities	Planned activities include assisting with grants to rebuild homes destroyed by the Camp Fire (Owner Occupied Rehab program) and helping first time homeowners buy properties that survived the fire (First Time Homebuyer Program).
3	Project Name	CV-Emergency Rental Assistance
	Target Area	
	Goals Supported	Public Services
	Needs Addressed	Homelessness
	Funding	CDBG-CV: \$208,477
	Description	The Town of Paradise originally proposed to include economic development activities in the form of small grants and loans to businesses to assist with COVID-19-related needs. However, current need is for emergency rental assistance.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 40 low-income and 10 moderate-income households can be assisted with these funds.
	Location Description	These funds will be available town-wide to families living in RVs with no viable plans for permanent housing
	Planned Activities	Emergency rental assistance

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Geographic Distribution

Target Area	Percentage of Funds
Paradise	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

All funding will be directed within the Town limits of Paradise. Since 95% of the Town burned down, the funding will be utilized in all areas of Paradise where it is needed.

Discussion

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

This year the Town of Paradise plans to assist with affordable housing by providing two housing programs: First Time Home Buyer Assistance and Owner Occupied Rehabilitation. These programs have been offered for many years and have been highly successful. In the aftermath of the Camp Fire, these programs are even more important as we help our residents rebuild. We also intend to hire a staff member to coordinate the Building Resiliency Center, a one stop shop for residents rebuilding, who can help shepherd residents through the process of rebuilding and going over eligibility for our housing programs.

One Year Goals for the Number of Households to be Supported	
Homeless	50
Non-Homeless	100
Special-Needs	0
Total	150

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	50
The Production of New Units	100
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	150

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

AP-60 Public Housing – 91.220(h)

Introduction

Prior to the fire, the Town did not have any public housing within Town limits. One of the reasons for this was the lack of a sewer system. Installing a sewer system is part of our Long Term Recovery Plan, and with a sewer the Town will look at the options for public housing.

Actions planned during the next year to address the needs to public housing

Prior to the fire, the Town did not have any public housing within Town limits. One of the reasons for this was the lack of a sewer system. Installing a sewer system is part of our Long Term Recovery Plan, and with a sewer the Town will look at the options for public housing.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

NA

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

NA

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Prior to the fire, the Town worked with the Housing Authority and Continuum of Care to administer the point in time survey. A survey was conducted after the fire, however the variables due to the fire made a true count very difficult. Homelessness, and the prevention of homelessness continues to be a priority for the Town of Paradise.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The 2022 Continuum of Care Point in Time Survey data was compiled, and the following information, provides us with an overview of homelessness in Paradise prior to the fire. Out of 1,156 individuals identified as homeless in Butte County, 36 individuals were identified as homeless in the Ridge area (i.e., Paradise, Magalia, Concow, etc.).

However, the Town has temporary use permits (TUPs) for 98 households know to be living in RVs on private properties, and an additional 28 properties know to have households living in RVs who do not have TUPs.

Addressing the emergency shelter and transitional housing needs of homeless persons

Although the Town of Paradise relies on our neighboring communities for shelters such as the Torres Shelter in Chico for homeless individuals from Paradise, it is a goal of the Town to offer emergency rental assistance to households living in RV that cannot build a permanent home within the next 12 months.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were

recently homeless from becoming homeless again

The Town of Paradise is working hard to help these households affected by the Camp Fire.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Town of Paradise is working with the Camp Fire Collaborative Disaster Case Managers to identify and assist these households in finding a permanent housing solution.

Discussion

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

After the Camp Fire, homelessness is a very complicated issue. The point in time survey conducted in 2022 identified 36 individuals as homeless in the Ridge area, evidently not counting the 126 households in Paradise alone know to be living in non-permanent housing. There are those who have become homeless as a result of the Camp Fire.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The Town intends to support our residents who are rebuilding housing as soon as possible, and with the construction of the sewer, construct multi-family and affordable housing as well.

Discussion:

AP-85 Other Actions – 91.220(k)

Introduction:

Actions planned to address obstacles to meeting underserved needs

There are many needs for residents of the Town of Paradise after the Camp Fire, and many barriers to meeting those needs. The Town is working tirelessly to assist our residents as they rebuild. One of the actions we have taken to address obstacles to rebuilding is creating a permit fee reduction program with private grant funds to help residents with the cost of permits. We also plan to open a building resiliency center to directly assist residents with rebuilding and with resources for housing and grant programs.

Actions planned to foster and maintain affordable housing

The Town will continue our First Time Home Buyer and Owner Occupied Rehabilitation programs to help homeowners rebuild after the Camp Fire. We also will work with CHIP to rebuild Paradise Community Village, which was a 36 unit affordable housing project that was lost in the fire. We will work with them on additional affordable housing opportunities in Paradise once a sewer is constructed.

Actions planned to reduce lead-based paint hazards

Since the Camp Fire burned 95% of the Town of Paradise, most homes with lead based paint have been destroyed. As new homes are built, they will not have lead based paint. Any home that survived that takes part in our Owner Occupied Rehabilitation Program would be required to undergo lead based paint testing.

Actions planned to reduce the number of poverty-level families

As part of the Long Term Recovery Plan, the Town will support efforts to do a market and employment study to rebuild Paradise in a way that allows opportunities for businesses, jobs, and economic recovery.

Actions planned to develop institutional structure

The Town of Paradise has an established institutional structure that has worked well for the past 24 years. Luckily that survived the fire, and will continue to be used into the future.

Actions planned to enhance coordination between public and private housing and social service agencies

The Town will continue to work with CHIP and other private housing and service agencies on affordable

housing like Paradise Community Village. Once the sewer is constructed, the Town expects more opportunities for private/public partnership for affordable housing.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 6(a)

ORIGINATED BY: Aimee Beleu, Finance Director/Town Treasurer
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Fiscal Year 2021/22 Financial Statement Audit

COUNCIL ACTION REQUESTED:

1. Following the Town Council's review of the Fiscal Year 2021/22 financial statement audit report, staff recommends that the Council receive and file the Report, as submitted. (ROLL CALL VOTE)

Background:

Richardson & Company, LLP have completed the annual audit for Fiscal Year 2021/22. Richardson & Company indicated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Paradise as of June 30, 2022.

The team of auditors that Town staff worked with this year were professional and thorough in their review of transactions and presentation of financial statements. Their few recommendations were thoughtful and will ultimately be helpful to the understanding of the Town's financial position.

Town Management did a thorough analysis of the financial statements and that analysis is included in the financial statements as "Management's Discussion and Analysis" on pages 4 through 9. Council is encouraged to read the financial statements in their entirety, but staff has highlighted some key results and elements of the financial statements below.

Analysis:

Net Position

In the current year, Town's net position decreased to \$225 million as compared to the prior year at \$230 million. The Town's unrestricted and restricted cash and investments decreased to \$211 million, primarily as a result of the Town's plan of spending down PG&E settlement reserves to supplement lost revenues. Prior to extraordinary items, accounts and interest receivables, prepaid items, and the advance to the Successor Agency decreased to \$1.5 million from \$10 million in the prior year, which resulted primarily from a reduction in outstanding grant activity during the prior fiscal year. The Town's rebuilding efforts and capital projects resulted in increased total capital assets to \$39 million compared to \$29 million in the prior year.

The Town reports \$24.3 million of pension liability and pension related net deferred use of resources to its activities as compared to \$23.9 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 decreased to \$2.4 million from \$3.8 million in the prior fiscal year due to streamlining of the payables process. Unearned revenues decreased to \$5.2 million from \$5.6 million in the prior fiscal year. Unearned revenue sources include insurance claim advances, advance on grant funds awarded, and housing program insurance funds held for 2018 Camp Fire survivors. The Town's long-term liabilities due in more than one year decreased to \$38.1 million from \$43.7 million in the prior year due primarily to change in assumptions regarding pension obligations.

Table 1
GOVERNMENTAL ACTIVITIES NET POSITION AT JUNE 30, 2022

	2022	2021
<u>ASSETS</u>		
Current and other assets	\$ 237,542,924	\$ 250,941,069
Capital assets, net	39,464,712	29,695,835
TOTAL ASSETS	277,007,636	280,636,904
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	9,411,708	5,763,468
<u>LIABILITIES</u>		
Current and other liabilities	9,747,419	10,804,790
Long-term liabilities	38,146,072	43,682,039
TOTAL LIABILITIES	47,893,491	60,250,297
<u>DEFERRED INFLOWS OF RESOURCES</u>	13,383,734	1,662,555
<u>NET POSITION</u>		
Net investment in capital assets	38,708,134	29,581,214
Restricted	23,629,213	10,501,398
Unrestricted	162,804,772	190,168,376
TOTAL NET POSITION	\$225,142,119	\$230,250,988

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 the extraordinary items, the Town's general fund revenues significantly changed from the prior fiscal year. Taxes and assessments provide most of the general fund's revenues. Lost property taxes and motor vehicle in-lieu were back filled by the State of California, but other taxes and revenues sources were not. The predominant change in revenues for the Town of Paradise was in the Use of money and property category. The loss is due to an unrealized loss on investments that have not matured yet. This loss is anticipated to rebound over the long-term life of the investment.

Expenses increased approximately 13% compared to the prior year. The primary categories of increase in expenses were related to general government, community development, public safety and public works as the Town continues to support significant rebuilding and infrastructure projects throughout Town and increase operational support to meet the needs of the community following the 2018 Camp Fire.

The ending general fund balance for June 30, 2022 is \$211.6 million. Most importantly unassigned reserves are \$209 million. The unassigned reserves reduce the amount of cash needed to be borrowed annually to fund operations. This is a significant improvement compared to five years ago when there were no unassigned reserves available.

Capital Assets

This year's major capital asset additions included \$10 million to construction in process, with major additions to Transportation Master Plan, Off-System Road Rehabilitation, Almond St. Multi-Modal Improvements, Ponderosa SR2S, Paradise Gap Closure, and Downtown Sewer Environmental Study. Other areas of investment were Machinery at \$402,687, and Vehicles at \$673,483.

Table 3 below shows the \$39.4 million total capital assets, net of depreciation.

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

	<u>2022</u>	<u>2021</u>
Land	\$ 1,845,010	\$ 1,845,010
Construction in Progress	18,936,733	8,967,251
Buildings and Improvements	1,466,400	1,325,051
Infrastructure	14,671,484	16,089,608
Machinery and Equipment	816,769	414,082
Vehicles	1,728,316	1,054,833
Total	<u>\$ 39,464,712</u>	<u>\$ 29,695,835</u>

Debt Outstanding

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 rate changes. The Town contributed towards the net pension liability as dictated by CalPERS, and the net pension liability decreased 33% also 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, 2022

	<u>2022</u>	<u>2021</u>
Bonds Payable: accrued interest	\$ 8,315,670	\$ 8,932,163
Capital Leases	85,564	114,621
OPEB	13,433,488	9,945,647
Net pension liability	17,011,738	25,381,614
CDF retiree health vesting	68,476	136,692
Compensated absences	446,042	394,666
Total Liabilities	<u>\$ 39,360,978</u>	<u>\$ 44,905,403</u>

Financial Impact:

The action to receive and file the Fiscal Year 2021/22 financial statement audit report does not result in a cost to the Town of Paradise. Recommendations contained in the management letter have no costs associated with implementation. The recommendations are procedural in nature and do not carry an implementation cost.

TOWN OF PARADISE, CALIFORNIA

COMPLIANCE REPORTS

June 30, 2022

TOWN OF PARADISE, CALIFORNIA

COMPLIANCE REPORTS

June 30, 2022

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WITH *GOVERNMENT AUDITING STANDARDS*

To the Town Council
Paradise, California

We have audited, 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, the 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, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated May 26, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the

To the Board of Directors
Town of Paradise, California

financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of finding and questioned costs as item 2022-001.

Town of Paradise's Response to Findings

Town of Paradise's response to the findings identified in our audit is described in the accompanying schedule of findings. Town of Paradise's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

May 26, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM, INTERNAL CONTROL OVER
COMPLIANCE AND SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Town Council
Town of Paradise, California
Paradise, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Paradise, California's (the Town) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2022. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditors to perform limited procedures on the Town's response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a

To the Board of Directors
Town of Paradise, California

reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance, that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not assigned for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon dated May 26, 2023, which contained unmodified opinions on those financial statements. 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 schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Richardson & Company, LLP

May 26, 2023

TOWN OF PARADISE, CALIFORNIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2022

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|--|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR, Section 200.516(a)? | Yes |
| 4. Identification of major programs: | |

<u>AL Number</u>	<u>Name of Federal Program</u>
20.205	Highway Planning and Construction
97.083	Staffing for Adequate Fire and Emergency Reponse
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
97.039	Hazard Mitigation Grant Program
11.307	Economic Adjustment Assistance

- | | |
|---|-----------|
| 5. Dollar Threshold used to distinguish between Type A and Type B programs? | \$750,000 |
| 6. Auditee qualified as a low-risk auditee under 2 CFR, Section 200.516(a)? | Yes |

TOWN OF PARADISE, CALIFORNIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2022

B. CURRENT YEAR FINDINGS – FINANCIAL STATEMENT AUDIT

None

C. CURRENT YEAR FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAM

Finding 2022-001

Federal Grantor: Various

Passed-through: Various

Pass-through Grantor's No: Various

Compliance Requirement: Reporting

Condition: The Town submitted its Audited Financial Statements and Single Audit Report to the federal clearinghouse in June 2023, 3 months after it was due.

Criteria: The Town was required to submit its Audited Financial Statements and Single Audit Report to the federal audit clearinghouse no later than March 31, 2023, 9 months after the fiscal year-end (2 Code of Federal Regulations §200.512).

Effect: Federal awarding agencies may deny future federal awards or subject the Town to additional cash monitoring requirements. This finding was not a result of internal control individual federal programs and, accordingly, did not have a direct and material effect on the reporting requirements over the Town's major federal programs.

Cause: The Town failed to prepare its Audited Financial Statements and Schedule of Expenditures of Federal Awards in a timely manner due to the number of federal awards tested in the current year compared to prior years. In addition, the Town lost its finance director during the financial and single audit process.

Context: The Town has had significant loss of residents due to the Paradise fire and has found difficulty in replacing key personnel for its finance department.

Recommendation: The Town should consider contracting with an external accounting firm so that it can close its books and submit its audited financial statements and single audit to the federal audit clearinghouse no later than the statutory reporting deadline.

