



# Paradise Recreation & Park District

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## NOTICE OF BOARD OF DIRECTORS COMMITTEE MEETING

**Committee:** Finance Committee (*McGreehan/Rodowick*)

**Date:** Tuesday, April 28, 2020

**Time:** 3:00 p.m.

**Location:** Via Teleconference  
**Option #1**  
 Use any one of the following numbers  
 (800) 719-6100; (605) 475-4120; or (405) 436-6260  
 Enter Access Code 7320663  
**Option #2**  
<https://hello.freeconference.com/conf/call/7320663>

### AGENDA:

#### The Committee will meet to review and discuss:

1. 2020-2021 Draft Budget for recommendation to full Board.
2. Estimated liability costs associated with the Paradise Lake operations.
3. FEMA Community Disaster Loan Collateral documentation.
4. Financial Investment Policy Strategies

By: *Colleen Campbell*  
**Colleen Campbell, Administrative Asst. II**

4/27/20  
**Date**

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# Staff Report

April 28, 2020



DATE: 4/24/2020  
TO: Finance Standing Committee (McGreehan/Rodowick)  
FROM: Dan Efsseff, District Manager  
SUBJECT: 2020-2021 Draft District Budget

## Report In Brief

Staff prepared the preliminary 2020-2021 budget for review with the Finance Committee. The Budget continues to be refined and simplified where appropriate. Simplification to date primarily involves consolidation of program budgets to more closely mirror the Chart of Accounts changes implemented in 2017-2018. Next year's budget will be streamlined even more (separation by programs) which will facilitate tracking and monitoring the budget.

Staff will provide a verbal review of budget changes and areas with the greatest change. Staff will provide an update on Capital Improvement Projects for the next Fiscal Year. Staff will also review forecasts of revenue and anticipated revenue reductions for future fiscal years.

**Recommendation:** Review and provide recommendations to staff and the full BOD

## Attachments:

- a) Budget Summary
- b) Overall Summary
- c) NOPH Summary

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4/27/2020

Paradise Recreation & Park District - General Fund (2510) Budget

Version Draft - Finance Committee

Fiscal Year: 2020-2021

Version Date 4/24/2020 Actual Tr 75.0%

Description	Code	FY 2017 - 2018	FY 2018 - 2019	FY 2019 - 2020		FY 2019 - 2020	FY 2019 - 2020	FY 2019 - 2020	FY 2019 - 2020	FY 2019 - 2020	FY 2019 - 2020	FY 2019 - 2020	FY 2020 - 2021		%	%	Difference
		Actual	Actual - as of 6/30/19	Approved	Actual - as of 3/31/20								Remaining	% YTD			
<b>Operating Budget</b>																	
<b>Funding Resources</b>																	
<b>Income</b>																	
4100 - Tax Revenue	4100	1,437,377	1,411,840	1,445,490	1,473,463.53	27,974	102%						1,488,600	67.0%	103.0%	▲ 43,110	
4200 - Impact Fee revenue	4200	41,902	87,345	62,841	186,205.05	123,364	296%						110,400	5.0%	175.7%	▲ 47,559	
4300 - Program Income	4300	420,167	172,715	483,140	131,334.87	-351,805	27%						277,600	12.5%	57.5%	▼ -205,540	
4350 - Concession & Merchandise sale	4350	11,366	-500	24,520	55.50	-24,465	0%						2,100	0.1%	8.6%	▼ -22,420	
4400 - Donation & Fundraising Income	4400	21,101	17,742	57,000	62,096.71	5,097	109%						64,300	2.9%	112.8%	▲ 7,300	
4500 - Grant Income	4500	4,412	1,106	1,500	50,000.00	48,500	3333%						252,000	11.3%	16800.0%	▲ 250,500	
4600 - Other Revenue	4600	70,997	7,752	7,400	19,116.24	11,716	258%						7,600	0.3%	102.7%	▲ 200	
4900 - Interest Income	4900	8,411	608	7,000	13,523.67	6,524	193%						18,000	0.8%	257.1%	▲ 11,000	
<b>Total Income</b>		<b>2,015,732</b>	<b>1,698,608</b>	<b>2,081,970</b>	<b>1,935,796</b>	<b>-146,174</b>	<b>93%</b>						<b>2,220,600</b>	<b>100.0%</b>	<b>106.7%</b>	<b>▲ 138,630</b>	
<b>Expense</b>																	
<b>5000 - Payroll Expenses</b>																	
5010 - Wages & Salaries	5010	933,440	827,618	1,085,762	603,596.14	-482,166	56%						1,172,000	7.1%	107.9%	▲ 86,238	
5020 - Employer Taxes	5020	77,795	61,907	81,900	44,327.36	-37,573	54%						65,000	2.6%	79.4%	▼ -16,900	
5030 - Employee Benefits	5030	190,350	190,036	198,800	110,935.83	-87,864	56%						202,700	8.2%	102.0%	▲ 3,900	
5040 - Workers Comp Expense	5040	53,658	44,930	60,000	45,672.00	-14,328	76%						61,200	2.5%	102.0%	▲ 1,200	
5050 - Accrued Comp, Sick, & Vacation	5050	0	0	4,000	0.00	-4,000	0%						0	0.0%	0.0%	▼ -4,000	
5060 - Other Personnel Costs	5060	11,211	25,693	3,100	11,322.70	8,223	365%						16,000	0.6%	516.1%	▲ 12,900	
<b>Total 5000 - Payroll Expenses</b>	<b>5000</b>	<b>1,266,454</b>	<b>1,150,183</b>	<b>1,425,862</b>	<b>815,854</b>	<b>-610,008</b>	<b>57%</b>						<b>1,516,900</b>	<b>61.0%</b>	<b>106.4%</b>	<b>▲ 91,038</b>	
<b>5100 - Program Expenses</b>																	
5110 - Concession & Merchandise Exp.	5110	5,838.26	2,453	14,450		-14,450	0%						15,100	0.6%	104.5%	▲ 650	
5120 - Program Contract Labor	5120			0	1,540.00	1,540							2,200	0.1%		▲ 2,200	
5130 - Program Supplies	5130	38,836	14,795	26,625	21,820.32	-4,805	82%						30,000	1.2%	112.7%	▲ 3,375	
<b>Total 5100 - Program Expenses</b>	<b>5100</b>	<b>44,674</b>	<b>17,248</b>	<b>41,075</b>	<b>23,360.32</b>	<b>-17,715</b>	<b>57%</b>						<b>47,300</b>	<b>1.9%</b>	<b>115.2%</b>	<b>▲ 6,225</b>	
5140 - Fundraising Expense	5140	0	0	18,000	0.00	-18,000	0%						18,400	0.7%	102.2%	▲ 400	
5200 - Advertising & Promotion	5200	8,088	3,639	11,000	5,724.42	-5,276	52%						11,300	0.5%	102.7%	▲ 300	
5210 - Bad Debt	5210	0	0	0	0	0							0	0.0%		▲ 0	
5220 - Bank & Merchant Fees	5220	474	241	4,620	3,767.80	-852	82%						5,000	0.2%	108.2%	▲ 380	
5230 - Contributions to Others	5230	15,111	12,561	15,100	2,540.50	-12,560	17%						15,500	0.6%	102.6%	▲ 400	
5240 - Copying & Printing	5240	5,578	82	840	70.57	-769	8%						4,000	0.2%	476.2%	▲ 3,160	
5260 - Dues, Mbrshps, Subscr, & Pubs	5260	7,428	9,890	5,200	13,464.69	8,265	259%						16,000	0.6%	307.7%	▲ 10,800	
5270 - Education, Training & Staff Dev	5270	3,601	8,568	11,000	3,200.92	-7,799	29%						11,000	0.4%	100.0%	▲ 0	
<b>5280 - Equip., Tools &amp; Furn (&lt;\$5k)</b>																	
5282 - Office ET&F	5282	5,772	6,697	18,537	8,681.53	-9,855	47%						18,000	0.7%	97.1%	▼ -537	
5284 - Program ET&F	5284	669	3	3,000	7,721.98	4,722	257%						10,000	0.4%	333.3%	▲ 7,000	
5286 - Small Tools & Equipment	5286	2,116	14,065	2,800	3,607	807	129%						4,900	0.2%	175.0%	▲ 2,100	
<b>Total 5280 - Equip., Tools &amp; Furn (&lt;\$5k)</b>	<b>5280</b>	<b>8,557</b>	<b>20,765</b>	<b>12,800</b>	<b>20,010</b>	<b>7,210</b>	<b>156%</b>						<b>32,900</b>	<b>1.3%</b>	<b>257.0%</b>	<b>▲ 20,100</b>	
5290 - Equipment Rental	5290	88,469	113,710	90,000	126,527.26	36,527	141%						92,100	3.7%	102.3%	▲ 2,100	
5300 - Insurance	5300	39,843	46,906	48,576	53,460.00	4,884	110%						72,800	2.9%	149.9%	▲ 24,224	
5310 - Interest Expense	5310	379	2,359	0	499.93	500							900	0.0%		▲ 900	
5320 - Miscellaneous Expense	5320	154	2,189	1,300	138.25	-1,162	11%						500	0.0%	38.5%	▼ -800	
<b>5330 - Professional &amp; Outside services</b>																	
5332 - Accounting	5332	13,938	9,500	10,000	19,779.48	9,779	198%						25,000	1.0%	250.0%	▲ 15,000	
5334 - Legal	5334	2,835	6,030	6,000	17,083.70	11,084	285%						25,000	1.0%	416.7%	▲ 19,000	
5336 - Engineering Services	5336	0	400	4,000	49,977.47	45,977	1249%						100,000	4.0%	2500.0%	▲ 96,000	
5338 - Other Professional & Outside Lal	5338	25,924	52,445	42,200	4,234.44	-37,966	10%						82,600	3.3%	195.7%	▲ 40,400	
<b>Total 5330 - Professional &amp; Outside services</b>	<b>5330</b>	<b>42,697</b>	<b>68,375</b>	<b>62,200</b>	<b>91,075</b>	<b>28,875</b>	<b>146%</b>						<b>232,600</b>	<b>9.4%</b>	<b>374.0%</b>	<b>▲ 170,400</b>	
5340 - Postage & Delivery	5340	54.75	802	3,200.00	133.16	-3,067	4%						2,000	0.1%	62.5%	▼ -1,200	
5350 - Rent-Facility use fees	5350	6,126	20,189	13,100	5,301.25	-7,799	40%						8,000	0.3%	61.1%	▼ -5,100	
<b>5360 - Repair &amp; Maintenance</b>																	
5361 - Building R&M	5361	7,972	24,786	11,000	12,862.01	1,862	117%						13,000	0.5%	118.2%	▲ 2,000	
5362 - Equipment R&M	5362	10,412	11,230	15,000	101,420.86	86,421	676%						18,000	0.7%	120.0%	▲ 3,000	
5363 - General R&M	5363	14,620	39,866	9,400	354,647.64	345,248	3773%						75,000	3.0%	797.9%	▲ 65,600	
5364 - Grounds R&M	5364	24,047	57,482	38,400	43,048.32	4,648	112%						50,000	2.0%	130.2%	▲ 11,600	
5365 - Pool R&M	5365	29,781	18,052	18,500	9,799.52	-8,700	53%						19,000	0.8%	102.7%	▲ 500	
5366 - Vehicle R&M	5366	5,703	107,906	8,900	78,117.63	69,218	878%						15,000	0.6%	168.5%	▲ 6,100	
5367 - Janitorial	5367	12,092	7,461	10,300	6,315.90	-3,984	61%						11,000	0.4%	106.8%	▲ 700	
5368 - Security	5368	1,310	1,364	1,300	1,159.90	-140	89%						2,000	0.1%	153.8%	▲ 700	
5369 - Vandalism	5369	37	61	0	202.37	202							500	0.0%		▲ 500	
<b>Total 5360 - Repair &amp; Maintenance</b>		<b>105,975</b>	<b>268,208</b>	<b>113,950</b>	<b>607,574</b>	<b>493,624</b>	<b>533%</b>						<b>203,500</b>	<b>8.2%</b>	<b>178.6%</b>	<b>▲ 89,550</b>	

