



Paradise Irrigation District

6332 Clark Rd, Paradise, CA 95969 · 530-877-4971 · Fax: 530-876-0483 · 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 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**

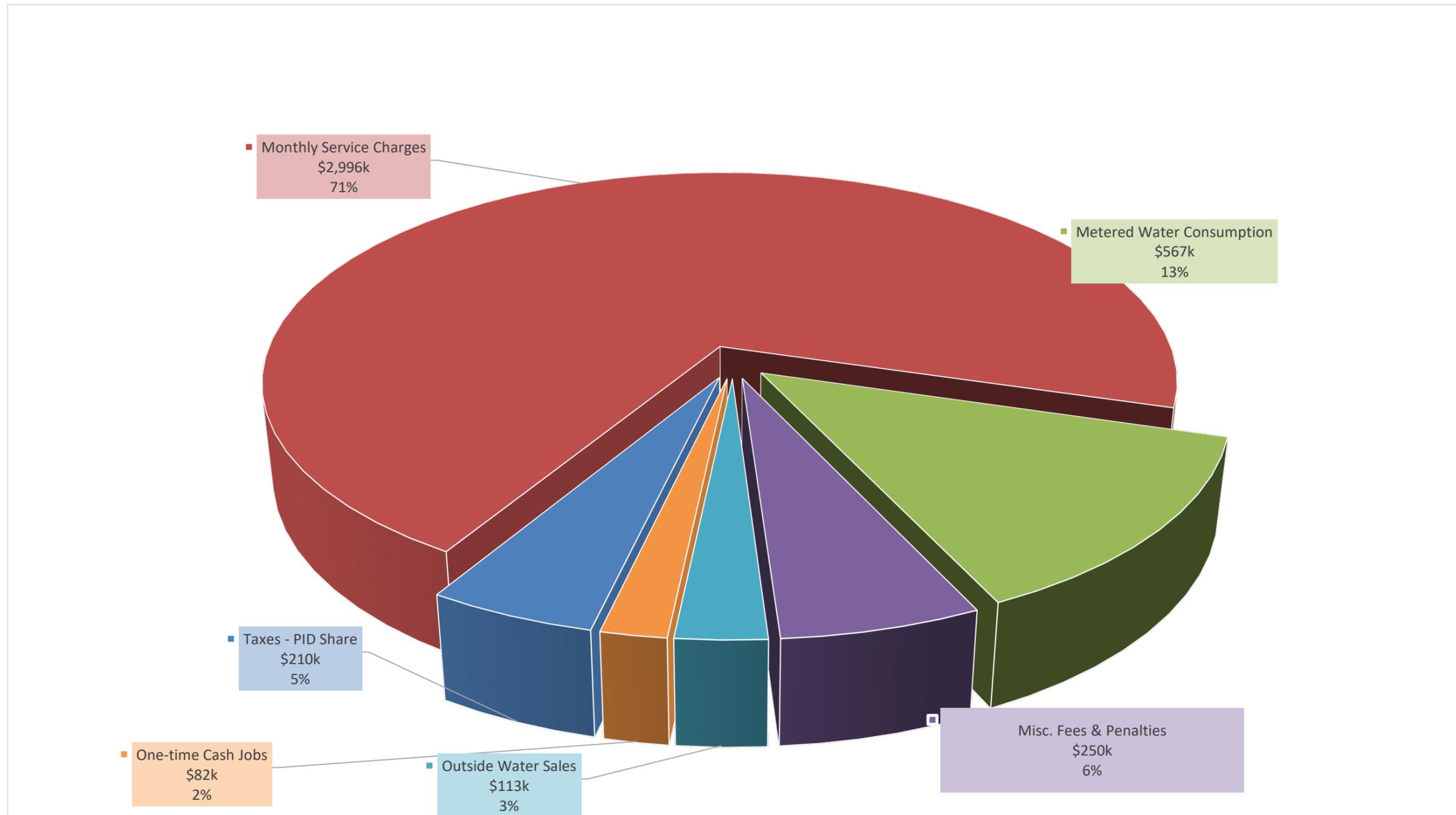
(Pg. 19-63)