Management's Response: Management's response to the finding is discussed in the attached Corrective Action Plan.

D. PRIOR YEAR FINDINGS

None.

TOWN OF PARADISE, CALIFORNIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2022

<u>Federal Grantor/Pass-through Grantor/ Program Title</u>	Federal Assistance Listing (AL) Number	Pass-Through Grantors' Number	Expenditures
MAJOR PROGRAMS			
<u>U.S. Department of Transportation:</u>			
Passed through California Department of Transportation			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	20.205		\$ 1,457,512
Congestion Mitigation & Air Quality Improvement Program (CMAQ)	20.205	CML-5425 (038)	270,154
Pentz Pathway Phase 2	20.205	CML-5425 (042)	614,472
Skyway-Neal Bike-Ped Project	20.205	CML-5425 (043)	135,260
Oliver Curve Pathway Project	20.205	CML-5425 (044)	193,246
Systemic Intersection Safety Improvements	20.205	HSIPL-5425(041)	<u>35,467</u>
Total U.S. Department of Transportation			<u>2,706,111</u>
<u>U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA):</u>			
Direct programs:			
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2018-FH-00431	805,372
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		1,489,437
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.039		<u>358,251</u>
Total U.S. Department of Homeland Security			<u>2,653,060</u>
<u>U.S. Economic Development Administration</u>			
Passed through California Department of Transportation			
Transportation Master Plan	11.307	07-79-07567	1,108,896
Disaster Recovery Manager	11.307	EDA 07-79-07527	<u>128,068</u>
Total U.S. Economic Development Administration			<u>1,236,964</u>
<u>U.S. Department of Agriculture</u>			
Passed through California Department of Forestry and Fire Protection			
Type 3 Fire Engine	20.205		<u>250,000</u>
TOTAL MAJOR PROGRAMS			<u>\$ 6,846,135</u>

TOWN OF PARADISE, CALIFORNIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year Ended June 30, 2022

NON-MAJOR PROGRAMS			
<u>U.S. Department of the Treasury</u>			
Direct programs:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>\$ 72,333</u>
Total U.S. Department of the Treasury			<u>72,333</u>
<u>U.S. Department of Agriculture</u>			
Direct programs:			
Police Department Equipment	10.766		52,048
AC Truck	10.766		<u>46,852</u>
Total U.S. Department of Agriculture			<u>98,900</u>
<u>U.S. Department of Housing and Urban Development:</u>			
Passed through California Department of Housing and Community Development			
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.218	B-21-MC-06-051	12,408
Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.218	Multi-Family Homes	<u>122,602</u>
Total Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii			<u>135,010</u>
Home Investment Partnerships Program	14.239		5,924,421
Home Investment Partnerships Program	14.239		<u>1,630,358</u>
Total Home Investment Partnerships Program			<u>7,554,779</u>
Community Development Block Grant	14.218		<u>118,743</u>
Total U.S. Department of Housing and Urban Development			<u>7,808,532</u>
TOTAL NON-MAJOR PROGRAMS			<u>7,979,765</u>
TOTAL FEDERAL AWARDS			<u>\$ 14,825,900</u>

See accompanying notes to schedule of expenditures of federal awards.

TOWN OF PARADISE, CALIFORNIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2022

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the Town of Paradise, California (the Town) under programs of the federal government for year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the Town’s operations, it is not intended to be and does not present the financial position, changes in financial position, or cash flows of the Town.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenses reported on the Schedule are reported on the modified accrual basis of accounting. Such expenses/expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement.

NOTE C – PROGRAM COSTS/MATCHING CONTRIBUTIONS

The amounts shown as current year expenses represent only the federal grant portion of the program costs. Entire program costs, including the Town’s portion, may be more than shown.

NOTE D – INDIRECT COST ALLOCATION PLAN

The Town did not charge indirect costs to federal programs during the year ended June 30, 2022.

NOTE E – LOAN PROGRAMS

The outstanding balances of loan programs were as follows:

Federal Program	Federal AL Number	Outstanding Loan Balances
Community Development Block Grants/Entitlement Grants	14.218	\$ 117,119
Home Investment Partnerships Program	14.239	7,632,766

NOTE F – SUBRECIPIENTS

There were no subrecipients of the Town’s federal programs during the year ended June 30, 2022.

NOTE G – CLUSTERS OF PROGRAMS

There were no clusters of the Town’s federal programs during the year ended June 30, 2022.



Town of Paradise
Finance Department
5555 Skyway
Paradise, CA 95969
(530) 872-6291

May 31, 2023

To: Richardson & Company LLP
From: Aimee Beleu
Subject: FY 21-22 Single Audit Management Response and Corrective Action Plan

Finding: 2022-001

Condition: The Town submitted its Audited financial Statements and Single Audit Report to the federal clearinghouse in June 2023, 3 months after it was due.

Recommendation: The Town should consider contracting with an external accounting firm so that it can close its books and submit its audited financial statements and single audit to the Federal Audit Clearinghouse no later than the statutory reporting deadline.

Management Response and Corrective Action Plan: The Finance division worked diligently with our Auditing Firm to meet the terms of the submittal of the Federal Audit Clearinghouse. However, due to staffing turnover they were not able to accomplish the task. Moving forward, vacant positions have been filled, and if need be, contracting with an auditing firm will take place to meet deadlines.

Sincerely,

Aimee Beleu
Finance Director/Town Treasurer

TOWN OF PARADISE

Audited Financial Statements and Supplemental Information

June 30, 2022

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TOWN OF PARADISE

Audited Financial Statements and Supplemental Information

June 30, 2022

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TOWN OF PARADISE

Audited Financial Statements and Supplemental Information

June 30, 2022

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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, 2022, 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, 2022, 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.

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.

To the Town Council
Paradise, California

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 May 26, 2023 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

May 26, 2023

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TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

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, 2022. 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, Town's net position decreased to \$225 million as compared to the prior year at \$230 million. The Town's unrestricted and restricted cash and investments decreased to \$211 million, primarily as a result of the Town's plan of spending down PG&E settlement reserves to supplement lost revenues. Prior to extraordinary items, accounts and interest receivables, prepaid items, and the advance to the Successor Agency decreased to \$1.5 million from \$10 million in the prior year, which resulted primarily from a reduction in outstanding grant activity during the prior fiscal year. The Town's rebuilding efforts and capital projects resulted in increased total capital assets to \$39 million compared to \$29 million in the prior year.

The Town reports \$24.3 million of pension liability and pension related net deferred use of resources to its activities as compared to \$23.9 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 decreased to \$2.4 million from \$3.8 million in the prior fiscal year due to streamlining of the payables process. Unearned revenues decreased to \$5.2 million from \$5.6 million in the prior fiscal year. Unearned revenue sources include insurance claim advances, advance on grant funds awarded, and housing program insurance funds held for 2018 Camp Fire survivors. The Town's long-term liabilities due in more than one year decreased to \$38.1 million from \$43.7 million in the prior year due primarily to change in assumptions regarding pension obligations.

TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Table 1
GOVERNMENTAL ACTIVITIES NET POSITION AT JUNE 30, 2022

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Current and other assets	\$ 237,542,924	\$ 250,941,069
Capital assets, net	<u>39,464,712</u>	<u>29,695,835</u>
TOTAL ASSETS	<u>277,007,636</u>	<u>280,636,904</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
	9,411,708	5,763,468
<u>LIABILITIES</u>		
Current and other liabilities	9,747,419	10,804,790
Long-term liabilities	<u>38,146,072</u>	<u>43,682,039</u>
TOTAL LIABILITIES	<u>47,893,491</u>	<u>60,250,297</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
	13,383,734	1,662,555
<u>NET POSITION</u>		
Net investment in capital assets	38,708,134	29,581,214
Restricted	23,629,213	10,501,398
Unrestricted	<u>162,804,772</u>	<u>190,168,376</u>
TOTAL NET POSITION	<u>\$225,142,119</u>	<u>\$230,250,988</u>

Table 2 on the next page shows another perspective of the net position of the Town. The Town's total general revenues, which includes property taxes, sales taxes, other general revenue, and motor vehicle in-lieu totaling \$(41,757). The loss is due to an unrealized loss on investments that have not matured yet. Total program revenues totaled \$22.6 million, which increased from \$14.6 million in the prior year. Decreases in charges for services and operating contributions and grants were offset by increases in capital contributions and grants as the Town focuses efforts on long-term infrastructure rebuilding activities. The Town recognized a net gain of \$1.1 million in extraordinary items, which is the result of ongoing FEMA public assistance claims.

Expenses increased to \$28.8 million compared to the prior year. General government, Community Development, Public Safety, and Streets comprised the bulk in additional expenses. Increases in these areas are related as the Town continues to support significant rebuilding and infrastructure projects throughout Town and increase operational support to meet the needs of the community following the 2018 Camp Fire.

TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

Table 2
CHANGE IN GOVERNMENTAL ACTIVITIES NET POSITION

	2022	2021
<u>REVENUES</u>		
Program revenues		
Charges for services	\$ 8,124,315	\$ 5,998,170
Operating contributions & grants	5,185,916	4,802,655
Capital contributions & grants	9,370,186	3,825,287
Total program revenues	22,680,417	14,626,112
General revenues		
Property Taxes	2,522,311	5,621,415
Other Taxes	4,827,441	3,125,810
Motor Vehicle In-lieu	1,067,604	2,609,348
Other General Revenues	(8,459,113)	1,748,827
Total general revenues	(41,757)	13,105,400
TOTAL REVENUES	22,638,660	27,731,512
Program expenses		
General Government	6,720,812	5,345,555
Community Development	6,930,649	5,058,300
Public Safety	11,049,915	10,422,746
Public Works	734,104	797,722
Parks & Recreation	243,763	242,815
Streets	2,673,641	2,311,004
Interest on Long Term Debt	504,475	541,285
TOTAL EXPENSES	28,857,359	24,719,427
Excess (deficiency) before extraordinary items	3,012,085	3,012,085
Extraordinary items (Note 16)	1,109,830	1,723,104
INCREASE/(DECREASE) IN NET POSITION	(\$5,108,869)	\$4,735,189

TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

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 \$216 million. Over 96% of this fund balance is unassigned and is the result of the settlement proceeds paid to the Town from Pacific Gas & Electric Company for damages stemming from 2018's 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 the extraordinary items, the Town's general fund revenues significantly changed from the prior fiscal year. Taxes and assessments provide most of the general fund's revenues. Lost property taxes and motor vehicle in-lieu were back filled by the State of California, but other taxes and revenues sources were not. The predominant change in revenues for the Town of Paradise was in the Use of money and property category. The loss is due to an unrealized loss on investments that have not matured yet. This loss is anticipated to rebound over the long-term life of the investment.

Expenses increased approximately 13% compared to the prior year. The primary categories of increase in expenses were related to general government, community development, public safety and public works as the Town continues to support significant rebuilding and infrastructure projects throughout Town and increase operational support to meet the needs of the community following the 2018 Camp Fire.

The ending general fund balance for June 30, 2022 is \$211.6 million. Most importantly unassigned reserves are \$209 million. The unassigned reserves reduce the amount of cash needed to be borrowed annually to fund operations. This is a significant improvement compared to five years ago when there were no unassigned reserves available.

Other Major Governmental Funds

The Building Safety and Waste Water Services fund is a Special Revenue funding source, charging for services for permitting, plan checks, and inspection services. This fund's revenues decreased approximately 5% compared to the initial post-2018 Camp Fire influx of building activity in the prior fiscal year, however, revenues remain overwhelming greater than pre-Camp Fire historical averages as the activities within the fund continues to support significant rebuild efforts in the Town. These services physically moved to a separate building in the Town, referred to as the Building Resiliency Center (BRC) and provide residents and building contractors a one-stop shop in their rebuilding efforts. Building of new homes before the 2018 Camp Fire averaged 25 homes per year. During the 2022 fiscal year, 554 single family homes, and 116 multifamily homes were finalized.

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.

TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

CAPITAL ASSETS

This year's major capital asset additions included \$10 million to construction in process, with major additions to Transportation Master Plan, Off-System Road Rehabilitation, Almond St. Multi-Modal Improvements, Ponderosa SR2S, Paradise Gap Closure, and Downtown Sewer Environmental Study. Other areas of investment were Machinery at \$402,687, and Vehicles at \$673,483.

Table 3 below shows the \$39.4 million total capital assets, net of depreciation.

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

	2022	2021
Land	\$ 1,845,010	\$ 1,845,010
Construction in Progress	18,936,733	8,967,251
Buildings and Improvements	1,466,400	1,325,051
Infrastructure	14,671,484	16,089,608
Machinery and Equipment	816,769	414,082
Vehicles	1,728,316	1,054,833
Total	<u>\$ 39,464,712</u>	<u>\$ 29,695,835</u>

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 rate changes. The Town contributed towards the net pension liability as dictated by CalPERS, and the net pension liability decreased 33% also 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, 2022

	2022	2021
Bonds Payable: accrued interest	\$ 8,315,670	\$ 8,932,163
Capital Leases	85,564	114,621
OPEB	13,433,488	9,945,647
Net pension liability	17,011,738	25,381,614
CDF retiree health vesting	68,476	136,692
Compensated absences	446,042	394,666
Total Liabilities	<u>\$ 39,360,978</u>	<u>\$ 44,905,403</u>

TOWN OF PARADISE
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022

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 \$6.49 million as of June 30, 2022.

NEXT YEAR'S BUDGET AND ASSUMPTIONS

The Camp Fire of November 8, 2018 was the most destructive wildfire in California State history. Rebuilding of the 10,000 structures destroyed has begun, but it will take over a decade before the Town of Paradise is restored. A community visioning process was completed with a consensus that a more resilient fire-resistant town be rebuilt. With the help of Federal, State, and local partners, the Town has continued long-term recovery planning and projects.

The Town is planning to restore the facilities and equipment lost or damaged during the fire through a combination of insurance claims, FEMA assistance, and outside funding sources. FEMA and California Governor's Office of Emergency Services will assist the Town with infrastructure restoration through public assistance and hazard mitigation grants.

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.

