



# Paradise Irrigation District

6332 Clark Rd, Paradise, CA 95969 · 530-877-4971 · Fax: 530-876-0483 · [www.pidwater.com](http://www.pidwater.com)

## AGENDA

### FINANCE COMMITTEE MEETING TUESDAY, APRIL 9, 2024 – 9:00 AM

### PID BOARD MEETING ROOM 6332 CLARK ROAD, PARADISE, CA 95969

Committee Members: Board of Directors – Bob Matthews & Chris Rehmann  
PID Staff – Brett Goodlin, Finance & Accounting Manager,  
Tom Lando, District Manager and Mickey Rich, Assistant District Manager  
Public Members – Gary Ledbetter and Marc Sulik

- ❖ *The Board of Directors is committed to making its meetings accessible to all citizens. Any persons requiring a special accommodation to participate, is requested to contact the District Secretary at 530-877-4971, extension 2039 at least 72 hours in advance of the meeting.*

- ❖ *The following options are available for members of the public interested in participating in the meeting remotely:*

*Via Zoom Meeting:* <https://us02web.zoom.us/j/88192841237>

*Telephone:* +1 669 900 6833 US (San Jose)

*Meeting ID:* 881 9284 1237

*To improve participation during the meeting, we will be accepting public comments from Zoom Meeting participants during the meeting. The Board cannot take action on any matter not on the agenda. Public comments specific to an agenda item will be read directly after the agenda item and before the Board votes on an item.*

*Via Email or Telephone: Public comment will also be accepted by email with the subject line PUBLIC COMMENT ITEM NO. \_\_\_\_ to [gborrayo@paradiseirrigation.com](mailto:gborrayo@paradiseirrigation.com) or telephone (530) 876-2039 by 8:00 a.m. on the day of the meeting.*

#### 1. Opening

#### 2. Public Comment

This is the time for members of the audience to present items not on the agenda. No action can be taken on these items, but they may be placed on future agendas for consideration. Comments should be limited to a maximum of three minutes duration. If more time is needed, communication may be submitted in writing to committee members, or placed on the agenda for a future committee meeting.

(Pg. 2-4)

#### 3. Year-to-Date Finance Update and Discussion: Review of year-to-date Income Statement and Expenditures.

(Pg. 5-17)

#### 4. Expense Approval Report for March 2024

(Pg. 18)

#### 5. Draft Budget Review for Fiscal Year 2024-2025

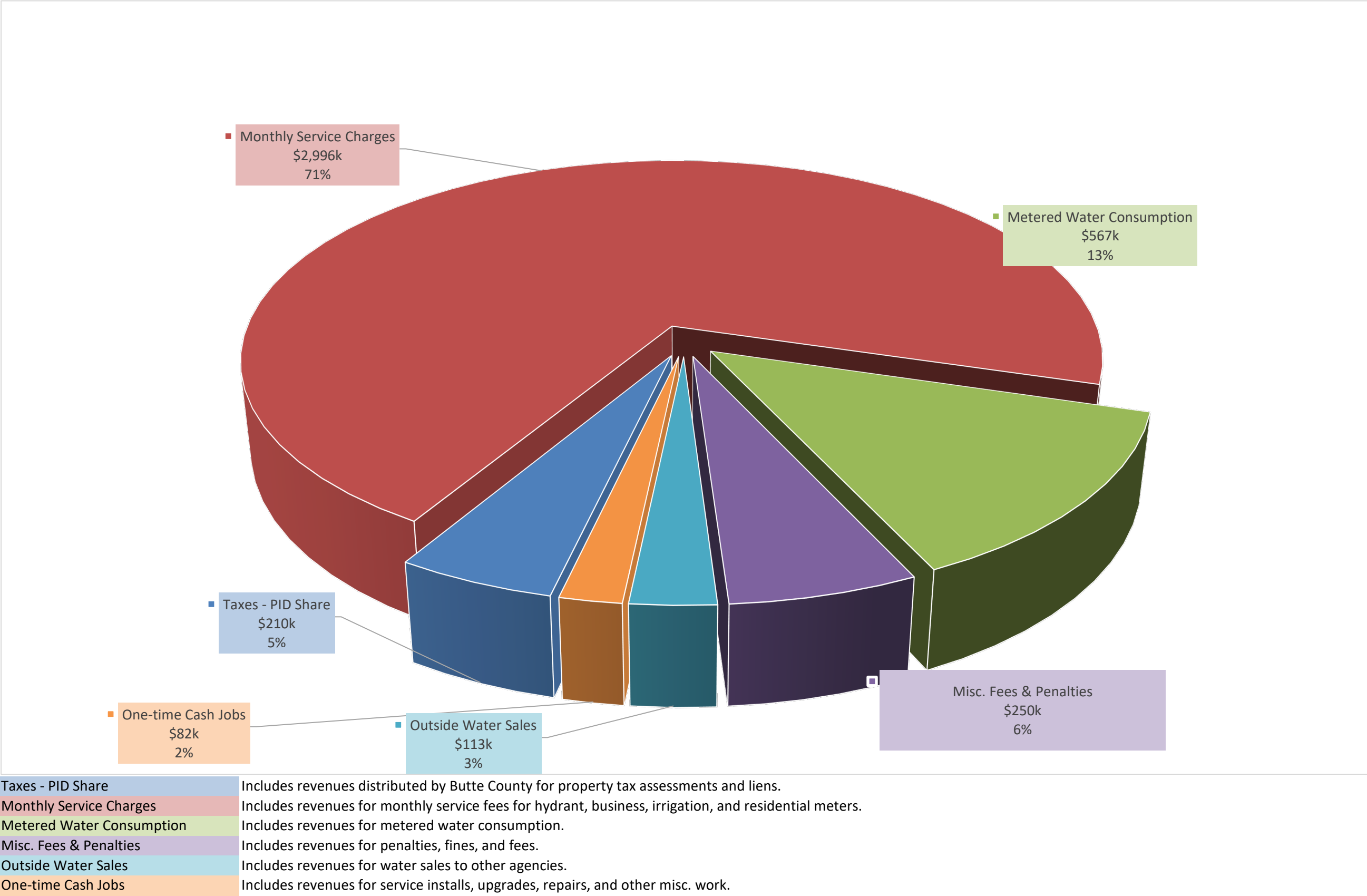
(Pg. 19-63)

#### 6. Review of Annual Audit Report for the year ended June 30, 2023.

#### 7. Adjournment – Next scheduled meeting: Tuesday, May 7, 2024 at 9:00 a.m.

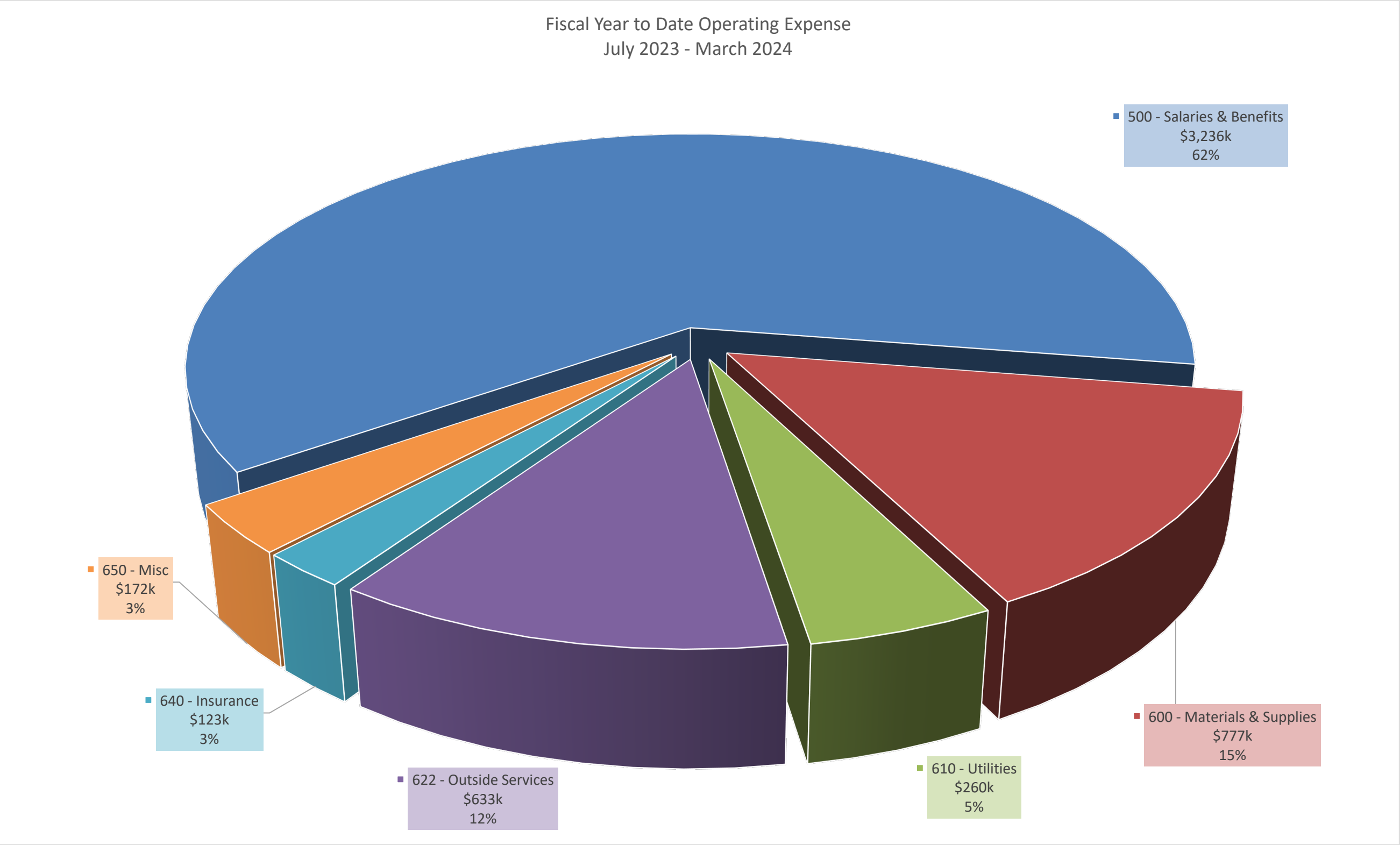
3. Revenues - As of month end the Distric's total income recognized YTD was \$20,951,746

| Operating Income                   |  | YTD Actuals  | YTD Budget   | FY24 Budget  |
|------------------------------------|--|--------------|--------------|--------------|
| Water Service, Fees, & Consumption |  | \$ 4,135,239 | \$ 4,260,174 | \$ 5,680,232 |
| Installations and Custom Work      |  | \$ 82,348    | \$ 49,500    | \$ 66,000    |
| Total Operating Income             |  | \$ 4,217,587 | \$ 4,309,674 | \$ 5,746,232 |

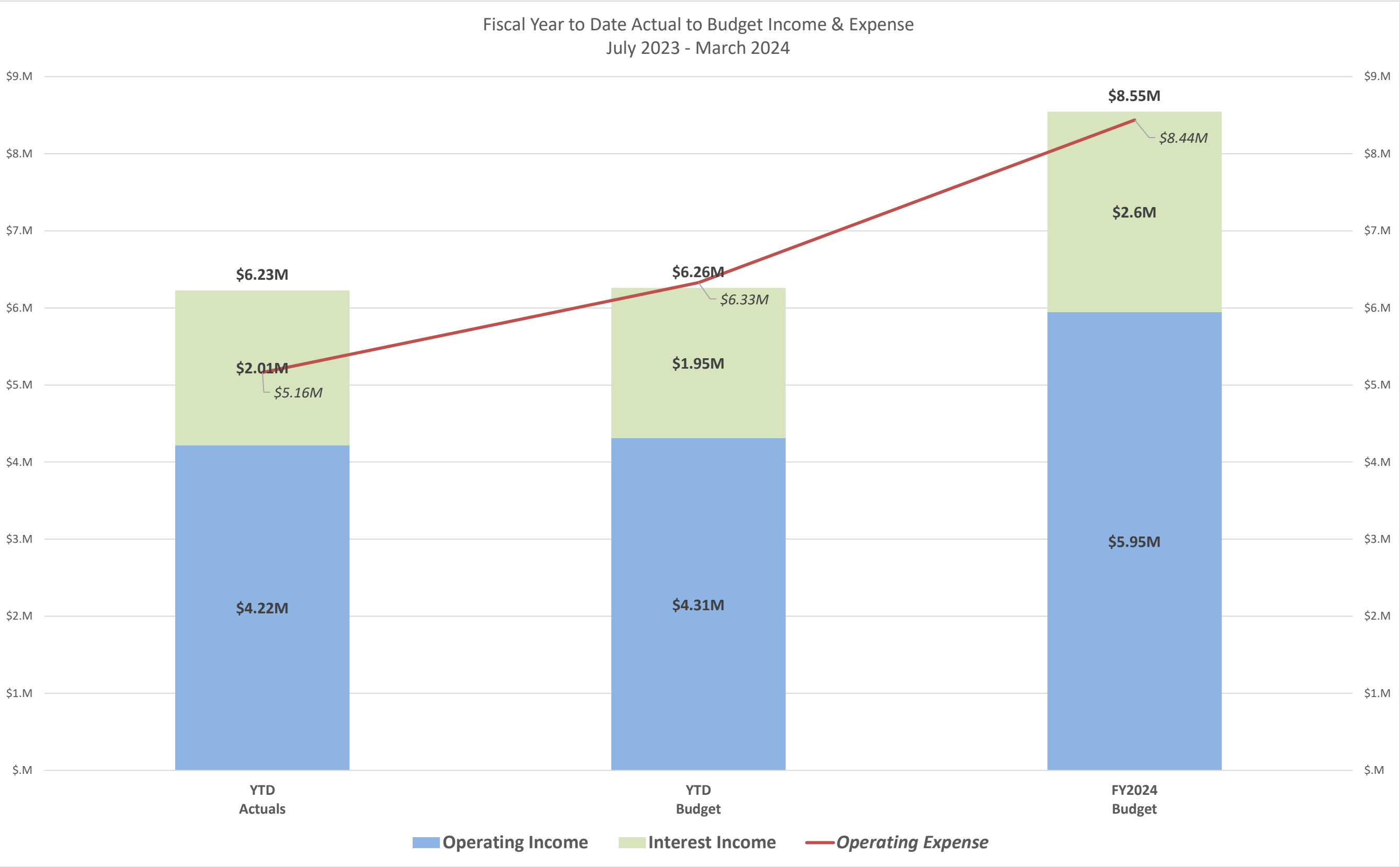


4. Expenses - As of month end the Distric's total cash expenditures YTD was \$5,162,267

| Operating Expense           |  | YTD Actuals   | YTD Budget   | FY24 Budget  |
|-----------------------------|--|---------------|--------------|--------------|
|                             | Source of Supply & Treatment               | \$ 1,210,610  | \$ 1,697,250 | 2,263,000    |
|                             | Transmission & Distribution and Meter Shop | \$ 2,190,959  | \$ 2,661,750 | 3,549,000    |
|                             | Administration                             | \$ 1,760,697  | \$ 1,968,750 | \$ 2,625,000 |
|                             | Total Operating Expense                    | \$ 5,162,267  | \$ 6,327,750 | \$ 8,437,000 |
| Recovery & Capital Expenses |  |               |              |              |
|                             | Total Recovery Expense                     | \$ 14,527,027 | \$ -         | \$ -         |



5. Budget - As of month end the Distric's has collected 73% of the operating revenue budget and has spent 61% of the operating expense budget.





# PARADISE IRRIGATION DISTRICT

## Expense Approval Report

### Percentage of Total Payments\* by Account

March 1 - 31, 2024

\*Displaying accounts greater than 1.00%

| Account Number                 | Account Name                                   | Payments              | % of Total    |
|--------------------------------|--|-----------------------|---------------|
| 01-70-601099 &<br>01-70-635099 | Recovery & Capital Supplies & Services         | 1,036,713.96          | 70.64%        |
| 01-60-635099                   | Miscellaneous Prof. Services                   | 84,041.11             | 5.73%         |
| 01-122040                      | Pre-Paid Insurance - Medical                   | 72,350.80             | 4.93%         |
| 01-210045                      | Retirement                                     | 56,740.93             | 3.87%         |
| 01-210030                      | FICA   | 44,059.38             | 3.00%         |
| 01-60-699000                   | Miscellaneous (clearing account for PG&E Bill) | 32,338.20             | 2.20%         |
| 01-210020                      | Federal Withholding                            | 28,272.30             | 1.93%         |
| 01-40-601060                   | Construction & Maint. Supplies                 | 28,086.69             | 1.91%         |
| 01-205000                      | Hydrant Deposits (deposit refunds)             | 23,374.49             | 1.59%         |
|                                | <i>Remainder</i>                               | <i>\$507,551.37</i>   | <i>34.58%</i> |
| <b>Grand Total</b>             |  | <b>\$1,467,577.23</b> |               |

# PARADISE IRRIGATION DISTRICT

## Expense Approval Report

### Percentage of Total Payments\* by Vendor

March 1 - 31, 2024

\*Displaying accounts greater than 1%

| Vendor  | Payments       | % of Total |
|---|----------------|------------|
| RCI General Engineering (MISLR 3 Project)                         | 441,737.60     | 30.10%     |
| Water Works Engineers (Invoicing for three separate contracts)    | 383,373.81     | 26.12%     |
| APTIM Environmental & Infrastructure LLC (Invoicing for three mon | 111,210.26     | 7.58%      |
| T&S Construction Co., Inc (Zone A Project)                        | 103,374.21     | 7.04%      |
| Internal Revenue Service  | 72,331.68      | 4.93%      |
| ICMA Retirement Trust-457   | 47,623.18      | 3.25%      |
| ACWA/JPIA   | 41,850.69      | 2.85%      |
| N.C.G.T. SECURITY FUND  | 33,194.00      | 2.26%      |
| Pacific Gas & Electric Company                                    | 31,539.55      | 2.15%      |
| Town of Paradise (Valve cans for town paving)                     | 19,209.38      | 1.31%      |
| Remainder   | \$182,132.87   | 12.41%     |
| Grand Total   | \$1,467,577.23 |            |