**Paradise Recreation & Park District - General Fund (2510) Budget**

Version **Draft - Finance Committee**

Fiscal Year: 2020-2021

Version Date 4/24/2020 Actual Tr 75.0%

Description	Code	FY 2017 - 2018	FY 2018 - 2019	FY 2019 - 2020		FY 2019 - 2020	% YTD	FY 2020 - 2021		% of 2019-2020	Difference FY 20-21 / FY 19-20
		Actual	Actual - as of 6/30/19	Approved	Actual - as of 3/31/20			Remaining	Budget		
<b>5370 - Supplies - Consumable</b>	5370										
5372 - Office Supplies	5372	15,870	15,033	9,460	6,390.75	-3,069	68%	9,700	0.4%	102.5%	240
5374 - Safety & staff supplies	5374	2,251	5,034	4,200	6,451.03	2,251	154%	8,600	0.3%	204.8%	4,400
<b>Total 5370 - Supplies - Consumable</b>		18,121	20,067	13,500	12,842	-658	95%	18,300	0.7%	135.6%	4,800
<b>5380 - Taxes, Lic., Notices &amp; Permits</b>	5380	2,546	8,456	3,000	1,957.19	-1,043	65%	3,100	0.1%	103.3%	100
<b>5390 - Telephone &amp; Internet</b>	5390	5,662	6,333	26,100	17,728.58	-8,371	68%	26,100	1.0%	100.0%	0
<b>5400 - Transportation, Meals &amp; Travel</b>	5400			0							
5402 - Air, Lodging & Other Travel	5402	449	1,820	700	4,852.88	4,153	693%	6,500	0.3%	928.6%	5,800
5404 - Fuel	5404	13,200	13,854	13,000	13,242.28	242	102%	17,700	0.7%	136.2%	4,700
5406 - Meals	5406	604	1,596	1,000	1,517.18	517	152%	2,500	0.1%	250.0%	1,500
5408 - Mileage & Auto Allowance	5408	80	929	1,000	194.13	-806	19%	4,300	0.2%	430.0%	3,300
<b>Total 5400 - Transportation, Meals &amp; Travel</b>		14,333	18,198	15,700	19,806	4,106	126%	31,000	1.2%	197.5%	15,300
<b>5410 - Utilities</b>	5410										
5412 - Electric & Gas	5412	100,559	51,676	81,567	43,615.56	-37,951	53%	83,700	3.4%	102.6%	2,133
5414 - Water	5414	24,392	13,286	25,500	4,652.18	-20,848	18%	24,000	1.0%	94.1%	-1,500
5416 - Garbage	5416	11,136	10,087	9,900	10,345.52	446	105%	10,100	0.4%	102.0%	200
<b>Total 5410 - Utilities</b>	5410	136,088	75,049	120,267	58,613.26	-61,654	49%	117,800	4.7%	97.9%	-2,467
<b>Total Expense</b>		1,820,412	1,874,016	2,081,970	1,883,650	-198,320	90%	2,487,000	100.0%	119.5%	405,030
<b>Total Net Operating Income and Expenses</b>		195,320	-175,408	0	52,146	52,145	N/A	-266,400	-10.7%		-266,400
<b>Total Other Income</b>											
9999 - Misc. Expense	9999		-1,147,483	-1,147,483		1,147,483		-250,000			
<b>Beginning Fund Balance</b>											
1000 - Bank (Operating)	1000			0	319,224	319,224		319,224	7.9%		319,224
1011 - General Operating (Cash) - 2510	1011		784,576	102,226	-241,612	-343,839	-236%	24,387	0.6%	23.9%	-77,840
1030 - Investment - 1031, 1032	1030		784,576	0	1,244,518	1,244,518		1,246,483	30.7%		1,246,483
<b>Total Available Funds</b>		0	1,569,152	102,226	1,322,130	1,219,904	#####	1,840,094	45.3%	1800.0%	1,737,867
<b>Other Budgeted Expenditures (Allocations from General Fund)</b>											
Accumulated Capital Outlay (ACO)	1012			0	0	0		0	0.0%		0
Contingency	1013			100,000	100,000	0	100%	200,000	12.7%	200.0%	100,000
Construction in Progress (CIP)/Fixed Assets	1800			415,000	0	-415,000	0%	500,000	31.8%	120.5%	85,000
General Reserve	GR			1,000	1,000	0	100%	0	0.0%	0.0%	-1,000
Imprest Cash Reserve	ICR			0	0	0		0	0.0%		0
Sub-Division/Impact Fee Funds (Funds 2520-2528)	4200			62,841	186,205	123,364	296%	110,400	7.0%	175.7%	47,559
Reserves for Future Expenditure	R			115,000	115,000	0	100%	677,794	43.1%	589.4%	562,794
Scholarship Funds (Scholarship Granted (Contra to Acct.4400)	4401	2,354.00	407.00	7,000	0	-7,000	0%	5,500	0.3%	78.6%	-1,500
Vehicles	1740			50,000	0	-50,000	0%	80,000	5.1%	160.0%	30,000
<b>Allocations-Total</b>		2,354	407	1,003,228	402,205	-601,023	40%	1,573,694	100.0%	156.9%	570,465
<b>Total Revenue and Funds Available</b>			3,267,761	3,085,198	3,257,926	172,728	106%	4,060,694	100.0%	131.6%	975,496
<b>Total Expenses and Allocations</b>			1,874,423	3,085,198	2,285,855	-799,343	74%	4,060,694	100.0%	131.6%	975,496
<b>Net Income</b>		0	1,393,338	0	972,071	972,071		0	0.0%		0
<b>Beginning Total Available Fund Balance</b>		0	1,569,152	102,226	1,322,130			1,840,094			
<b>Ending Total Available Fund Balance</b>		192,966	1,393,338	-433,615	1,187,071			877,794			

**Paradise Recreation & Park District - General Fund (2510) Budget**

Version **Draft - Finance Committee**

Fiscal Year: 2020-2021

Version Date 4/24/2020 Actual Trl 75.0%

Description	Code	FY 2017 - 2018	FY 2018 - 2019	FY 2019 - 2020	FY 2019 - 2020	%	%	Difference
		Actual	Actual - as of 6/30/19	Approved	Actual - as of 3/31/20			
<b>Summary</b>								
<b>Grand Total Budget</b>								
Total Income		2,015,732	1,698,608	2,081,970	1,935,796	-146,174	93%	2,220,600 <span style="color: green;">▲ 54.7%</span> <span style="color: green;">▲ 138,630</span>
Expense								
Total Salary and Benefits		1,266,454	1,150,183	1,425,862	815,854	-610,008	57%	1,516,900 <span style="color: red;">▼ 37.4%</span> <span style="color: green;">▲ 91,038</span>
Total Services and Supplies		538,848	709,044	656,108	1,048,110	392,002	160%	970,100 <span style="color: red;">▼ 23.9%</span> <span style="color: green;">▲ 313,992</span>
Total Contributions to Others		15,111	12,561	15,100	2,541	-12,560	17%	15,500 <span style="color: red;">▼ 0.4%</span> <span style="color: green;">▲ 400</span>
Total Expense		1,820,412	1,874,016	2,081,970	1,883,650	-198,320	90%	2,487,000 <span style="color: red;">▼ 61.2%</span> <span style="color: green;">▲ 405,030</span>
Total Available Funds		0	1,569,152	1,003,228	1,322,130	318,902	132%	1,840,094 <span style="color: green;">▲ 45.3%</span> <span style="color: green;">▲ 836,866</span>
Total Allocations		2,354	407	1,003,228	402,205	-601,023	40%	1,573,694 <span style="color: red;">▼ 38.8%</span> <span style="color: green;">▲ 570,465</span>
<b>Net Income</b>		192,966	1,393,338	0	972,071	972,071	#####	0 <span style="color: orange;">■</span> 0