BASIC FINANCIAL STATEMENTS

TOWN OF PARADISE
STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities
ASSETS	
Cash and investments	\$ 209,390,937
Restricted cash and investments	1,688,092
Accounts receivable	295,946
Due from other governments	13,028,479
Interest receivable	6,137
Prepaid items	699
Advance to the Successor agency	1,275,519
Loans receivable	11,857,115
Capital assets:	
Non-depreciable:	
Land and construction in progress	20,781,743
Depreciable:	
Infrastructure, buildings, vehicles and equipment	38,928,649
Accumulated depreciation	(20,245,680)
Total capital assets	39,464,712
Total Assets	277,007,636
DEFERRED OUTFLOWS OF RESOURCES	
Related to net pension liability	5,440,042
Related to net OPEB liability	3,971,666
Total Deferred Outflows of Resources	9,411,708
LIABILITIES	
Accounts payable	2,475,502
Accrued wages	253,193
Deposits payable	534,726
Unearned revenue	5,269,092
Compensated absences, due in more than one year	446,042
Long-term debt:	
Due within one year	1,214,906
Due in more than one year	7,254,804
Net pension liability	17,011,738
Other post employment benefits	13,433,488
Total Liabilities	47,893,491
DEFERRED INFLOWS OF RESOURCES	
Related to net pension liability	12,789,590
Related to net OPEB liability	594,144
Total Deferred Inflows of Resources	13,383,734
NET POSITION	
Net investment in capital assets	38,708,134
Restricted for:	
Community development	15,685,873
Public safety	233,079
Streets and roads	2,702,421
Wastewater and drainage	5,007,840
Unrestricted	162,804,772
Total Net Position	\$ 225,142,119

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

TOWN OF PARADISE

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2022

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Governmental Activities:					
General government	\$ 6,720,812	\$ 863,493		\$ (5,857,319)	
Community development	6,930,649	6,752,552	\$ 452,203	\$ 358,252	632,358
Public safety	11,049,915	137,059	481,313	2,627,685	(7,803,858)
Public works	734,104	371,211	3,392,814		3,029,921
Parks and recreation	243,763		1,730		(242,033)
Streets	2,673,641		857,856	6,384,249	4,568,464
Interest on long-term debt	504,475				(504,475)
Total governmental activities	<u>\$ 28,857,359</u>	<u>\$ 8,124,315</u>	<u>\$ 5,185,916</u>	<u>\$ 9,370,186</u>	<u>(6,176,942)</u>
General revenues:					
Taxes:					
Secured and unsecured property taxes					2,522,311
Sales and use taxes					2,498,652
Transient lodging tax					225,722
Franchise fees					402,001
Real property transfer taxes					101,168
Gas tax					1,445,718
Other taxes					131,776
Motor vehicle in-lieu, restricted					1,067,604
Homeowners property tax relief, unrestricted					22,404
Investment income					(9,990,655)
Other					1,478,296
Gain on disposal of asset					53,246
Extraordinary items:					
Grant revenue					1,109,830
Total General Revenues					<u>1,068,073</u>
Changes in Net Position					(5,108,869)
Net position, beginning of year					<u>230,250,988</u>
Net position, end of year					<u>\$ 225,142,119</u>

TOWN OF PARADISE
BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2022

	General Fund	Camp Fire 2018 Fund	Building Safety and Wastewater Services	Highway Grants
ASSETS				
Cash and investments	\$ 196,666,395		\$ 4,515,657	
Restricted cash and investments	15,735	\$ 1,672,357		
Accounts receivable	292,973		2,973	
Interest receivable	2,975		1,157	
Prepaid expenses	699			
Due from other governments	2,076,995	3,173,365	39,800	\$ 2,270,277
Due from other funds	13,321,641			
Advance to the Successor Agency	1,275,519			
Loans receivable				
TOTAL ASSETS	\$ 213,652,932	\$ 4,845,722	\$ 4,559,587	\$ 2,270,277
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 585,025	\$ 192,059	\$ 161,828	
Accrued wages	164,577	9,066	43,645	
Deposits payable				
Due to other funds		4,569,470	71,145	\$ 1,934,898
Unearned revenue	1,266,894	3,287,982	63,025	
Total liabilities	2,016,496	8,058,577	339,643	1,934,898
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues				
TOTAL DEFERRED INFLOWS OF RESOURCES				
Fund balances:				
Nonspendable	1,276,218			
Restricted			4,219,944	335,379
Assigned	816,436			
Unassigned	209,543,782	(3,212,855)		
TOTAL FUND BALANCE	211,636,436	(3,212,855)	4,219,944	335,379
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 213,652,932	\$ 4,845,722	\$ 4,559,587	\$ 2,270,277

The accompanying notes are an integral part of these financial statements

Community Development	Loan Funds	CalHome Grants	Capital Projects	Other Governmental Funds	Total Governmental Funds
	\$ 4,279,308		\$ 778,351	\$ 3,151,226	\$ 209,390,937
					1,688,092
					295,946
\$ 1	1,116	\$ 10		878	6,137
1,306,037		2,407,342		1,754,663	699
	8,833,105	3,024,010			13,028,479
					13,321,641
					1,275,519
					11,857,115
<u>\$ 1,306,038</u>	<u>\$ 13,113,529</u>	<u>\$ 5,431,362</u>	<u>\$ 778,351</u>	<u>\$ 4,906,767</u>	<u>\$ 250,864,565</u>
\$ 250			\$ 979,132	\$ 557,208	\$ 2,475,502
				35,905	253,193
1,302,766		\$ 3,378,907		534,726	534,726
	\$ 609,962			2,064,455	13,321,641
<u>1,303,016</u>	<u>609,962</u>	<u>3,378,907</u>	<u>979,132</u>	<u>41,229</u>	<u>5,269,092</u>
				3,233,523	21,854,154
	8,833,105	3,024,010		719,603	12,576,718
	8,833,105	3,024,010		719,603	12,576,718
3,022	3,670,462			2,823,688	1,276,218
		(971,555)	(200,781)	(1,870,047)	11,052,495
<u>3,022</u>	<u>3,670,462</u>	<u>(971,555)</u>	<u>(200,781)</u>	<u>953,641</u>	816,436
					203,288,544
<u>\$ 1,306,038</u>	<u>\$ 13,113,529</u>	<u>\$ 5,431,362</u>	<u>\$ 778,351</u>	<u>\$ 4,906,767</u>	<u>\$ 250,864,565</u>

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TOWN OF PARADISE

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

June 30, 2022

Total Governmental Fund Balances	\$ 216,433,693
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 \$20,245,680.	39,464,712
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.	12,576,718
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Bonds payable	(3,551,024)
Accreted interest payable	(4,764,646)
Capital leases payable	(85,564)
Net OPEB liability	(13,433,488)
Note payable	(68,476)
Net pension liability	(17,011,738)
Compensated absences	(446,042)
Deferred inflows of resources related to changes in the net pension liability are not applicable to the current period.	(12,789,590)
Deferred inflows of resources related to changes in the net OPEB liability are not applicable to the current period.	(594,144)
Deferred outflows of resources related to changes in the net pension liability are not reported in the governmental funds.	5,440,042
Deferred outflows of resources related to changes in the net OPEB liability are not reported in the governmental funds.	<u>3,971,666</u>
Net Position of Governmental Activities	<u><u>\$ 225,142,119</u></u>

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, 2022

	General Fund	Camp Fire 2018 Fund	Building Safety and Wastewater Services	Highway Grants
REVENUES				
Taxes and assessments	\$ 6,971,637			
Licenses, permits and impact fees	457,206		\$ 1,016,026	
Fines and forfeitures	82,915		2,800	
Intergovernmental revenues	526,201			\$ 6,004,642
Use of money and property	(9,995,485)		2,556	
Reimbursements	1,151,482	\$ 37,849		
Charges for services	369,891		3,064,938	
Program income				
Other revenues	521,362	5,412	1	
TOTAL REVENUES	85,209	43,261	4,086,321	6,004,642
EXPENDITURES				
Current:				
General government	2,973,477	289,390		
Community development	585,253	442,561	2,797,727	
Public safety	10,524,715			
Public works	732,655			
Parks and recreation	66,458			
Streets				
Capital outlay	569,204	1,764,105	164,602	
Debt service:				
Principal	583,251		7,944	
Interest and fiscal charges	636,543			
TOTAL EXPENDITURES	16,671,556	2,496,056	2,970,273	-
Excess of revenues over (under) expenditures	(16,586,347)	(2,452,795)	1,116,048	6,004,642
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt	41,938			
Proceeds from sale of capital assets	77,048			
Transfers in	1,640,730	365,967	508,967	
Transfers out	(361,204)	(250,871)	(262,686)	(5,668,282)
TOTAL OTHER FINANCING SOURCES (USES)	1,398,512	115,096	246,281	(5,668,282)
EXTRAORDINARY GAINS				
Grant revenue		1,489,437		
TOTAL EXTRAORDINARY GAINS	-	1,489,437	-	
Net Change in Fund Balances	(15,187,835)	(848,262)	1,362,329	336,360
Fund Balances (deficits), beginning of year	226,824,271	(2,364,593)	2,857,615	(981)
Fund Balances (deficits), end of year	\$ 211,636,436	\$ (3,212,855)	\$ 4,219,944	\$ 335,379

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

Community Development	Loan Funds	Cal Home Grants	Capital Projects	Other Governmental Funds	Total Governmental Funds
				\$ 1,445,718	\$ 8,417,355
				34,789	1,508,021
					85,715
\$ 2,627,685		\$ 2,106,578		1,825,164	13,090,270
2	\$ 2,466	23		1,954	(9,988,484)
				53,465	1,242,796
1,124					3,435,953
	435,082				435,082
				136,655	663,430
<u>2,628,811</u>	<u>437,548</u>	<u>2,106,601</u>		<u>3,497,745</u>	<u>18,890,138</u>
					\$ 3,262,867
250	270,268	2,144,797		689,793	6,930,649
			\$ 42,513	198,536	10,723,251
					775,168
				1,369,016	66,458
			5,485,057	3,792,906	1,369,016
					11,775,874
				32,441	623,636
					636,543
<u>250</u>	<u>270,268</u>	<u>2,144,797</u>	<u>5,527,570</u>	<u>6,082,692</u>	<u>36,163,462</u>
2,628,561	167,280	(38,196)	(5,527,570)	(2,584,947)	(17,273,324)
					41,938
					77,048
			5,325,435	4,821,815	12,662,914
<u>(2,627,685)</u>	<u>(53,461)</u>	<u>(349,588)</u>		<u>(3,089,137)</u>	<u>(12,662,914)</u>
<u>(2,627,685)</u>	<u>(53,461)</u>	<u>(349,588)</u>	<u>5,325,435</u>	<u>1,732,678</u>	<u>118,986</u>
					1,489,437
				-	1,489,437
876	113,819	(387,784)	(202,135)	(852,269)	(15,664,901)
2,146	3,556,643	(583,771)	1,354	1,805,910	232,098,594
<u>\$ 3,022</u>	<u>\$ 3,670,462</u>	<u>\$ (971,555)</u>	<u>\$ (200,781)</u>	<u>\$ 953,641</u>	<u>\$ 216,433,693</u>

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, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ (15,664,901)
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	11,775,874
Depreciation expense	(1,983,195)
Governmental funds report proceeds from disposal of capital assets as revenues. However, in the government-wide statement of activities, only the gain or (loss) on the sale of capital assets is reported. This is the difference between the gain and proceeds.	
Proceeds from sale of capital assets	(77,048)
Gain on sale of capital assets	53,246
Issuance of debt is another financing source in governmental funds, but an increase in long-term liabilities in the Statement of Net Position	
Proceeds from capital lease	(41,937)
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	2,596,066
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	719,603
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 repayment	623,636
Interest repayment	132,068
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	(51,377)
Pension expense related to deferred outflows and inflows of resources	(2,685,107)
Other post-employment benefits	(505,797)
Change in Net Position of Governmental Activities	<u><u>\$ (5,108,869)</u></u>

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

TOWN OF PARADISE
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2022

	Successor Agency Funds	Custodial Funds
ASSETS		
Cash and investments		\$ 10,694
Restricted cash and investments with fiscal agents	\$ 215,456	
TOTAL ASSETS	215,456	10,694
LIABILITIES		
Accounts payable	25,625	
Interest payable	22,211	
Due to other governments	27,832	
Long-term debt:		
Due within one year	120,000	
Due after one year	6,510,519	
TOTAL LIABILITIES	6,706,187	-
NET POSITION		
Held in trust	(6,490,731)	
Restricted for organizations, individuals, and other governments		10,694
TOTAL FIDUCIARY NET POSITION	\$ (6,490,731)	\$ 10,694

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, 2022

	<u>Successor Agency Funds</u>	<u>Custodial Funds</u>
ADDITIONS		
Taxes and assessments	\$ 28,638	
Investment revenue	116	
Other revenue		\$ 958
	<u>28,754</u>	<u>958</u>
TOTAL ADDITIONS		
DEDUCTIONS		
Program and administrative expenses	47,629	312
Interest expense	297,760	
	<u>345,389</u>	<u>312</u>
TOTAL DEDUCTIONS		
CHANGE IN NET POSITION	(316,635)	646
Net position, beginning of year	<u>(6,165,596)</u>	<u>10,048</u>
Net position, end of year	<u>\$ (6,482,231)</u>	<u>\$ 10,694</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2022

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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.

Building Safety and Wastewater Services Fund – This fund is used to account for the revenues and expenditures from the Town’s rebuilding and septic system planning and safety activities.

Highway Grants Fund – This fund accounts for various grants for congestion management and highway improvements.

Community Development Fund – This fund accounts for the revenues and the associated expenditures of federal and state grants, consisting of planning, engineering, and building inspection.

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.

Capital Projects Fund – This fund accounts for major capital projects funded by various sources.

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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. Unbilled utility revenue earned is recognized as revenue and accounts receivable in the enterprise funds.

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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 Equity: 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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:			
Gas Tax Fund	\$ 1,997,379	\$ 2,153,648	\$ (156,269)
Other Grants Fund	226,997	238,756	(11,759)
Home Grants Fund	389,137	476,671	(87,534)

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

Fund Deficits: At June 30, 2022, the following governmental funds had a fund balance deficit:

Fund	Deficit
Camp Fire 2018 Fund	\$ (3,212,855)
CalHOME Grants	(971,555)
Capital Projects Fund	(200,781)
CDBG Grants Fund	(1,497,923)
Home Grant Fund	(349,572)
Disaster Recovery Projects	(22,552)

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 2017, the GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the leases guidance, unless specifically excluded in this Statement. The requirements of this Statement are effective for the year ended June 30, 2022. The Town has no leases to record under GASB 87.