Paradise Irrigation District

# Expense Approval Report

By Vendor Name

Payment Dates 3/1/2024 - 3/31/2024

| Payment Date  | Payment Number | Payable Number      | Description (Item)           | Amount            |
|---|----------------|---------------------|------------------------------|-------------------|
| <b>Vendor: 01016 - Access Information Management</b>                      |                |                     |                              |                   |
| 03/31/2024  | APA001549      | 10735181            | Bulk Shredding               | 219.40            |
| <b>Vendor 01016 - Access Information Management Total:</b>                |                |                     |                              | <b>219.40</b>     |
| <b>Vendor: 01021 - ACWA/JPIA</b>  |                |                     |                              |                   |
| 03/26/2024  | 58181          | 702226              | Dental                       | 2,543.33          |
| 03/26/2024  | 58181          | 702226              | Life                         | 543.17            |
| 03/26/2024  | 58181          | 702226              | Health                       | 37,995.58         |
| 03/26/2024  | 58181          | 702226              | EAP                          | 101.68            |
| 03/26/2024  | 58181          | 702226              | Vision                       | 666.93            |
| <b>Vendor 01021 - ACWA/JPIA Total:</b>                                    |                |                     |                              | <b>41,850.69</b>  |
| <b>Vendor: 03185 - Advanced Document Concepts For Business</b>            |                |                     |                              |                   |
| 03/07/2024  | APA001515      | INV119662           | Printer Service              | 290.01            |
| 03/31/2024  | APA001550      | INV122152           | Office Equipment Maintenance | 414.26            |
| <b>Vendor 03185 - Advanced Document Concepts For Business Total:</b>      |                |                     |                              | <b>704.27</b>     |
| <b>Vendor: 02957 - Aflac</b>  |                |                     |                              |                   |
| 03/01/2024  | DFT0007294     | INV0007262          | Montly Invoices              | 278.82            |
| 03/15/2024  | DFT0007355     | INV0007276          | Montly Invoices              | 278.82            |
| <b>Vendor 02957 - Aflac Total:</b>  |                |                     |                              | <b>557.64</b>     |
| <b>Vendor: 03066 - Airgas USA, LLC</b>                                    |                |                     |                              |                   |
| 03/15/2024  | DFT0007382     | 5506466628          | Welding Supplies             | 568.45            |
| <b>Vendor 03066 - Airgas USA, LLC Total:</b>                              |                |                     |                              | <b>568.45</b>     |
| <b>Vendor: 03211 - Amazon.com</b>   |                |                     |                              |                   |
| 03/03/2024  | DFT0007404     | 112-5766641-3165836 | Office supplies              | 10.23             |
| 03/04/2024  | DFT0007402     | 112-6370100-5597831 | Office Supplies              | 574.51            |
| 03/01/2024  | DFT0007403     | 112-9007573-8345068 | Office supplies              | 358.89            |
| 03/02/2024  | DFT0007401     | 113-7754846-7897023 | Office Supplies              | 17.78             |
| 03/04/2024  | DFT0007312     | 114-4874787-1416205 | Supplies                     | 323.24            |
| 03/07/2024  | DFT0007415     | 111 1665918-9294635 | Office Supplies              | 106.74            |
| 03/07/2024  | DFT0007414     | 111 6960701-7575434 | Office Supplies              | 66.87             |
| 03/15/2024  | DFT0007418     | 113-2949126-5049037 | Supplies                     | 48.12             |
| 03/15/2024  | DFT0007417     | 113-9624018-0762620 | Supplies                     | 188.56            |
| 03/20/2024  | DFT0007465     | 112 0741226-3255436 | Supplies                     | 106.96            |
| 03/22/2024  | DFT0007464     | 112 4227755-5957829 | Lenovo 15.6 Laptop           | 697.30            |
| 03/26/2024  | DFT0007429     | 112-0741226-3255436 | Office supplies              | 106.96            |
| 03/26/2024  | DFT0007430     | 113-5665889-3077017 | Office Supplies              | 59.24             |
| 03/26/2024  | DFT0007431     | 113-6333112-0881868 | Office supplies              | 273.03            |
| <b>Vendor 03211 - Amazon.com Total:</b>                                   |                |                     |                              | <b>2,938.43</b>   |
| <b>Vendor: 03090 - APTIM Environmental &amp; Infrastructure LLC</b>       |                |                     |                              |                   |
| 03/07/2024  | APA001516      | 599773              | Recovery Management          | 31,501.88         |
| 03/07/2024  | APA001516      | 619201              | Recovery Management          | 24,382.14         |
| 03/31/2024  | APA001551      | 2023-12             | Recovery managment           | 55,326.24         |
| <b>Vendor 03090 - APTIM Environmental &amp; Infrastructure LLC Total:</b> |                |                     |                              | <b>111,210.26</b> |
| <b>Vendor: 01068 - Aramark Uniform Services</b>                           |                |                     |                              |                   |
| 03/07/2024  | DFT0007343     | 5066504420          | Uniforms                     | 348.23            |
| 03/07/2024  | DFT0007343     | 5066504421          | Uniforms                     | 131.42            |
| 03/07/2024  | DFT0007343     | 5066508866          | Uniforms                     | 238.23            |
| 03/07/2024  | DFT0007343     | 5066508872          | Uniforms                     | 131.42            |
| 03/07/2024  | DFT0007343     | 5066515309          | Uniforms                     | 238.23            |
| 03/07/2024  | DFT0007343     | 5066515310          | Uniforms                     | 131.42            |
| 03/07/2024  | DFT0007341     | 5066520753          | Uniforms                     | 7.75              |
| 03/07/2024  | DFT0007341     | 5066520753          | Uniforms                     | 226.30            |
| 03/07/2024  | DFT0007341     | 5066520753          | Uniforms                     | 4.18              |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date  | Payment Number | Payable Number  | Description (Item)               | Amount   |
|---|----------------|-----------------|----------------------------------|----------|
| 03/07/2024  | DFT0007342     | 5066520754      | Uniforms                         | 131.42   |
| Vendor 01068 - Aramark Uniform Services Total:        |                |                 |                                  | 1,588.60 |
| Vendor: 01082 - AT&T                                  |                |                 |                                  |          |
| 03/31/2024  | APA001552      | 21271888        | Office telephone                 | 763.91   |
| 03/31/2024  | APA001552      | 000021422379    | Telephone                        | 769.97   |
| Vendor 01082 - AT&T Total:                            |                |                 |                                  | 1,533.88 |
| Vendor: 01090 - AWWA                                  |                |                 |                                  |          |
| 03/15/2024  | DFT0007394     | 30261077        | Conference                       | 1,025.00 |
| Vendor 01090 - AWWA Total:                            |                |                 |                                  | 1,025.00 |
| Vendor: 03303 - Barewood Inc                          |                |                 |                                  |          |
| 03/07/2024  | DFT0007352     | 8123-1          | Office Furniture                 | 3,091.08 |
| Vendor 03303 - Barewood Inc Total:                    |                |                 |                                  | 3,091.08 |
| Vendor: 02870 - Boot Barn, Inc                        |                |                 |                                  |          |
| 03/31/2024  | APA001553      | INV00343930     | Safety Boots                     | 350.71   |
| 03/31/2024  | APA001553      | INV00354380     | Safety Boots                     | 250.00   |
| Vendor 02870 - Boot Barn, Inc Total:                  |                |                 |                                  | 600.71   |
| Vendor: 03353 - Bullert Industrial Electric Inc       |                |                 |                                  |          |
| 03/25/2024  | 58174          | FG231042        | Hydrant meter closeout - Bulle.. | -259.51  |
| 03/25/2024  | 58174          | FG231042        | Hydrant meter closeout - Bulle.. | 2,229.03 |
| Vendor 03353 - Bullert Industrial Electric Inc Total: |                |                 |                                  | 1,969.52 |
| Vendor: 01122 - Butte County Assessor                 |                |                 |                                  |          |
| 03/26/2024  | 58182          | 2024-03         | Reporting                        | 30.00    |
| Vendor 01122 - Butte County Assessor Total:           |                |                 |                                  | 30.00    |
| Vendor: 01126 - Butte County Clerk/Recorder           |                |                 |                                  |          |
| 03/08/2024  | 58166          | EQ Tank Filing  | Filing Fee                       | 50.00    |
| Vendor 01126 - Butte County Clerk/Recorder Total:     |                |                 |                                  | 50.00    |
| Vendor: 02975 - Butte LAFCO                           |                |                 |                                  |          |
| 03/26/2024  | 58183          | 45370           | MSR Update 2022                  | 1,966.29 |
| Vendor 02975 - Butte LAFCO Total:                     |                |                 |                                  | 1,966.29 |
| Vendor: 01222 - Buttes Pipe                           |                |                 |                                  |          |
| 03/31/2024  | APA001554      | S013453246.001  | 4" weld flange                   | 36.86    |
| 03/15/2024  | APA001536      | S0013660781.001 | 1" PVC cap                       | 12.42    |
| 03/15/2024  | APA001536      | S0013660781.001 | 2" MIP plug                      | 21.55    |
| Vendor 01222 - Buttes Pipe Total:                     |                |                 |                                  | 70.83    |
| Vendor: 01247 - Capra, Laura                          |                |                 |                                  |          |
| 03/11/2024  | DFT0007398     | 2024-03         | Reimbursement                    | 174.70   |
| Vendor 01247 - Capra, Laura Total:                    |                |                 |                                  | 174.70   |
| Vendor: 01280 - Chico Power Equipment                 |                |                 |                                  |          |
| 03/07/2024  | APA001517      | 451814          | tensioner chain                  | 5.63     |
| Vendor 01280 - Chico Power Equipment Total:           |                |                 |                                  | 5.63     |
| Vendor: 03194 - Cintas Corporation                    |                |                 |                                  |          |
| 03/07/2024  | DFT0007344     | 5196720445      | Supplies                         | 246.14   |
| 03/07/2024  | DFT0007344     | 5196720473      | Supplies                         | 36.93    |
| 03/15/2024  | DFT0007386     | 5201193909      | Supplies                         | 179.85   |
| 03/15/2024  | DFT0007387     | 5201193932      | Supplies                         | 48.12    |
| 03/15/2024  | DFT0007385     | 5201193965      | Supplies                         | 27.56    |
| Vendor 03194 - Cintas Corporation Total:              |                |                 |                                  | 538.60   |
| Vendor: 01320 - Comcast                               |                |                 |                                  |          |
| 03/20/2024  | DFT0007448     | 03-2024         | WTP TV                           | 101.62   |
| 03/20/2024  | DFT0007448     | 03-2024         | WTP Internet                     | 150.62   |
| 03/20/2024  | DFT0007448     | 03-2024         | Shop TV                          | 91.16    |
| 03/15/2024  | DFT0007381     | 2024-02         | WTP TV                           | 101.60   |
| 03/15/2024  | DFT0007381     | 2024-02         | WTP Internet                     | 150.62   |
| 03/15/2024  | DFT0007381     | 2024-02         | Shop TV                          | 91.16    |
| Vendor 01320 - Comcast Total:                         |                |                 |                                  | 686.78   |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date   | Payment Number | Payable Number | Description (Item)                | Amount           |
|--|----------------|----------------|-----------------------------------|------------------|
| <b>Vendor: 01353 - Cooperative Personnel Services</b>                      |                |                |                                   |                  |
| 03/15/2024   | APA001537      | 0012574        | Comp Study                        | 11,067.00        |
| <b>Vendor 01353 - Cooperative Personnel Services Total:</b>                |                |                |                                   | <b>11,067.00</b> |
| <b>Vendor: 03300 - Crossfire Tree &amp; Vegetation Services, Inc</b>       |                |                |                                   |                  |
| 03/25/2024   | DFT0007435     | 2725           | Tree Care                         | 1,200.00         |
| <b>Vendor 03300 - Crossfire Tree &amp; Vegetation Services, Inc Total:</b> |                |                |                                   | <b>1,200.00</b>  |
| <b>Vendor: 03354 - Dars Cox Construction Inc</b>                           |                |                |                                   |                  |
| 03/26/2024   | 58184          | 2024-03        | ID#00628 - Dars Cox               | -105.57          |
| 03/26/2024   | 58184          | 2024-03        | Construction Hydrant Meter C...   | -2,018.69        |
| 03/26/2024   | 58184          | 2024-03        | Construction Hydrant Meter C...   | 4,458.06         |
| 03/26/2024   | 58184          | 2024-03        | Construction Hydrant Meter C...   | 31.97            |
| <b>Vendor 03354 - Dars Cox Construction Inc Total:</b>                     |                |                |                                   | <b>2,365.77</b>  |
| <b>Vendor: 01403 - De Novo Planning Group</b>                              |                |                |                                   |                  |
| 03/31/2024   | APA001555      | 4094(1)        | PID Water Rights-Phase 1 CE...    | 13,191.87        |
| 03/31/2024   | APA001555      | 4127(1)        | PID WATER RIGHTS- PHASE I C...    | 14,645.75        |
| 03/07/2024   | APA001518      | 4162           | PID Water Rights-Phase 1 CE...    | 11,233.00        |
| 03/21/2024   | DFT0007399     | AN70343        | Refund for payment                | -27,837.62       |
| <b>Vendor 01403 - De Novo Planning Group Total:</b>                        |                |                |                                   | <b>11,233.00</b> |
| <b>Vendor: 01496 - Employee Relations</b>                                  |                |                |                                   |                  |
| 03/07/2024   | 1305           | 96716          | Pre-employment                    | 174.44           |
| <b>Vendor 01496 - Employee Relations Total:</b>                            |                |                |                                   | <b>174.44</b>    |
| <b>Vendor: 01480 - Employment Development Dept.</b>                        |                |                |                                   |                  |
| 03/01/2024   | DFT0007260     | INV0007257     | State Income Tax Withholding      | 931.01           |
| 03/01/2024   | DFT0007263     | INV0007260     | State Disability Withholding      | 139.69           |
| 03/04/2024   | DFT0007301     | INV0007271     | State Income Tax Withholding      | 5,095.81         |
| 03/04/2024   | DFT0007304     | INV0007274     | State Disability Withholding      | 1,493.80         |
| 03/15/2024   | DFT0007367     | INV0007290     | State Income Tax Withholding      | 19.68            |
| 03/15/2024   | DFT0007370     | INV0007293     | State Disability Withholding      | 2.12             |
| 03/17/2024   | DFT0007376     | INV0007295     | State Income Tax Withholding      | 14.83            |
| 03/17/2024   | DFT0007379     | INV0007298     | State Disability Withholding      | 5.59             |
| 03/18/2024   | DFT0007362     | INV0007285     | State Income Tax Withholding      | 5,084.56         |
| 03/18/2024   | DFT0007365     | INV0007288     | State Disability Withholding      | 1,500.52         |
| 03/29/2024   | DFT0007424     | INV0007306     | State Income Tax Withholding      | 2.31             |
| 03/29/2024   | DFT0007427     | INV0007309     | State Disability Withholding      | 0.33             |
| 03/30/2024   | DFT0007456     | INV0007324     | State Income Tax Withholding      | 14.83            |
| 03/30/2024   | DFT0007459     | INV0007327     | State Disability Withholding      | 5.59             |
| <b>Vendor 01480 - Employment Development Dept. Total:</b>                  |                |                |                                   | <b>14,310.67</b> |
| <b>Vendor: 01275 - Enterprise Record</b>                                   |                |                |                                   |                  |
| 03/15/2024   | APA001538      | 1405173        | Public notices                    | 507.87           |
| <b>Vendor 01275 - Enterprise Record Total:</b>                             |                |                |                                   | <b>507.87</b>    |
| <b>Vendor: 01527 - Ferguson Enterprises, Inc</b>                           |                |                |                                   |                  |
| 03/31/2024   | APA001556      | CM153060       | Credit for Zone A Waterline       | -2,425.24        |
| 03/31/2024   | APA001556      | 1835910        | 5/8 leak plugs                    | 259.20           |
| 03/31/2024   | APA001556      | 1835910        | 3/8 leak plug                     | 175.53           |
| 03/31/2024   | APA001556      | 1842778        | 8 x 7-1/2 OD clamp                | 4,074.82         |
| 03/31/2024   | APA001556      | 1842778        | 8 x 3 OD clamp                    | 2,229.08         |
| 03/31/2024   | APA001556      | 1842780        | FC Tap Clamp 14'x12'x 2' 13.6...  | 2,978.46         |
| 03/31/2024   | APA001556      | 1843116        | 5/8-11x7 bolt and nut             | 126.07           |
| 03/31/2024   | APA001556      | 1843116        | 5/8-11x6 bolt and nut             | 376.71           |
| 03/31/2024   | APA001556      | 1843116        | .095 washers                      | 66.72            |
| 03/31/2024   | APA001556      | CM153803       | Credit for Zone A Pipeline Mat... | -5,690.96        |
| 03/31/2024   | APA001556      | 180701         | bearing                           | 439.40           |
| 03/31/2024   | APA001556      | 180701         | O-ring                            | 2.52             |
| 03/31/2024   | APA001556      | 180701         | stem O ring                       | 3.45             |
| 03/31/2024   | APA001556      | 180701         | travel gear unit                  | 1,746.20         |
| 03/31/2024   | APA001556      | 180701         | roll pin                          | 3.51             |
| 03/31/2024   | APA001556      | 180701         | rollpin                           | 3.51             |
| 03/31/2024   | APA001556      | 180701         | feed pin                          | 7.37             |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date  | Payment Number | Payable Number | Description (Item)               | Amount   |
|---|----------------|----------------|----------------------------------|----------|
| 03/31/2024  | APA001556      | 180701         | O-ring                           | 38.39    |
| 03/31/2024  | APA001556      | 180701         | ffed screw pinion                | 61.40    |
| 03/31/2024  | APA001556      | 180701         | travel indicator shaft           | 113.59   |
| 03/31/2024  | APA001556      | 180701         | drive tube                       | 140.67   |
| 03/31/2024  | APA001556      | 180701         | nut pin                          | 215.32   |
| 03/31/2024  | APA001556      | 180701         | shaft                            | 339.78   |
| 03/31/2024  | APA001556      | 180701         | rollpin                          | 3.51     |
| Vendor 01527 - Ferguson Enterprises, Inc Total:             |                |                |                                  | 5,289.01 |
| Vendor: 01528 - FGL Environmental                           |                |                |                                  |          |
| 03/07/2024  | APA001519      | 470939A        | Water quality sampling           | 155.00   |
| 03/07/2024  | APA001519      | 470940A        | Water quality sampling           | 109.00   |
| 03/07/2024  | APA001519      | 470943A        | Water quality sampling           | 67.00    |
| 03/07/2024  | APA001519      | 470522A        | Water quality sampling           | 34.00    |
| 03/07/2024  | APA001519      | 470942A        | Water quality sampling - EPA ... | 549.00   |
| 03/31/2024  | APA001557      | 471119A        | Routine Bacti Monitoring         | 109.00   |
| 03/31/2024  | APA001557      | 470941A        | Magalia Res - Toc Monitoring     | 68.00    |
| 03/31/2024  | APA001557      | 471034A        | Waste Water Monitoring           | 662.00   |
| 03/31/2024  | APA001557      | 471340A        | Oak Wy                           | 31.00    |
| 03/31/2024  | APA001557      | 471284A        | Routine Bacti Monitoring         | 109.00   |
| Vendor 01528 - FGL Environmental Total:                     |                |                |                                  | 1,893.00 |
| Vendor: 02945 - Fiserv Solutions, LLC                       |                |                |                                  |          |
| 03/15/2024  | APA001539      | 90367860       | Bank charges                     | 13.35    |
| Vendor 02945 - Fiserv Solutions, LLC Total:                 |                |                |                                  | 13.35    |
| Vendor: 03342 - GEI Consultants Inc                         |                |                |                                  |          |
| 03/31/2024  | APA001558      | 3149520        | Prof. Services                   | 3,411.45 |
| Vendor 03342 - GEI Consultants Inc Total:                   |                |                |                                  | 3,411.45 |
| Vendor: 01587 - Genterra Consultants, Inc.                  |                |                |                                  |          |
| 03/07/2024  | APA001520      | 25546          | 391K-PID Paradise Spillway Ph... | 655.00   |
| Vendor 01587 - Genterra Consultants, Inc. Total:            |                |                |                                  | 655.00   |
| Vendor: 03349 - GFOA  |                |                |                                  |          |
| 03/08/2024  | DFT0007354     | 791548         | Annual Training Conference       | 150.00   |
| Vendor 03349 - GFOA Total:                                  |                |                |                                  | 150.00   |
| Vendor: 01616 - Grainger Inc                                |                |                |                                  |          |
| 03/07/2024  | DFT0007345     | 9014796479     | Supplies                         | 639.53   |
| 03/07/2024  | DFT0007345     | 9014796487     | Supplies                         | 176.77   |
| 03/07/2024  | DFT0007345     | 9017050098     | Supplies                         | 133.55   |
| 03/07/2024  | DFT0007345     | 9017277287     | Supplies                         | 159.21   |
| 03/07/2024  | DFT0007345     | 9018453820     | Supplies                         | 49.12    |
| 03/07/2024  | DFT0007348     | 9020529054     | Supplies                         | 24.73    |
| 03/07/2024  | DFT0007353     | 9027300814     | Supplies                         | 121.68   |
| 03/07/2024  | DFT0007347     | 9029838753     | Supplies                         | 896.01   |
| 03/07/2024  | DFT0007345     | 9017050080     | Supplies                         | 52.18    |
| 03/07/2024  | DFT0007346     | 9011661197     | Supplies                         | 1,261.46 |
| Vendor 01616 - Grainger Inc Total:                          |                |                |                                  | 3,514.24 |
| Vendor: 01648 - Harper & Associates Engineering, Inc.       |                |                |                                  |          |
| 03/15/2024  | APA001540      | ENG-8316       | Tank C, D, & E                   | 2,190.00 |
| Vendor 01648 - Harper & Associates Engineering, Inc. Total: |                |                |                                  | 2,190.00 |
| Vendor: 01664 - Hayden Fire Protection                      |                |                |                                  |          |
| 03/31/2024  | APA001559      | 200635         | Supplies                         | 522.19   |
| Vendor 01664 - Hayden Fire Protection Total:                |                |                |                                  | 522.19   |
| Vendor: 01688 - Home Depot                                  |                |                |                                  |          |
| 03/07/2024  | DFT0007390     | 45358          | Tools                            | 111.97   |
| Vendor 01688 - Home Depot Total:                            |                |                |                                  | 111.97   |
| Vendor: 01694 - Horn Inc, R and R                           |                |                |                                  |          |
| 03/25/2024  | 58175          | FH240144       | Hydrant meter closeout - R & ... | -229.03  |
| 03/25/2024  | 58175          | FH240144       | Hydrant meter closeout - R & ... | 2,229.03 |
| Vendor 01694 - Horn Inc, R and R Total:                     |                |                |                                  | 2,000.00 |