**Reserves**

Accumulated Capital Outlay (ACO)				626,700		-626,700	0%	626,700 <span style="color: red;">▼ 39.8%</span> <span style="color: red;">▼ 100.0%</span> <span style="color: orange;">■</span> 0
General Reserve				3,000		-3,000	0%	3,000 <span style="color: red;">▼ 0.2%</span> <span style="color: red;">▼ 100.0%</span> <span style="color: orange;">■</span> 0
Imprest Cash Reserve				300		-300	0%	300 <span style="color: red;">▼ 0.0%</span> <span style="color: red;">▼ 100.0%</span> <span style="color: orange;">■</span> 0
<b>Reserves-Total</b>			<b>0</b>	<b>630,000</b>	<b>0</b>	<b>-630,000</b>	<b>0%</b>	<b>630,000</b> <span style="color: orange;">■</span> <b>0</b>

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**Paradise Recreation & Park District - General Fund (2510) Budget**

Fiscal Year:

2020-2021

Draft - Finance Committee

4/24/2020

**FY 2020 - 2021**

Description	Code	Budget
<b>Operating Budget</b>		
<b>Funding Resources</b>		
<b>Income</b>		
4100 · Tax Revenue	4100	1,488,600
4200 · Impact Fee revenue	4200	110,400
4300 · Program Income	4300	277,600
4350 · Concession & Merchandise sales	4350	2,100
4400 · Donation & Fundraising Income	4400	64,300
4500 · Grant Income	4500	252,000
4600 · Other Revenue	4600	7,600
4900 · Interest Income	4900	18,000
<b>Total Income</b>		<b>2,220,600</b>
<b>Expense</b>		
5000 · Payroll Expenses	5000	1,516,900
5100 · Program Expenses	5100	47,300
5140 · Fundraising Expense	5140	18,400
5200 · Advertising & Promotion	5200	11,300
5220 · Bank & Merchant Fees	5220	5,000
5230 · Contributions to Others	5230	15,500
5240 · Copying & Printing	5240	4,000
5260 · Dues, Mbrshps, Subscr, & Pubs	5260	16,000
5270 · Education, Training & Staff Dev	5270	11,000
5280 · Equip., Tools & Furn (<\$5k)	5280	32,900
5290 · Equipment Rental	5290	92,100
5300 · Insurance	5300	72,800
5320 · Miscellaneous Expense	5320	500
5330 · Professional & Outside services	5330	232,600
5340 · Postage & Delivery	5340	2,000
5350 · Rent-Facility use fees	5350	8,000
5360 · Repair & Maintenance	5360	203,500
5370 · Supplies - Consumable	5370	18,300
5380 · Taxes, Lic., Notices & Permits	5380	3,100
5390 · Telephone & Internet	5390	26,100
5400 · Transportation, Meals & Travel	5400	31,000
5410 · Utilities	5410	117,800
<b>Total Expense</b>		<b>2,487,000</b>
<b>Total Net Operating Income and Expenses</b>		<b>-266,400</b>
<b>Beginning Fund Balance</b>		
1011 · General Operating (Cash) - 2510	1011	24,387
<b>Total Available Funds</b>		<b>1,840,094</b>

## 2020-2021.Budget.Worksheet.v1.20.0320

**Paradise Recreation & Park District - General Fund (2510) Budget**

Fiscal Year:

2020-2021

Draft - Finance Committee

4/24/2020

**FY 2020 - 2021**

Description	Code	Budget
<b>Other Budgeted Expenditures (Allocations from General Fund)</b>		
Accumulated Capital Outlay (ACO)	1012	0
Contingency	1013	200,000
Construction in Progress (CIP)/Fixed Assets	1800	500,000
General Reserve		0
Imprest Cash Reserve		0
Sub-Division/Impact Fee Funds (Funds 2520-2528)	4200	110,400
Reserves for Future Expenditure		677,794
Scholarship Funds (Scholarship Granted (Contra to Acct.4400)	4401	5,500
Vehicles	1740	80,000
<b>Allocations-Total</b>		<b>1,573,694</b>
<b>Total Revenue and Funds Available</b>		<b>4,060,694</b>
<b>Total Expenses and Allocations</b>		<b>4,060,694</b>
<b>Net Income</b>		<b>0</b>
<b>Beginning Total Available Fund Balance</b>		<b>1,840,094</b>
<b>Ending Total Available Fund Balance</b>		<b>877,794</b>

**Summary****Grand Total Budget**

Total Income	2,220,600
Expense	
Total Salary and Benefits	1,516,900
Total Services and Supplies	970,100
Total Contributions to Others	15,500
Total Expense	2,487,000
Total Available Funds	1,840,094
Total Allocations	1,573,694
<b>Net Income</b>	<b>0</b>

**Reserves**

Accumulated Capital Outlay (ACO)	626,700
General Reserve	3,000
Imprest Cash Reserve	300
<b>Allocations-Total</b>	<b>630,000</b>

**FY 2020-21 Paradise Recreation & Park District Preliminary Operations Budget****Fund 2010**

Salaries and Employee Benefits	1,516,900
Services and Supplies	953,700
Contributions to Others	15,500
Debt Service	
	<hr/>
	2,487,000

**Allocations from General Fund (FY 2020-21 Funds)**

Accumulated Capital Outlay (ACO)	0
Contingency	200,000
Construction in Progress (CIP)/Fixed Assets	500,000
General Reserve	0
Sub-Division/Impact Fee Funds (Funds 2520-2528)	110,400
Reserves for Future Expenditure	677,794
Scholarship Funds (Scholarship Granted (Contra to Acct.4400)	5,500
Vehicles	80,000
	<hr/>
	1,573,694

**Reserves**

Accumulated Capital Outlay (ACO)	626,700
General Reserve	3,000
Imprest Reserve	300
	<hr/>
	630,000



**Staff Report****April 28, 2020**

DATE: 4/27/2020  
TO: Finance Standing Committee (McGreehan/Rodowick)  
FROM: Dan Efsseff, District Manager  
SUBJECT: Estimated Insurance Liability Costs

**Report In Brief**

At the April 8, 2020 Board meeting staff reported the following:

“PID would retain liabilities associated with the dam and operations. Additional liability costs for the District are dependent on any increase in payroll, estimated at approximately \$20.00 in additional premiums for every \$1,000.00 in payroll. Further, CAPRI reports based on the agreement language indicating the District will assume all risk of damage to the property during the lease term, the approximate additional premium cost for the property is estimated at \$219.97 for every \$100,000 insured.”

Staff has reached out to Matt Duarte of CAPRI for a quote and we are still waiting for a response at the time of publishing the agenda. Staff will provide an oral update during the meeting.

**Attachments:**

- a) PID Paradise Lake Asset List

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4/27/2020

**Paradise Irrigation District  
LICENSED VEHICLES AS OF 01/23/2020**

UNIT#	YEAR	VIN/SN	DESCRIPTION	TYPE	SOURCE OF VALUE *	SCHEDULED VALUE
01	1999	1GDJ7H1C3XJ503920	GMC, WATER TRUCK, C6500, TN	All Other	MV	\$30,000
02	2007	1FTRX14W37NA71021	FORD, F150	Light Truck	AVG	\$19,013
03	2011	1FDUF4HY2BEA13240	FORD, F450	All Other	MV	\$43,503
04	2014	1FTFX1EF5EKG51533	FORD, F150, 4X4	Light Truck	AVG	\$26,000
4M	2002	1FTYR44U92PA40634	FORD, RANGER	Light Truck	AVG	\$4,000
05	1996	1B6KF26Z3TJ184815	DODGE, RAM 2500, FLATBED WELDING TRUCK	All Other	MV	\$23,008
06	1995	1GTEK14H8SZ570378	GMC, 1500	Light Truck	AVG	\$18,092
07	2001	1FDAF56F71EC41467	FORD, F550, UTILITY TRUCK	All Other	MV	\$15,000
7M	2004	1FTZR44U14PA29800	FORD, RANGER	Light Truck	AVG	\$4,000
08	1995	1GTEK14H6SZ571075	GMC, 1500	Light Truck	AVG	\$18,197
10	2002	1B7GG12X72S626582	DODGE, DAKOTA	Light Truck	AVG	\$16,942
11	2018	1FTEX1EBXJKE82404	FORD, F150, X1E 4WD SUPERCAB	Light Truck	AVG	\$30,878
11S	1992	1GDHC34K8NE542086	GMC, 3500, 1-TON	Light Truck	AVG	\$21,125
14	2011	1FDBF2B60BEA13238	FORD, F250	Light Truck	AVG	\$30,004
15	2009	4500A10179R032759	TRAILER, AIR COMPRESSOR; ATLAS COPCO	All Other	MV	\$13,695
16	1995	2FTHF26H6SCA18542	FORD, F250, 3/4-TON, 4X4 PumpTruck	Light Truck	AVG	\$20,393
17	1983	1FDWN70K9DVA23531	FORD, LN700, BOOM TRUCK	All Other	MV	\$4,000
19	2015	1FDUF4HY6FEC15584	FORD, F450, DUMP TRUCK	All Other	MV	\$46,738
19S	1989	1GDM7D1E3KV514246	GMC, DUMP TRUCK	All Other	MV	\$15,000
20	2009	1GCEK19C79Z243252	CHEVROLET, SILVERADO 1500	Light Truck	AVG	\$22,652
21	2015	1FDUF4HY8FEC15585	FORD, F450 4X4	All Other	MV	\$70,200
21M	2005	1FTZR44U25PA32805	FORD, RANGER	Light Truck	AVG	\$4,000
25	2004	1GTEK14T44Z248828	GMC, SIERRA 1500	Light Truck	AVG	\$17,293
26	2010	1FTEX1EW3AKE01455	FORD, F150, 4X4 SUPERCAB	Light Truck	AVG	\$23,464
27	2009	3FRNF65CS9V192663	FORD, F650 DUMP TRUCK	All Other	MV	\$63,817
29	2009	3FRXF75H99V142648	FORD, F750 DUMP TRUCK	All Other	MV	\$73,872
30	2007	1FTRX14W17FB36734	FORD, F150	Light Truck	AVG	\$19,013