In April 2022, the GASB issued Statement No. 99, Omnibus 2022. This Statement enhances comparability in accounting and financial reporting and consistency in authoritative literature, including the classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; clarification of provisions of Statement 87, Leases, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset and identification of lease

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

incentives; clarification of provisions in Statement No. 34, Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments, related to the focus of the government-wide financial statements; terminology updates related to provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position; and terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this Statement are effective immediately through periods beginning after June 15, 2023.

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. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. 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.

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, 2022 are classified in the accompanying financial statements as follows:

	Governmental Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 209,390,937	\$ 10,694	\$ 209,401,631
Restricted cash	1,688,092	215,456	1,903,548
	<u>\$ 211,079,029</u>	<u>\$ 226,150</u>	<u>\$ 211,305,179</u>

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

As of June 30, 2022, the Town’s cash and investments consisted of the following:

Cash on hand	\$ 1,650
Deposits in financial institutions	4,966,603
Investments:	
California Local Agency Investment Fund	18,651,588
Money market mutual fund	36,090
Commercial paper	23,807,196
U.S. Treasury	7,236,951
U.S. government agency	52,534,453
Corporate bonds	27,193,410
Foreign notes/bonds	14,046,204
Municipal notes/bonds	60,725,146
Negotiable certificate of deposit	1,874,696
Held by fiscal agent	
Money market fund	231,192
	206,336,926
	\$ 211,305,179

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
Subnationals: 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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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.

	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
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:

	<u>Remaining Maturity (in months)</u>			
	<u>Total</u>	<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>
Local Agency Investment Fund (LAIF)	\$ 18,651,588	\$ 18,651,588		
Money market mutual fund	36,090	36,090		
Commercial paper	23,807,196	23,807,196		
U.S. Treasury	7,236,951			\$ 7,236,951
U.S. government agency	52,534,453		\$ 6,701,940	45,832,513
Corporate bonds	27,193,410	496,670	11,219,424	15,477,316
Foreign notes/bonds	14,046,204		2,858,640	11,187,564
Municipal notes/bonds	60,725,146	5,897,950	8,330,612	46,496,584
Negotiable certificates of deposit	1,874,696		482,701	1,391,995
Held by fiscal agent				
Money market fund	231,192	231,192		
Total	<u>\$ 206,336,926</u>	<u>\$ 49,120,686</u>	<u>\$ 29,593,317</u>	<u>\$ 127,622,923</u>

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

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, 2022:

Investment Type	AAA	AA+/AA/AA-	A+/A	A-1	Total
Money Market Mutual Funds	\$ 36,090				\$ 36,090
U.S. Treasuries		\$ 7,236,951			7,236,951
U.S. government agencies		49,348,893			49,348,893
Commercial paper				\$ 23,807,196	23,807,196
Corporate bonds	2,750,910	8,392,760	\$ 16,049,740		27,193,410
Foreign notes/bonds		14,046,204			14,046,204
Municipal notes/bonds	10,942,707	45,539,445	4,242,994		60,725,146
Held by fiscal agent:					
Money market fund	231,192				231,192
	<u>\$ 13,960,899</u>	<u>\$ 124,564,253</u>	<u>\$ 20,292,734</u>	<u>\$ 23,807,196</u>	
Not rated:					
LAIF					18,651,588
Exempt from credit rating disclosure:					
U.S. government agencies					3,185,560
Negotiable certificates of deposit					1,874,696
					<u>\$ 206,336,926</u>

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, 2022.

Issuer	Investment Type	Amount	%
Federal Farm Credit Bank	U.S. Agency security	\$ 17,155,845	8.11%
Federal Home Loan Mortgage Corporation	U.S. Agency security	19,738,103	9.33%

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE B – CASH AND INVESTMENTS (Continued)

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, 2022, the carrying amount of the Town’s deposits was \$4,966,603 and the balance in financial institutions was \$5,606,799. Of the balance in financial institutions, \$250,000 was covered by federal depository insurance and \$5,356,799 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 \$231,867,874,452 managed by the State Treasurer. Of that amount, 2.31% 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, 2022, these investments matured in an average of 311 days.

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, 2022 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Major Governmental Funds:	
	Camp Fire 2018	\$ 4,569,470
	Building Safety and Wastewater Services	71,145
	Highway Grants	1,934,898
	Community Development	1,302,766
	CalHOME Grants	3,378,907
	Nonmajor Governmental Funds:	
	FEMA grants	489,820
	CDBG grants	1,574,635
		<u>\$ 13,321,641</u>

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE C – INTERFUND TRANSACTIONS (Continued)

Transfers during the year ended June 30, 2022 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount Transferred
General Fund	Camp Fire 2018	\$ 45,224
	Disaster Recovery Projects	80,803
	Gas Tax	235,177
Major Governmental Funds:		
Camp Fire 2018	General Fund	60,264
	Disaster Recovery Projects	37,849
	Gas Tax	152,758
Building Safety and Wastewater Services	General Fund	262,686
Highway Grants	Capital Projects	4,126,205
	Disaster Recovery Projects	1,396,268
	Gas Tax	145,809
Community Development	General Fund	50,361
	Camp Fire 2018	128,068
	Building Safety and Wastewater Services	14,351
	Capital Projects	896,593
	Disaster Recovery Projects	1,153,044
	Gas Tax	370,200
Loan Funds	Home Grants	15,068
CalHOME Grants	Home Grants	53,461
Home Grants	Home Grants	349,588
Nonmajor Governmental Funds:		
Local Transportation	General Fund	5,091
	Capital Projects	196,416
	Gas Tax	7,034
Gas Tax	General Fund	353,824
FEMA grants	General Fund	805,372
	Camp Fire 2018	76,749
	Disaster Recovery Projects	265,741
	Gas Tax	15,695
	Home Grants	67
Public Safety Grants	General Fund	26,858
Other Grants	Building Safety and Wastewater Services	83,451
	Disaster Recovery Projects	111,211
	Home Grants	29,313
CDBG grants	Camp Fire 2018	115,926
	Capital Projects	106,221
	Disaster Recovery Projects	376,417
	Gas Tax	24,666
	Home Grants	1,646
Home Grant	General Fund	76,274
Debt Service	Building Safety and Wastewater Services	411,165
		\$ 12,662,914

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2022 was \$11,857,115, which included loans to homeowners totaling \$5,780,611, and loans to the developer (Paradise Community Village) totaling \$6,076,504. As of June 30, 2022 loans receivable balances of \$8,833,105 and \$3,024,010 are recorded in the Town's Loan Fund and Cal Home Grants 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, 2022.

NOTE E – CAPITAL ASSETS

Governmental capital assets activity for the year ended June 30, 2022 was as follows:

	Balance at June 30, 2021	Additions	Retirements	Transfers	Balance at June 30, 2022
Capital assets, not being depreciated:					
Land	\$ 1,845,010				\$ 1,845,010
Construction in progress	8,967,251	\$ 10,505,201		\$ (535,719)	18,936,733
Total capital assets, not being depreciated	10,812,261	10,505,201	-	(535,719)	20,781,743
Capital assets, being depreciated:					
Infrastructure	28,363,984				28,363,984
Buildings	3,029,824	139,775		101,839	3,271,438
Machinery and equipment	2,054,818	556,525	\$ (81,805)		2,529,538
Vehicles	4,257,756	574,373	(502,320)	433,880	4,763,689
Total capital assets, being depreciated	37,706,382	1,270,673	(584,125)	535,719	38,928,649
Less accumulated depreciation for:					
Infrastructure	(12,274,376)	(1,418,124)			(13,692,500)
Buildings	(1,704,773)	(100,265)			(1,805,038)
Machinery and equipment	(1,640,736)	(130,253)	58,220		(1,712,769)
Vehicles	(3,202,923)	(334,553)	502,103		(3,035,373)
Total accumulated depreciation	(18,822,808)	(1,983,195)	560,323	-	(20,245,680)
Capital assets being depreciated, net	18,883,574	(712,522)	(23,802)	535,719	18,682,969
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 29,695,835	\$ 9,792,679	\$ (23,802)	\$ -	\$ 39,464,712

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

General government	\$ 174,601
Public safety	326,664
Streets and public works	1,304,625
Parks and recreation	177,305
Total governmental activities depreciation expense	\$ 1,983,195

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE F – LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2022 was as follows:

	Balance June 30, 2021	Additions	Payments	Balance June 30, 2022	Due Within One Year
Governmental Activities:					
Bonds payable	\$ 4,035,449		\$ (484,425)	\$ 3,551,024	\$ 469,658
Accreted interest payable	4,896,714		(132,068)	4,764,646	640,575
Loan payable	136,692		(68,216)	68,476	68,476
Finance purchase agreements	114,621	\$ 41,938	(70,995)	85,564	36,197
Total debt	9,183,476	41,938	(755,704)	8,469,710	1,214,906
Compensated absences	394,666	51,376		446,042	
Net pension liability	25,381,614		(8,369,876)	17,011,738	
OPEB liability	9,945,647	3,487,841		13,433,488	
Governmental activities long-term liabilities	<u>\$ 44,905,403</u>	<u>\$ 3,581,155</u>	<u>\$ (9,125,580)</u>	<u>\$ 39,360,978</u>	<u>\$ 1,214,906</u>

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, 2022:

Bonds Payable: On April 1, 2007, the Town pursuant to an Agreement with the California Statewide Communities Development Authority issued \$10,918,154 of Pension Obligation Bonds. The aggregate total amount of the bonds for all agencies was \$87,475,699 which includes \$65,140,000 of Series A-1 current interest and \$22,335,699 of Series A-2 capital appreciation bonds. The Town only participated in the Series A-2 bonds. The issuance of the bonds provided monies to meet the Town’s obligation to pay the Town’s unfunded accrued actuarial liability (UAAL) and employer contribution amount to the California Public Employees Retirement System (PERS). The Town’s obligation includes among others, the requirement to amortize the unfunded accrued liability over a multi-year period. On April 1, 2007, the Town contributed \$10,635,313 of the bond proceeds to PERS to fund a portion of the unfunded liability and the employer contribution amount for the Miscellaneous and Safety Plans that provides retirement benefits to the Town’s employees and public safety officers. The Town paid 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, 2022 was \$3,551,024. The accreted interest on the capital appreciation bonds balance as of June 30, 2022 was \$4,764,646.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE F – LONG-TERM LIABILITIES (Continued)

Principal interest payments on bonds are due as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Interest*</u>	<u>Total</u>
2023	\$ 469,658	\$ 685,342	\$ 1,155,000
2024	459,239	735,762	1,195,001
2025	448,824	786,176	1,235,000
2026	439,091	840,909	1,280,000
2027	428,182	891,818	1,320,000
2028-31	1,306,030	3,278,969	4,584,999
Totals	<u>\$ 3,551,024</u>	<u>\$ 7,218,976</u>	<u>\$ 10,770,000</u>

* The amount includes accreted interest.

Loans payable: In 2013, the Town entered into a loan agreement with the Department of Forestry and Fire Protection to cover the California Department of Forestry vested retiree health benefits. The note bears interest at 0.382%, payable in annual installments based upon a ten year amortization schedule and matures in full on July 1, 2022.

Principal interest payments on debt are due as follows:

<u>Year Ending June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 68,476	\$ 522	\$ 68,998
Totals	<u>\$ 68,476</u>	<u>\$ 522</u>	<u>\$ 68,998</u>

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:

Enterprise Fleet Management – During the fiscal year 2017-2018, the Town entered into two lease agreements for the purchase of two trucks. The leases require 60 monthly installments of \$498 with the final payment of \$5,464 in February 2023. The total lease payment of the lease was for \$29,691.

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 one installment of \$9040 and 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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE F – LONG-TERM LIABILITIES (Continued)

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

Year Ending June 30:	Principal	Interest	Total
2023	\$ 36,197	\$ 1,940	\$ 38,137
2024	19,170	1,035	20,205
2025	19,550	687	20,237
2026	9,084	291	9,375
2027	1,563	9	1,572
Totals	<u>\$ 85,564</u>	<u>\$ 3,962</u>	<u>\$ 89,526</u>

NOTE G – FUND BALANCE

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

	General Fund	Camp Fire 2018 Fund	Bldg Safety & Wastewater Fund	Highway Grants	Community Development Fund	Loan Funds	CalHome Grants Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:										
Nonspendable:										
Prepaid expenses	\$ 699									\$ 699
Advance to successor agency	1,275,519									1,275,519
Total Nonspendable	<u>1,276,218</u>	-	-	-	-	-	-	-	-	<u>1,276,218</u>
Restricted for:										
Community development					\$ 3,022	\$ 3,670,462			\$ 155,274	3,828,758
Public safety									233,079	233,079
Streets and roads				\$ 335,379					1,647,439	1,982,818
Wastewater and drainage			\$ 4,219,944						787,896	5,007,840
Total Restricted	-	-	<u>4,219,944</u>	<u>335,379</u>	<u>3,022</u>	<u>3,670,462</u>	-	-	<u>2,823,688</u>	<u>11,052,495</u>
Assigned for:										
Measure C	20,000									20,000
Property abatement	796,436									796,436
Total assigned	<u>816,436</u>	-	-	-	-	-	-	-	-	<u>816,436</u>
Unassigned/Unrestricted	209,543,782	\$(3,212,855)					\$ (971,555)	\$ (200,781)	(1,870,047)	203,288,544
Total Unassigned	<u>209,543,782</u>	<u>(3,212,855)</u>	-	-	-	-	<u>(971,555)</u>	<u>(200,781)</u>	<u>(1,870,047)</u>	<u>203,288,544</u>
Total fund balances	<u>\$ 211,636,436</u>	<u>\$(3,212,855)</u>	<u>\$ 4,219,944</u>	<u>\$ 335,379</u>	<u>\$ 3,022</u>	<u>\$ 3,670,462</u>	<u>\$ (971,555)</u>	<u>\$ (200,781)</u>	<u>\$ 953,641</u>	<u>\$ 216,433,693</u>

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 PEPR
- Safety Plan Classic Tier 1
- Safety Plan Classic Tier 2
- Safety Plan PEPR

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE H – PENSION PLANS (Continued)

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 PEPRAs Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of 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, 2022, 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	10.880%	8.650%	7.590%
	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	23.710%	20.640%	13.130%

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE H – PENSION PLANS (Continued)

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.