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| <b>Vendor: 01705 - Hunt &amp; Sons, Inc.</b>                   |                |                |                            |                  |
| 03/07/2024   | APA001521      | 860965         | 140gals. unleaded gasoline | 554.23           |
| 03/07/2024   | APA001521      | 879301         | 301gals. clear diesel      | 1,504.19         |
| 03/07/2024   | APA001521      | 881965         | 125gals. unleaded gasoline | 558.19           |
| 03/15/2024   | APA001541      | 896591         | 120gals. unleaded gasoline | 546.35           |
| 03/15/2024   | APA001541      | 897537         | 208gals. clear diesel      | 1,023.06         |
| 03/15/2024   | APA001541      | 897538         | 450gals. dyed diesel       | 1,780.81         |
| 03/31/2024   | APA001560      | 898990         | 128gals. unleaded gasoline | 586.99           |
| 03/31/2024   | APA001560      | 902050         | 43gals. clear diesel       | 224.48           |
| <b>Vendor 01705 - Hunt &amp; Sons, Inc. Total:</b>             |                |                |                            | <b>6,778.30</b>  |
| <b>Vendor: 01713 - I.B.E.W. Local Union 1245</b>               |                |                |                            |                  |
| 03/07/2024   | APA001522      | INV0007269     | Union Dues                 | -40.00           |
| 03/07/2024   | APA001522      | INV0007269     | Union Dues                 | 893.09           |
| 03/15/2024   | APA001542      | INV0007283     | Union Dues                 | -40.00           |
| 03/15/2024   | APA001542      | INV0007283     | Union Dues                 | 897.26           |
| 03/31/2024   | APA001561      | INV0007305     | Union Dues                 | 1.21             |
| 03/31/2024   | APA001561      | INV0007317     | Union Dues                 | -40.00           |
| 03/31/2024   | APA001561      | INV0007317     | Union Dues                 | 898.47           |
| <b>Vendor 01713 - I.B.E.W. Local Union 1245 Total:</b>         |                |                |                            | <b>2,570.03</b>  |
| <b>Vendor: 01716 - ICMA Retirement Trust-401</b>               |                |                |                            |                  |
| 03/01/2024   | DFT0007296     | INV0007264     | Retirement - 401(a) Match  | 2,990.86         |
| 03/15/2024   | DFT0007357     | INV0007278     | Retirement - 401(a) Match  | 3,073.86         |
| 03/26/2024   | DFT0007420     | INV0007302     | Retirement - 401(a) Match  | 0.81             |
| 03/29/2024   | DFT0007438     | INV0007312     | Retirement - 401(a) Match  | 3,052.22         |
| <b>Vendor 01716 - ICMA Retirement Trust-401 Total:</b>         |                |                |                            | <b>9,117.75</b>  |
| <b>Vendor: 01715 - ICMA Retirement Trust-457</b>               |                |                |                            |                  |
| 03/01/2024   | DFT0007297     | INV0007265     | Retirement Trust - 457     | 2,990.86         |
| 03/01/2024   | DFT0007298     | INV0007266     | Deferred Comp 457          | 9,805.72         |
| 03/01/2024   | DFT0007299     | INV0007267     | Retirement Trust - 457     | 2,105.51         |
| 03/01/2024   | DFT0007300     | INV0007268     | Retirement Trust - 457     | 948.14           |
| 03/15/2024   | DFT0007358     | INV0007279     | Retirement Trust - 457     | 3,073.86         |
| 03/15/2024   | DFT0007359     | INV0007280     | Deferred Comp 457          | 9,998.48         |
| 03/15/2024   | DFT0007360     | INV0007281     | Retirement Trust - 457     | 1,943.36         |
| 03/15/2024   | DFT0007361     | INV0007282     | Retirement Trust - 457     | 948.14           |
| 03/26/2024   | DFT0007421     | INV0007303     | Retirement Trust - 457     | 0.81             |
| 03/26/2024   | DFT0007422     | INV0007304     | Deferred Comp 457          | 2.43             |
| 03/29/2024   | DFT0007439     | INV0007313     | Retirement Trust - 457     | 3,052.22         |
| 03/29/2024   | DFT0007440     | INV0007314     | Deferred Comp 457          | 9,933.63         |
| 03/29/2024   | DFT0007441     | INV0007315     | Retirement Trust - 457     | 1,871.88         |
| 03/29/2024   | DFT0007442     | INV0007316     | Retirement Trust - 457     | 948.14           |
| <b>Vendor 01715 - ICMA Retirement Trust-457 Total:</b>         |                |                |                            | <b>47,623.18</b> |
| <b>Vendor: 01720 - Inland Business Systems</b>                 |                |                |                            |                  |
| 03/31/2024   | APA001562      | IN3975721      | Office Supplies            | 39.89            |
| <b>Vendor 01720 - Inland Business Systems Total:</b>           |                |                |                            | <b>39.89</b>     |
| <b>Vendor: 03062 - Instrument Technology Corporation</b>       |                |                |                            |                  |
| 03/15/2024   | APA001543      | 23103          | locator repair             | 476.28           |
| <b>Vendor 03062 - Instrument Technology Corporation Total:</b> |                |                |                            | <b>476.28</b>    |
| <b>Vendor: 01731 - Internal Revenue Service</b>                |                |                |                            |                  |
| 03/01/2024   | DFT0007261     | INV0007258     | FICA Withholding           | 1,574.70         |
| 03/01/2024   | DFT0007262     | INV0007259     | Fed Withholding            | 2,521.74         |
| 03/01/2024   | DFT0007264     | INV0007261     | Medicare Withholding       | 368.28           |
| 03/04/2024   | DFT0007302     | INV0007272     | FICA Withholding           | 17,057.04        |
| 03/04/2024   | DFT0007303     | INV0007273     | Fed Withholding            | 12,828.86        |
| 03/04/2024   | DFT0007305     | INV0007275     | Medicare Withholding       | 3,989.16         |
| 03/15/2024   | DFT0007368     | INV0007291     | FICA Withholding           | 23.84            |
| 03/15/2024   | DFT0007369     | INV0007292     | Fed Withholding            | 42.31            |
| 03/15/2024   | DFT0007371     | INV0007294     | Medicare Withholding       | 5.58             |
| 03/17/2024   | DFT0007377     | INV0007296     | FICA Withholding           | 62.96            |

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| 03/17/2024   | DFT0007378     | INV0007297     | Fed Withholding                  | 55.89            |
| 03/17/2024   | DFT0007380     | INV0007299     | Medicare Withholding             | 14.72            |
| 03/18/2024   | DFT0007363     | INV0007286     | FICA Withholding                 | 16,923.12        |
| 03/18/2024   | DFT0007364     | INV0007287     | Fed Withholding                  | 12,761.85        |
| 03/18/2024   | DFT0007366     | INV0007289     | Medicare Withholding             | 3,957.80         |
| 03/29/2024   | DFT0007425     | INV0007307     | FICA Withholding                 | 3.66             |
| 03/29/2024   | DFT0007426     | INV0007308     | Fed Withholding                  | 5.76             |
| 03/29/2024   | DFT0007428     | INV0007310     | Medicare Withholding             | 0.84             |
| 03/30/2024   | DFT0007457     | INV0007325     | FICA Withholding                 | 62.96            |
| 03/30/2024   | DFT0007458     | INV0007326     | Fed Withholding                  | 55.89            |
| 03/30/2024   | DFT0007460     | INV0007328     | Medicare Withholding             | 14.72            |
| <b>Vendor 01731 - Internal Revenue Service Total:</b>              |                |                |                                  | <b>72,331.68</b> |
| <b>Vendor: 03057 - International Brotherhood of 137 TCWH</b>       |                |                |                                  |                  |
| 03/07/2024   | APA001523      | INV0007270     | Union Dues Teamsters             | 476.32           |
| 03/15/2024   | APA001544      | INV0007284     | Union Dues Teamsters             | 476.32           |
| 03/31/2024   | APA001563      | INV0007318     | Union Dues Teamsters             | 476.32           |
| <b>Vendor 03057 - International Brotherhood of 137 TCWH Total:</b> |                |                |                                  | <b>1,428.96</b>  |
| <b>Vendor: 03201 - Irth Solutions LLC</b>                          |                |                |                                  |                  |
| 03/31/2024   | APA001564      | SIR009310      | Utility locator software         | 6,138.00         |
| <b>Vendor 03201 - Irth Solutions LLC Total:</b>                    |                |                |                                  | <b>6,138.00</b>  |
| <b>Vendor: 01722 - isolved, Inc.</b>                               |                |                |                                  |                  |
| 03/09/2024   | DFT0007224     | I135114842     | Flexible Benefits                | 92.61            |
| <b>Vendor 01722 - isolved, Inc. Total:</b>                         |                |                |                                  | <b>92.61</b>     |
| <b>Vendor: 03348 - Jan Jesensky</b>                                |                |                |                                  |                  |
| 03/08/2024   | 58167          | 822 Regnier Ln | Reimbursement                    | 800.00           |
| <b>Vendor 03348 - Jan Jesensky Total:</b>                          |                |                |                                  | <b>800.00</b>    |
| <b>Vendor: 03255 - John Michael Bunch</b>                          |                |                |                                  |                  |
| 03/31/2024   | APA001565      | 2145           | Electrical                       | 385.00           |
| <b>Vendor 03255 - John Michael Bunch Total:</b>                    |                |                |                                  | <b>385.00</b>    |
| <b>Vendor: 03350 - John T Martin</b>                               |                |                |                                  |                  |
| 03/15/2024   | 58168          | 2024-03        | Deposit for Carport              | 712.22           |
| <b>Vendor 03350 - John T Martin Total:</b>                         |                |                |                                  | <b>712.22</b>    |
| <b>Vendor: 01780 - Kimball Midwest</b>                             |                |                |                                  |                  |
| 03/07/2024   | DFT0007351     | 101903853      | Supplies                         | 157.05           |
| <b>Vendor 01780 - Kimball Midwest Total:</b>                       |                |                |                                  | <b>157.05</b>    |
| <b>Vendor: 03351 - Kingdom Calibrations</b>                        |                |                |                                  |                  |
| 03/13/2024   | DFT0007419     | 1795           | One Stage Calibration with Cert  | 654.83           |
| <b>Vendor 03351 - Kingdom Calibrations Total:</b>                  |                |                |                                  | <b>654.83</b>    |
| <b>Vendor: 01790 - Knife River Construction</b>                    |                |                |                                  |                  |
| 03/26/2024   | DFT0007433     | 299053         | Materials                        | 998.18           |
| 03/07/2024   | APA001524      | 11559          | Materials                        | 841.92           |
| 03/20/2024   | DFT0007397     | APA001524      | Credit for double payment.       | -841.92          |
| 03/25/2024   | 58176          | FH231225       | Hydrant meter closeout - Knife.. | -116.21          |
| 03/25/2024   | 58176          | FH231225       | Hydrant meter closeout - Knife.. | 2,000.00         |
| <b>Vendor 01790 - Knife River Construction Total:</b>              |                |                |                                  | <b>2,881.97</b>  |
| <b>Vendor: 03144 - KW Emerson, Inc.</b>                            |                |                |                                  |                  |
| 03/26/2024   | 58185          | 2024-03        | Construction Hydrant Meter C...  | -229.03          |
| 03/26/2024   | 58185          | 2024-03        | Construction Hydrant Meter C...  | 1,000.00         |
| <b>Vendor 03144 - KW Emerson, Inc. Total:</b>                      |                |                |                                  | <b>770.97</b>    |
| <b>Vendor: 03270 - MAC Tools</b>                                   |                |                |                                  |                  |
| 03/18/2024   | DFT0007472     | D218334        | Small Tool                       | 154.18           |
| 03/25/2024   | DFT0007473     | D218615        | Small Tool                       | 585.17           |
| <b>Vendor 03270 - MAC Tools Total:</b>                             |                |                |                                  | <b>739.35</b>    |
| <b>Vendor: 03299 - MGE Underground, Inc.</b>                       |                |                |                                  |                  |
| 03/25/2024   | 58177          | FH240110       | Hydrant meter closeout - MGE     | 229.03           |
| 03/25/2024   | 58177          | FH240110       | Hydrant meter closeout - MGE     | -115.58          |