**Paradise Irrigation District**  
**BUILDINGS, FIXED PROPERTY, AND PERSONAL PROPERTY**  
**AS OF 01/23/2020**

SITE	BUILDING	QTY	SIZE	U/M	DESCRIPTION	TYPE	SCHEDULED VALUE
		1	2,200	GAL	HYDROPNEUMATIC TANK, 24FT X 4FT DIA	F	\$32,246
	RETAINING WALL TO TREATED WATER STORAGE TANK		780	SF	RETAINING WALL	B	\$134,358
MOORE ROAD	PUMP STATION #2		512	SF	BUILDING	B	\$107,456
		1	200	HP	ENGINE-DRIVEN PUMP, CENTRIFUGAL SPLIT CASE, BYRON JACKSON, W/CUMMINS ENGINE, NATURAL GAS, CONTROLS, PIPING, ANCILLARY DEVICES	F	\$211,210
		1		LOT	SCADA EQUIPMENT W/TOWER	F	\$26,379
		1	150	HP	PUMP W/MOTOR, VERTICAL TURBINE, MCC	F	\$91,296
PARADISE LAKE	DAM SITE	1	5	KVA	HYDROELECTRIC GENERATER, (POWER FOR SCADA ONLY) W/SHED,CONTROLS	F	\$33,671
		1		LOT	SCADA EQUIPMENT/TOWER	F	\$29,536
	DETACHED RESIDENTIAL GARAGE		440	SF	BUILDING	B	\$17,345
	DIVERSON DAM	1	18	SF	WEDGEWIRE SCREEN, HYDROSCREEN	F	\$38,570
	PICNIC AREA		180	SF	BUILDING GAZEBO	B	\$13,818
		1		LOT	PLAYGROUND EQUIPMENT	F	\$24,424
		11		EA	PICNIC TABLE	PP	\$7,890
	CARETAKER RESIDENCE		1,352	SF	MODULAR HOME (52FT X 25 FT 8 IN) W/ATTACHED DECK	B	\$171,740
	OFFICE/SHOP		396	SF	BUILDING	B	\$18,064
		1		LOT	MISCELLANEOUS SUPPLIES	PP	\$3,115
	BOAT HOUSE		240	SF	SHED ON FLOATING DOCK W/STYROFOAM PONTOONS	B	\$29,580
8770 SKYWAY, PARADISE	"B" RESERVOIR	1	50,400	SF	HYPALON COVER, INSTALLED 5/31/05	F	\$475,030
		1		LOT	INTRUDER ALARM SYSTEM, SIMPLEX MODEL DS474	F	\$12,999



## Paradise Recreation & Park District

6626 Skyway  
Paradise, CA 95969  
Email: [info@ParadisePRPD.com](mailto:info@ParadisePRPD.com)

Phone: 530-872-6393  
Fax: 530-872-8619  
Website: [www.ParadisePRPD.com](http://www.ParadisePRPD.com)

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March 20, 2020

Mark Ghilarducci  
Governor's Authorized Representative (GAR) Director  
Governor's Office of Emergency Services  
3650 Schriever Avenue  
Mather, CA 95655

**SUBJECT: Official Request for a \$521,589 FEMA Community Disaster Loan  
for Paradise Recreation & Park District in California**

Dear Mr. Ghilarducci,

Please accept this letter as our formal request for a FEMA Community Disaster Loan (CDL). Based on the attached analysis, we request a loan in the amount of \$521,589.

We have prepared the analysis in accordance with the methodology established by FEMA, using data from our adopted operating budget, unaudited financial statements and audited financial statements.

All Paradise Recreation & Park District funds have been recognized in our budgeting and financial reporting as supporting essential activities. We retain a copy of the pertinent State statutes, ordinances, and regulations, which prescribe the system of budgeting, accounting, and financial reporting, including a description of each fund for Paradise Recreation & Park District.

For the revenue loss analysis, we identified the District's major revenue sources affected by the disaster and analyzed three years of historical data. Using that data and my professional judgment, we projected what revenues would have been had the disaster not occurred. We then estimated post-disaster revenues based on actual damage to the local economy and determined an estimate of how quickly revenues would return. An explanation of our revenue loss analysis can be found in the March 17, 2020 Memo to the File contained in this application.

Mark Ghilarducci  
 Governor's Authorized Representative (GAR) Director  
 March 20, 2020  
 Page -2-

Based on this analysis, we estimate the following revenue loss by year:

	2019 Year of the Disaster	FY 2020	FY 2021	FY 2022	Total
Projected Revenue Gain/(Loss)	\$(321,418)	\$(367,934)	\$(350,100)	\$(346,409)	\$(1,385,861)

We understand that the purpose of this loan is to carry on existing essential functions of the Paradise Recreation & Park District's operations character or to expand such functions to meet disaster-related needs. Further, we understand that the funds shall not be used to (1) finance capital improvements, including debt service related to capital outlays, (2) repair or restore of damaged public facilities, and (3) cover the non-federal cost share of any federal grant.

Thank you for your assistance in processing our loan request and co-signing our loan application. If you have any questions about the attached analysis, please contact me at (530) 872-6393 or [dfseaff@paradisepprd.com](mailto:dfseaff@paradisepprd.com). We look forward to working with you to quickly obtain a loan.

Sincerely,



Dan Eiseaff  
 District Manager

**Attachments:**

1. Form 090-0-1 (Certificate of Eligibility)
2. Contact Information Sheet
3. Memo to File
4. Form 116-0-1 (Promissory Note)
5. Form 112-0-3C (Certifications regarding Lobbying; Debarment, Suspension, and other responsibility matters; and Drug-Free workplace requirements)
6. Form 1199A (Direct Deposit Form)
7. Printed Excel Spreadsheet tabs identified in email
8. Disbursement Request Form, if applicable

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DEPARTMENT OF HOMELAND SECURITY  
Federal Emergency Management Agency

**CERTIFICATION OF ELIGIBILITY FOR COMMUNITY DISASTER LOANS**

OMB Control Number: 1660-0083  
Expiration: 10/31/2021

**PAPERWORK BURDEN DISCLOSURE NOTICE**

Public reporting burden for this form is estimated to average 2.5 hours per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the needed data, and completing, reviewing, and submitting the form. This collection of information is required to obtain or retain benefits. You are not required to respond to this collection of information unless it displays a valid OMB control number. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing this burden to: Information Collections Management, Department of Homeland Security, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC, 20472-3100, Paperwork Reduction Project (1660-0083). **Note: Do not send your completed form to this address.**

**PRIVACY NOTICE**

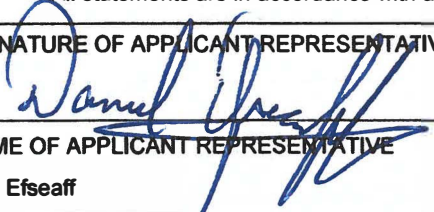
This information is being collected under the authority of Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended, (42 U.S.C. 5121-5207), and 44 CFR, § 206.364. DHS/FEMA will use this information to provide operational funding to help local governments that have incurred a significant loss in revenue, due to a major disaster, that has or will adversely affect their ability to provide essential municipal services. The information will be used by and disclosed to DHS personnel and contractors, state government officials, or other agents who need the information to assist in activities related to disaster relief. In addition, the information on this form may be disclosed as generally permitted under the Freedom of Information Act, as amended (5 U.S.C. § 552). Furnishing this information is voluntary; however, failure to furnish the requested information may delay or prevent the completion of your loan application and disbursement.

	<b>YES</b>	<b>NO</b>
1. Does State law prohibit your municipality from incurring the indebtedness from a federal loan?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the disaster caused revenue loss greater than 5% of total revenue estimated for the fiscal year of the disaster or the following fiscal year?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Has the loss of revenue or the increase in disaster-related un-reimbursable expenses adversely affected the level and/or the categories of essential municipal services provided prior to the disaster? If yes, explain. _____	<input type="checkbox"/>	<input type="checkbox"/>
4. Are there insufficient funds to meet current fiscal year operating requirements? If yes, what measures are you taking to meet financial obligations? _____	<input type="checkbox"/>	<input type="checkbox"/>
5. Is cash or other liquid assets available from the previous fiscal year? If yes, how long will the cash or liquid assets last given your current financial projections? _____	<input type="checkbox"/>	<input type="checkbox"/>
6. Were revenue producing businesses displaced due to property destruction?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Have you reduced or eliminated essential municipal services? If no, do you plan on doing this? _____	<input type="checkbox"/>	<input type="checkbox"/>
8. Are you in danger of municipal insolvency?	<input type="checkbox"/>	<input type="checkbox"/>

By signing this certificate, the applicant representative hereby confirms the following:

-All statements are made truthfully, as fairly and accurately as possible.

-All statements are in accordance with any federal, state, and local laws, standards, and regulations.