For the year ended June 30, 2022, the employer contributions made to the Plan were \$2,545,505.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2022, 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	\$ 4,049,460
Safety Risk Pool	<u>12,962,278</u>
Total Net Pension Liability	<u>\$ 17,011,738</u>

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, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 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, 2022 and 2021 was as follows:

	Miscellaneous Plan	Safety Plan
Proportion - June 30, 2021	0.16013%	0.27959%
Proportion - June 30, 2022	0.21326%	0.36935%
Change - Increase (Decrease)	0.05313%	0.08976%

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE H – PENSION PLANS (Continued)

For the year ended June 30, 2022, the Town recognized a pension expense of \$1,663,973 for the Miscellaneous Plan and \$3,566,638 for its Safety Plan. At June 30, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to the Plan combined from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>City Miscellaneous Risk Pool</u>		
Pension contributions subsequent to measurement date	\$ 842,830	
Net differences between projected and actual earnings on plan investments		(3,534,965)
Difference between employer's and proportionate share of contributions		(275,027)
Difference between expected and actual experience	454,104	
Change in employer's proportion	<u>105,610</u>	<u>(27,706)</u>
Total	<u>\$ 1,402,544</u>	<u>\$ (3,837,698)</u>
<u>Safety Risk Pool</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,702,675	
Net differences between projected and actual earnings on plan investments		(7,715,047)
Difference between employer's and proportionate share of contributions		(1,139,698)
Difference between expected and actual experience	2,214,594	
Change in Employer's Proportion	<u>120,229</u>	<u>(97,147)</u>
Total	<u>\$ 4,037,498</u>	<u>\$ (8,951,892)</u>
Total - all risk pools	<u>\$ 5,440,042</u>	<u>\$ (12,789,590)</u>

The \$2,545,505 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:

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE H – PENSION PLANS (Continued)

Fiscal Year Ended June 30	City		Total
	Miscellaneous Risk Pool	Safety Risk Pool	
2023	\$ (728,913)	\$ (1,302,727)	\$ (2,031,640)
2024	(752,211)	(1,446,611)	(2,198,822)
2025	(819,978)	(1,744,658)	(2,564,636)
2026	(976,882)	(2,123,073)	(3,099,955)
	<u>\$ (3,277,984)</u>	<u>\$ (6,617,069)</u>	<u>\$ (9,895,053)</u>

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

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
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 table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate: The discount rate used to measure the total pension liability was 7.15% for the Plan. 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

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE H – PENSION PLANS (Continued)

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)	Real Return Years 11+(b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92)%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.00% used for this period.

(b) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Town's proportionate share of the net pension liability for the 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	\$ 7,586,896	\$ 20,931,638	\$ 28,518,534
Current Discount Rate Net Pension Liability	\$ 4,049,460	\$ 12,962,278	\$ 17,011,738
1% Increase Net Pension Asset	\$ 1,125,113	\$ 6,416,433	\$ 7,541,546

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

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2021 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	81
Active employees	<u>65</u>
Total	<u><u>146</u></u>

Contributions: The Town funds the Plan on a pay-as-you-go basis. For the year ended June 30, 2022, the Town paid \$766,353 on behalf of retirees, and did not contribute to the trust.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

Net OPEB Liability: The Town’s net OPEB liability (NOL) was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021 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	2.60%
Participates Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation. Employees with no current medical coverage are assumed to elect PERS Choice upon retirement, with no dependents.
Service Retirement Rates	Retirement rates for non-safety employees are taken from the 2014 CalPERS OPEB Assumptions Model for "Public Agency Miscellaneous 2.0% at 55" For police employees, retirement rates are taken from the CalPERS "Police with 3.0% at 50" table
Benefit Cap Increases	Benefit caps for all employees are assumed to remain unchanged in future years
General Inflation Rate	2.50% per annum
Mortality Improvement	2017 CalERS OPEB assumptions model
Healthcare Trend Rate	Based on 2021 Getzen model with actual premium increases from 2021 to 2022 followed by 5.75% (non-Medicare) / 5.40% (Medicare) in 2022, decreasing gradually to an ultimate rate of 4.04%

Discount Rate: The discount rate used to measure the total OPEB liability was 2.60%. The discount rate is set equal to the expected long-term rate of return on the invested assets. The cash flows of the OPEB plan were projected to future years, assuming that the Town will contribute an amount at least equal to retirees’ benefits plus \$20,000 per year, until the Net OPEB Liability is expected to be \$0, and then small amounts thereafter to keep the NOL at \$0. Under that projection, the plan assets are projected to be adequate to pay all benefits to retirees in all future years, so the discount rate has been set equal to the long-term expected rate of return on investments.

Changes in Actuarial Assumptions: The discount rate was reduced from 6.50% to 2.60%. Payroll growth, mortality and retirement rates have been updated. Health care trend rates were updated from 5% to actual premium increases from 2021 to 2022 followed by 5.75% (non-Medicare) and 5.40% (Medicare), decreasing gradually to 4.04% in 2075.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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	\$ 10,164,506	\$ 218,859	\$ 9,945,647
Service cost	110,454		110,454
Interest cost	643,913		643,913
Investment income		63,661	(63,661)
Difference between expected and actual experience	(436,000)		(436,000)
Changes in assumptions	3,981,641		3,981,641
Employer contributions		748,993	(748,993)
Benefit payments	(748,993)	(748,993)	
Administrative expenses		(487)	487
Net changes	<u>3,551,015</u>	<u>63,174</u>	<u>3,487,841</u>
Balance - end of year	<u>\$ 13,715,521</u>	<u>\$ 282,033</u>	<u>\$ 13,433,488</u>

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, 2021:

	1% Decrease 1.60%	Discount Rate 2.60%	1% Increase 3.60%
Net OPEB liability	\$ 15,125,524	\$ 13,433,488	\$ 12,023,665

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, 2021:

	Current Healthcare Cost		
	1% Decrease 3.50%	Trend Rates 4.50%	1% Increase 5.50%
Net OPEB liability	\$ 13,206,014	\$ 13,433,488	\$ 13,664,876

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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 5.80 years at June 30, 2022.

OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB: For the fiscal year ended June 30, 2021, the Town recognized OPEB expense of \$1,272,150. As of fiscal year ended June 30, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Outflows of Resources</u>	<u>Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$ 766,353	
Differences between actual and expected experience		\$ (553,516)
Changes in assumptions	3,205,313	(9,389)
Net differences between projected and actual earnings on OPEB plan investments		<u>(31,239)</u>
Total	<u>\$ 3,971,666</u>	<u>\$ (594,144)</u>

The \$766,353 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:

<u>Year Ending June 30:</u>	
2022	\$ 625,201
2023	625,769
2024	640,961
2025	<u>719,238</u>
	<u>\$ 2,611,169</u>

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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 Town 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	-	5,000
Boiler and machinery	100,000,000	-	2,500
Wildfire deductible	-	-	2,500,000
Mobile equipment	3,407,369	-	5,000
Workers Compensation liability	500,000	4,500,000	100,000
Cyber Excess	3,000,000	25,000,000	50,000
Crime	3,000,000	-	5,000
Deadly Weapon Response Program	500,000	-	10,000

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, 2022, 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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE K – COMMITMENTS AND CONTINGENCIES (Continued)

The Town has the following contract commitments at June 30, 2022:

Almond St Multi-Modal Improvements	\$ 1,808,551
Paradise Gap Closure Complex	1,754,167
Downtown Sewer Environmental Study	475,503
Skyway-Neal Bike-Ped Project	455,149
On-System Road Rehabilitation	440,455
Transportation Master Plan	291,291
On-System Culvert Replacement	212,660
Pentz Pathway Phase 2	193,160
Oliver Curve Pathway Project	169,879
Off-System Road Rehabilitation	127,585
	<u>\$ 5,928,400</u>

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, 2022 are required by debt continuing disclosure requirements.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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, 2022:

	Balance July 01, 2021	Additions	Retirements	Balance June 30, 2022	Due Within One Year
Advance Payable	\$ 1,275,519			\$ 1,275,519	
Bonds payable - 2009	4,070,000		\$ (95,000)	3,975,000	\$ 100,000
Bonds payable - 2016	1,400,000		(20,000)	1,380,000	20,000
	<u>\$ 6,745,519</u>	<u>\$ -</u>	<u>\$ (115,000)</u>	<u>\$ 6,630,519</u>	<u>\$ 120,000</u>

The long-term liabilities consisted of the following components for the fiscal year ended June 30, 2022:

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, 2022:

2009 Tax Allocation Refunding Bonds

On October 21, 2009, the Town issued the 2009 Tax Allocation Refunding Bonds in the amount of \$4,480,000. The refunding bond was used to refund the entire outstanding 2003 Tax Allocation Notes and the 2005 Tax Allocation Notes. The Refunding Bonds have a stated interest rate from 4.80% to 6.00% and mature on June 1, 2043. The Refunding Bonds are subject to redemption prior to their stated maturity, at the option of the Town, as a whole or in part pro rata among maturities and by lot within a maturity, on any date on or after June 1, 2019 from funds derived by the Town from any sources at a redemption price equal to 100% of the principal amount thereof, together with accrued interest thereon to the redemption date, without premium. The original issue bond discount on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet.

On February 1, 2012, the total principal balance of \$4,377,893, which was net of the \$102,107 of unamortized original issue bond discount, was transferring from the Town. The principal balance outstanding, as of June 30, 2021 was \$4,070,000.

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.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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 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 on June 1, 2023. The holders of the 2009 Bonds and the 2016 Bonds are advised that the Successor Agency expects a default to occur in the payment of debt service on June 1, 2023. 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.

Future debt service for Successor Agency at June 30, 2022 is as follows:

2009 Tax Allocation Refunding Bonds

<u>Fiscal Year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 100,000	\$ 236,388	\$ 336,388
2024	110,000	230,638	340,638
2025	110,000	224,313	334,313
2026	120,000	217,988	337,988
2027	125,000	211,088	336,088
2028-32	760,000	935,838	1,695,838
2033-2037	995,000	681,600	1,676,600
2038-42	1,340,000	344,400	1,684,400
2043-2047	315,000	18,900	333,900
Totals	<u>\$ 3,975,000</u>	<u>\$ 3,101,153</u>	<u>\$ 7,076,153</u>

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

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

2016 Tax Allocation Refunding Bonds

<u>Fiscal Year ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 20,000	\$ 55,149	\$ 75,149
2024	20,000	54,389	74,389
2025	20,000	53,629	73,629
2026	25,000	52,869	77,869
2027	25,000	51,919	76,919
2028-32	130,000	245,344	375,344
2033-2037	160,000	218,781	378,781
2038-42	190,000	185,181	375,181
2043-2047	235,000	143,581	378,581
2048-52	285,000	91,575	376,575
2053-2056	270,000	28,256	298,256
Totals	<u>\$ 1,380,000</u>	<u>\$ 1,180,673</u>	<u>\$ 2,560,673</u>

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, \$3,287,982 is recorded as unearned revenue in the Camp Fire Fund.

NOTE N – CHANGE IN PRESENTATION OF FUNDS

The financial statement presentation of the funds was changed during the year ended June 30, 2022 to combine funds with a purpose into a single fund for financial reporting purposes. This change does not affect total fund balance of the governmental funds or net position on the government-wide financial statements.

TOWN OF PARADISE

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2022

NOTE O – SUBSEQUENT EVENTS

Subsequent to June 30, 2022, the Town entered into a contract with Knife River Construction for \$5,339,518 for the on-system roadway rehabilitation project. The Town also approved the Second Amendment of its contract with Cal Fire to extend services to June 30, 2025 for an amount not to exceed \$18,994,417, for the period starting July 1, 2021.

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, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and assessments	\$ 5,522,017	\$ 5,522,017	\$ 6,971,637	\$ 1,449,620
Licenses, permits and impact fees	510,566	510,566	457,206	(53,360)
Fines and forfeitures	25,750	25,750	82,915	57,165
Intergovernmental revenues	33,050	1,630,248	526,201	(1,104,047)
Use of money and property	28,565	112,565	(9,995,485)	(10,108,050)
Reimbursements	802,850	802,850	1,151,482	348,632
Charges for services	372,675	372,675	369,891	(2,784)
Other revenues	553,675	553,675	521,362	(32,313)
TOTAL REVENUES	7,849,148	9,530,346	85,209	(9,445,137)
EXPENDITURES				
Current:				
General government	2,663,908	2,802,323	2,973,477	171,154
Community development	523,151	671,724	585,253	(86,471)
Public safety	10,490,843	10,590,395	10,524,715	(65,680)
Public works	717,352	747,075	732,655	(14,420)
Parks and recreation	64,060	64,060	66,458	2,398
Capital outlay	675,740	1,102,066	569,204	(532,862)
Debt Service:				
Principal	569,535	580,396	583,251	2,855
Interest and fiscal charges	640,575	640,575	636,543	(4,032)
TOTAL EXPENDITURES	16,345,164	17,198,614	16,671,556	(527,058)
Excess of revenues over (under) expenditures	(8,496,016)	(7,668,268)	(16,586,347)	(8,918,079)
OTHER FINANCING SOURCES (USES)				
Proceeds from the issuance of debt			41,938	41,938
Proceeds from sale of capital assets		8,463	77,048	68,585
Transfers in	568,152	618,152	1,640,730	1,022,578
Transfers out	(350,259)	(638,167)	(361,204)	276,963
Total other financing sources	217,893	(11,552)	1,398,512	1,410,064
Net change in fund balance	(8,278,123)	(7,679,820)	(15,187,835)	(7,508,015)
Fund balance, beginning of year	226,824,271	226,824,271	226,824,271	
Fund balances, end of year	\$ 218,546,148	\$ 219,144,451	\$ 211,636,436	\$ (7,508,015)

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, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 20,344,203	\$ 20,344,203	\$ 1,489,437	\$ (18,854,766)
Reimbursements	767,250	948,830	37,849	(910,981)
Other revenues	-	-	5,412	5,412
TOTAL REVENUES	21,111,453	21,293,033	1,532,698	(19,760,335)
EXPENDITURES				
Current:				
General government	7,355,000	7,380,750	289,390	(7,091,360)
Community development	589,124	702,674	442,561	(260,113)
Public works	706,741	706,741		(706,741)
Capital outlay	9,013,800	9,013,800	1,764,105	(7,249,695)
TOTAL EXPENDITURES	17,664,665	17,803,965	2,496,056	(15,307,909)
Excess of revenues over (under) expenditures	3,446,788	3,489,068	(963,358)	(4,452,426)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,328,549	1,438,549	365,967	(1,072,582)
Transfers out	(575,336)	(794,889)	(250,871)	544,018
Total other financing sources	753,213	643,660	115,096	(528,564)
Net change in fund balance	4,200,001	4,132,728	(848,262)	(4,980,990)
Fund balance, beginning of year	(2,364,593)	(2,364,593)	(2,364,593)	
Fund balances, end of year	\$ 1,835,408	\$ 1,768,135	\$ (3,212,855)	\$ (4,980,990)