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| 03/25/2024  | 58177          | FH240110       | Hydrant meter closeout - MGE    | -458.06   |
| 03/25/2024  | 58177          | FH240110       | Hydrant meter closeout - MGE    | 2,000.00  |
| Vendor 03299 - MGE Underground, Inc. Total:               |                |                |                                 | 1,655.39  |
| Vendor: 03225 - Myers and Sons Construction, LLC          |                |                |                                 |           |
| 03/07/2024  | 58163          | 348-18         | Reservoir B Replacement Proj... | -417.38   |
| 03/07/2024  | 58163          | 348-18         | Reservoir B Replacement Proj... | 8,347.66  |
| Vendor 03225 - Myers and Sons Construction, LLC Total:    |                |                |                                 | 7,930.28  |
| Vendor: 03045 - N.C.G.T. SECURITY FUND                    |                |                |                                 |           |
| 03/07/2024  | 1306           | 2024-02        | Medical Insurance               | 16,307.00 |
| 03/07/2024  | 1306           | 2024-03        | Medical Insurance               | 16,887.00 |
| Vendor 03045 - N.C.G.T. SECURITY FUND Total:              |                |                |                                 | 33,194.00 |
| Vendor: 01936 - Napa Auto Parts                           |                |                |                                 |           |
| 03/07/2024  | APA001525      | 5356-141892    | Supplies                        | 8.51      |
| 03/07/2024  | APA001525      | 5356-142453    | Supplies                        | 7.27      |
| 03/31/2024  | APA001566      | 5356-143092    | Supplies                        | 12.59     |
| Vendor 01936 - Napa Auto Parts Total:                     |                |                |                                 | 28.37     |
| Vendor: 01742 - Nelson's Building Maintenance, Inc.       |                |                |                                 |           |
| 03/07/2024  | APA001526      | 783231         | Supplies                        | 104.57    |
| 03/31/2024  | APA001567      | 783748         | Supplies                        | 243.91    |
| Vendor 01742 - Nelson's Building Maintenance, Inc. Total: |                |                |                                 | 348.48    |
| Vendor: 01960 - Normac                                    |                |                |                                 |           |
| 03/07/2024  | DFT0007349     | 0014019683-001 | 1" backflow blankets            | 3,127.95  |
| Vendor 01960 - Normac Total:                              |                |                |                                 | 3,127.95  |
| Vendor: 01980 - Northern Recycling & Waste Svcs           |                |                |                                 |           |
| 03/15/2024  | DFT0007392     | 2024-02 GW     | Garbage- Green Waste            | 20.00     |
| 03/15/2024  | DFT0007391     | 2024-03        | Garbage                         | 58.61     |
| 03/15/2024  | DFT0007391     | 2024-03        | Garbage                         | 185.59    |
| 03/15/2024  | DFT0007391     | 2024-03        | Garbage                         | 64.47     |
| Vendor 01980 - Northern Recycling & Waste Svcs Total:     |                |                |                                 | 328.67    |
| Vendor: 01950 - Northstate Aggregate, Inc.                |                |                |                                 |           |
| 03/15/2024  | APA001545      | 165388         | Supplies                        | 1,239.93  |
| Vendor 01950 - Northstate Aggregate, Inc. Total:          |                |                |                                 | 1,239.93  |
| Vendor: 01995 - Office Depot                              |                |                |                                 |           |
| 03/05/2024  | DFT0007314     | 2024-02        | Office supplies                 | 34.51     |
| 03/18/2024  | DFT0007463     | 000556838467   | Office Supplies                 | 324.09    |
| Vendor 01995 - Office Depot Total:                        |                |                |                                 | 358.60    |
| Vendor: 01538 - O'Reilly Auto Parts                       |                |                |                                 |           |
| 03/07/2024  | APA001527      | 3534-123952    | Supplies                        | 101.20    |
| 03/07/2024  | APA001527      | 3534-124089    | Repair parts                    | 60.32     |
| 03/31/2024  | APA001568      | 3534-125864    | Repair parts                    | 38.66     |
| Vendor 01538 - O'Reilly Auto Parts Total:                 |                |                |                                 | 200.18    |
| Vendor: 03143 - Outback Contractors, Inc.                 |                |                |                                 |           |
| 03/25/2024  | 58178          | FH240118       | Hydrant meter closeout - Out... | -229.57   |
| 03/25/2024  | 58178          | FH240118       | Hydrant meter closeout - Out... | 229.03    |
| 03/25/2024  | 58178          | FH240118       | Hydrant meter closeout - Out... | 4,000.00  |
| Vendor 03143 - Outback Contractors, Inc. Total:           |                |                |                                 | 3,999.46  |
| Vendor: 02030 - Pace Supply                               |                |                |                                 |           |
| 03/06/2024  | DFT0007321     | 088728324      | 1-1/4 comp coupling             | 143.86    |
| 03/06/2024  | DFT0007321     | 088728324      | 1" comp coupling                | 410.19    |
| 03/06/2024  | DFT0007321     | 089079229      | Service Saddle 30 x 2 OD        | 2,065.14  |
| 03/06/2024  | DFT0007321     | 299088605      | 1" ball valve                   | 587.99    |
| 03/06/2024  | DFT0007321     | 089059311      | FC Tap Clamp 6 x 15 OD          | 775.87    |
| 03/06/2024  | DFT0007321     | 088844672-3    | 2 x 3 clamp                     | 1,131.84  |
| 03/06/2024  | DFT0007321     | 088844672-3    | 5 x 7-1/2 od OD clamp           | 533.69    |
| 03/06/2024  | DFT0007321     | 088844672-3    | 3/4 x 3 clamp                   | 84.50     |
| 03/06/2024  | DFT0007321     | 089222343      | 1" close brass nip              | 313.23    |
| 03/06/2024  | DFT0007321     | 089222343      | 1" brass st ell                 | 576.03    |



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| 03/06/2024  | DFT0007321     | 089222343      | 1" brass ball valve              | 859.71     |
| 03/06/2024  | DFT0007321     | 089222343      | 1" brass union                   | 942.60     |
| 03/06/2024  | DFT0007321     | 089222343      | 1 x 24 brass nip                 | 1,259.06   |
| 03/06/2024  | DFT0007321     | 089222343      | 1" backflow                      | 11,855.65  |
| 03/06/2024  | DFT0007321     | 089222343      | 1 x 18 brass nip                 | 944.21     |
| 03/06/2024  | DFT0007321     | 089222343      | 1" brass 90                      | 412.47     |
| 03/06/2024  | DFT0007321     | 299242158      | 1" brass couplings               | 644.19     |
| 03/06/2024  | DFT0007321     | 299242158      | 2 x5 brass nipple                | 41.89      |
| 03/06/2024  | DFT0007322     | 089142687-2(2) | PO03070                          | 1,176.58   |
| 03/08/2024  | DFT0007320     | CR089142687-2  | Refund for double payment        | -1,176.58  |
| 03/07/2024  | DFT0007400     | APA001484      | Shop supplies 089142687-2        | -1,176.58  |
| 03/07/2024  | DFT0007400     | APA001484      | Shop supplies - 089142687-1      | -9,482.71  |
| Vendor 02030 - Pace Supply Total:                           |                |                |                                  | 12,922.83  |
| Vendor: 02081 - Pacific Gas & Electric Company              |                |                |                                  |            |
| 03/07/2024  | DFT0007336     | 2024-03 #1     | Utilities                        | 19,998.65  |
| 03/07/2024  | DFT0007336     | 2024-03 #1     | Utilities                        | 1.35       |
| 03/22/2024  | DFT0007396     | 2024-03 #2     | Utilities                        | 11,539.55  |
| Vendor 02081 - Pacific Gas & Electric Company Total:        |                |                |                                  | 31,539.55  |
| Vendor: 02061 - PBM Supply & Mfg                            |                |                |                                  |            |
| 03/31/2024  | APA001569      | INV/2024/05738 | Supplies                         | 302.99     |
| 03/07/2024  | APA001528      | INV/2024/05742 | 2-1/2 x 50' fire hose            | 605.98     |
| Vendor 02061 - PBM Supply & Mfg Total:                      |                |                |                                  | 908.97     |
| Vendor: 02091 - Pitney Bowes                                |                |                |                                  |            |
| 03/07/2024  | DFT0007226     | 2024-02 LOC    | Postage                          | 99.88      |
| Vendor 02091 - Pitney Bowes Total:                          |                |                |                                  | 99.88      |
| Vendor: 03048 - Plan B Professional Answering Service       |                |                |                                  |            |
| 03/07/2024  | APA001529      | 2024-03        | Answering service                | 164.80     |
| Vendor 03048 - Plan B Professional Answering Service Total: |                |                |                                  | 164.80     |
| Vendor: 03167 - RCI General Engineering                     |                |                |                                  |            |
| 03/07/2024  | 58164          | 2024-01 MISLR3 | MISLR 3 Recovery Project         | -23,249.35 |
| 03/07/2024  | 58164          | 2024-01 MISLR3 | MISLR 3 Recovery Project         | 464,986.95 |
| Vendor 03167 - RCI General Engineering Total:               |                |                |                                  | 441,737.60 |
| Vendor: 03352 - RK & SON                                    |                |                |                                  |            |
| 03/25/2024  | 58179          | FH240129       | Hydrant meter closeout - RK &... | -229.34    |
| 03/25/2024  | 58179          | FH240129       | Hydrant meter closeout - RK &... | -114.52    |
| 03/25/2024  | 58179          | FH240129       | Hydrant meter closeout - RK &... | -1,535.56  |
| 03/25/2024  | 58179          | FH240129       | Hydrant meter closeout - RK &... | 2,458.37   |
| Vendor 03352 - RK & SON Total:                              |                |                |                                  | 578.95     |
| Vendor: 03232 - RoadSafe Traffic Systems, Inc               |                |                |                                  |            |
| 03/31/2024  | APA001570      | 0353502034     | Safety Supplies                  | 907.62     |
| 03/31/2024  | APA001570      | 197816         | Supplies                         | 192.83     |
| Vendor 03232 - RoadSafe Traffic Systems, Inc Total:         |                |                |                                  | 1,100.45   |
| Vendor: 02211 - Sabre Backflow, LLC.                        |                |                |                                  |            |
| 03/07/2024  | APA001530      | 3774           | backflow test kit fittings case  | 30.17      |
| 03/07/2024  | APA001530      | 3774           | backflow test kit fittings       | 169.18     |
| Vendor 02211 - Sabre Backflow, LLC. Total:                  |                |                |                                  | 199.35     |
| Vendor: 03306 - Save Mart                                   |                |                |                                  |            |
| 03/20/2024  | DFT0007406     | 032024         | safety meeting                   | 51.03      |
| Vendor 03306 - Save Mart Total:                             |                |                |                                  | 51.03      |
| Vendor: 03153 - Slate Geotechnical Consultants, Inc.        |                |                |                                  |            |
| 03/15/2024  | 58169          | 2324           | 23-062-01 Magalia Dam Final ...  | 496.46     |
| Vendor 03153 - Slate Geotechnical Consultants, Inc. Total:  |                |                |                                  | 496.46     |
| Vendor: 03273 - Snap-On Credit LLC                          |                |                |                                  |            |
| 03/01/2024  | DFT0007237     | 2024-02        | Software                         | 99.00      |
| Vendor 03273 - Snap-On Credit LLC Total:                    |                |                |                                  | 99.00      |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date   | Payment Number | Payable Number | Description (Item)               | Amount            |
|--|----------------|----------------|----------------------------------|-------------------|
| <b>Vendor: 03210 - Spatial Networks, Inc.</b>                            |                |                |                                  |                   |
| 03/26/2024   | DFT0007407     | 7E7049a6-0059  | Field software                   | 337.17            |
| <b>Vendor 03210 - Spatial Networks, Inc. Total:</b>                      |                |                |                                  | <b>337.17</b>     |
| <b>Vendor: 02292 - Standard Insurance Company</b>                        |                |                |                                  |                   |
| 03/29/2024   | DFT0007384     | 2024-02        | LT Disability                    | 135.67            |
| 03/29/2024   | DFT0007384     | 2024-02        | ST Disability                    | 20.87             |
| 03/29/2024   | DFT0007384     | 2024-02        | LT Disability                    | 209.24            |
| 03/29/2024   | DFT0007384     | 2024-02        | ST Disability                    | 32.19             |
| 03/29/2024   | DFT0007384     | 2024-02        | ST Disability                    | 10.15             |
| 03/29/2024   | DFT0007384     | 2024-02        | LT Disability                    | 65.95             |
| 03/29/2024   | DFT0007384     | 2024-02        | LT Disability                    | 228.09            |
| 03/29/2024   | DFT0007384     | 2024-02        | ST Disability                    | 35.09             |
| <b>Vendor 02292 - Standard Insurance Company Total:</b>                  |                |                |                                  | <b>737.25</b>     |
| <b>Vendor: 03061 - Sterling Health Services, Inc DBA</b>                 |                |                |                                  |                   |
| 03/01/2024   | DFT0007295     | INV0007263     | HSA Contribution                 | 167.30            |
| 03/15/2024   | DFT0007356     | INV0007277     | HSA Contribution                 | 167.30            |
| 03/29/2024   | DFT0007437     | INV0007311     | HSA Contribution                 | 167.30            |
| <b>Vendor 03061 - Sterling Health Services, Inc DBA Total:</b>           |                |                |                                  | <b>501.90</b>     |
| <b>Vendor: 03284 - T&amp;S Construction Co., Inc - Umpqua Bank</b>       |                |                |                                  |                   |
| 03/15/2024   | 58171          | 2024-02        | Zome A Pump station and Tra...   | 5,440.74          |
| <b>Vendor 03284 - T&amp;S Construction Co., Inc - Umpqua Bank Total:</b> |                |                |                                  | <b>5,440.74</b>   |
| <b>Vendor: 03283 - T&amp;S Construction Co., Inc</b>                     |                |                |                                  |                   |
| 03/15/2024   | 58170          | 2024-02        | Zone A Pump Station & Trans...   | 103,374.21        |
| <b>Vendor 03283 - T&amp;S Construction Co., Inc Total:</b>               |                |                |                                  | <b>103,374.21</b> |
| <b>Vendor: 03165 - Teiechert Pipelines, Inc.</b>                         |                |                |                                  |                   |
| 03/25/2024   | 58180          | FH240122       | Hydrant Meter Closeout - Teie... | -230.10           |
| 03/25/2024   | 58180          | FH240122       | Hydrant Meter Closeout - Teie... | -1,396.06         |
| 03/25/2024   | 58180          | FH240122       | Hydrant Meter Closeout - Teie... | 3,000.00          |
| <b>Vendor 03165 - Teiechert Pipelines, Inc. Total:</b>                   |                |                |                                  | <b>1,373.84</b>   |
| <b>Vendor: 02808 - The UPS Store</b>                                     |                |                |                                  |                   |
| 03/31/2024   | APA001571      | 02.27.24       | Postage                          | 63.10             |
| 03/31/2024   | APA001571      | 03.13.24       | Postage                          | 184.34            |
| <b>Vendor 02808 - The UPS Store Total:</b>                               |                |                |                                  | <b>247.44</b>     |
| <b>Vendor: 02362 - Thomas Ace Hardware</b>                               |                |                |                                  |                   |
| 03/07/2024   | APA001531      | 225581         | Supplies                         | 18.59             |
| 03/07/2024   | APA001531      | 225592         | Supplies                         | 42.99             |
| 03/07/2024   | APA001531      | 225614         | Supplies                         | 15.43             |
| 03/07/2024   | APA001531      | 225618         | Supplies                         | 14.00             |
| 03/07/2024   | APA001531      | 225672         | Supplies                         | 64.43             |
| 03/07/2024   | APA001531      | 225790         | Supplies                         | 56.54             |
| 03/07/2024   | APA001531      | 225824         | Supplies                         | 59.25             |
| 03/15/2024   | APA001546      | 225883         | Supplies                         | 56.25             |
| 03/07/2024   | APA001531      | 225893         | Supplies                         | 86.80             |
| 03/07/2024   | APA001531      | 225984         | Supplies                         | 71.65             |
| 03/07/2024   | APA001531      | 226030         | Supplies                         | 48.46             |
| 03/07/2024   | APA001531      | 226045         | Supplies                         | 25.17             |
| 03/07/2024   | APA001531      | 226057         | Supplies                         | 78.60             |
| 03/07/2024   | APA001531      | 226153         | Supplies                         | 1.47              |
| 03/07/2024   | APA001531      | 226273         | Supplies                         | 72.35             |
| 03/07/2024   | APA001531      | 226287         | Supplies                         | 40.14             |
| 03/07/2024   | APA001531      | 226383         | Supplies                         | 8.71              |
| 03/07/2024   | APA001531      | 226388         | Supplies                         | 10.76             |
| 03/07/2024   | APA001531      | 226402         | Supplies                         | 35.08             |
| 03/07/2024   | APA001531      | 226404         | Supplies                         | 34.12             |
| 03/07/2024   | APA001531      | 226414         | Supplies                         | 25.71             |
| 03/07/2024   | APA001531      | 225615         | Supplies                         | 2.50              |
| 03/07/2024   | APA001531      | 225832         | Supplies                         | 27.66             |
| 03/07/2024   | APA001531      | 226564         | Supplies                         | 9.70              |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date                              | Payment Number | Payable Number | Description (Item) | Amount   |
|---|----------------|----------------|--------------------|----------|
| 03/07/2024                                | APA001531      | 226692         | Supplies           | 14.54    |
| 03/07/2024                                | APA001531      | 226717         | Supplies           | 7.23     |
| 03/07/2024                                | APA001531      | 226831         | Supplies           | 28.12    |
| 03/07/2024                                | APA001531      | 226840         | Supplies           | 8.17     |
| 03/07/2024                                | APA001531      | 226851         | Supplies           | 4.88     |
| 03/07/2024                                | APA001531      | 226856         | Supplies           | 2.07     |
| 03/07/2024                                | APA001531      | 226925         | Supplies           | 47.09    |
| 03/07/2024                                | APA001531      | 226976         | Supplies           | 37.95    |
| 03/07/2024                                | APA001531      | 226990         | Supplies           | 123.54   |
| 03/07/2024                                | APA001531      | 226997         | Supplies           | 5.79     |
| 03/07/2024                                | APA001531      | 227038         | Supplies           | 3.21     |
| 03/15/2024                                | APA001546      | 227133         | Supplies           | 101.85   |
| 03/31/2024                                | APA001572      | 227181         | Supplies           | -69.30   |
| 03/15/2024                                | APA001546      | 227234         | Supplies           | 6.47     |
| 03/07/2024                                | APA001531      | 227279         | Supplies           | 69.25    |
| 03/15/2024                                | APA001546      | 227306         | Supplies           | 88.28    |
| 03/15/2024                                | APA001546      | 227308         | Supplies           | 96.96    |
| 03/07/2024                                | APA001531      | 227355         | Tools              | 18.52    |
| 03/15/2024                                | APA001546      | 227419         | Supplies           | 62.46    |
| 03/07/2024                                | APA001531      | 227424         | Supplies           | 23.14    |
| 03/07/2024                                | APA001531      | 227443         | Supplies           | 56.13    |
| 03/31/2024                                | APA001572      | 227577         | Supplies           | 31.58    |
| 03/31/2024                                | APA001572      | 227593         | Supplies           | 27.13    |
| 03/31/2024                                | APA001572      | 227637         | Supplies           | 64.63    |
| 03/31/2024                                | APA001572      | 227673         | Supplies           | 24.77    |
| 03/31/2024                                | APA001572      | 227680         | Supplies           | 48.84    |
| 03/31/2024                                | APA001572      | 227767         | Supplies           | 13.88    |
| 03/31/2024                                | APA001572      | 227773         | Supplies           | 30.14    |
| 03/31/2024                                | APA001572      | 227870         | Supplies           | 25.86    |
| 03/31/2024                                | APA001572      | 227902         | Supplies           | 57.46    |
| 03/31/2024                                | APA001572      | 228069         | Supplies           | 11.63    |
| 03/31/2024                                | APA001572      | 228112         | Supplies           | 44.16    |
| 03/31/2024                                | APA001572      | 228130         | Supplies           | -38.64   |
| 03/31/2024                                | APA001572      | 228132         | supplies           | 88.62    |
| 03/31/2024                                | APA001572      | 228135         | Supplies           | 15.49    |
| 03/31/2024                                | APA001572      | 228186         | Supplies           | 2.18     |
| 03/31/2024                                | APA001572      | 228275         | Supplies           | 4.13     |
| 03/31/2024                                | APA001572      | 228450         | Supplies           | 109.15   |
| 03/31/2024                                | APA001572      | 228453         | Supplies           | 19.55    |
| 03/31/2024                                | APA001572      | 228526         | Supplies           | 59.46    |
| 03/31/2024                                | APA001572      | 228577         | Supplies           | 35.26    |
| 03/31/2024                                | APA001572      | 228652         | Supplies           | 38.89    |
| 03/31/2024                                | APA001572      | 228760         | Supplies           | 27.95    |
| 03/31/2024                                | APA001572      | 228791         | Supplies           | 17.51    |
| 03/31/2024                                | APA001572      | 228836         | Supplies           | 19.68    |
| 03/31/2024                                | APA001572      | 228865         | Supplies           | 1.55     |
| 03/31/2024                                | APA001572      | 228881         | Supplies           | 21.11    |
| 03/31/2024                                | APA001572      | 228885         | Supplies           | 4.90     |
| 03/31/2024                                | APA001572      | 228893         | supplies           | 5.45     |
| 03/31/2024                                | APA001572      | 228916         | Supplies           | 2.87     |
| 03/31/2024                                | APA001572      | 228995         | Small tools        | 77.46    |
| 03/31/2024                                | APA001572      | 229007         | Supplies           | 12.82    |
| 03/31/2024                                | APA001572      | 229065         | Supplies           | 6.61     |
| Vendor 02362 - Thomas Ace Hardware Total: |                |                |                    | 2,554.79 |