SIGNATURE OF APPLICANT REPRESENTATIVE 	DATE 4/8/20
NAME OF APPLICANT REPRESENTATIVE Dan E. Seaff	TITLE District Manager
NAME OF APPLICANT PARISH/COUNTY Paradise Recreation & Park District	STATE California
APPLICANT REPRESENTATIVE CONTACT EMAIL defseaff@paradisepd.com	PHONE NUMBER

### CONTACT INFORMATION

**Primary Contact**  
(The person who will be making the loan payment requests) Dan Efseaff

**Name of Organization** Paradise Recreation and Park District

**DUNS Number** 004955928

**Primary Contact's Title** District Manager

**Telephone Number** 530-872-6393

**Fax number** 530-872-8619

**Email Address** defseaff@paradiseprpd.com

**Mailing Address** 6626 Skyway  
Paradise, CA 95969

**Alternate Contact** Kristi Sweeney

**Alternate Contact's Title** Assistant District Manager

**Telephone Number** 530-872-6393

**Fax Number** 530-872-8619

**Email Address** ksweeney@paradiseprpd.com

**Mailing Address**  
(if different) 6626 Skyway  
Paradise, CA 95969

**Subaccount Code**  
(Leave Blank) \_\_\_\_\_

**MEMORANDUM TO FILE**

**DATE:** March 17, 2020  
**TO:** Martha Castro, FEMA CDL Program Manager  
**FROM:** Bill Duffy, FEMA TAC CDL Analyst  
**RE:** Summary of Loan Calculation and Eligibility for Paradise Recreation & Park District, California

In summary, Paradise Recreation & Park District qualifies for a \$521,589 Community Disaster Loan (CDL), which is limited by the CDL Regulations' maximum cap of 25% of the District's Annual Expenditure Budget for the year of the disaster (FY 2019).

Martha Castro (FEMA CDL Program Manager) had a teleconference on October 31, 2019 with Dan Efseaff District Manager, Colleen Campbell Administration Assistant, Kristi Sweeney Assistant District Manager, and Catherine Merrifield District Accountant, to discuss the request for a Community Disaster Loan (CDL). Paradise Recreation & Park District is located in Butte County California.

During that meeting and subsequent to the meeting, we discussed the operating budget of the applicant for the fiscal year of the disaster, and the revenues expected to be impacted by the disaster. Specifically, I inquired about the applicant's professional opinion regarding:

- What revenues likely would have been had wildfire events between November 08, 2018 to November 25, 2018 not occurred; and
- What revenues may be for the fiscal year of the disaster (FY 2019) and the three succeeding fiscal years

This memo provides an overview of the damage sustained by the applicant, a discussion of the revenue sources, an estimate of pre-disaster revenue expectations, and the assumptions, rationale, and basis for the post-disaster revenue estimates.

**Damage Overview**

Paradise Recreation & Park District was severely impacted by the California Wildfires in November 2018. There was massive property loss and displacement of citizens (about 90%) following the most expensive and deadly fire in California history. Nearly 19,000 structures were destroyed. As a result, there has been a significant loss of property taxes, which is the primary source of funding for PRPD. Also, because of the substantial population decline, there has been a significant loss of program revenue. Included in the devastation is the loss of key district facilities, including the aquatic park recreation center, Shop/Yard and equipment.



## **2 Memo to File: Paradise Recreation & Park District, CA CDL Application**

### **Revenue Sources**

I reviewed the revenue sources for FY 2016, FY 2017 and FY 2018 utilizing audited financial statements. The applicant's budgeted revenues for FY 2019 were utilized in the review. The four years were reviewed to understand the historical revenues. The November 2018 disaster occurred about 5 months into the applicant's 2019 fiscal year, which runs from 7/1/18-6/30/19.

Key revenue sources for the district's Funds are property taxes and charges for current services. Other revenues are from investment, reserved for impact development, and miscellaneous taxes.

### **Baseline Revenues**

To establish a revenue baseline as if the disaster had not occurred, I documented the actual revenues for FYs 2016 through FY 2018 and the latest FY 2019 budget. Dan Efsseff District Manager and Kristi Sweeney Assistant District Manager provided the impact the wildfires had on the district's revenues.

### **Government Fund**

The historical average increase to the district's Fund revenues for the three-year period was 1.06% and the Compound Annual Growth Rate (CAGR) calculated out to be 1.05%. The projected baseline revenues for FY 2020 – FY 2022 are projected using the CAGR.

### **Post-Disaster Revenue Projections**

Post-Disaster Revenue projections were estimated and submitted to FEMA by Dan Efsseff, District Manager and Kristi Sweeney, Assistant District Manager. The following assumptions were made for the applicant's Fund accounts:

### **Government Fund**

The information provided for the assumptions utilized for the Post Disaster projections were provided by Kristi Sweeney for all revenues. For FY 2019 to FY 2022, California backfill rates for lost property tax was used. The other remaining taxes and 'other revenue' used the actual FY 2019 tax revenues to date, and was adjusted upward in the subsequent years for inflation (2.1%). Reserved for Impact and Development revenue is projected using a 5% yearly increase from FY 2019 actuals to date. In FY 2020, Charges for Current Services revenue is expected to be 1/3 of FY 2019 budgeted revenue, and increasing 3% each year thereafter.

**3 Memo to File: Paradise Recreation & Park District, CA CDL Application**

The long-term effects of the recovery and aftermath of a wildfire of this magnitude is difficult to know. Housing issues are a primary concern for the region since so much of the housing stock was damaged. The District is expecting at least a 2-3 year re-build timeframe. However, some experts predict it could take a decade or more for housing to recover from the wildfires.

Overall, with pre- and post-disaster combined revenue projections for all funds, the Applicant projects a (\$1,064,443) wildfire-related loss for fiscal years 2020-2022. This represents a 17.38% revenue loss during said period.

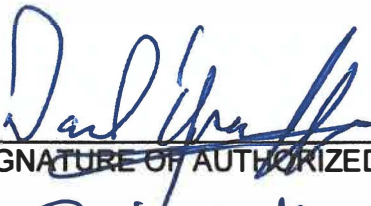
**Conclusion**

Due to disaster-related revenue losses, Paradise Recreation & Park District appears eligible for a \$521,589 Community Disaster Loan. The amount of loan is based on the lesser of their projected revenue losses (and UDRE, if applicable) in the fiscal year of the disaster (FY 2019) and three subsequent years (FY 2020-FY 2022) or 25% of their adopted operating budget in the fiscal year of the disaster, up to \$5 million. For this analysis, the loan amount will be limited to the CDL Regulations' maximum cap of 25% of the district's Annual Expenditure Budget in the year of the disaster (FY 2019), even though projected revenue losses for the fiscal year of the disaster and the following three full fiscal years is higher than this amount. See attached analysis for detail.

**Concurrence of Applicant:**

I have reviewed the information provided to me by the FEMA analyst in this loan application packet, and I concur with the estimated revenue loss. I assume full responsibility for the documentation provided to FEMA staff, in making the preliminary loan eligibility determination.

Dan Efseaff, District Manager

  
\_\_\_\_\_  
SIGNATURE OF AUTHORIZED REPRESENTATIVE  
District Manager  
\_\_\_\_\_  
TITLE

**4 Memo to File: Paradise Recreation & Park District, CA CDL Application**

4/8/20

\_\_\_\_\_  
DATE SIGNED

\*\*\*\*\*

Bill Duffy, FEMA TAC CDL Analyst

*Bill Duffy*

\_\_\_\_\_  
SIGNATURE OF ANALYST

3/17/20

\_\_\_\_\_  
DATE SIGNED

DEPARTMENT OF HOMELAND SECURITY  
Federal Emergency Management Agency

OMB Control Number: 1660-0083  
Expiration: 10/31/2021

**PROMISSORY NOTE**

**PAPERWORK BURDEN DISCLOSURE NOTICE**

Public reporting burden for this data collection is estimated to average 4 hours per response. The burden estimates includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and submitting this form. This collection of information is required to obtain or retain benefits. You are not required to respond to this collection of information unless a valid OMB control number is displayed on this form. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing the burden to: Information Collections Management, Department of Homeland Security, Federal Emergency Management Agency, 500 C Street, S.W. Washington, DC 20598-3005, Paperwork Reduction Project (1660-0083). **NOTE: Do not send your completed questionnaire to this address.**

**PRIVACY NOTICE**

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**PART I: COMMUNITY DISASTER LOAN**

1. NAME AND ADDRESS OF BORROWER: Paradise Recreation & Park District 6626 Skyway. Paradise, CA 95969	2. TELEPHONE NUMBER: (535) 872-6393
	3. LOAN NUMBER:

DATE: \_\_\_\_\_

Paradise Recreation & Park District

(herein called "Borrower") promises to pay to the Order of the United States of America, acting through the Federal Emergency Management Agency, (herein called the "Government") at its office in 500 C Street S.W., Washington, DC 20472

The principle sum of Five hundred twenty one thousand, five hundred eighty nine dollars (\$ 521,589 ),

plus interest on the unpaid principal balance at the rate of \_\_\_\_\_ percent

( \_\_\_\_\_ % ) per annum. The principal and interest less such as may be canceled pursuant to Section 417 of the Stafford

Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended and implementing regulations are due on \_\_\_\_\_

unless the term of this note is extended in the sole discretion of the Government, except that prepayments may be made as provided below.

The loan shall be paid in increments to Borrower as requested by Borrower and approved by Government. Interest shall be charged on each loan increment from the actual date of payment by the Government.

Every repayment made on this loan shall be applied first to interest and then to principal.

Prepayment of schedule installments, or any portion thereof, may be made at any time at the option of Borrower. Such payments shall be applied to the installments last to become due under this note and shall not affect the obligation of Borrower to pay the remaining installments.

Any cost incurred by the Government in collecting this note shall be added to the unpaid balance of the loan, bear interest at the same rate as this loan, and are immediately due without demand.

The Government may extend, or renew, this note without affecting any other rights it has against the Borrower or any other party.

Borrower agrees to use this loan solely for purposes authorized by the Government.

In the event of default on this note by the Borrower, the Department of Homeland Security/Federal Emergency Management Agency will take action to recover the outstanding principal plus related interest under Federal Debt collection authorities, including administrative offset against other Federal funds due the Borrower and/or referral to the Department of Justice for Judicial enforcement and collection.