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) - BUILDING SAFETY AND WASTEWATER SERVICES

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses, permits and impact fees	\$ 1,004,503	\$ 1,004,503	\$ 1,016,026	\$ 11,523
Fines and forfeitures	1,000	1,000	2,800	1,800
Use of money and property	20,000	20,000	2,556	(17,444)
Reimbursements	30,000	30,000		(30,000)
Charges for services	3,404,400	3,404,400	3,064,938	(339,462)
Other revenues			1	1
TOTAL REVENUES	4,459,903	4,459,903	4,086,321	(373,582)
EXPENDITURES				
Current:				
Community development	4,346,487	4,329,287	2,797,727	(1,531,560)
Capital outlay	78,000	182,696	164,602	(18,094)
Debt Service:				
Principal	7,945	7,945	7,944	1
TOTAL EXPENDITURES	4,432,432	4,519,928	2,970,273	(1,549,653)
Excess of revenues over (under) expenditures	27,471	(60,025)	1,116,048	1,176,071
OTHER FINANCING SOURCES (USES)				
Transfers in			508,967	508,967
Transfers out	(232,183)	(232,183)	(262,686)	(30,503)
Total other financing sources	(232,183)	(232,183)	246,281	478,464
Net change in fund balance	(204,712)	(292,208)	1,362,329	1,654,535
Fund balance, beginning of year	2,857,615	2,857,615	2,857,615	
Fund balances, end of year	\$ 2,652,903	\$ 2,565,407	\$ 4,219,944	\$ 1,654,535

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) - HIGHWAY GRANTS

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 5,978,574	\$ 5,978,574	\$ 6,004,642	\$ 26,068
TOTAL REVENUES	5,978,574	5,978,574	6,004,642	26,068
Excess of revenues over (under) expenditures	5,978,574	5,978,574	6,004,642	26,068
OTHER FINANCING SOURCES (USES)				
Transfers out	(5,978,574)	(5,978,574)	(5,668,282)	310,292
Total other financing sources	(5,978,574)	(5,978,574)	(5,668,282)	310,292
Net change in fund balance	-	-	336,360	336,360
Fund balance, beginning of year	(981)	(981)	(981)	
Fund balances, end of year	\$ (981)	\$ (981)	\$ 335,379	\$ 336,360

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) - COMMUNITY DEVELOPMENT

For the Year Ended June 30, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 3,224,804	\$ 3,573,704	\$ 2,627,685	\$ (946,019)
Use of money and property			2	2
Charges for services	1,000	1,000	1,124	124
TOTAL REVENUES	3,225,804	3,574,704	2,628,811	(945,893)
Excess of revenues over (under) expenditures	3,225,804	3,574,704	2,628,811	(945,893)
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,224,804)	(3,573,704)	(2,627,685)	946,019
Total other financing sources	(3,224,804)	(3,573,704)	(2,627,685)	946,019
Net change in fund balance	1,000	1,000	1,126	126
Fund balance, beginning of year	2,146	2,146	2,146	
Fund balances, end of year	\$ 3,146	\$ 3,146	\$ 3,272	\$ 126

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, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Use of money and property			\$ 2,466	\$ 2,466
Program income	\$ 135,340	\$ 135,340	435,082	299,742
TOTAL REVENUES	135,340	135,340	437,548	302,208
EXPENDITURES				
Current:				
Community development	440,000	440,000	270,268	(169,732)
TOTAL EXPENDITURES	440,000	440,000	270,268	(169,732)
Excess of revenues over (under) expenditures	(304,660)	(304,660)	167,280	471,940
OTHER FINANCING SOURCES (USES)				
Transfers in	2,500	2,500		(2,500)
Transfers out	(144,948)	(144,948)	(53,461)	91,487
Total other financing sources	(142,448)	(142,448)	(53,461)	88,987
Net change in fund balance	(447,108)	(447,108)	113,819	560,927
Fund balance, beginning of year	3,556,643	3,556,643	3,556,643	
Fund balances, end of year	\$ 3,109,535	\$ 3,109,535	\$ 3,670,462	\$ 560,927

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, 2022

	Budgeted Amounts		Actual (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 6,300,000	\$ 6,300,000	\$ 2,106,578	\$ (4,193,422)
Use of money and property			23	23
TOTAL REVENUES	6,300,000	6,300,000	2,106,601	(4,193,399)
EXPENDITURES				
Current:				
Community development	6,000,000	6,000,000	2,144,797	(3,855,203)
TOTAL EXPENDITURES	6,000,000	6,000,000	2,144,797	(3,855,203)
Excess of revenues over (under) expenditures	300,000	300,000	(38,196)	(338,196)
OTHER FINANCING SOURCES (USES)				
Transfers out	(358,390)	(358,390)	(349,588)	8,802
Total other financing sources	(358,390)	(358,390)	(349,588)	8,802
Net change in fund balance	(58,390)	(58,390)	(387,784)	(329,394)
Fund balance, beginning of year	(583,771)	(583,771)	(583,771)	
Fund balances, end of year	\$ (642,161)	\$ (642,161)	\$ (971,555)	\$ (329,394)

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

TOWN OF PARADISE

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2022

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

	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	0.31455%	0.23328%	0.22936%	0.22659%	0.21895%	0.21960%	0.21454%	0.20733%
Proportionate share of the net pension liability	\$ 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	\$ 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	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	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 7.50% in 2015 to 7.65% in 2016 and to 7.15% in 2018.

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

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

	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)	\$ 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	(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	\$ 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	47.00%	47.18%	50.61%	41.83%	-36.85%	31.39%	30.48%	15.84%
Valuation date:	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:

	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	15-year smoothed market
Actuarial cost method								
Amortized method								
Remaining amortization period								
Asset valuation method								
Inflation	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases								
Payroll growth	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment rate of return	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	(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.

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.

TOWN OF PARADISE

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2022

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

Reporting Date - Based on Measurement Period	2021	2020	2019	2018	2017
TOTAL OPEB LIABILITY					
Service Cost	\$ 110,454	\$ 107,237	\$ 153,868	\$ 149,386	\$ 145,035
Interest	643,913	637,764	663,993	661,804	661,041
Difference Between Expected and Actual Experience	(436,000)		(424,055)		
Changes of Assumptions	3,981,641		(19,451)		
Benefit Payments	(748,993)	(784,503)	(771,250)	(783,788)	(792,419)
Net Change in Total OPEB Liability	3,551,015	(39,502)	(396,895)	27,402	13,657
Total OPEB Liability - Beginning	10,164,506	10,204,008	10,600,903	10,573,501	10,559,844
Total OPEB Liability - Ending (a)	\$ 13,715,521	\$ 10,164,506	\$ 10,204,008	\$ 10,600,903	\$ 10,573,501
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 748,993	\$ 784,503	\$ 771,250	\$ 852,682	\$ 817,419
Net Investment Income	63,661	(227)	12,915	11,096	11,016
Benefit Payments	(748,993)	(784,503)	(771,250)	(783,788)	(792,419)
Administrative expenses	(487)	(323)	(323)	(198)	
Net Change in Fiduciary Net Position	63,174	(550)	12,592	79,792	36,016
Plan Fiduciary Net Position - Beginning	218,859	219,409	206,817	127,025	91,009
Plan Fiduciary Net Position - Ending (b)	\$ 282,033	\$ 218,859	\$ 219,409	\$ 206,817	\$ 127,025
Plan Net OPEB Liability/(Asset) - Ending (a) - (b)	\$ 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	2.06%	2.15%	2.15%	1.95%	1.20%
Covered-employee payroll - measurement period	\$ 4,579,309	\$ 3,834,730	\$ 3,849,529	\$ 4,290,581	\$ 3,854,764
Net OPEB liability as percentage of covered-employee payroll	293.35%	259.36%	259.37%	1050.25%	271.00%

TOWN OF PARADISE

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2022

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution - employer fiscal year	\$ 863,005	\$ 676,317	\$ 709,387	\$ 701,420	\$ 1,165,684
Contribution in relation to the actuarially determined contributions	<u>(766,353)</u>	<u>(748,993)</u>	<u>(781,580)</u>	<u>(701,420)</u>	<u>(779,349)</u>
Contribution deficiency (excess)	<u>\$ 96,652</u>	<u>\$ (72,676)</u>	<u>\$ (72,193)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll - employer fiscal year	\$ 5,128,559	\$ 4,579,309	\$ 3,849,529	\$ 4,290,581	\$ 3,854,764
Contributions as a percentage of covered-employee payroll	14.94%	16.36%	20.30%	16.35%	20.22%

Notes to Schedule

Valuation date	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Measurement period	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	2.50%	2.50%	2.50%	2.26%	2.26%
Salary increases	Varies by entry age and service				
Discount rate	2.60%	6.50%	6.50%	7.28%	7.28%
Investment rate of return	6.50%	6.50%	6.50%	7.28%	7.28%
Healthcare cost-trend rate, initial	5.75%	6.40%	6.40%	7.85%	7.85%
Healthcare trending down to	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, 2022

	Special Revenue			
	Local Transportation	Gas Tax	FEMA Grants	Public Safety Grants
ASSETS				
Cash and investments	\$ 348,550	\$ 243,045		\$ 157,095
Accounts receivable				
Interest receivable	91	62	\$ 158	42
Due from other governments	719,603	315,030	491,342	7,405
	<u>719,603</u>	<u>315,030</u>	<u>491,342</u>	<u>7,405</u>
TOTAL ASSETS	<u>\$ 1,068,244</u>	<u>\$ 558,137</u>	<u>\$ 491,500</u>	<u>\$ 164,542</u>
LIABILITIES				
Accounts payable	\$ 101	\$ 20,299		\$ 242
Accrued wages	1,208	24,108		
Due to other funds			\$ 489,820	
Deposits				
Unearned revenue				
TOTAL LIABILITIES	<u>1,309</u>	<u>44,407</u>	<u>489,820</u>	<u>242</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	719,603			
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>719,603</u>			
FUND BALANCES (DEFICITS)				
Restricted	347,332	513,730	1,680	164,300
Unassigned				
TOTAL FUND BALANCES (DEFICITS)	<u>347,332</u>	<u>513,730</u>	<u>1,680</u>	<u>164,300</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 1,068,244</u>	<u>\$ 558,137</u>	<u>\$ 491,500</u>	<u>\$ 164,542</u>

Special Revenue

Other Grants	CDBG Grants	Impact Fees	Home Grant Fund	Disaster Recovery Projects	Total Non-major Governmental Funds
\$ 62,132		\$ 1,642,624	\$ 195,770	\$ 502,010	\$ 3,151,226
47		428	50		878
<u>133,737</u>	<u>\$ 87,287</u>		<u>259</u>		<u>1,754,663</u>
<u>\$ 195,916</u>	<u>\$ 87,287</u>	<u>\$ 1,643,052</u>	<u>\$ 196,079</u>	<u>\$ 502,010</u>	<u>\$ 4,906,767</u>
\$ 1,093	\$ 10,575		\$ 336	\$ 524,562	557,208
			10,589		35,905
	1,574,635				2,064,455
			534,726		534,726
41,229					41,229
<u>42,322</u>	<u>1,585,210</u>		<u>545,651</u>	<u>524,562</u>	<u>3,233,523</u>
					719,603
					719,603
153,594		\$ 1,643,052			2,823,688
	(1,497,923)		(349,572)	(22,552)	(1,870,047)
<u>153,594</u>	<u>(1,497,923)</u>	<u>1,643,052</u>	<u>(349,572)</u>	<u>(22,552)</u>	<u>953,641</u>
<u>\$ 195,916</u>	<u>\$ 87,287</u>	<u>\$ 1,643,052</u>	<u>\$ 196,079</u>	<u>\$ 502,010</u>	<u>\$ 4,906,767</u>

TOWN OF PARADISE

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

For the Year Ended June 30, 2022

	Special Revenue			
	Local Transportation	Gas Tax	FEMA Grants	Public Safety Grants
REVENUES				
Taxes and assessments		\$ 1,445,718		
Licenses, permits and impact fees		198		
Intergovernmental revenues	\$ 240,000		\$ 1,162,643	\$ 178,207
Use of money and property	200	137	349	103
Reimbursement		53,465		
Program income				
Other revenues	1,391			9,588
TOTAL REVENUES	<u>241,591</u>	<u>1,499,518</u>	<u>1,162,992</u>	<u>187,898</u>
EXPENDITURES				
Current:				
General government				
Community development				
Public safety				165,366
Streets	38,107	1,330,909		
Capital outlay		460,538		
Debt Service:				
Principal		8,377		24,064
TOTAL EXPENDITURES	<u>38,107</u>	<u>1,799,824</u>	<u>-</u>	<u>189,430</u>
EXCESS OF REVENUES (OVER) (UNDER) EXPENDITURES	<u>203,484</u>	<u>(300,306)</u>	<u>1,162,992</u>	<u>(1,532)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in		951,339		
Transfers out	(208,541)	(353,824)	(1,163,624)	(26,858)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(208,541)</u>	<u>597,515</u>	<u>(1,163,624)</u>	<u>(26,858)</u>
NET CHANGE IN FUND BALANCES	(5,057)	297,209	(632)	(28,390)
Fund balances, beginning of year	<u>352,389</u>	<u>216,521</u>	<u>2,312</u>	<u>192,690</u>
Fund balances, end of year	<u>\$ 347,332</u>	<u>\$ 513,730</u>	<u>\$ 1,680</u>	<u>\$ 164,300</u>