## Vendor: 02376 - Town of Paradise

|  |           |               |                               |           |
|--|-----------|---------------|-------------------------------|-----------|
| 03/07/2024                             | APA001532 | 7302.2-PID #2 | Utility Agreement, Valve Cans | 19,209.38 |
| Vendor 02376 - Town of Paradise Total: |           |               |                               | 19,209.38 |

## Expense Approval Report

Payment Dates: 3/1/2024 - 3/31/2024

| Payment Date  | Payment Number | Payable Number | Description (Item)               | Amount            |
|---|----------------|----------------|----------------------------------|-------------------|
| <b>Vendor: 03261 - Tractor Supply Company</b>                 |                |                |                                  |                   |
| 03/06/2024  | DFT0007395     | 132691         | Supplies                         | 398.65            |
| <b>Vendor 03261 - Tractor Supply Company Total:</b>           |                |                |                                  | <b>398.65</b>     |
| <b>Vendor: 02824 - US Bank Corporate Payment System</b>       |                |                |                                  |                   |
| 03/25/2024  | DFT0007450     | VP-J5NTMBC5    | VistaPrint Business Cards        | 59.23             |
| 03/13/2024  | DFT0007434     | FOCS607592     | Bills Truck                      | 458.76            |
| 03/13/2024  | DFT0007432     | FOCS607632     | Bills Truck                      | 505.30            |
| 03/15/2024  | DFT0007389     | 2024-03-15     | Staff appreciation               | 24.42             |
| 03/20/2024  | DFT0007451     | 03.20.24       | Safety                           | 25.69             |
| 03/20/2024  | DFT0007467     | e171228        | Safety                           | 470.46            |
| 03/21/2024  | DFT0007416     | 03.21.24       | Safety                           | 764.98            |
| 03/21/2024  | DFT0007483     | 6136388        | Safety Summit                    | 982.59            |
| 03/22/2024  | DFT0007411     | 936483643      | Software                         | 9.90              |
| 03/22/2024  | DFT0007449     | 9590           | True Valley - supplies           | 24.77             |
| 03/25/2024  | DFT0007408     | 2024-03-25     | Employee engagement              | 67.24             |
| 03/28/2024  | DFT0007471     | 229061         | California Grade D3 Water Dis... | 624.98            |
| <b>Vendor 02824 - US Bank Corporate Payment System Total:</b> |                |                |                                  | <b>4,018.32</b>   |
| <b>Vendor: 02686 - USA Blue Book</b>                          |                |                |                                  |                   |
| 03/31/2024  | APA001573      | INV00285367    | Supplies                         | 510.76            |
| 03/31/2024  | APA001573      | INV00285877    | Supplies                         | 201.44            |
| <b>Vendor 02686 - USA Blue Book Total:</b>                    |                |                |                                  | <b>712.20</b>     |
| <b>Vendor: 02703 - Verizon Wireless</b>                       |                |                |                                  |                   |
| 03/15/2024  | DFT0007383     | 9957222789     | Utilities - Cell Phone           | 307.80            |
| 03/15/2024  | DFT0007383     | 9957222789     | Utilities - Cell phone           | 963.81            |
| 03/15/2024  | DFT0007383     | 9957222789     | Utilities - Cell phone           | 469.00            |
| 03/15/2024  | DFT0007383     | 9957222789     | Utilities - Cell phone           | 552.03            |
| <b>Vendor 02703 - Verizon Wireless Total:</b>                 |                |                |                                  | <b>2,292.64</b>   |
| <b>Vendor: 02712 - VistaNet inc.</b>                          |                |                |                                  |                   |
| 03/07/2024  | APA001533      | 24125          | Office Equipment Maintenance     | 1,507.08          |
| 03/07/2024  | APA001533      | 24126          | Office Equipment                 | 30.00             |
| 03/31/2024  | APA001574      | 24170          | IT Support                       | 120.00            |
| 03/31/2024  | APA001574      | 24171          | IT Support                       | 120.00            |
| 03/31/2024  | APA001574      | 24310          | Prof. Services                   | 816.60            |
| 03/31/2024  | APA001574      | 24311          | Prof. Services                   | 629.00            |
| 03/31/2024  | APA001574      | 24373          | Prof Services                    | 60.00             |
| 03/31/2024  | APA001574      | 24374          | Prof Services                    | 270.00            |
| <b>Vendor 02712 - VistaNet inc. Total:</b>                    |                |                |                                  | <b>3,552.68</b>   |
| <b>Vendor: 02714 - Wagner &amp; Bonsignore</b>                |                |                |                                  |                   |
| 03/31/2024  | APA001575      | 02-24-589      | CIP Water Rights                 | 5,827.50          |
| 03/15/2024  | APA001547      | 03-24-884      | Legal                            | 1,575.00          |
| <b>Vendor 02714 - Wagner &amp; Bonsignore Total:</b>          |                |                |                                  | <b>7,402.50</b>   |
| <b>Vendor: 03002 - Water Works Engineers</b>                  |                |                |                                  |                   |
| 03/07/2024  | 58165          | 14801          | 19-017 Disaster Recovery Ma...   | 171,279.42        |
| 03/15/2024  | APA001548      | 14868          | 17-071 Backwash Waste NPD...     | 4,399.27          |
| 03/15/2024  | 58173          | 14869          | 17-041 Zone A Project            | 13,739.15         |
| 03/15/2024  | 58172          | 14870          | 19-017 Disaster Recovery Ma...   | 193,955.97        |
| <b>Vendor 03002 - Water Works Engineers Total:</b>            |                |                |                                  | <b>383,373.81</b> |
| <b>Vendor: 03134 - White Glove Cleaning Svc Inc</b>           |                |                |                                  |                   |
| 03/07/2024  | APA001534      | 77068          | Janitorial services              | 653.00            |
| 03/07/2024  | APA001534      | 77069          | Janitorial services              | 456.00            |
| 03/07/2024  | APA001534      | 77070          | Janitorial services              | 495.00            |
| <b>Vendor 03134 - White Glove Cleaning Svc Inc Total:</b>     |                |                |                                  | <b>1,604.00</b>   |
| <b>Vendor: 02778 - Wurth USA Inc.</b>                         |                |                |                                  |                   |
| 03/07/2024  | DFT0007350     | 98025311       | Shop supplies                    | 343.15            |
| 03/31/2024  | APA001576      | 98029007       | Supplies                         | 107.70            |
| <b>Vendor 02778 - Wurth USA Inc. Total:</b>                   |                |                |                                  | <b>450.85</b>     |

## Expense Approval Report

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| Payment Date   | Payment Number | Payable Number | Description (Item) | Amount              |
|--|----------------|----------------|--------------------|---------------------|
| <b>Vendor: 02867 - Zenner USA</b>                      |                |                |                    |                     |
| 03/07/2024   | APA001535      | 0083956-IN     | sensing tube       | 448.99              |
| 03/07/2024   | APA001535      | 0083956-IN     | ETRU's             | 966.75              |
| <b>Vendor 02867 - Zenner USA Total:</b>                |                |                |                    | <b>1,415.74</b>     |
| <b>Vendor: 03263 - Zoom Video Communications</b>       |                |                |                    |                     |
| 03/02/2024   | DFT0007319     | INV244249302   | Software           | 581.15              |
| <b>Vendor 03263 - Zoom Video Communications Total:</b> |                |                |                    | <b>581.15</b>       |
| <b>Grand Total:</b>                                    |                |                |                    | <b>1,467,577.23</b> |

FY2024/2025 Budget Preparation

Revenue Projections

Assumptions & Facts:

|   |           |  |
|---|-----------|--|
| Number going sealed from disconnected (per month) | 18        |  |
| Number going active (per month)                   | 30        |  |
| Cubic Feet per customer (per month)               | 1300      | 1300 cubic feet equals 9,725 gallons.  |
| Number of new meters (per monthly)                | 200       |  |
| Percent PID owned backflows                       | 95%       | According to USGS, the average person uses 80-100 gallons of water per day (325 cu.ft.). |
| Rate per cubic foot                               | \$ 0.0161 |  |
| Sealed service charge (per month)                 | \$ 21.49  |  |
| Active service charge (per month)                 | \$ 42.97  |  |
| Sealed hydrant fee (per month)                    | \$ 1.00   |  |
| Active hydrant fee (per month)                    | \$ 0.50   |  |
| Backflow maintenance (per month)                  | \$ 5.00   |  |

Regular Monthly Billing

| Month  | Active Count | Total Active Rate | Sealed Count | Total Sealed Rate | Total Service Charge | Consumption Charges | Hydrant Fees | Backflow Maintenance |
|--------|--------------|-------------------|--------------|-------------------|----------------------|---------------------|--------------|----------------------|
| Jul-24 | 5,197        | \$ 223,315        | 4,018        | \$ 86,347         | \$ 309,662           | \$ 108,773          | \$ 7,206     | \$ 43,771            |
| Aug-24 | 5,227        | \$ 224,604        | 4,036        | \$ 86,734         | \$ 311,338           | \$ 109,401          | \$ 7,245     | \$ 43,999            |
| Sep-24 | 5,257        | \$ 225,893        | 4,054        | \$ 87,120         | \$ 313,014           | \$ 110,029          | \$ 7,284     | \$ 44,227            |
| Oct-24 | 5,287        | \$ 227,182        | 4,072        | \$ 87,507         | \$ 314,690           | \$ 110,657          | \$ 7,323     | \$ 44,455            |
| Nov-24 | 5,317        | \$ 228,471        | 4,090        | \$ 87,894         | \$ 316,366           | \$ 111,285          | \$ 7,362     | \$ 44,683            |
| Dec-24 | 5,347        | \$ 229,761        | 4,108        | \$ 88,281         | \$ 318,042           | \$ 111,913          | \$ 7,401     | \$ 44,911            |
| Jan-25 | 5,377        | \$ 231,050        | 4,126        | \$ 88,668         | \$ 319,717           | \$ 112,541          | \$ 7,440     | \$ 45,139            |
| Feb-25 | 5,407        | \$ 232,339        | 4,144        | \$ 89,055         | \$ 321,393           | \$ 113,169          | \$ 7,479     | \$ 45,367            |
| Mar-25 | 5,437        | \$ 233,628        | 4,162        | \$ 89,441         | \$ 323,069           | \$ 113,796          | \$ 7,518     | \$ 45,595            |
| Apr-25 | 5,467        | \$ 234,917        | 4,180        | \$ 89,828         | \$ 324,745           | \$ 114,424          | \$ 7,557     | \$ 45,823            |
| May-25 | 5,497        | \$ 236,206        | 4,198        | \$ 90,215         | \$ 326,421           | \$ 115,052          | \$ 7,596     | \$ 46,051            |
| Jun-25 | 5,527        | \$ 237,495        | 4,216        | \$ 90,602         | \$ 328,097           | \$ 115,680          | \$ 7,635     | \$ 46,279            |
|        |              | \$ 2,764,862      |              | \$ 1,061,692      | \$ 3,826,554         | \$ 1,346,720        | \$ 89,046    | \$ 540,303           |

Total Water Revenue (service charge + consumption)

\$ 5,173,274

Interest Income

|   |              |       |            |           |            |            |                                    |  |
|---|--------------|-------|------------|-----------|------------|------------|------------------------------------|--|
| 12 Month Rolling Investment Income (Meeder) |              |       |            | 2,721,000 |            |            |                                    |  |
| CLASS & Money Market Interest               |              |       |            | 2,239,781 |            |            |                                    |  |
| Cash on hand per month                      |              |       |            |           |            |            |                                    |  |
| Month                                       | Earnings     | Rate  | Starting   | Spend     | Recv       | Ending     |                                    |  |
| July  | 123,750.00   | 5.50% | 20,000,000 | 2,000,000 | 9,000,000  | 27,000,000 | Add Res. B                         |  |
| August                                      | 115,150.52   | 5.50% | 27,000,000 | 2,000,000 | 123,750    | 25,123,750 |                                    |  |
| September                                   | 210,140.79   | 5.50% | 25,123,750 | 2,000,000 | 22,725,151 | 45,848,901 | Add MISLR2, MISLR3, & Mains Reimb. |  |
| October                                     | 201,937.27   | 5.50% | 45,848,901 | 2,000,000 | 210,141    | 44,059,041 |                                    |  |
| November                                    | 219,408.65   | 5.50% | 44,059,041 | 2,000,000 | 5,811,937  | 47,870,979 | Add MISLR3 & Mains Reimb.          |  |
| December                                    | 211,247.61   | 5.50% | 47,870,979 | 2,000,000 | 219,409    | 46,090,387 |                                    |  |
| January                                     | 184,590.15   | 5.00% | 46,090,387 | 2,000,000 | 211,248    | 44,301,635 |                                    |  |
| February                                    | 200,400.94   | 5.00% | 44,301,635 | 2,000,000 | 5,794,590  | 48,096,225 | Add MISLR3 & Mains Reimb.          |  |
| March                                       | 192,902.61   | 5.00% | 48,096,225 | 2,000,000 | 200,401    | 46,296,626 |                                    |  |
| April                                       | 185,373.04   | 5.00% | 46,296,626 | 2,000,000 | 192,903    | 44,489,529 |                                    |  |
| May   | 201,187.09   | 5.00% | 44,489,529 | 2,000,000 | 5,795,373  | 48,284,902 | Add MISLR3 & Mains Reimb.          |  |
| June  | 193,692.04   | 5.00% | 48,284,902 | 2,000,000 | 201,187    | 46,486,089 |                                    |  |
|   | 2,239,780.70 |       |            |           |            |            |                                    |  |

**PARADISE IRRIGATION DISTRICT  
PARADISE, CALIFORNIA  
ANNUAL FINANCIAL REPORT  
WITH  
INDEPENDENT AUDITOR'S REPORTS  
THEREON  
JUNE 30, 2023**

**PARADISE IRRIGATION DISTRICT**

Annual Financial Report  
Year Ended June 30, 2023

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## **FINANCIAL SECTION**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Paradise Irrigation District  
Paradise, California

### **Opinions**

We have audited the accompanying financial statements of the Paradise Irrigation District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District'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 District as of June 30, 2023, and the respective changes in financial position and cash flows thereof for the fiscal 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 District 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 District'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 City of X, State Y'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 City of X, State Y'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 management's discussion and analysis and schedule of changes in net other post-employment benefits liability listed in the table of contents be presented to supplement the basic financial statements. Such information, 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

Board of Directors  
Paradise Irrigation District  
Paradise, California

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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

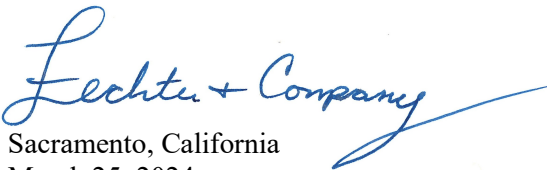
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards 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. Such 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 Schedule of Expenditures of Federal Awards is 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 March 25, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 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 District's internal control over financial reporting and compliance.

Fechter & Company  
Certified Public Accountants

  
Sacramento, California  
March 25, 2024

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2023

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Paradise Irrigation District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

#### Financial Highlights

- In fiscal year 2022/2023, the District's net position increased 9.22% or \$15,227,913 from \$163,612,296 to \$178,840,209.
- The District's operating revenues increased 15.04% or \$625,930 from \$4,162,246 to \$4,788,176.
- The District's operating expenses (excluding depreciation) increased 3.83% or \$300,596 from \$7,841,827 to \$8,142,423.
- The District's non-operating expenses increased 914.25% or \$962,988 from \$105,331 to \$1,068,319.

#### Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, non-capital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

#### Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2023

These two statements report the District's *net position* and changes in the net position. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality. The District's annual budget is based on a cash basis. This allows the Board to make annual decisions based on the District's cash reserves, and not just their effect on Net Position.

#### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

#### Statement of Net Position

|                                      | 2023                 | 2022                 | Change               |
|--------------------------------------|----------------------|----------------------|----------------------|
| Assets:                              |                      |                      |                      |
| Current assets                       | \$124,659,403        | \$133,478,990        | \$ (8,819,587)       |
| Capital assets - net of depreciation | 67,169,511           | 41,190,514           | 25,978,997           |
| Total Assets                         | <u>191,828,914</u>   | <u>174,669,504</u>   | <u>17,159,410</u>    |
| Deferred Outflows of Resources:      | <u>500,829</u>       | <u>564,296</u>       | <u>(63,467)</u>      |
| Liabilities:                         |                      |                      |                      |
| Current liabilities                  | 9,307,719            | 6,720,153            | 2,587,566            |
| Non-current liabilities              | 3,402,235            | 4,088,096            | (685,861)            |
| Total Liabilities                    | <u>12,709,954</u>    | <u>10,808,249</u>    | <u>1,901,705</u>     |
| Deferred Inflows of Resources:       | <u>779,580</u>       | <u>813,255</u>       | <u>(33,675)</u>      |
| Net Position:                        |                      |                      |                      |
| Net investment in capital assets     | 64,294,849           | 37,568,841           | 26,726,008           |
| Unrestricted                         | <u>114,545,360</u>   | <u>126,043,455</u>   | <u>(11,498,095)</u>  |
| Total Net Position                   | <u>\$178,840,209</u> | <u>\$163,612,296</u> | <u>\$ 15,227,913</u> |

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$178,840,209 as of June 30, 2023.

One of the largest portions of the District's net position (35.95% as of June 30, 2023) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are not available for future spending.

At the end of fiscal year 2022/2023, the District showed a positive balance in its unrestricted net position of \$114,545,360.