**PROMISSORY NOTE (Continued)**

DEFAULT hereunder shall constitute default under any other instrument evidencing a debt of borrower owing to or secured by the Government or securing or otherwise relating to such a debt, and default under any such other instrument shall constitute default hereunder. UPON ANY SUCH DEFAULT, the Government at its option may declare all or part of such indebtedness immediately due and payable.

This note is given as evidence of a loan to Borrower made by the Government pursuant to section 417 of the Stafford Act (Public Law 93-288, as amended) and Federal Emergency Management Agency Regulation 44 CFR 206, Subpart K.

ATTEST

*[Signature]*  
(Signature of Attesting Official)  
Assistant District Manager  
(Title of Attesting Official)

Paradise Recreation and Park District  
(Name of Borrower)  
*[Signature]*  
(Signature of Executive Official)

[SEAL]

District Manager  
(Title of Executive Official)

6626 Skyway  
(Post Office Box No./or Street Address)

Paradise, CA 95969  
(City, State and Zip Code)

**PART II: STATE CO-SIGNER**

Is State co-signing this note?

- Yes If Yes, State must complete Part II.
- No If No, attach FEMA Form 90-100, Collateral Security.

ATTEST

\_\_\_\_\_  
(Signature of Attesting Official)  
 \_\_\_\_\_  
(Title of Attesting Official)

\_\_\_\_\_  
(Name of State Co-Signer)  
 \_\_\_\_\_  
(Signature of Co-Signer)

[SEAL]

\_\_\_\_\_  
(Title of State Official)

**PART III - SCHEDULE OF LOAN INCREMENTS TO BE DISBURSED TO BORROWER**

AMOUNT	DATE	AMOUNT	DATE
(1) \$		(6) \$	
(2) \$		(7) \$	
(3) \$		(8) \$	
(4) \$		(9) \$	
(5) \$		(10) \$	
	Text		

PAY TO THE ORDER OF \_\_\_\_\_

**PART IV - RECOVERY DIVISION, PUBLIC ASSISTANCE BRANCH AUTHORIZATION**

TYPED NAME AND TITLE (Authorizing Official)  
 Tod Wells, Public Assistance Division Acting Director

SIGNATURE

DEPARTMENT OF HOMELAND SECURITY  
 Federal Emergency Management Agency  
**CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION  
 AND OTHER RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE  
 REQUIREMENTS**

OMB Control Number: 1660-0083  
 Expiration: 10/31/2021

**PAPERWORK BURDEN DISCLOSURE NOTICE**

Public reporting burden for this form is estimated to average 1.7 hours per response. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing, and submitting the form. This collection of information is required to obtain or retain benefits. You are not required to submit to this collection of information unless it displays a valid OMB control number. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing the burden to: Information Collections Management, Department of Homeland Security, Federal Emergency Management Agency, 500 C Street SW, Washington, DC 20472-3100, and Paperwork Reduction Project (1660-0083). **NOTE: Do not send your completed form to this address.**

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 44 CFR Part 18, "New Restrictions on Lobbying" and 28 CFR Part 17, "Government-wide Debarment and Suspension (Nonprocurement) and Government-wide Requirements for Drug-Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Federal Emergency Management Agency (FEMA) determines to award the transaction, grant, or cooperative agreement.

**1. LOBBYING**

As required by section 1352, Title 31 of the U.S. Code, and implemented at 44 CFR Part 18, for persons entering into a grant or cooperating agreement over \$ 100,000, as defined at 44 CFR Part 18, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement.

(b) If any other funds than Federal appropriated funds have been paid or will be paid to any other person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or an employee of Congress, or employee of a member of Congress in connection with this Federal Grant or cooperative agreement, the undersigned shall complete and submit Stand Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

Standard Form-LLL "Disclosure of Lobbying Activities"

attached

*(This form must be attached to certification if non-appropriated funds are to be used to influence activities.)*

**2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (DIRECT RECIPIENT)**

As required by Executive Order 12549, Debarment and Suspension, and implemented at 44 CFR Part 67, for prospective participants in primary covered transactions, as defined at 44 CFR Part 17, Section 17.510-A.

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of a or had a civilian judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or perform a public a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause of default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

**3. DRUG-FREE WORKPLACE (GRANTEE OTHER THAN INDIVIDUALS)**

As required by the Drug-Free Workplace Act of 1988, and implemented at 44 CFR Part 17, Subpart F, for grantees, as defined at 44 CFR Part 17.615 and 17.620-

A. The applicant certifies that it will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug free awareness program to inform employees about-

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant to be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will-

(1) Abide by the term of the statement; and

(2) Notify the employee in writing of his or her conviction for a violation of a criminal drug statute occurring ion the workplace no later than five calendar days after such convictions;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position, title, to the applicable FEMA awarding office, i.e., regional office or FEMA office.

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is convicted-

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation act of 1973, as amended; or

(2) Requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, City, County, State, Zip code)

6626 Skyway  
Paradise, CA 95969

There are workplaces on file that are not identified

*Parks*

Sections 17.630 of the regulations provide that a grantee that is a State may elect to make one certification in each Federal fiscal year. A copy of which should be included with each application for FEMA funding. States and State agencies may elect to use a state wide certification.

# DIRECT DEPOSIT SIGN-UP FORM

### DIRECTIONS

- To sign up for Direct Deposit, the payee is to read the back of this form and fill in the information requested in Sections 1 and 2. Then take or mail this form to the financial institution. The financial institution will verify the information in Sections 1 and 2, and will complete Section 3. The completed form will be returned to the Government agency identified below.
- A separate form must be completed for each type of payment to be sent by Direct Deposit.
- The claim number and type of payment are printed on Government checks. (See the sample check on the back of this form.) This information is also stated on beneficiary/annuitant award letters and other documents from the Government agency.
- Payees must keep the Government agency informed of any address changes in order to receive important information about benefits and to remain qualified for payments.

### SECTION 1 (TO BE COMPLETED BY PAYEE)

<b>A NAME OF PAYEE</b> <i>(last, first, middle initial)</i> Paradise Recreation & Park District		<b>D TYPE OF DEPOSITOR ACCOUNT</b> <input checked="" type="checkbox"/> CHECKING <input type="checkbox"/> SAVINGS	
<b>ADDRESS</b> <i>(street, route, P.O. Box, APO/FPO)</i> 6626 Skyway		<b>E DEPOSITOR ACCOUNT NUMBER</b> 0100004761	
<b>CITY</b> Paradise	<b>STATE</b> CA	<b>ZIP CODE</b> 95969	<b>F TYPE OF PAYMENT</b> <i>(Check only one)</i> <input type="checkbox"/> Social Security <input type="checkbox"/> Fed. Salary/Mil. Civilian Pay <input type="checkbox"/> Supplemental Security Income <input type="checkbox"/> Mil. Active _____ <input type="checkbox"/> Railroad Retirement <input type="checkbox"/> Mil. Retire. _____ <input type="checkbox"/> Civil Service Retirement (OPM) <input type="checkbox"/> Mil. Survivor _____ <input type="checkbox"/> VA Compensation or Pension <input checked="" type="checkbox"/> Other <b>FEMA - CDL</b> <i>(specify)</i>
<b>TELEPHONE NUMBER</b> AREA CODE 530 872-6393			
<b>B NAME OF PERSON(S) ENTITLED TO PAYMENT</b>		<b>G THIS BOX FOR ALLOTMENT OF PAYMENT ONLY</b> <i>(if applicable)</i>	
<b>C CLAIM OR PAYROLL ID NUMBER</b>		TYPE AMOUNT	
Prefix Suffix			
<b>PAYEE/JOINT PAYEE CERTIFICATION</b> I certify that I am entitled to the payment identified above, and that I have read and understood the back of this form. In signing this form, I authorize my payment to be sent to the financial institution named below to be deposited to the designated account.		<b>JOINT ACCOUNT HOLDERS' CERTIFICATION</b> <i>(optional)</i> I certify that I have read and understood the back of this form, including the SPECIAL NOTICE TO JOINT ACCOUNT HOLDERS.	
SIGNATURE	DATE	SIGNATURE	DATE
	3/24/20		
SIGNATURE	DATE	SIGNATURE	DATE

### SECTION 2 (TO BE COMPLETED BY PAYEE OR FINANCIAL INSTITUTION)

<b>GOVERNMENT AGENCY NAME</b> Department of Homeland Security - Federal Emergency Management Agency	<b>GOVERNMENT AGENCY ADDRESS</b> 500 C Street SW Washington, DC 2 0472
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### SECTION 3 (TO BE COMPLETED BY FINANCIAL INSTITUTION)

<b>NAME AND ADDRESS OF FINANCIAL INSTITUTION</b> Mechanics Bank 672 Pearson Road Paradise, CA, 95969		<b>ROUTING NUMBER</b> 1 2 2 2 3 8 4 2		<b>CHECK DIGIT</b> 0
<b>DEPOSITOR ACCOUNT TITLE</b>				
<b>FINANCIAL INSTITUTION CERTIFICATION</b> I confirm the identity of the above-named payee(s) and the account number and title. As representative of the above-named financial institution, I certify that the financial institution agrees to receive and deposit the payment identified above in accordance with 31 CFR Parts 240, 209, and 210.				
<b>PRINT OR TYPE REPRESENTATIVE'S NAME</b> Gerardo Rodriguez	<b>SIGNATURE OF REPRESENTATIVE</b> 	<b>TELEPHONE NUMBER</b> 530-763-9152	<b>DATE</b> 3/27/20	

Financial institutions should refer to the GREEN BOOK for further instructions.  
 THE FINANCIAL INSTITUTION SHOULD MAIL THE COMPLETED FORM TO THE GOVERNMENT AGENCY IDENTIFIED ABOVE.