Special Revenue					Debt Service	Total Non-major Governmental Funds
Other Grants	CDBG Grants	Impact Fees	Home Grant Fund	Disaster Recovery Projects	Debt Service	
		\$ 34,591				\$ 1,445,718
\$ 127,813	\$ 116,501		\$ 113			34,789
105		947				1,825,164
						1,954
						53,465
98,975			225	\$ 26,476		136,655
<u>226,893</u>	<u>116,501</u>	<u>35,538</u>	<u>338</u>	<u>26,476</u>	<u>-</u>	<u>3,497,745</u>
14,781	138,260		400,397	136,355		689,793
				33,170		198,536
				3,332,368		1,369,016
						3,792,906
						32,441
<u>14,781</u>	<u>138,260</u>	<u>-</u>	<u>400,397</u>	<u>3,501,893</u>	<u>-</u>	<u>6,082,692</u>
212,112	(21,759)	35,538	(400,059)	(3,475,417)	-	(2,584,947)
(223,975)	(624,876)		449,143	3,421,333	\$ (411,165)	4,821,815
			(76,274)			(3,089,137)
<u>(223,975)</u>	<u>(624,876)</u>	<u>-</u>	<u>372,869</u>	<u>3,421,333</u>	<u>(411,165)</u>	<u>1,732,678</u>
(11,863)	(646,635)	35,538	(27,190)	(54,084)	(411,165)	(852,269)
165,457	(851,288)	1,607,514	(322,382)	31,532	411,165	1,805,910
<u>\$ 153,594</u>	<u>\$ (1,497,923)</u>	<u>\$ 1,643,052</u>	<u>\$ (349,572)</u>	<u>\$ (22,552)</u>	<u>\$ -</u>	<u>\$ 953,641</u>

TOWN OF PARADISE

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS

June 30, 2022

	<u>Employee Bank</u>	<u>PD Found Money</u>	<u>Total</u>
ASSETS			
Cash and investments	<u>\$ 1,639</u>	<u>\$ 9,055</u>	<u>\$ 10,694</u>
TOTAL ASSETS	<u><u>\$ 1,639</u></u>	<u><u>\$ 9,055</u></u>	<u><u>\$ 10,694</u></u>
NET POSITION			
Restricted for organizations, individuals and other governments	<u>\$ 1,639</u>	<u>\$ 9,055</u>	<u>\$ 10,694</u>
TOTAL FIDUCIARY NET POSITION	<u><u>\$ 1,639</u></u>	<u><u>\$ 9,055</u></u>	<u><u>\$ 10,694</u></u>

TOWN OF PARADISE

STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
CUSTODIAL FUNDS

June 30, 2022

	Employee Bank	PD Found Money	Total
ADDITIONS			
Other revenue	\$ 958		\$ 958
TOTAL ADDITIONS	958	-	958
DEDUCTIONS			
Program and administrative expenses		\$ 312	312
TOTAL DEDUCTIONS	-	312	312
CHANGE IN NET POSITION	958	(312)	646
Net position, beginning of year	681	9,367	10,048
Net position, end of year	<u>\$ 1,639</u>	<u>\$ 9,055</u>	<u>\$ 10,694</u>



Town of Paradise

Council Agenda Summary

Agenda Item: 6(b)

Date: June 13, 2023

ORIGINATED BY: Colette Curtis, Recovery and Economic Development Director
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Transient Occupancy Tax Discussion
LONG TERM RECOVERY PLAN: No

COUNCIL ACTION REQUESTED:

1. Consider discussion and concurring with staff recommendation on Transient Occupancy Tax allocation; or
2. Provide alternative direction to staff. (ROLL CALL VOTE)

Background:

Transient Occupancy Tax (TOT) funds are intended to be used by local jurisdictions to offset impacts of short-term stays in the community. These funds may be used at the discretion of the local jurisdiction and may be used to promote tourism and increase the number of visitors to local hotels, thereby increasing revenue to local businesses and ultimately supporting economic vitality.

Per Paradise Municipal Code section 3.24.30, the current transient occupancy tax (TOT) rate is ten percent of the rent charged by the operator of the temporary lodging establishment. Based on the current TOT rate, the Town is expected to receive approximately \$200,000 in TOT revenues during fiscal year (FY) 2022-23. This current budget amount is estimated based on the trend of average revenues following the 2018 Camp Fire.

Prior to the 2018 Camp Fire, the historical 13-year annual average TOT revenue was approximately \$191,000, while the historical 5-year annual average TOT revenue was \$209,000.

All TOT revenues are currently maintained within the General Fund and applied toward budgeted General Fund expenditures. The use of TOT revenues towards General Fund expenditures has been the practice of the Town since FY 2009-10. Prior to FY 2009-10, the Town had allocated approximately 50% of all TOT revenues received to three outside agencies. Of the 50% allocated, approximately 50% was allocated to the Paradise Ridge Chamber of Commerce, 25% was allocated to the Gold Nugget Museum, and 25% was allocated to the Paradise Performing Arts Center. The average annual TOT revenues collected during the period in which TOT revenues were allocated totaled approximately \$185,000.

Analysis:

At the February 2023 Council Meeting, Council heard a presentation regarding the current financial impact of the TOT revenues and had a discussion regarding how to potentially allocate TOT funds in the future. Based on that discussion, Council asked Staff to bring back options for how to allocate funds directly to tourism-focused organizations in Paradise.

At the April 2023 Council meeting, options for allocating funding were discussed by Council members. Councilmember Lassonde proposed allocating \$100,00 of TOT funds to the Recovery and Economic Development Department for allocation based on the Department Director's recommendation.

Staff Recommendation:

In order to further Council's goal of increasing tourism through local allocation of TOT funds, staff recommends the following:

- Creation of the "Paradise Economic Development TOT Reinvestment Program", to be administered by the Recovery and Economic Development Department.
- The grant program will have an annual budget of \$100,000 from TOT funds and will allocate funds for a three-year cycle.
- \$45,000 of the annual allocation will be distributed directly to the Paradise Ridge Chamber of Commerce, upon execution of a contract outlining their intended use of the funding.
- The remaining \$55,000 will be available for other organizations or agencies with similar tourism-based functions, with allocations made as a percentage of the organization's annual budget.

All organizations receiving funding would have contracts with the Town outlining activities to be performed using the funding and would be required to report on progress at the end of each year of the three-year funding cycle. Future grant cycles may modify processes for grant amount determinations and implementation based on lessons learned from the first cycle. The full program guidelines are attached to this agenda summary.

Financial Impact:

As previously stated, the Town is currently expected to receive approximately \$200,000 in transient occupancy taxes during fiscal year 2022-23. This amount is estimated based on the trend of average revenues following the 2018 Camp Fire.

Based on the most recent updates to the fiscal sustainability model, the amount of the original settlement amount reserved for use toward operational costs (~\$200 million) remaining as of the end of the 25-year projection period is projected to be \$62.4 million. This projected reserve balance incorporates the assumption that transient occupancy taxes will be applied toward General Fund expenditures for the entirety of the 25-year projection period. Any allocation of current and future TOT revenues will reduce the projected reserve balance based on the proportionate share of TOT revenues provided to outside agencies and not utilized toward General Fund expenditures.



Paradise Economic Development TOT Reinvestment Program **DRAFT Program Guidelines**

1. Program Overview

- a. The grant program, called "Paradise Economic Development TOT Reinvestment Program," is administered by the Town of Paradise Recovery & Economic Development Department.
- b. The grant program is funded through Transient Occupancy Taxes (TOT) collected from overnight stays in the Town of Paradise.
- c. The grant program has an annual budget of \$100,000 and will allocate funds for a three-year cycle.

2. Mission Statement

- a. The Paradise Economic Development TOT Reinvestment Program has a mission to foster economic growth and revitalization in Paradise by promoting tourism and attracting new visitors to our community. Through the implementation of special events, projects, and initiatives, we aim to create engaging experiences that entice out-of-area visitors to explore Paradise for day trips and overnight stays. Our goal is not only to showcase the unique attractions and natural beauty of our town but also to encourage these visitors to consider Paradise as their potential permanent home. By highlighting the opportunities, amenities, and quality of life Paradise offers, we strive to inspire individuals to discover the long-term benefits of residing in our community, and as a result contributing to its sustainable development and prosperity.

3. Allocation of Funds

- a. \$45,000 of the annual allocation shall be distributed directly to the Paradise Chamber of Commerce.
- b. The remaining funds (excluding the \$45,000 allocated to the Chamber of Commerce) will be available for other organizations or agencies with similar tourism-based functions.

4. Application Process

- a. Interested organizations or agencies must file a Notice of Interest to participate in the grant program.
- b. The Notice of Interest period will begin on July 31, 2023, and close on August 17, 2023, at 4 pm.
- c. The Notice of Interest form must include basic contact information, organization description, and history.
- d. Applicants must provide a statement of their prior year's budget and planned subsequent 2-year budget lookahead. The 2-year budget lookahead shall not assume any grant allocations

of the program. The budgets provided by the Applicant shall include only their planned investments in Paradise tourism, consistent with the mission of the grant program.

5. Eligibility and Funding Allocation

- a. The Town of Paradise Recovery & Economic Development Department will review the submitted Notice of Interest forms.
- b. Eligibility will be determined based on the core mission of the applicant aligning with the grant program's mission.
- c. Eligible organizations must be located within the Town of Paradise.
- d. From the pool of eligible applicants, the remaining \$55,000 will be apportioned based on their respective annual budgets, providing the same percentage boost by the grant.

6. Allocation Confirmation and Workplan Approval

- a. Applicants, upon being notified of their tentative allocations, must prepare a one-page summary outlining their planned use of the allocated funds.
- b. If the planned use of the allocations is deemed appropriate, the 3-year workplan will be approved for each Recipient.

7. Distribution Schedule and Reporting Requirements

- a. Grant Recipients should anticipate allocation distribution in October annually.
- b. Between September 15-September 30 each year, Recipients must submit annual reports that include success metrics and estimated returns on investments made using the grant funds distributed for the prior year. Annual reports must also include verification of the stated Notice of Interest non-grant expenditures by the applicant.
- c. Late reports will result in a delay in subsequent annual distributions.
- d. Annual reports which are incomplete, unsubmitted, or demonstrate a performance concern may be cited as justification to cease subsequent allocations altogether at the discretion of the Recovery & Economic Development Director.

8. Lessons Learned and Modifications

- a. Future grant cycles may modify processes for grant amount determinations and implementation based on lessons learned from the first application cycle.



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 6(c)

ORIGINATED BY: Colin Nelson, Infrastructure Program Manager
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Administering Agency-State Master Agreements
LONG TERM RECOVERY PLAN: Yes, Tier 1 "Fiscal Sustainability"

COUNCIL ACTION REQUESTED:

1. Consider adopting Resolution No. 2023-___, "A Resolution of the Town Council of the Town of Paradise Authorizing Execution of Administering Agency-State Master Agreements for State and Federal-Aid Funded Projects. (ROLL CALL VOTE)

Background:

A new obstacle for Paradise's recovery is the significant loss of essential gas-tax revenues resulting from the Town's extreme decrease in population after the fire. The 2020 Census provides that 4,754 people are currently residing in Paradise, compared to the pre-fire population of 26,711. A significant portion of the Town's gas-tax related revenues are tied to actual population data. The Town's 2019-2020 Projected Revenues published by CaliforniaCityFinance.com at its pre-fire population was nearly \$1.1M. With new census data, gas tax and other transportation revenues are forecasted to decrease by 77% between effective dates of the 2020 census.

The Town of Paradise has successfully advocated for additional funding to support the population-tied gas tax funding in the 2022 State of California Budget. Section 19.56, subdivision (g)(1)(AN) Transportation of the Budget Act of 2022 (the Act) appropriated \$9,300,000 (the Funds) from the State General Fund to Caltrans, to be allocated to Town of Paradise for Road Rehabilitation and Maintenance.

The Master Agreement Administering Agency-State Agreement for Federal-Aid projects (Master Agreement) has been revised by the State of California (State) for Town Council approval. Execution of this agreement is required in order for the Town to be eligible to receive State and federal funding.

Analysis:

Staff recommends that the Town Council authorize the Town Manager as the person authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements, and any amendments thereto with the California Department of Transportation.

The specific draft Funds Transfer Agreement relating to the Town's \$9.3M allocation is included in this Agenda Item for review.

Financial Impact:

The action of approving the Town's Agreements with the State will continue to its ability to seek and receive State and federal funding programs. Most recently, the new \$9.3M state allocation for gas tax backfill funding.

Funds Transfer Agreement Between the California Department of Transportation and the Town of Paradise

- 1.1 The California Department of Transportation (Caltrans) and the Town of Paradise (Town of Paradise) hereby enter into this Funds Transfer Agreement (Agreement) on the terms and conditions set forth below.
- 1.2 This Agreement is not valid until signed by both parties. This Agreement shall expire on Town of Paradise's completion of its obligations under this Agreement, but may be extended by amending this Agreement.

BACKGROUND

2.1 Section 19.56, subdivision (g)(1)(AN) Transportation of the Budget Act of 2022 (the Act) appropriated \$9,300,000 (the Funds) from the State General Fund to Caltrans, to be allocated to Town of Paradise for Road Rehabilitation and Maintenance.

2.2 Caltrans determined the best method for allocation to ensure the funds are used for the purposes specified in Section 19.56 of the Act is a funds transfer agreement.

2.3 Funding Background, Need and Goals

On November 8, 2018, the Camp Fire ignited near the Town of Paradise. Due to high winds the fire spread at a rate of eighty football fields a minute and ultimately destroyed the Town of Paradise within hours. Over 26,000 residents of the Town were displaced, 90% of structures in Paradise - more than 11,000 homes and 1,000 businesses were burned to the ground, and most tragically, 85 people lost their lives.

A new obstacle for Paradise's recovery is the significant loss of essential gas-tax revenues resulting from the Town's extreme decrease in population after the fire. The 2020 Census will states 4,754 people are currently residing in Paradise, compared to the pre-fire population of 26,711. A significant portion of the Town's gas-tax related revenues are tied to actual population data. The Town's 2019-2020 Projected Revenues published by CaliforniaCityFinance.com at its pre-fire population was nearly \$1.1M. With new census data, gas tax and other transportation revues are forecasted to decrease by 77% between effective dates of the 2020 census.

Funds Transfer Agreement Between the California Department of Transportation and the Town of Paradise

Maintaining the Town of Paradise Transportation Public Right of Way, including maintenance and repair of approximately 100 miles of roadway is a costly, but vital, endeavor.

Outside of pavement management, the Town's Public Works Department is responsible for roadway striping, regulatory signage, drainage system management (culverts, pipes and open ditches), fire fuels reduction/weed abatement, and even snow removal operations during winter months. The Town's Public Works Department, which receives all of its funding from now-reduced Gas Tax revenues, is minimally staffed with six streets maintenance crew members and one manager.