## PARADISE IRRIGATION DISTRICT

Management's Discussion and Analysis (Unaudited)  
For the Year Ended June 30, 2023

### Statement of Revenues, Expenses, and Changes in Net Position

|   | 2023                        | 2022                        | Change                      |
|---|-----------------------------|-----------------------------|-----------------------------|
| Revenues:                                   |                             |                             |                             |
| Operating revenues                          | \$ 4,788,176                | \$ 4,162,246                | \$ 625,930                  |
| Non-operating revenues                      | 2,951,172                   | 2,810,767                   | 140,405                     |
| Total Revenues                              | <u>7,739,348</u>            | <u>6,973,013</u>            | <u>766,335</u>              |
| Expenses:                                   |                             |                             |                             |
| Operating expenses excluding depreciation   | 8,142,423                   | 7,841,827                   | 300,596                     |
| Depreciation                                | 1,427,679                   | 1,017,080                   | 410,599                     |
| Non-operating expenses                      | 1,068,319                   | 105,331                     | 962,988                     |
| Total Expenses                              | <u>10,638,421</u>           | <u>8,964,238</u>            | <u>1,674,183</u>            |
| Net Loss Before Extraordinary Items         | (2,899,073)                 | (1,991,225)                 | (907,848)                   |
| Extraordinary items                         | <u>18,126,986</u>           | <u>127,595,941</u>          | <u>(109,468,955)</u>        |
| Change in Net Position                      | 15,227,913                  | 125,604,716                 | (110,376,803)               |
| Net Position, Beginning of Year, restated * | <u>163,612,296</u>          | <u>38,007,580</u>           | <u>125,604,716</u>          |
| Net Position, End of Year                   | <u><u>\$178,840,209</u></u> | <u><u>\$163,612,296</u></u> | <u><u>\$ 15,227,913</u></u> |

\* - Restated in FY 2022

The Statement of Revenues, Expenses, and Changes in Net Position shows how the District's net position changed during the fiscal year. Net position increased by \$15,227,913 for the fiscal year ended June 30, 2023.

A closer examination of the sources of changes in net position reveals that in fiscal year 2022/2023, the District's total revenues increased by \$766,335 and total expenses increased by \$1,674,183.

### Operating Revenues

|                          | 2023                       | 2022                       | Change                   |
|--------------------------|----------------------------|----------------------------|--------------------------|
| Operating Revenues:      |                            |                            |                          |
| Service fee              | \$ 3,996,901               | \$ 3,657,496               | \$ 339,405               |
| Quantity charge          | 128,971                    | -                          | 128,971                  |
| Fees and adjustments     | 309,320                    | 130,860                    | 178,460                  |
| Outside water sales      | 241,404                    | 214,169                    | 27,235                   |
| Recreation fees          | 99,177                     | 63,378                     | 35,799                   |
| Backflow charges         | -                          | 140                        | (140)                    |
| Meter charges            | 12,403                     | 96,203                     | (83,800)                 |
| Total Operating Revenues | <u><u>\$ 4,788,176</u></u> | <u><u>\$ 4,162,246</u></u> | <u><u>\$ 625,930</u></u> |

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2023

In FY 2022/2023, operating revenues increased by \$625,930 or 15.04%. Service fee revenue increased by \$339,405 due primarily to the rebuilding of the Town of Paradise and an increase of returning residential and commercial customers. Additionally, in an effort to encourage rebuilding by reducing direct costs to the customers, the District's Board of Directors made the decision after the Camp Fire to not charge customers for water usage. Beginning in fiscal year 2023 the District began the process of charging customers for water usage, an increase of \$128,971.

#### Operating Expenses

|                          | 2023                | 2022                | Change            |
|--------------------------|---------------------|---------------------|-------------------|
| Operating Expenses:      |                     |                     |                   |
| Salaries and benefits    | \$ 4,494,022        | \$ 3,963,520        | \$ 530,502        |
| Professional fees        | 1,058,458           | 1,803,757           | (745,299)         |
| Depreciation             | 1,427,679           | 1,017,080           | 410,599           |
| Other                    | 2,589,943           | 2,074,550           | 515,393           |
| Total Operating Expenses | <u>\$ 9,570,102</u> | <u>\$ 8,858,907</u> | <u>\$ 711,195</u> |

In fiscal year 2022/2023, operating expenses increased by \$711,195, or 8.03%. This was primarily due to a couple main factors, an increase in staff salaries and an increase in depreciation expense. After the Camp Fire, with the District's financial stability in question, the Board negotiated with the IBEW union to freeze salary increases pending a settlement award from the PG&E Camp Fire Survivors Trust. When a settlement was reached in May 2022, the deferred increases were enacted. In addition, the District replaced its entire fleet of service and utility vehicles in this fiscal year, replacing the old and fully depreciated vehicles with brand new vehicles.

#### Capital Asset Administration

At the end of fiscal year 2022/2023, the District's investment in capital assets amounted to \$67,169,511 (net of accumulated depreciation). This investment in capital assets includes land, land and water rights, transmission and distribution systems, wells, tanks, reservoirs, pumps, buildings and structures, equipment, vehicles and construction-in-process, etc. There were numerous capital asset additions in fiscal year 2022/2023.

Changes in capital asset amounts for fiscal year 2022/2023 were as follows:

|   | Balance<br>7/1/2022  | Additions            | Transfers/<br>Deletions | Balance<br>6/30/2023 |
|---|----------------------|----------------------|-------------------------|----------------------|
| Capital Assets:                           |                      |                      |                         |                      |
| Non-depreciable assets                    | \$ 20,508,527        | \$ 25,242,250        | \$ -                    | \$ 45,750,777        |
| Depreciable assets - cost                 | 44,041,426           | 2,172,982            | (1,104,365)             | 45,110,043           |
| Accumulated depreciation and amortization | (23,359,439)         | (1,427,679)          | 1,095,809               | (23,691,309)         |
| Total Capital Assets, Net                 | <u>\$ 41,190,514</u> | <u>\$ 25,987,553</u> | <u>\$ (8,556)</u>       | <u>\$ 67,169,511</u> |

For additional information on capital assets, refer to Note 3.



## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2023

#### Debt Administration

Changes in long-term debt amounts for fiscal year 2022/2023 were as follows:

|                                     | Balance<br>7/1/2022 | Additions   | Retirements         | Balance<br>6/30/2023 |
|-------------------------------------|---------------------|-------------|---------------------|----------------------|
| Long-term Debt:                     |                     |             |                     |                      |
| 2016 Private Placement Loan Payable | \$ 1,460,000        | \$ -        | \$ (210,000)        | \$ 1,250,000         |
| CIEBD Loan Payable                  | 1,053,095           | -           | -                   | 1,053,095            |
| 2017 Private Placement Loan Payable | 1,169,300           | -           | (561,300)           | 608,000              |
| Total                               | <u>\$ 3,682,395</u> | <u>\$ -</u> | <u>\$ (771,300)</u> | <u>\$ 2,911,095</u>  |

For additional information on long-term debt, refer to Note 4.

#### Conditions Affecting Current Financial Position

The District is still rebuilding following the devastation of the Camp Fire. Refer to Note 11 – Extraordinary Items and Note 12 – Evaluation of Subsequent Events in the notes to the financial statements for further details. Management is unaware of any other conditions which could have a significant impact on the District's current financial position, net assets, or operating results in terms of past, present, and future.

#### Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Finance and Accounting Manager/Treasurer at 6332 Clark Road, Paradise, California 95967 or by phone (530) 877-4971.

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

|  | <u>2023</u>           |
|--|-----------------------|
| <b>ASSETS</b>                                    |                       |
| Current Assets:                                  |                       |
| Cash and cash equivalents                        | \$ 1,398,801          |
| Investments                                      | 93,627,822            |
| Accounts receivable                              | 741,218               |
| Grants receivable                                | 27,342,601            |
| Other receivables                                | 1,282,634             |
| Prepaid expenses                                 | 186,254               |
| Inventories                                      | 80,073                |
| Total current assets                             | <u>124,659,403</u>    |
| Non-Current Assets:                              |                       |
| Capital assets - net of accumulated depreciation | 67,169,511            |
| Total non-current assets                         | <u>67,169,511</u>     |
| <b>TOTAL ASSETS</b>                              | <u>191,828,914</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>            |                       |
| Gain from debt refunding                         | 36,433                |
| Deferred other post-employment benefits          | 464,396               |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>      | <u>500,829</u>        |
| <b>LIABILITIES</b>                               |                       |
| Current Liabilities:                             |                       |
| Accounts payable and accrued expenses            | 7,371,913             |
| Accrued payroll liabilities                      | 142,064               |
| Accrued interest                                 | 2,640                 |
| Funds held for others                            | 345,356               |
| Deposits   | 159,280               |
| Compensated absences liability                   | 497,466               |
| Current portion of long-term debt                | 789,000               |
| Total current liabilities                        | <u>9,307,719</u>      |
| Non-Current Liabilities:                         |                       |
| Long-term debt - net of current portion          | 2,122,095             |
| Other post-employment benefits                   | 1,280,140             |
| Total non-current liabilities                    | <u>3,402,235</u>      |
| <b>TOTAL LIABILITIES</b>                         | <u>12,709,954</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>             |                       |
| Deferred other post-employment benefits          | 779,580               |
| <b>NET POSITION</b>                              |                       |
| Net investment in capital assets                 | 64,294,849            |
| Unrestricted                                     | 114,545,360           |
| <b>TOTAL NET POSITION</b>                        | <u>\$ 178,840,209</u> |

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

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2023**

|   | <u>2023</u>                  |
|---|------------------------------|
| <b>OPERATING REVENUES:</b>                  |                              |
| Water sales and service                     | \$ 4,435,192                 |
| Outside water sales                         | 241,404                      |
| Other operating revenues                    | <u>111,580</u>               |
| Total operating revenues                    | <u>4,788,176</u>             |
| <b>OPERATING EXPENSES:</b>                  |                              |
| Salaries and benefits                       | 4,494,022                    |
| Supplies                                    | 1,171,267                    |
| Office                                      | 215,424                      |
| Utilities                                   | 277,337                      |
| Repairs and maintenance                     | 169,545                      |
| Gas and oil                                 | 97,357                       |
| Insurance                                   | 135,296                      |
| Training                                    | 64,923                       |
| Service charges                             | 105,162                      |
| Professional fees                           | 1,058,458                    |
| License and fees                            | 187,023                      |
| Software                                    | 90,711                       |
| Other                                       | 75,898                       |
| Depreciation                                | <u>1,427,679</u>             |
| Total operating expenses                    | <u>9,570,102</u>             |
| Operating loss                              | <u>(4,781,926)</u>           |
| Non-operating revenues and (expenses):      |                              |
| Interest income                             | 1,630,903                    |
| Investment loss                             | (984,668)                    |
| Interest expense                            | (83,651)                     |
| Property taxes and assessments              | 184,088                      |
| Capacity fees                               | 65,641                       |
| Gain on sale of asset                       | 228,646                      |
| PG&E reimbursements                         | 789,844                      |
| Other income                                | <u>52,050</u>                |
| Total non-operating revenues and (expenses) | <u>1,882,853</u>             |
| Net loss before extraordinary items         | <u>(2,899,073)</u>           |
| Extraordinary items:                        |                              |
| Insurance reimbursements                    | 2,897,125                    |
| Government grants                           | <u>15,229,861</u>            |
| Total extraordinary items                   | <u>18,126,986</u>            |
| Change in net position                      | 15,227,913                   |
| Beginning net position                      | <u>163,612,296</u>           |
| Ending net position                         | <u><u>\$ 178,840,209</u></u> |

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

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2023**

|  | <u>2023</u>                 |
|--|-----------------------------|
| <b>Cash flows from operating activities:</b>                     |                             |
| Cash received from customers for water sales                     | \$ 4,535,495                |
| Cash received from others  | (722,595)                   |
| Cash paid to suppliers   | (720,545)                   |
| Cash paid to employees   | (4,275,898)                 |
| Net cash used by operating activities                            | <u>(1,183,543)</u>          |
| <b>Cash flows from non-capital financing activities:</b>         |                             |
| Payment on funds held for others                                 | (186,532)                   |
| Taxes and assessments received                                   | 184,088                     |
| Other revenue received   | 52,050                      |
| Net cash provided by non-capital financing activities            | <u>49,606</u>               |
| <b>Cash flows from capital and related financing activities:</b> |                             |
| Purchase of capital assets                                       | (27,415,242)                |
| Proceeds from sale of capital assets                             | 237,212                     |
| Insurance reimbursements   | 2,897,125                   |
| Government grants  | 738,894                     |
| PG&E settlement  | 28,422,750                  |
| PG&E reimbursements  | 789,844                     |
| Principal payments on long-term debt                             | (771,300)                   |
| Interest paid  | (57,583)                    |
| Capacity fees  | 65,641                      |
| Net cash provided by capital and related financing activities    | <u>4,907,341</u>            |
| <b>Cash flows from investing activities:</b>                     |                             |
| Interest received  | 1,630,903                   |
| Investment loss  | (984,668)                   |
| Net cash provided by investing activities                        | <u>646,235</u>              |
| Net increase in cash and cash equivalents                        | 4,419,639                   |
| Cash and cash equivalents, beginning of year                     | <u>90,606,984</u>           |
| Cash and cash equivalents, end of year                           | <u><u>\$ 95,026,623</u></u> |

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

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF CASH FLOWS (Continued)**  
**FOR THE YEAR ENDED**  
**JUNE 30, 2023**

|   | <u>2023</u>                  |
|---|------------------------------|
| <b>Reconciliation of operating loss to net cash</b> |                              |
| <b>used by operating activities:</b>                |                              |
| Operating loss                                      | \$ (4,781,926)               |
| Adjustments to reconcile operating loss to net      |                              |
| cash used by operating activities:                  |                              |
| Depreciation  | 1,427,679                    |
| Changes in assets and liabilities:                  |                              |
| Accounts receivable                                 | (92,638)                     |
| Other receivables                                   | (834,175)                    |
| Prepaid expenses                                    | (36,392)                     |
| Inventories   | 270,648                      |
| Unearned revenue                                    | (50,200)                     |
| Accounts payable and accrued expenses               | 2,693,600                    |
| Customer deposits                                   | 1,737                        |
| Salaries payable                                    | 15,022                       |
| Compensated absences liability                      | 94,460                       |
| Post-employment benefit obligations                 | <u>108,642</u>               |
| <b>Net cash used by operating activities</b>        | <u><u>\$ (1,183,543)</u></u> |

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

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Paradise Irrigation District (District) conform to generally accepted accounting principles as they apply to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The District's significant accounting policies are described below.

### Financial Reporting Entity

The District was established as an independent enterprise special district in March 1916 under the California Water Code. The District is a public water utility district and therefore, falls under the guidelines of a special district governmental entity. The District is governed by a five member Board of Directors that are elected by the voting citizens of the town of Paradise, California.

The District stores, treats, transports, and distributes water to the residents of the Paradise, California community. The primary source of revenues for the District is water service and sales.

The District entered into an agreement with the Town of Paradise (Town) in 1991 for fire hydrant maintenance. The District collects fees from metered customers as defined by the Town. The District is required to use these funds for installation and maintenance of hydrants in the Town. The District reports the amount as funds held for others on the financial statements.

These financial statements present the financial data of Paradise Irrigation District and its component unit, Paradise Irrigation District Public Facilities Financing Corporation. Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt, or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable, but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

Paradise Irrigation District Public Facilities Financing Corporation (the Corporation) was incorporated in January 1993. The Corporation is a nonpublic benefit corporation whose primary purpose is to provide assistance to the District by financing acquisition, construction, and installation of public facilities for use of the District. Separate financial statements for the Corporation are not issued. The Corporation had no activity for the year ended June 30, 2023.

### Basic Financial Statements

These financial statements are presented in accordance with GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB No. 34). The District is engaged only in business-type activities and is required to present the financial statements required for enterprise funds which are part of proprietary funds.

# **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

### **Basis of Presentation**

Proprietary funds account for activities of the District similar to those found in the private sector, where cost recovery and the determination of net income are useful or necessary for sound fiscal management. The focus of proprietary fund measurement is upon the determination of operating income, changes in net position, financial position, and cash flows. Currently enterprise funds are the only type of proprietary fund that the District uses.

### **Measurement Focus and Basis of Accounting**

The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Fund Net Position are reported using the flow of economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been made. Such revenue is subject to review by the funding agency, which may result in disallowance in subsequent periods.

All of the District's activities are accounted for in a single proprietary or business-type fund. Proprietary funds distinguish operating revenues and expenses from non-operating items and capital contributions. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as either non-operating revenues and expenses or capital contributions.

### **Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the District's cash and cash equivalents include restricted and unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

### **Receivables**

Accounts receivable consists of amounts due on water services from customers. Delinquent receivables are submitted annually to the Butte County Tax Assessor to be encumbered on secured property tax bills. As a result of the process, no doubtful account allowance was deemed necessary on June 30, 2023. Other receivables consist primarily of grants receivable for expenses incurred on pipeline projects.

### **Inventory**

Inventories consist primarily of materials and supplies used in the maintenance and improvement of the District's water distribution system. Inventories are valued at cost using an average price method. Inventories are expensed when the resources are used.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### Prepaid Expenses

Certain payments for insurance and to other vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the Statement of Net Position and expensed as the items are used.

### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$10,000 and a useful life of three years or more. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated fair market value on the date donated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest is capitalized on assets acquired with debt. The amount of interest to be capitalized is offset by the interest earned on invested debt proceeds over the construction period.

Depreciation on all capital assets is computed using a straight-line basis over the estimated useful lives of the various classes of depreciable capital assets as follows:

|                                      |               |
|--------------------------------------|---------------|
| Dams and Property                    | 25 – 75 years |
| Recreation Facilities                | 7 – 10 years  |
| Pumping Plant                        | 25 years      |
| Water Treatment Plant                | 7 – 40 years  |
| Transmission and Distribution System | 25 – 35 years |
| General Plant and Office Facilities  | 5 – 10 years  |
| Vehicles                             | 5 – 10 years  |

### Compensated Absences Liability

Vacation and sick leave is accumulated for District employees at varying amounts per year depending on length of employment. Upon termination of employment, the District will pay out vacation at 100% of accumulated amounts and sick leave at varying amounts from 25% to 75%, depending on the length of employment. The District has accrued a liability for accrued vacation and sick leave that has been earned but not taken by District employees.

### Long-Term Debt

Obligations with terms over one year are reported as long-term obligations. Long-term debt consists primarily of Certificates of Participation and other notes related to capital asset additions.