**Paradise Recreation and Park District  
Qualification for Loan**

**Qualification Comparison**

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<b>I.</b>	<b>25% Maximum CDL Loan Amount</b>	<b>\$</b>	<b>521,589</b>
<b>II.</b>	<b>Projected Revenue Loss (Year of disaster plus 3 years)</b>	<b>\$</b>	<b>(1,385,861)</b>
<b>III.</b>	<b>Lesser of I &amp; II is maximum CDL Loan Amount, not to exceed \$5M</b>	<b>\$</b>	<b>521,589</b>

**Source:**

Paradise Recreation and Park District Audited Financial Statements FY 2016-2018; FY 2019 Budget

**Note:** The Applicant name will be used consistently on all FEMA forms and documentation, and is exactly the same as the:

- 1) Municipality name as Registered in the System For Awards Management (SAM.GOV), and
- 2) D&B Legal Business Name as reflected in SAM.GOV

**Paradise Recreation and Park District  
Paradise Recreation and Park District**

**Confirmed by Analyst**

Date  
**1/9/2020**

**Paradise Recreation and Park District  
5% Revenue Loss Calculation**

	Net Revenues	% of Revenue Loss	Revenue Loss	
			Year of Disaster	Year after Disaster
			2019	2020
(1) Post Disaster Revenue Loss Projection (Gov't Funds)	\$ (367,934)		\$ (321,418)	\$ (367,934)
(2) Adopted Budget - Net Operating Budgeted Revenues (Gov't Funds)	\$ 2,019,779		Governmental \$ 1,998,829	\$ 2,019,779
(3) Revenue Loss Percentage Increase (Decrease)		<b>-18.22%</b>	-16.08%	-18.22%

(Applicant does not qualify for a 50% loan because they did not have a revenue loss of 75% of the net budgeted operating revenues in the year of the disaster.)

**Source:**

Paradise Recreation and Park District Audited Financial Statements FY 2016-2018; FY 2019 Budget

**Paradise Recreation and Park District  
FY 2019 Operating Revenue Analysis  
Budget FY 06/30/2019**

<b>Revenues</b>	<b>General Fund</b>	<b>Non Major Governmental Funds</b>	<b>Total All Funds</b>
Current secured property taxes	\$ 1,445,490	\$ -	\$ 1,445,490
Current supplemental property tax	-		-
Current unsecured property taxes	-		-
Prior property taxes	-	52	52
Miscellaneous taxes	-		-
Investment income	7,945		7,945
Reserved for Impact and Development	54,225		54,225
Aid from gov't agencies:			-
State: Homeowners property tax relief	1,500		1,500
Charges for current services	483,890		483,890
Other	88,920	5,727	94,647
<b>Total Budgeted Revenues</b>	<b>2,081,970</b>	<b>5,779</b>	<b>2,087,749</b>
Less: One-time grants and other revenues	(88,920)	-	(88,920)
<b>Net Operating Revenues</b>	<b>\$ 1,993,050</b>	<b>\$ 5,779</b>	<b>\$ 1,998,829</b>

**Source:**

Paradise Recreation and Park District FY 2019 Budget

DR 4407 CA

**Paradise Recreation and Park District  
FY 2019 Operating Expenditure Analysis  
Budget FY 06/30/2019**

<b>Expenditures</b>	<b>General Fund</b>	<b>Non Major Governmental Funds</b>	<b>Total All Funds</b>
Salaries and benefits	\$ 1,467,662	\$ -	\$ 1,467,662
Services and supplies	614,308	4,386	618,694
Contributions to Other Agencies			-
Capital Outlay			-
<b>Total Expenditures</b>	<b>2,081,970</b>	<b>4,386</b>	<b>2,086,356</b>
Less: One-time	-		-
<b>Net Operating Budgeted Expenditures</b>	<b>\$ 2,081,970</b>	<b>\$ 4,386</b>	<b>\$ 2,086,356</b>
<b>25% Maximum CDL Loan Amount =&gt;</b>	<b>\$ 521,589</b>		
<b>Lesser of \$5 million or 25% of Budget</b>	<b>\$ 521,589</b>		

**Source:**

Paradise Recreation and Park District FY 2019 Budget

**Paradise Recreation and Park District  
FEMA Community Disaster Loan Program  
Revenue Gain / Loss Calculation Summary  
For the fiscal years ended: June 30, 2019 - 2022**

	Year of Disaster				TOTAL
	2019	2020	2021	2022	
<b>Governmental Funds</b>					
Governmental Funds, Baseline	\$ 1,998,829	\$ 2,019,779	\$ 2,040,949	\$ 2,062,341	\$ 8,121,898
Governmental Funds, Projections/Actual	1,677,410	1,651,845	1,690,850	1,715,933	6,736,037
<b>Net Gain(Loss)</b>	<u>(321,418)</u>	<u>(367,934)</u>	<u>(350,100)</u>	<u>(346,409)</u>	<u>(1,385,861)</u>
<b>Cumulative Operating Revenue Gain / (Loss)</b>	<u>\$ (321,418)</u>	<u>\$ (367,934)</u>	<u>\$ (350,100)</u>	<u>\$ (346,409)</u>	<u>\$ (1,385,861)</u>
Total Revenue Baseline (all funds)	\$ 1,998,829	\$ 2,019,779	\$ 2,040,949	\$ 2,062,341	\$ 8,121,898
Total Revenue Loss (all funds)	\$ (321,418)	\$ (367,934)	\$ (350,100)	\$ (346,409)	\$ (1,385,861)
Percent Revenue Gain (Loss)	-16.08%	-18.22%	-17.15%	-16.80%	-17.06%

**Paradise Recreation and Park District  
Statement of Revenues (Governmental Funds)  
Fiscal Years 2016-2018 - Actuals  
Fiscal Years 2019-2022 - Budgets/Projected  
Prepared by CDL Accountant Bill Duffy, TAC  
Incident Period Ended - November 25 2018**

**Future Revenue Loss Projections**

California Wildfires (EM 3409)

Incident period: November 08, 2018 to November 25, 2018

Emergency Declaration declared on November 09, 2018

**Governmental Funds**

**Historical Revenues:**

	Year of Disaster				Pre-Disaster Projections (Baseline)			Total Projected (3 years)
	2016 <i>Audited</i> 6/30/2016	2017 <i>Audited</i> 6/30/2017	2018 <i>Audited</i> 6/30/2018	2019 <i>Budgeted</i> 6/30/2019	2020 <i>Projected</i> 6/30/2020	2021 <i>Projected</i> 6/30/2021	2022 <i>Projected</i> 6/30/2022	
Current secured property taxes	\$ 1,238,347	\$ 1,291,734	\$ 1,437,377	\$ 1,445,490	\$ 1,460,641	\$ 1,475,950	\$ 1,491,420	\$ 4,428,011
Current supplemental property tax	11,751	17,097	-	-	-	-	-	-
Current unsecured property taxes	65,308	67,457	-	-	-	-	-	-
Prior property taxes	2,328	1,554	-	52	52	53	53	158
Miscellaneous taxes	10,761	14,403	41,902	-	-	-	-	-
Investment income	19,971	(384)	131	7,945	8,028	8,112	8,197	24,338
Reserved for Impact and Development	65,045	41,647	-	54,225	54,793	55,368	55,948	166,109
Aid from gov't agencies:								
State: Homeowners property tax relief	18,486	18,595	-	1,500	1,516	1,532	1,548	4,595
Charges for current services	502,999	474,192	431,740	483,890	488,962	494,087	499,266	1,482,314
Other	34,308	17,573	94,156	94,647	95,639	96,641	97,654	289,935
<b>Total Revenue</b>	<b>1,969,300</b>	<b>1,943,868</b>	<b>2,005,306</b>	<b>2,087,749</b>	<b>2,109,631</b>	<b>2,131,743</b>	<b>2,154,087</b>	<b>6,395,461</b>
Less: One-time grants and other revenues	(32,028)	(17,573)	(23,073)	(88,920)	(89,852)	(90,794)	(91,745)	(272,391)
<b>Net Operating Revenues</b>	<b>\$ 1,937,272</b>	<b>\$ 1,926,295</b>	<b>\$ 1,982,233</b>	<b>\$ 1,998,829</b>	<b>\$ 2,019,779</b>	<b>\$ 2,040,949</b>	<b>\$ 2,062,341</b>	<b>\$ 6,123,070</b>
Increase (Decrease)		\$ (10,977)	\$ 55,938	\$ 16,596				
Percent Increase (Decrease)		-0.57%	2.90%	0.84%				
Trend			3-year avg.	1.06%	1.05%	1.05%	1.05%	
Compound Annual Growth Rate			CAGR	1.05%				

**Paradise Recreation and Park District  
Statement of Revenues (Governmental Funds)  
Fiscal Years 2016-2018 - Actuals  
Fiscal Years 2019-2022 - Budgets/Projected  
Prepared by CDL Accountant Bill Duffy, TAC  
Incident Period Ended - November 25 2018**

**Future Revenue Loss Projections**

California Wildfires (EM-3409)