The overall goal of the work covered by this Agreement is to support the Town of Paradise Public Works Department by providing funding to supplement general right of way operations and maintenances cost activities in addition to funding gaps in capital transportation projects.

SCOPE OF WORK

3.1 The Funds provided under this Agreement will be used to support general Road Rehabilitation and Maintenance cost activities (Project). Anticipated types of work include:

- Maintenance Worker costs performing:
 - Drainage system management (culverts, pipes, open ditches);
 - Fire fuels reduction and weed abatement activities;
 - Road condition improvements (striping, potholes, dig-outs);
 - Traffic signal maintenance activities;
 - Snow removal operations; and,
 - Any other activity typically eligible for streets and roads funding allocated by the State to the Town of Paradise
- Contract Costs relating to:
 - Roadway striping and markings;
 - Roadway maintenance projects (slurry seals, cape seals, micro-surfacing, overlays, pulverizations, and full depth reclamations with cement);
 - Pedestrian and/or bicycle infrastructure construction;
 - Traffic signal improvements; and,
 - Capital Projects gap funding specific to Active Transportation Program (ATP), Congestion Mitigation Air Quality (CMAQ), and Community Development Block Grant Disaster Recovery (CDBG-

Funds Transfer Agreement Between the California Department of Transportation
and the [Town of Paradise](#)

[DR\) Infrastructure project environmental, engineering, right of way, construction and construction management efforts; and,](#)

- o [Any other activity typically eligible for streets and roads funding allocated by the State to the Town of Paradise](#)

The project location for these efforts is solely within the incorporated jurisdiction of the [Town of Paradise](#) located within Caltrans District 3, Butte County, California.

This Agreement shall support eligible costs incurred by the [Town of Paradise](#) from July 1, 2020 to June 30, 2030 or until the appropriation has been fully exhausted, whichever comes sooner.

3.2 [Town of Paradise](#) attests that it shall only use Funds for the Project specified in the Act. [Town of Paradise](#)'s self- attestation verifying the intended use of funds shall be provided to the Department prior to the release of any funds.

FUNDING, COSTS, COST LIMITATION, & PAYMENT

4.1 The Funds will be encumbered within 2 days of the effective date of this Agreement. Pursuant to Section 19.56 of the Act, if the Funds are not encumbered by June 30, 2024, they shall revert to the State's General Fund.

4.2 Payments shall be made as authorized by Sections 19.56(c) and 19.57(c) of the Act.

4.3 Within 30 days of expending all of the Funds or upon completion or termination of Project, whichever comes first, [Town of Paradise](#) shall submit to Caltrans a Project Closeout Report. The Project Closeout Report at a minimum shall include a description of completed Project component(s) and a description of Project outcomes. Photographs of the Project are encouraged to be included.

4.4 Any Project costs paid using the Funds that are determined by subsequent audit to be unallowable under 48 CFR, Part 31 or 2 CFR, Part 200, are subject to repayment by [Town of Paradise](#) to Caltrans.

4.5 [Town of Paradise](#) shall return any unspent Funds to Caltrans at the conclusion, completion, or termination of the Project.

Funds Transfer Agreement Between the California Department of Transportation
and the [Town of Paradise](#)

INQUIRIES & NOTICES

5.1 All inquiries during the term of this Agreement will be directed to the representatives listed below:

For Caltrans:

Name: Angel Araiza
Address: 703 B St, Marysville CA
95901
Phone Number: (530) 565-3963
Email: Angel.Araiza@dot.ca.gov

For Town of Paradise:

Name: Marc Mattox, Town Manager
Address: 5555 Skyway, Paradise, CA 95969
Phone Number: (530) 872-6291 x125
Email: mmattox@townofparadise.com

5.2 Each party may change their representative listed above upon 10 calendar days' written or emailed notice to the other party and without the need for amending this Agreement.

OTHER TERMS & CONDITIONS

6.1 Drug-Free Workplace Requirements: [Town of Paradise](#) will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,

Funds Transfer Agreement Between the California Department of Transportation
and the [Town of Paradise](#)

- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and [Town of Paradise](#) may be ineligible for award of any future State agreements if Caltrans or the State Department of General Services determines that any of the following has occurred: [Town of Paradise](#) has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

6.2 Conflict of Interest: [Town of Paradise](#) needs to be aware of the following provisions regarding current or former state employees. If [Town of Paradise](#) has any questions on the status of any person rendering services or involved with the Agreement, Caltrans must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general

Funds Transfer Agreement Between the California Department of Transportation and the [Town of Paradise](#) subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If [Town of Paradise](#) violates any provisions of above paragraphs, such action by [Town of Paradise](#) shall render this Agreement void. (Pub. Contract Code §10420.) If the Agreement is rendered void, Town of Paradise shall return all Funds.

6.3 Labor Code/Workers' Compensation: [Town of Paradise](#) needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and [Town of Paradise](#) affirms to comply with such provisions before commencing the performance of the work described in this Agreement. (Labor Code § 3700.)

6.4. Americans With Disabilities Act: [Town of Paradise](#) assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. § 12101 et seq.)

6.5. Town of Paradise Name Change: An amendment is required to change [Town of Paradise](#)'s name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

6.6. Resolution: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

6.7. Air or Water Pollution Violation: Under State law, [Town of Paradise](#) shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

Funds Transfer Agreement Between the California Department of Transportation
and the [Town of Paradise](#)

6.8. Audit: [Town of Paradise](#) agrees that Caltrans, the California Department of General Services, the California State Auditor's Office, or other State agency with a legitimate business purpose, or their designated representative(s) shall

have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. [Town of Paradise](#) agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of record retention is stipulated.

6.9. Amendments: No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties. Any amendment signed by [Town of Paradise](#) must be approved by its Board of Directors as evidenced by a resolution, order, motion, or ordinance of the [Town of Paradise](#) and a copy provided to Caltrans. No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.

6.10. Caltrans and [Town of Paradise](#) shall continue with their responsibilities under this Agreement during any dispute.

6.11 This Agreement may be executed in separate counterparts.

6.12 An electronically signed copy of this Agreement shall have the same force and effect as if it were signed manually.

Funds Transfer Agreement Between the California Department of Transportation
and the [Town of Paradise](#)

State:

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION
Printed Name: _____
Signature: _____
Deputy Director for Planning & Modal
Programs
Date: _____

Local Agency:

[Town of Paradise](#)
Printed Name: _____
Signature: _____
Title: _____
Date: _____

Accounting Certification

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for encumbrance.			
Accounting Officer Printed Name	Accounting Officer Signature	Date	Amount Certified

**TOWN OF PARADISE
RESOLUTION NO. 2023 - _____**

**RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE
AUTHORIZING EXECUTION OF ADMINISTERING AGENCY-STATE
MASTER AGREEMENTS FOR STATE AND FEDERAL-AID FUNDED
PROJECTS**

WHEREAS, The Town of Paradise eligible to receive Federal and/or State funding for certain Transportation Projects through the California Department of Transportation; and

WHEREAS, The State of California has allocated funds to the Town of Paradise in its 2022 Annual Budget. Section 19.56, subdivision (g)(1)(AN) Transportation of the Budget Act of 2022 appropriated \$9,300,000 from the State General Fund to Caltrans, to be allocated to Town of Paradise for Road Rehabilitation and Maintenance

WHEREAS, Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements must be executed with the California Department of Transportation before such funds can be transferred to the Town; and

WHEREAS, The Town of Paradise wishes to delegate the authority to execute these agreements and any amendments thereto to the Town Manager.

NOW, THEREFORE, BE IT RESOLVED that the Town of Paradise thanks the State of California and Caltrans for the allocation of funds for road rehabilitation and maintenance.

BE IT FURTHER RESOLVED that the Town of Paradise-designates the Town Manager as the person authorized to execute all Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements, and any amendments thereto with the California Department of Transportation.

PASSED AND ADOPTED by the Town Council of the Town of Paradise on this 13th day of June, 2023, by the following vote:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

By: _____
Greg Bolin, Mayor

ATTEST:

Dina Volenski, CMC, Town Clerk

APPROVED AS TO FORM:

Scott E. Huber, Town Attorney



Town of Paradise
Council Agenda Summary
Date: June 13, 2023

Agenda Item: 6(d)

ORIGINATED BY: Susan Hartman, Community Development
Director – Planning & Wastewater
REVIEWED BY: Marc Mattox, Interim Town Manager
SUBJECT: Discussion regarding design standards for murals
LONG TERM RECOVERY PLAN: No
COUNCIL ACTION REQUESTED:

1. Discuss and provide staff with verbal direction on desired changes to the Paradise Municipal Code relating to murals, if any, to present at a future council meeting.

Background:

At the May 9, 2023 council meeting, Town Council initiated a discussion regarding public murals and whether they should be regulated. The matter was remanded back to the Town Attorney and staff to formulate some options for Council review and discussion at a future council meeting.

Analysis:

Design Review for Commercial and Multi-Family Development

There are currently four (4) design districts with aesthetic standards for non-single-family development. They are:

- The Downtown
- The Clark Rd Corridor and the Community Commercial Development Areas
- Gateways and Scenic Highway Corridors
- Business/Industrial Cluster

When proposing new development, rebuilds, or building modifications in these areas, commercial and multi-family developments must have their exterior facades and signs reviewed for compliance with the adopted design standards for their respective design district as well as the sign standards in the zoning ordinance. Neither of these documents, the design standards or municipal code, make reference to or discuss public murals. For murals not constituting a sign, the only design aesthetic applied to it would be the permitted color palettes adopted in the design standards (no bright or neon colors).

Design Review Process

An application is made, with fees ranging from \$110 to \$440, for an architectural and/or sign design review. Color renderings of all elevations of the building/structure are submitted which list the materials and colors being proposed. Design review applications are reviewed by staff, in

accordance with Paradise Municipal Code section 17.41.500, and are not brought before an architectural review board. Staff reviewers include the Directors of Planning & Wastewater, Building & Code Enforcement, Recovery & Economic Development and one Planning Commissioner, appointed annually. Appeals to the decision of staff would be heard by the Town Council. Planning Commissioners, in their function as a hearing body for discretionary land use entitlements (i.e. use permits), also have the opportunity to comment and give direction to staff on the design aesthetics for development projects. This direction gives guidance to staff when reviewing the formal design review application later for said project.

Public Murals

If the Council desires for murals to go through a design review process, there are two ways to establish regulation:

- 1) New Ordinance for placement in the municipal code detailing all the individual standards.
 - Pros: easy to find standards.
 - Cons: any Ordinance amendment takes four (4) months to be in effect.
- 2) New Resolution as standalone guidelines, like the Design Standards, which are referenced in the municipal code.
 - Pros: Resolution amendments only take two (2) months to be in effect and it would be consistent with how the other Design Standards are currently adopted.
 - Cons: people will need to take the extra step to review standards that are outside of the municipal code.

Mural Review Process

There are several ways in which murals could be reviewed such as:

- 1) The same as other design review processes; with a fee and review by staff.
- 2) A new process developed whereby they are reviewed by the Planning Commission as part of a public hearing process for which neighbors would be noticed and have the opportunity to comment.
- 3) A newly formed arts commission or public art jury that reviews all public murals.
- 4) Enforceable mural standards that are adopted for artists to abide by, but there is no formal review process – similar to how small sheds and fences are treated.

Council consideration should be given to the staff's capacity to oversee a new review process and/or review board.

Mural Standards

Currently there are no standards, other than color palettes, for public murals; they can be any size and on any side of the building. Of the half-dozen of so murals known around town, there have not been complaints received or enforcement needed due to paint colors or content matter.

Should the Council choose to regulate murals, standards that may be considered for adoption are:

- Definition of a mural
- Size of mural
- Artist experience requirements
- Maintenance agreement for the upkeep of the artwork
- Finish coatings and paint standards
- Which building elevations can have a mural

- Existing mural exceptions
- Content limitations such as obscene language or images and corporate logos
- Which zones and/or types of structures are subject to the mural regulations
- Lighting standards for murals
- Setbacks between murals

Financial Impact:

Discussion of municipal code ordinances and permitting processes will have no financial impact upon the Town of Paradise.



Town of Paradise

Council Agenda Summary

Agenda Item: 6(e)

Date: June 13, 2023

ORIGINATED BY: Eric Reinbold, Police Chief
REVIEWED BY: Marc Mattox, Interim Town Manager
Scott E. Huber, Town Attorney
SUBJECT: Unmanned Aerial System, (UAS) Drone Acceptance

LONG TERM RECOVERY PLAN: No.

COUNCIL ACTION REQUESTED:

1. Consider accepting two donated Unmanned Aerial System (UAS) devices from Pacific Gas & Electric valued at \$6,000 apiece.

Background:

Pacific Gas & Electric (PG&E) has been working around town to underground their utility service lines. PG&E employees and subcontractors have been the target of violence, threats of violence, and theft. The Paradise Police Department has been working diligently with PG&E to address these challenges by providing investigative tools, extra patrol, and security overwatch in some cases.

PG&E is a multibillion-dollar company that deploys a vast amount of equipment and technology to provide customers with utility services. PG&E is constantly updating and upgrading their equipment to meet industry needs and standards. As they upgrade their equipment, PG&E ends up with a surplus of equipment that is no longer needed.

One of the tools used by PG&E is the Unmanned Aerial System (UAS), otherwise known as a drone. With UAS technology continuously improving, PG&E is frequently upgrading their equipment. With a recent UAS upgrade, PG&E has offered to donate two UAS devices, valued around \$6,000 apiece, to the Town of Paradise Police Department.

PG&E is requesting that the UAS devices be used by the Paradise Police Department to further assist any police related activities.

Analysis:

Town Council Resolution No. 96-17 provides for the formal presentation and acceptance of donations made to the Town of Paradise at a public meeting. This process provides a tax record for the citizen or organization.

Staff recommends the Town Council accept the donation of the two UAS devices, valued at around \$6,000 apiece, from PG&E. By receiving the UAS devices, the Paradise Police Department will be able to deploy cutting edge technology to make Paradise Police Officers safer while investigating highly dangerous and hazardous situations and more efficient and effective in reducing the amount of man-hours needed to complete a given task.

Financial Impact:

The donation of the two UAS devices is expected to have minimal fiscal impacts relating to usage and maintenance, while the expected long-term safety and fiscal savings outweigh those impacts.