Certificates of Participation premiums and discounts are deferred and amortized over the life of the issuance. Gains or losses on prior refunding are amortized over the remaining life of the debt.



## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2023

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **Net Position**

Net position in the proprietary fund financial statements are classified as net investment in capital assets, restricted, and unrestricted. Restricted net position represents constraints on resources that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Unrestricted net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”. When both restricted and unrestricted net assets are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Operating Revenues and Expenses**

Operating revenues and expenses generally result from providing services in connection with the District’s principal ongoing operations, which is water sales and services. Operating expenses for the District includes the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **Property Tax Revenue**

Butte County is responsible for assessing, collecting, and apportioning property taxes. Property taxes are recognized as revenues in the year they are levied to the extent that they result in current receivables. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied on July 1 and are payable in two installments, December 10 and April 10. Property taxes are remitted to the District in installments during the year.

#### **Unbilled Service Revenues**

Operating revenues for the District include sales of water. These revenues are billed to customers bi-monthly. Unbilled revenue is recorded based on usage as of June 30, 2023, that is billed during the month of July 2023. Unbilled revenue in the amount of \$646,816 is included in revenues for the year ended June 30, 2023.

#### **Facility Contributions**

Facility contributions are comprised of water system property and facilities that have been donated to the District. Amounts are recorded in the year they are received.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## NOTE 2: CASH AND INVESTMENTS

Cash and investments at June 30, 2023, consist of the following:

|                            |                      |
|----------------------------|----------------------|
| Petty cash                 | \$ 1,200             |
| Demand deposits            | 1,397,601            |
| Investments                | <u>93,627,822</u>    |
| Total Cash and Investments | <u>\$ 95,026,623</u> |

### Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The California Government Code and the District's investment policy do not contain legal or policy requirements limiting exposure to custodial risk for deposits or investments. The California Government Code requires that a bank secure deposits made by state and 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 public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2023, all of the District's deposits in excess of the federal depository insurance limits were collateralized as required by law. As of June 30, 2023, the carrying amount of the District's deposits, were \$1,397,601, and the bank balances were \$1,716,349.

### Investments

Investments are reported at fair value. The District has adopted a formal investment policy as required by Section 53600 of the California Government Code. The District's Treasurer has responsibility for selecting depositories and investing idle funds in accordance with the adopted investment policy. The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code 53601 through 53659 and contractual agreements. Investments held by the bond/COP fiscal agents (trustees) are governed by the provisions of the various debt indenture agreements rather than the general provisions of the District's investment policy or the California Government Code.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 2: CASH AND INVESTMENTS – CONTINUED

### Investments - continued

The table below identifies the investment types that are authorized by the District's investment policy:

|                                     | Maximum<br>Maturity | Maximum<br>Specified<br>Percentage<br>of Portfolio | Minimum<br>Quality<br>Requirements |
|-------------------------------------|---------------------|--|------------------------------------|
| Local Agency Bonds                  | 5 Years             | None   | None                               |
| U.S. Treasury Obligations           | 5 Years             | None   | None                               |
| State Obligations - CA and Others   | 5 Years             | None   | None                               |
| CA Local Agency Obligations         | 5 Years             | None   | None                               |
| U.S. Agency Obligations             | 5 Years             | None   | None                               |
| Bankers' Acceptances                | 180 Days            | 40%  | None                               |
| Commercial Paper - Select Agencies  | 270 Days            | 25%  | A-1/P-F-1                          |
| Negotiable Certificates of Deposit  | 5 Years             | 30%  | None                               |
| CD Placement Service                | 5 Years             | 30%  | None                               |
| Repurchase Agreements               | 1 Year              | None   | None                               |
| Reverse Repurchase Agreements       | 92 Days             | 20% of Base  | None                               |
| Medium-Term Notes                   | 5 Years             | 30%  | "A" Rating                         |
| Mutual Funds and Money Market       | N/A                 | 20%  | Multiple                           |
| Funds Collateralized Bank Deposits  | 5 Years             | None   | None                               |
| Mortgage Pass-Through Securities    | 5 Years             | 20%  | "AA" Rating                        |
| Bank/Time Deposits                  | 5 Years             | None   | None                               |
| County Pooled Investment Funds      | N/A                 | None   | None                               |
| Joint Powers Authority Pool         | N/A                 | None   | Multiple                           |
| Local Agency Investment Fund (LAIF) | N/A                 | None   | None                               |

The Local Agency Investment Fund (LAIF) is a special fund for the California State Treasury through which local governments may voluntarily pool investments. For the purpose of these financial statements, the fair value of amounts in LAIF is equivalent to dollars held.

The California Cooperative Liquid Assets Securities System (California CLASS) is a joint exercise of powers entity authorized under Section 6509.7, California Government Code. California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. For the purpose of these financial statements, the fair value of amounts in California CLASS is equivalent to dollars held.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 2: CASH AND INVESTMENTS – CONTINUED

### Credit Risk

California Government Code Section 53601 limits investments in commercial paper to “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by Nationally Recognized Statistical Rating Organizations (NRSROs), and limits investments in medium-term notes to a rating of A or better. The District has no investment policy restrictions that would further limit its investment choices. The District’s investment in the local agency investment pool is unrated. As of June 30, 2023, the District’s investments were in compliance with the ratings required by the District’s investment policy and the Bond/COP Indenture Agreements.

Below is the minimum rating required by (where applicable) the California Government Code, the investment policy, and the actual Standard & Poor’s rating as of the fiscal year ended June 30, 2023 for each investment type.

| Investment Description                 | Fair Value          | Minimum<br>Legal<br>Rating | Rating as of Fiscal Year End |                     |                     |                     |
|--|---------------------|----------------------------|------------------------------|---------------------|---------------------|---------------------|
|  |                     |                            | AAA*                         | AA**                | A***                | Not rated           |
| California CLASS                       | \$19,190,606        | N/A                        | \$ -                         | \$ -                | \$ -                | \$19,190,606        |
| LAIF                                   | 903                 | N/A                        | -                            | -                   | -                   | 903                 |
| Money market funds                     | 90,320              | N/A                        | 90,320                       | -                   | -                   | -                   |
| Agency bond                            | 34,445,313          | N/A                        | -                            | 34,445,313          | -                   | -                   |
| Commercial paper                       | 1,981,004           | A-1                        | -                            | -                   | 1,981,004           | -                   |
| Corporate bond                         | 9,704,100           | N/A                        | -                            | 4,332,570           | 5,371,530           | -                   |
| Corporate note                         | 744,803             | N/A                        | -                            | -                   | 744,803             | -                   |
| Mortgage-backed security (commercial)  | 956,250             | N/A                        | -                            | 956,250             | -                   | -                   |
| Mortgage-backed security (residential) | 645,703             | N/A                        | -                            | 645,703             | -                   | -                   |
| Municipal bond                         | 9,147,075           | N/A                        | 919,150                      | 8,227,925           | -                   | -                   |
| Municipal bond (amortizing)            | 719,884             | N/A                        | 719,884                      | -                   | -                   | -                   |
| Negotiable certificate of deposit      | 486,784             | N/A                        | -                            | -                   | -                   | 486,784             |
| Supranational                          | 893,260             | N/A                        | -                            | 893,260             | -                   | -                   |
| U.S. treasury bond                     | 3,869,938           | N/A                        | -                            | 3,869,938           | -                   | -                   |
| U.S. treasury note                     | 10,751,879          | N/A                        | -                            | 10,751,879          | -                   | -                   |
| Total Investments                      | <u>\$93,627,822</u> |                            | <u>\$ 1,729,354</u>          | <u>\$64,122,838</u> | <u>\$ 8,097,337</u> | <u>\$19,678,293</u> |

\* - Includes AAA+ and AAA-

\*\* - Includes AA+ and AA-

\*\*\* - Includes A+ and A-

### Interest Rate Risk

California Government Code Section 53601 limits the District’s investments to maturities of five years. The District manages its exposure to interest rate risk by purchasing a combination of shorter and longer-term investments. The District also manages cash flows by purchasing investments so that the portfolio is maturing evenly over time to provide adequate cash flow and liquidity needed for District operations.

# PARADISE IRRIGATION DISTRICT

## Notes to the Financial Statements For the Year Ended June 30, 2023

### NOTE 2: CASH AND INVESTMENTS – CONTINUED

#### Interest Rate Risk - continued

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2023:

| Investment Description                 | Fair Value          | Remaining Maturity (in Months) |                     |                     |                     |                     |
|--|---------------------|--------------------------------|---------------------|---------------------|---------------------|---------------------|
|  |                     | 12 Months<br>or Less           | 13 - 24<br>Months   | 25 - 36<br>Months   | 37 - 48<br>Months   | 49 - 60<br>Months   |
| California CLASS                       | \$ 19,190,606       | \$ 19,190,606                  | \$ -                | \$ -                | \$ -                | \$ -                |
| LAIF                                   | 903                 | 903                            | -                   | -                   | -                   | -                   |
| Money market funds                     | 90,320              | 90,320                         | -                   | -                   | -                   | -                   |
| Agency bond                            | 34,445,313          | 9,651,434                      | 8,841,987           | 4,193,164           | 4,429,994           | 7,328,734           |
| Commercial paper                       | 1,981,004           | 1,981,004                      | -                   | -                   | -                   | -                   |
| Corporate bond                         | 9,704,100           | 2,207,715                      | 2,474,294           | 3,554,574           | 1,467,517           | -                   |
| Corporate note                         | 744,803             | 744,803                        | -                   | -                   | -                   | -                   |
| Mortgage-backed security (commercial)  | 956,250             | -                              | -                   | -                   | 956,250             | -                   |
| Mortgage-backed security (residential) | 645,703             | -                              | 645,703             | -                   | -                   | -                   |
| Municipal bond                         | 9,147,075           | -                              | 909,020             | 1,857,770           | 6,380,285           | -                   |
| Municipal bond (amortizing)            | 719,884             | -                              | -                   | 719,884             | -                   | -                   |
| Negotiable certificate of deposit      | 486,784             | -                              | -                   | -                   | -                   | 486,784             |
| Supranational                          | 893,260             | -                              | -                   | 893,260             | -                   | -                   |
| U.S. treasury bond                     | 3,869,938           | 731,895                        | 2,219,470           | -                   | 918,573             | -                   |
| U.S. treasury note                     | 10,751,879          | -                              | 3,848,892           | 869,202             | 2,995,277           | 3,038,508           |
| Total Investments                      | <u>\$93,627,822</u> | <u>\$34,598,680</u>            | <u>\$18,939,366</u> | <u>\$12,087,854</u> | <u>\$17,147,896</u> | <u>\$10,854,026</u> |

# PARADISE IRRIGATION DISTRICT

## Notes to the Financial Statements For the Year Ended June 30, 2023

### NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, is shown below:

|  | Balance<br>July 1, 2022 | Additions           | Deletions          | Transfers/<br>Adjustments | Balance<br>June 30, 2023 |
|--|-------------------------|---------------------|--------------------|---------------------------|--------------------------|
| Capital assets, not being depreciated:       |                         |                     |                    |                           |                          |
| Land   | \$ 2,071,692            | \$ -                | \$ -               | \$ -                      | \$ 2,071,692             |
| Construction in progress                     | 18,436,835              | 25,242,250          | -                  | -                         | 43,679,085               |
| Total capital assets, not being depreciated  | <u>20,508,527</u>       | <u>25,242,250</u>   | <u>-</u>           | <u>-</u>                  | <u>45,750,777</u>        |
| Capital assets, being depreciated:           |                         |                     |                    |                           |                          |
| Dams and dam property                        | 7,499,150               | -                   | -                  | -                         | 7,499,150                |
| Recreation facilities                        | 202,868                 | -                   | -                  | -                         | 202,868                  |
| Pumping plant                                | 509,260                 | -                   | -                  | -                         | 509,260                  |
| Water treatment plant                        | 19,399,745              | 273,200             | -                  | -                         | 19,672,945               |
| Transmission and distribution system         | 10,143,361              | -                   | -                  | -                         | 10,143,361               |
| General plant                                | 3,668,452               | 33,148              | -                  | 121,623                   | 3,823,223                |
| Vehicles                                     | 1,330,944               | 1,796,495           | (1,104,365)        | (121,623)                 | 1,901,451                |
| Office facilities                            | 1,287,646               | 70,139              | -                  | -                         | 1,357,785                |
| Total capital assets, being depreciated      | <u>44,041,426</u>       | <u>2,172,982</u>    | <u>(1,104,365)</u> | <u>-</u>                  | <u>45,110,043</u>        |
| Less accumulated depreciation for:           |                         |                     |                    |                           |                          |
| Dams and dam property                        | 5,333,985               | 85,024              | -                  | -                         | 5,419,009                |
| Recreational facilities                      | 197,214                 | 1,606               | -                  | -                         | 198,820                  |
| Pumping plant                                | 433,266                 | 8,569               | -                  | -                         | 441,835                  |
| Water treatment plant                        | 12,517,238              | 537,284             | -                  | -                         | 13,054,522               |
| Transmission and distribution system         | 1,937,008               | 300,272             | -                  | -                         | 2,237,280                |
| General plant                                | 1,170,363               | 183,110             | -                  | -                         | 1,353,473                |
| Vehicles                                     | 1,193,512               | 262,412             | (1,095,809)        | -                         | 360,115                  |
| Office facilities                            | 576,853                 | 49,402              | -                  | -                         | 626,255                  |
| Total accumulated depreciation               | <u>23,359,439</u>       | <u>1,427,679</u>    | <u>(1,095,809)</u> | <u>-</u>                  | <u>23,691,309</u>        |
| Total capital assets, being depreciated, net | <u>20,681,987</u>       | <u>745,303</u>      | <u>(8,556)</u>     | <u>-</u>                  | <u>21,418,734</u>        |
| Capital assets, net of depreciation          | <u>\$41,190,514</u>     | <u>\$25,987,553</u> | <u>\$ (8,556)</u>  | <u>\$ -</u>               | <u>\$67,169,511</u>      |

Depreciation expense for the year ended June 30, 2023 totaled \$1,427,679.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 4: LONG-TERM DEBT

Long-term debt at June 30, 2023, consisted of the following:

|  |                            |
|--|----------------------------|
| 2016 Private Placement Loan Payable to Capital One Public Funding, LLC with principal and interest payments at 2.42% due semi-annually in November and May. The loan is due in November 2028.  | \$ 1,250,000               |
| Loan payable to the California Infrastructure and Economic Development Bank, with principal payments due annually in September and interest payable semi-annually at 2.77%. The note is due in September 2027.                       | 1,053,095                  |
| 2017 Private Placement Loan Payable to Tuist Governmental Finance (formerly Branch Banking and Trust Company) with principal and interest payments at 2.28% due semi-annually in October and April. The loan is due in October 2024. | <u>608,000</u>             |
| Subtotal   | 2,911,095                  |
| Less: Current Portion  | <u>(789,000)</u>           |
| Long-Term Debt, Net of Current Portion   | <u><u>\$ 2,122,095</u></u> |

A schedule of changes in long-term debt is shown below:

|                                     | Balance<br>July 1, 2022    | Additions          | Retirements                | Balance<br>June 30, 2023   | Due Within<br>One Year   |
|-------------------------------------|----------------------------|--------------------|----------------------------|----------------------------|--------------------------|
| 2016 Private Placement Loan Payable | \$ 1,460,000               | \$ -               | \$ (210,000)               | \$ 1,250,000               | \$ 215,000               |
| CIEBD Loan Payable                  | 1,053,095                  | -                  | -                          | 1,053,095                  | -                        |
| 2017 Private Placement Loan Payable | <u>1,169,300</u>           | <u>-</u>           | <u>(561,300)</u>           | <u>608,000</u>             | <u>574,000</u>           |
| Total                               | <u><u>\$ 3,682,395</u></u> | <u><u>\$ -</u></u> | <u><u>\$ (771,300)</u></u> | <u><u>\$ 2,911,095</u></u> | <u><u>\$ 789,000</u></u> |

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

### NOTE 4: LONG-TERM DEBT- CONTINUED

Annual requirements to amortize long-term debt outstanding as of June 30, 2023, are as follows:

| Year Ending June 30, | Principal           | Interest          | Total               |
|----------------------|---------------------|-------------------|---------------------|
| 2024                 | \$ 789,000          | \$ 39,546         | \$ 828,546          |
| 2025                 | 345,044             | 28,926            | 373,970             |
| 2026                 | 317,955             | 27,529            | 345,484             |
| 2027                 | 323,874             | 21,099            | 344,973             |
| 2028                 | 330,803             | 14,539            | 345,342             |
| 2029-2033            | 700,275             | 23,649            | 723,924             |
| 2034-2035            | 104,144             | 2,149             | 106,293             |
| Total                | <u>\$ 2,911,095</u> | <u>\$ 157,437</u> | <u>\$ 3,068,532</u> |

### NOTE 5: FUNDS HELD FOR OTHERS

On June 5, 1991, the District entered into an agreement with the Town of Paradise Fire Department (Town) to collect a surcharge to maintain hydrants. This agreement was amended in 1999 to include pre-approved relocation and/or replacement of water mains. The agreement was most recently amended on July 1, 2004, to address changes in administrative fees charged by the District. Funds collected and not expended or returned to the Town are reflected as a liability. The amount owed to the Town at June 30, 2023, was \$345,356.

### NOTE 6: DEFERRED COMPENSATION AND MONEY PURCHASE RETIREMENT PLANS

The District participates in a 457 Deferred Compensation Plan and 401(a) Money Purchase Retirement Plan, both of which are administered by the ICMA Retirement Corporation for the benefit of its employees. The District's manager has a separate 401(a) plan administered by the ICMA Retirement Corporation. The purpose of these programs is to provide deferred compensation for employees that elect to participate in the plans. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseen emergency. The District will contribute 9% of the employees' base pay to the 457 Plan and will match up to 3% of the employees' elected deferral into the 401(a) Plan. Employees may elect to defer up to 3% of their base pay to the 457 Plan. The District's retirement contribution expense for the year ended June 30, 2023, was \$298,326.



## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

### **NOTE 7: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**

#### **Plan Description**

The District provides post-employment health care benefits to eligible employees through a single employer defined benefit health care plan administered by the District. The District provides post-employment health care benefits to all employees who retire from the District on or after attaining the age of 55 with at least 20 years of service in the District. The District provides medical benefits to retirees and their qualified dependents until normal full Medicare benefits become available for the employee. The District will contribute a percentage of the cost based on their age plus their years of service as follows: 75 = 50%; 80 = 75%; and 85+ =100%. The difference in District contribution and like coverage shall be borne by the retiree.