Incident period: November 08, 2018 to November 25, 2018

Emergency Declaration declared on November 09, 2018

**Governmental Funds**

**Post Disaster Projected Revenues**

**Major Revenues:**

	<b>Post-Disaster Projections</b>					
	<b>2019 Projected 6/30/2019</b>	<b>2020 Projected 6/30/2020</b>	<b>2021 Projected 6/30/2021</b>	<b>2022 Projected 6/30/2022</b>	<b>Total Projected (3 years)</b>	<b>Total Revenue Loss (4 years)</b>
Current secured property taxes	\$ 1,411,840	\$ 1,363,477	\$ 1,392,110	\$ 1,421,345	\$ 4,176,932	
Current supplemental property tax		4,803	4,904	5,007	14,713	
Current unsecured property taxes		38,521	39,330	40,156	118,008	
Prior property taxes		1,004	1,025	1,047	3,076	
Miscellaneous taxes		6,743	6,885	7,030	20,658	
Investment income	608	26,999	26,999	13,499	67,497	
Reserved for Impact and Development	87,345	150,150	157,658	165,540	473,348	
Aid from gov't agencies:						
State: Homeowners property tax relief		1,415	1,445	-	2,860	
Grant Income	1,106	225,000	-	-		
Charges for current services	177,977	58,732	60,494	62,309	181,536	
Other	24,269	10,031	10,241	10,456	30,728	
<b>Total Revenue</b>	<b>1,703,145</b>	<b>1,886,876</b>	<b>1,701,091</b>	<b>1,726,389</b>	<b>5,089,355</b>	
Less: One-time revenues	(24,629)	(10,031)	(10,241)	(10,456)	(30,728)	
Less: One time grants	(1,106)	(225,000)				
<b>Net Operating Revenue</b>	<b>1,677,410</b>	<b>1,651,845</b>	<b>1,690,850</b>	<b>1,715,933</b>	<b>5,058,627</b>	<b>6,736,037</b>
<b>Total Revenue Loss</b>	<b>\$ (321,418)</b>	<b>\$ (367,934)</b>	<b>\$ (350,100)</b>	<b>\$ (346,409)</b>	<b>\$ (1,064,443)</b>	<b>\$ (1,385,861)</b>
Revenue Loss Percentage Increase (Decrease)	-16.08%	-18.22%	-17.15%	-16.80%	-17.38%	-17.06%
					3 yr loss %	4 yr loss %

**Sources:**

Paradise Recreation and Park District Audited Financial Statements FY 2016-2018; FY 2019 Budget

**Pre-Disaster Assumptions:**

Utilized FY 2019 adopted budget as baseline and adjusted based on CAGR for Projected FY 2020-FY2022

Utilized four year average as baseline for deductions for FY 2020-FY2022

**Post-disaster assumptions provided by applicant:**

<b>Current Secured Property Taxes:</b> Includes actual secured property tax revenue and state backfill on property taxes lost due to Camp Fire. Current secured property tax collection anticipated to grow at an average rate of inflation (2.1% in December 2019). In 2022 (Cell H7) state backfill on lost property tax collection stops. In 2022 secured property tax revenue estimates are based on 2019 <i>actual</i> secured property tax revenue (\$390,433.21) compounded by average annual rate of inflation (2.1%).
<b>Current Supplemental Property Tax:</b> anticipated to increase at current rate of inflation (2.1% as of December 2019).
<b>Unsecured Property Tax:</b> based on actual 2019 revenues received but adjusted upward each year at current rate of inflation (2.1% as of December 2019).
<b>Prior Unsecured Property Tax:</b> based on actual 2019 revenues received but adjusted upward each year at current rate of inflation (2.1% as of December 2019).
<b>Miscellaneous Taxes:</b> based on actual 2019 revenues received but adjusted upward each year at current rate of inflation (2.1% as of December 2019).
<b>Investment Income:</b> Average investment income earned in 2019. As State backfill of property tax revenue ends in 2021 it is anticipated that the District will tap into reserves, thereby decreasing monthly investment interest income.
<b>Reserved for Impact and Development:</b> Assuming rebuilding of burned structures occurs at a 5% increase each year. 2020 figure represents actual 2019 Impact Fees collected multiplied by 5%.
<b>State: Homeowners Property Tax Relief:</b> Currently only revenues received are derived from State backfill for this account. 2020 figure represents actual state backfill received for State homeowners property tax relief multiplied by current rate of inflation. When state backfill ends after 2021 the District anticipates this additional tax revenue will fall to zero.
<b>Grant Income 2020:</b> Pending approval from the Sierra Nevada Conservancy Board of Directors PRPD anticipates being awarded \$225,000 in grant funding for land acquisition to expand existing park property. No
<b>Charges for Current Services:</b> program/facility rental revenues anticipated to be a third of 2019 budgeted revenues in 2020, then increasing by 3% each year thereafter.
<b>Other Revenues:</b> Based on actual miscellaneous revenues adjusted upward for average rate of inflation (2.1% in December 2019).

## **Paradise Recreation and Park District Financial Investment Policy**

### **Policy**

It is the policy of the Paradise Recreation and Park District (“District”) to provide guidelines for the prudent investment of District funds and to maximize the efficiency of the District’s cash management. The ultimate goal is to enhance the economic status of the District consistent with the prudent protection of the District’s investments. This investment policy has been prepared in conformance with all pertinent existing laws of the State of California including California Government Code Sections 53600, *et seq.*

### **Scope**

This policy covers all funds and investment activities of the District except for (1) the proceeds of bond issues, which are invested in accordance with provisions of their specific bond indentures, and (2) funds invested in retirement or deferred compensation plans. All funds covered by this policy are defined and accounted for in the District’s audited annual Basic Financial Statements Report. Further, any new funds created shall be covered by this policy unless specifically excluded by District management and the Board of Directors.

### **Prudent Investor Standard**

The District operates its investment portfolio under the Prudent Investor Standard (California Government Code Section 53600.3) which states, that “when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person in a like capacity and familiar with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principle and maintain the liquidity needs of the District.” This standard shall be applied in the context of managing the overall portfolio. Investment officers, acting in accordance with written procedures and this investment policy and exercising the above standard of diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### **Investment Objectives**

- A. When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing the District’s funds,



1. The primary objective is to safeguard the principle of the funds.
2. The secondary objective is to meet the liquidity needs of the District.
3. The third objective is to achieve a reasonable market rate of return on invested funds.

It is the policy of the District to invest public funds in a manner to obtain the highest yield obtainable with the maximum security while meeting the daily cash flow demands of the District as long as investments meet the criteria established by this policy for safety and liquidity and conform to all laws governing the investment of District funds.

### **B. Safety of Principle**

Safety of principle is the foremost objective of the District. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they arise from securities defaults, institution default, broker-dealer default, or erosion of market value of securities. The District shall mitigate the risk to the principle of invested funds by limiting credit and interest rate risks. Credit Risk is the risk of loss due to the failure of a security's issuer or backer. Interest Rate Risk is the risk that the market value of the District's portfolio will fall due to an increase in general interest rates.

1. Credit risk will be mitigated by:
  - a. Limiting investments to only the most creditworthy types of securities;
  - b. Prequalifying the financial institutions with which the District will do business, using a questionnaire or other screening tool, and
  - c. Diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place undue burden on the District.
2. Interest rate risk will be mitigated by:
  - a. Structuring the District's portfolio so that securities mature to meet the District's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
  - b. Investing a portion of the portfolio in shorter-term securities.

### **C. Liquidity**

Availability of sufficient cash to pay for current expenditures shall be maintained in money market funds, local government investment pools that offer daily liquidity, repurchase agreements, or short-term securities that can easily be converted into cash because they have secondary markets. The accounting management system of the District shall be designed to accurately monitor and forecast expenditures and revenues to ensure the

investment of monies to the fullest extent possible.

#### **D. Rates of Return**

Yield on investments shall be considered only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed to attain a market average rate of return throughout economic cycles, taking into account the District's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

### **Delegation of Authority**

#### **A. Responsibilities of the Accounting Department**

As delegated on an annual basis by the Board of Directors, and in accordance with California Code Section 53607, the Accounting Department is charged with the responsibility for maintaining custody of all public funds and securities belonging to or under the control of the District, and for the deposit and investment of those funds in accordance with principles of sound treasury management and with applicable laws and ordinances.

#### **B. Responsibilities of the District Accountant**

The District Accountant shall perform the monthly review and reconciliation of accounting investments as well as be responsible for the conduct of all Accounting Department functions.

#### **C. Responsibilities of the District Manager**

The District Manager is responsible for directing and supervising the assigned designee and is responsible further to keep the Board of Directors fully advised as to the financial condition of the District.

#### **D. Responsibilities of the District's Auditing Firm**

The District's auditing firm's responsibilities shall include but not be limited to the examination and analysis of fiscal procedures and the examination, checking and verification of accounts and expenditures. A review of the District's investment program is a part of the responsibility described above.

#### **E. Responsibilities of the Board of Directors**

The Board of Directors shall annually review and approve the written Investment Policy. As provided in the Policy, the Directors shall receive, review, and accept quarterly investment reports, as identified in California Code Section 53646 et seq, and monthly investment reports as identified in California Code Section 53607, which may be included in the Consent Calendar of the regularly scheduled meeting of the Board of Directors.

#### **F. Responsibilities of the Finance Committee**

There shall be a Finance Committee consisting of two (2) members of the Board of Directors.

No members of the Finance Committee shall profit in any way from activities of the Committee. The District Manager and assigned designee(s) shall serve as staff liaison to the Committee. The Committee shall meet as needed to discuss the investment reports, investment strategy, investment and banking procedures, as well as the anticipated cash flow projection and any other significant investment-related activities being undertaken. The Committee's meetings will be summarized in minutes, which are distributed to the Board of Directors. In the event that a Finance Committee meeting is not held, the Accounting Department will prepare an investment report and send it to the full Board of Directors on a monthly basis.

### **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. Employees and investment officers shall disclose any material financial interest in financial institutions that conduct business with this District, and they shall further disclose any large personal financial / investment positions that could be related to the performance of the District's portfolio.

### **Diversification and Risk**

The District recognizes that investment risks can result from issuer defaults, market price changes, or various technical complications leading to temporary illiquidity. To minimize the District's exposure to these types of risk, the portfolio should be diversified among several types of institutions, instruments, and maturities. The District Manager with the Finance Committee shall minimize default risk by prudently selecting only instruments and institutions, which at the time of placement have been evaluated for their financial viability and compliance with this policy. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

### **Performance Standards**

The investment portfolio will be managed in accordance with the standards established within this Investment Policy and should obtain a market rate of return throughout budgetary and economic cycles, taking into account the District's investment risk constraints, cash flow needs, and maturities of the investments.

### **Reporting**

The District has adopted California Government Code 53607 and 53646 et seq to define the District's reporting responsibilities.

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