On June 30, 2023, 2 retirees met these eligibility requirements and were participants. The District currently has 34 additional active employees who may become eligible to retire and receive benefits in the future.

#### **Funding Policy**

While GASB Statement 75 requires that the liability for all post-employment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The District will pay for the post-employment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the District’s financial statements. The contributions made on behalf of the plan members for the year ended June 30, 2023 were \$53,961.

The District’s net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

#### **Net OPEB Liability**

*Actuarial assumptions.* The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

|                            |              |
|----------------------------|--------------|
| Assumed retirement age     | 62           |
| Discount rate*             | 3.65 percent |
| Salary increases           | 2.75 percent |
| Healthcare cost trend rate | 4.00 percent |

\* The discount rate is based on an index of the Bond Buyer 20 Bond Index.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2023

## NOTE 7: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) - CONTINUED

### Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability during the measurement period ending on June 30, 2023 for the District.

|  | Total OPEB<br>Liability<br>(a) | Plan<br>Fiduciary Net<br>Position<br>(b) | Net OPEB<br>Liability (Asset)<br>(c) = (a) - (b) |
|--|--------------------------------|--|--|
| Balance at June 30, 2022                       | \$ 1,177,001                   | \$ -                                     | \$ 1,177,001                                     |
| Changes recognized for the measurement period: |                                |  |  |
| Service cost                                   | 127,150                        | -  | 127,150  |
| Interest                                       | 42,961                         | -  | 42,961   |
| Change in assumptions                          | (13,011)                       | -  | (13,011)   |
| Experience (gains)/losses                      | -                              | -  | -  |
| Employer contributions                         | -                              | 53,961                                   | (53,961)   |
| Benefit payments                               | (53,961)                       | (53,961)                                 | -  |
| Net Changes                                    | 103,139                        | -  | 103,139  |
| Balance at June 30, 2023                       | \$ 1,280,140                   | \$ -                                     | \$ 1,280,140                                     |

### Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate:

|   | 1% Decrease<br>2.65% | Discount Rate<br>3.65% | 1% Increase<br>4.65% |
|---|----------------------|------------------------|----------------------|
| District's proportionate share<br>of the net OPEB liability | \$ 1,395,724         | \$ 1,280,140           | \$ 1,176,794         |

### Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (3 percent) or 1 percentage-point higher (5 percent) than the current healthcare cost trend rates:

|   | Healthcare Cost<br>Trend - 1% | Healthcare Cost<br>Trend Assumed | Healthcare Cost<br>Trend + 1% |
|---|-------------------------------|----------------------------------|-------------------------------|
| District's proportionate share<br>of the net OPEB liability | \$ 1,116,119                  | \$ 1,280,140                     | \$ 1,480,649                  |

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2023

### **NOTE 8: RISK MANAGEMENT**

The District is exposed to various risks including loss or damage to property, general liability, and injuries to employees. The District participates in a public entity risk pool as a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). Each ACWA/JPIA member agency shares surpluses and deficits proportionally to their participation. The District pays retrospectively rated annual premiums to ACWA/JPIA for its insurance coverage and has met all obligations since participation began. Requests for additional financial information should be addressed to ACWA/JPIA, P.O. Box 619082, Roseville, CA 95661-9082.

### **NOTE 9: CONTINGENCIES**

#### **Water Rights**

The District contracted for a review of its water use under its Appropriative Water Rights Permits in preparation for the filing of its Petitions for Extension of Time with the State Water Board in December 2007. The resulting consultant report was presented to the District.

The Board, on July 18, 2007, revealed certain permit compliance exceptions. These exceptions are potentially subject to civil liability by the State Water Board. The State Water Board enforcement division has historically not prosecuted permit exceptions unless harm has been shown to another user of water, typically brought to the Board's attention in related proceedings. However, even where enforcement action is taken, liability imposed is mitigated by factual circumstances, including the extent of harm caused, the nature and persistence of the violation, the length of time over which the violation occurs, and the corrective action taken. No user of water has come forward claiming harm and the District has taken corrective action regarding the permit compliance exceptions.

Upon re-evaluation, the District believes that there have been no exceptions to its permit compliance, as the water exceedances can be accounted for through the use of recycled water within the District's water system. The District's Petitions for Extension of Time, within which is to perfect its water rights permits, are still pending before the California State Water Board. The risk of enforcement action still exists, but liability exposure should be minimal due to the District's accounting for the permit exceedances.

At this time, the District is still in the process of completing its environmental work on the water rights permit extensions. Once completed, the environmental analysis will be published for public review and comment, including review by the State Water Board. An actual decision on the granting of the District's petition for extension of its water rights permits will likely take several more years due to the backlog of pending petitions with the State Water Board.

#### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

## **PARADISE IRRIGATION DISTRICT**

### **Notes to the Financial Statements For the Year Ended June 30, 2023**

#### **NOTE 10: COMMITMENTS**

As of June 30, 2023, the District is committed under numerous construction contracts. The total amount of the contracts was \$95,589,059. As of June 30, 2023, the District has paid \$43,200,847 on the contracts. The remaining commitment of the District for the construction projects at June 30, 2023, was \$52,388,212.

#### **NOTE 11: EXTRAORDINARY ITEMS**

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 resulted in significant damages to the District's capital assets and material effects to the District's future revenue and finances. Based on an initial assessment of damages to the main pipelines and service lines, the District has estimated the replacement cost of the transmission and distribution system damages to be approximately \$76,900,000, which includes estimated costs of \$29,500,000 to replace the damages to the main pipelines and estimated costs of \$47,400,000 to replace the damages to the service lines.

The District received insurance proceeds of \$2,897,125 for the year ending June 30, 2023, related to the District's business interruption claim and claims for damages relating to the Camp Fire. The District also received a settlement from Pacific Gas and Electric (PG&E) Fire Victim Trust of \$113,691,000; \$85,268,250 was received in the year ended June 30, 2022, and an additional \$28,422,750 was received in the year ended June 30, 2023. In addition, the District recognized federal and state grants from the California Office of Emergency Services (CalOES)/Federal Emergency Management Agency (FEMA) in the amount of \$15,229,861, related to reimbursements for costs incurred during emergency response efforts following the 2018 Camp Fire.

#### **NOTE 12: EVALUATION OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 25, 2024, the date which the financial statements were available to be issued. Based upon this evaluation, except for the following, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

On March 4, 2024, the District received \$11,307,386 from CalOES/FEMA for its outstanding reimbursement request of \$13,401,026. Additionally, on March 12, 2024, the District received notice that it would be receiving an additional 6%, or \$11,369,100, of its PG&E settlement by April 24, 2024. The remaining 33% of the settlement is unlikely to be received.

In January 2024, the District entered into an agreement with the Town of Paradise, as a subrecipient of a Community Development Block Grant. The subaward that was obligated to the District is \$3,519,100, and will be used for rehabilitation of its water storage tanks.

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REQUIRED SUPPLEMENTARY INFORMATION

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**PARADISE IRRIGATION DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2023**

Last 10 Fiscal years\*

|   | 2023                | 2022                | 2021                | 2020                | 2019                |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net OPEB liability  |                     |                     |                     |                     |                     |
| Service cost  | \$ 127,150          | \$ 150,274          | \$ 145,138          | \$ 113,016          | \$ 104,029          |
| Interest  | 42,961              | 38,525              | 36,700              | 43,032              | 39,610              |
| Change in assumptions   | (13,011)            | (139,301)           | 5,880               | 593,909             | 22,404              |
| Experience (Gains)/Losses   | -                   | (556,289)           | -                   | (187,266)           | -                   |
| Benefit payments  | (53,961)            | (49,273)            | (100,494)           | (127,473)           | (70,227)            |
| Net change in Net OPEB liability  | 103,139             | (556,064)           | 87,224              | 435,218             | 95,816              |
| Net OPEB liability - beginning  | 1,177,001           | 1,733,065           | 1,645,841           | 1,210,623           | 1,114,807           |
| Net OPEB liability - ending   | <u>\$ 1,280,140</u> | <u>\$ 1,177,001</u> | <u>\$ 1,733,065</u> | <u>\$ 1,645,841</u> | <u>\$ 1,210,623</u> |
| Covered payroll   | \$ 3,130,638        | \$ 2,750,129        | \$ 2,354,609        | \$ 2,470,125        | \$ 2,632,738        |
| Net OPEB liability (asset) as a percentage of covered payroll           | 40.89%              | 42.80%              | 73.60%              | 66.63%              | 45.98%              |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |
|   | <u>2018</u>         |                     |                     |                     |                     |
| Net OPEB liability  |                     |                     |                     |                     |                     |
| Service cost  | \$ 101,245          |                     |                     |                     |                     |
| Interest  | 39,837              |                     |                     |                     |                     |
| Change in assumptions   | -                   |                     |                     |                     |                     |
| Experience (Gains)/Losses   | -                   |                     |                     |                     |                     |
| Benefit payments  | (50,765)            |                     |                     |                     |                     |
| Net change in Net OPEB liability  | 90,317              |                     |                     |                     |                     |
| Net OPEB liability - beginning  | 1,024,490           |                     |                     |                     |                     |
| Net OPEB liability - ending   | <u>\$ 1,114,807</u> |                     |                     |                     |                     |
| Covered payroll   | \$ 2,470,326        |                     |                     |                     |                     |
| Net OPEB liability (asset) as a percentage of covered payroll           | 45.13%              |                     |                     |                     |                     |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00%               |                     |                     |                     |                     |

\* Fiscal year ended June 30, 2018 was the first year of implementation.  
Additional years will be presented as they become available.

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OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Paradise Irrigation District  
Paradise, California

We have audited, in accordance with the 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 Paradise Irrigation District (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 25, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine 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 internal control of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 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 the 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 considered to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, as items 2023-001 and 2023-002, that we consider to be significant deficiencies.



Board of Directors  
Paradise Irrigation District  
Paradise, California

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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 result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fechter & Company  
Certified Public Accountants

  
Sacramento, California  
March 25, 2024

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OTHER INFORMATION

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Paradise Irrigation District  
Paradise, California

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Paradise Irrigation District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paradise Irrigation District's major federal programs for the year ended June 30, 2023. Paradise Irrigation District'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 District complied, in all material respects, with the 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, 2023.

***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 District 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 District'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 District's federal programs.

Board of Directors  
Paradise Irrigation District  
Paradise, California

### ***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 District'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 District'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 District'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 District'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 District'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 items 2023-001 and 2023-002. Our opinion on each major federal program is not modified with respect to these matters.

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

Board of Directors  
Paradise Irrigation District  
Paradise, California

***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 a combination of deficiencies, in internal control over compliance, such that there is a 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 designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Fechter & Company  
Certified Public Accountants

  
Sacramento, California  
March 25, 2024

**PARADISE IRRIGATION DISTRICT**

Schedule of Expenditures of Federal Awards  
For the Year Ended  
June 30, 2023

| <u>Federal Grantor/Pass-through Grantor/Program Title</u>                  | <u>Pass-through Entity<br/>Identifying Number</u> | <u>ALN<br/>Number</u> | <u>Expenditures</u>         |
|--|---|-----------------------|-----------------------------|
| <b><u>The Department of Homeland Security</u></b>                          |   |                       |                             |
| Passed through Governor's Office of Emergency Services:                    |   |                       |                             |
| Disaster Grants - Public Assistance (Presidentially<br>Declared Disasters) | FEMA-4407-DR-CA/Cal<br>OES ID: 083-97036          | 97.036                | \$ 9,433,858                |
| Hazard Mitigation Grant  | FEMA HMGP   | 97.039                | 1,943,206                   |
| Total Department of Homeland Security                                      |   |                       | <u>\$ 11,377,064</u>        |
| <b>Total Expenditures</b>  |   |                       | <u><u>\$ 11,377,064</u></u> |

See accompanying notes to the Schedule of Expenditures of Federal Awards

## **PARADISE IRRIGATION DISTRICT**

### **Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2023**

#### **NOTE 1: BASIS OF PRESENTATION**

The Paradise Irrigation District (the District) is an independent division of local government, authorized by California Health and Safety Code Sections 13800-13970. All significant operations of the District are included in the scope of the Uniform Guidance audit (the “Single Audit”). 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, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District’s, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

The Federal Emergency Management Agency has been designated as the District’s cognizant agency for the Single Audit.

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

For purposes of this report, certain accounting procedures were followed which help illustrate the authorizations and expenditures of the individual programs. The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. All authorizations represent the total allotments or grant awards received. All expenses and capital outlays are reported as expenditures. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Any Federal funds expended in excess of Federal funds received are recorded as a receivable from the grantor agency and any Federal funds received in excess of Federal funds expended are recorded as a payable to the grantor agency.

#### **NOTE 3: INDIRECT COST RATE**

The District has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

## PARADISE IRRIGATION DISTRICT

### Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

#### SECTION I – SUMMARY OF AUDITOR’S RESULTS

##### Financial Statements

|  |            |
|--|------------|
| Type of auditor’s report issued:   | Unmodified |
| Internal control over financial reporting:                                       |            |
| Material weakness(es) identified?  | No         |
| Significant deficiencies identified not considered<br>to be material weaknesses? | Yes        |
| Noncompliance material to financial statements noted?                            | No         |

##### Federal Awards

|  |            |
|--|------------|
| Internal control over major programs:  |            |
| Material weakness(es) identified?  | No         |
| Significant deficiencies identified not considered<br>to be material weaknesses?   | Yes        |
| Type of auditor’s report issued on compliance for Major programs   | Unmodified |
| Any audit findings disclosed that are required to be reported in<br>accordance with Uniform Grant Guidance, at 1 CFR Part 200.515 (d)(1)(vi) | Yes        |
| Identification of Major Programs:  |            |
| Public Assistance Grant CFDA No. 97.036  |            |
| Hazard Mitigation Grant No. 97.039   |            |
| Dollar threshold used to distinguish between Type A and Type B Programs:   | \$750,000  |
| Auditee qualified as low-risk auditee?   | No         |



## PARADISE IRRIGATION DISTRICT

### Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

#### SECTION II- FINANCIAL STATEMENT FINDINGS

##### **Finding 2023-001 – Significant Deficiency in Internal Control over Financial Reporting Timely Closing of Books**

**Condition:** Year-end fieldwork was scheduled for November 13-16. We requested that the District provide us items necessary for the completion of the audit prior to the beginning of fieldwork. However, when we began fieldwork on November 13<sup>th</sup>, we found that several of the requested documents were not ready for our review including:

- Capital assets
- Grant revenues
- Year-end Payroll accrual
- Compensated absences liability
- Inventory
- Miscellaneous deposit accounts

In addition, there were many journal entries that had not yet been recorded. In fact, a total of 37 journal entries were provided by the District after the first trial balance and general ledger were initially provided on November 9, 2023. We were still receiving journal entries as late as March 5, 2024. Most of the entries recorded were in response to errors discovered by the external auditors as they were performing the audit.

**Criteria:** Timely closing of the books, as required by the compliance supplement, is imperative in order to meet the reporting deadlines required by the federal and state governments.

**Cause:** Timely financial reporting is not a priority of the District.

**Effect:** Errors and incompleteness in financial reporting create workload issues for both the client and auditor and the risk of not meeting the federal reporting deadlines.

**Recommendation:** The District should prioritize financial reporting and financial audits to ensure that financial statements and supporting schedules are prepared in a timely manner.

**Views of responsible officials and planned corrective actions:** Management agrees with the finding. See separately issued Corrective Action Plan.

## PARADISE IRRIGATION DISTRICT

### Schedule of Findings and Questioned Costs For the Year Ended June 30, 2023

#### SECTION II- FINANCIAL STATEMENT FINDINGS - CONTINUED

##### **Finding 2023-002 – Significant Deficiency in Preparation of the SEFA**

**Condition:** Entity currently uses a Tyler Technology system to account for all transactions and uses a “payable description” field to identify the grant-related project. The total payment is tracked co-mingling federal and non-federal expenditures. This system does not allow the auditor to tie out the expenditures reported in the Schedule of Expenditures of Federal Awards (SEFA) directly to the accounting system. The entity did provide us with a manually created detailed listing of costs from the system that agreed to the SEFA but those amounts included both federal and non-federal expenditures. We had to multiply these amounts by 75% to obtain the federal portion.

**Criteria:** Section 202.302 states in part, “... the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award.”

**Cause:** Management has not implemented internal controls requiring a separate accounting of federal funds within the accounting system.

**Effect:** By not maintaining a separate accounting of federal funds, the amounts reported as specific federal funds versus non-federal funds cannot be clearly identified and reported which makes it difficult to prepare the SEFA at year-end.

**Recommendation:** The District should create locations/funds for each source of federal funding to track federal expenses claimed separately in the general ledger.

**Views of responsible officials and planned corrective actions:** Management agrees with the finding. See separately issued Corrective Action Plan.

#### SECTION III- FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported

#### SECTION IV- PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported



## PARADISE IRRIGATION DISTRICT

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### CORRECTIVE ACTION PLAN

2 CFR § 200.511(c)

JUNE 30, 2023

**Finding Number:** 2023-001  
**Planned Corrective Action:** We are pleased to announce that we have expanded our staffing capacity to better manage workload distribution within our team. This strategic decision will facilitate a more equitable distribution of responsibilities among staff members, thereby enhancing operational efficiency. Importantly, it will also allow our management team to allocate more time and resources towards the critical priorities of timely financial reporting and financial audits.

By bolstering our workforce, we aim to ensure that supporting entries and schedules are prepared promptly and accurately, contributing to the overall effectiveness of our financial processes. This proactive approach underscores our commitment to upholding the highest standards of accountability and transparency within our organization.

**Anticipated Completion Date:** 03/01/2024  
**Responsible Contact Person:** Brett Goodlin

**Finding Number:** 2023-002  
**Planned Corrective Action:** We are delighted to announce the implementation of our recent staffing resolution, which has bolstered our workforce to enhance workload distribution and operational efficiency within our team. This strategic expansion enables us to better allocate resources and responsibilities, freeing up valuable management time to focus on the paramount objectives of timely financial reporting and rigorous financial audits.

Furthermore, this staffing enhancement presents a unique opportunity for professional growth and development within our team. With a larger staff capacity, we are committed to fostering a culture of continuous learning and improvement. To this end, we will provide comprehensive training and support to ensure that all team members gain a deeper understanding of SEFA requirements and the intricacies of creating and maintaining proper subledgers for each of our grant programs.

**Anticipated Completion Date:** 3/15/2024  
**Responsible Contact Person:** Brett Goodlin