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

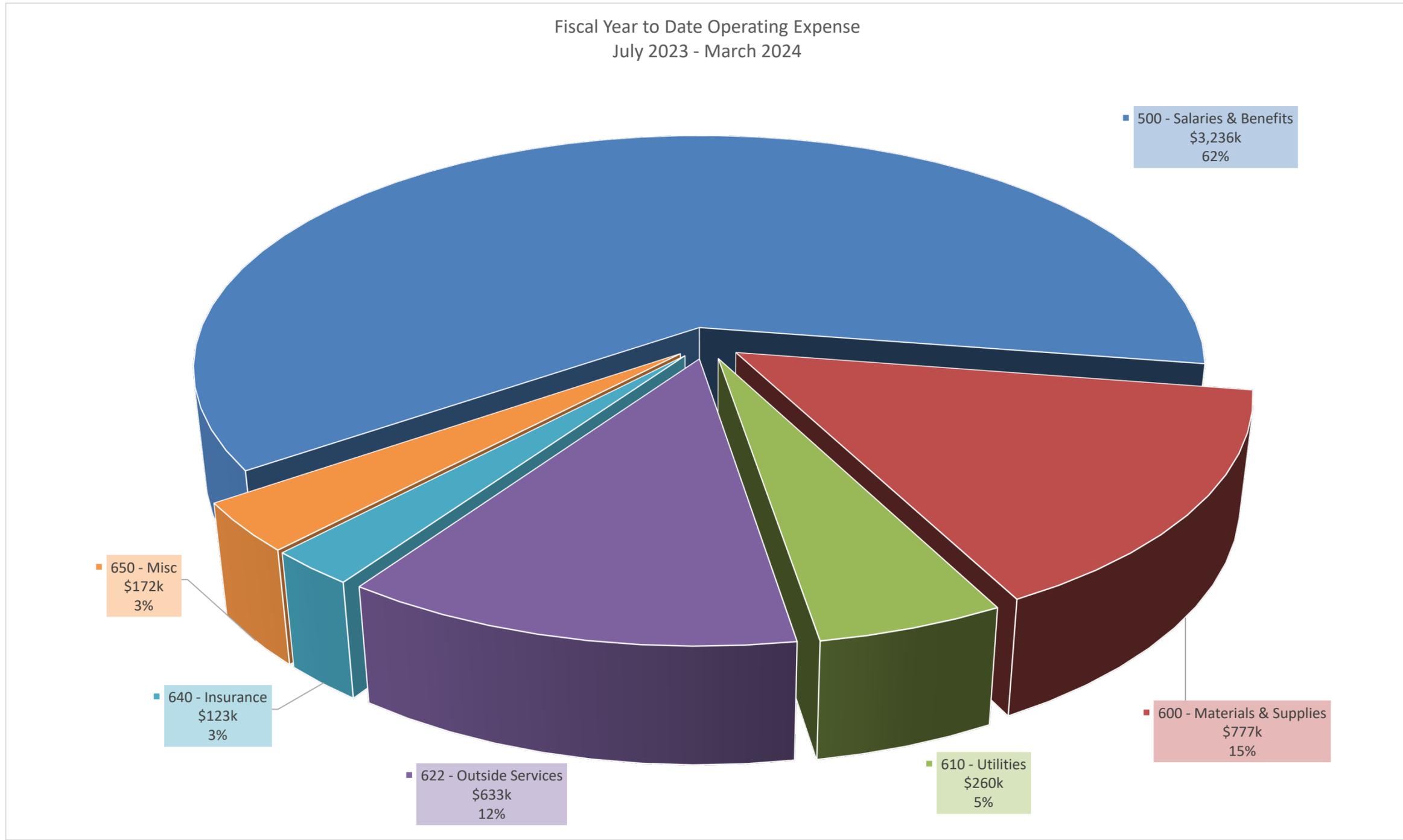
Operating Income	YTD Actuals	YTD Budget	FY24 Budget
Water Service, Fees, & Consumption	\$ 4,135,239	\$ 4,260,174	\$ 5,680,232
Installations and Custom Work	\$ 82,348	\$ 49,500	\$ 66,000
Total Operating Income	\$ 4,217,587	\$ 4,309,674	\$ 5,746,232



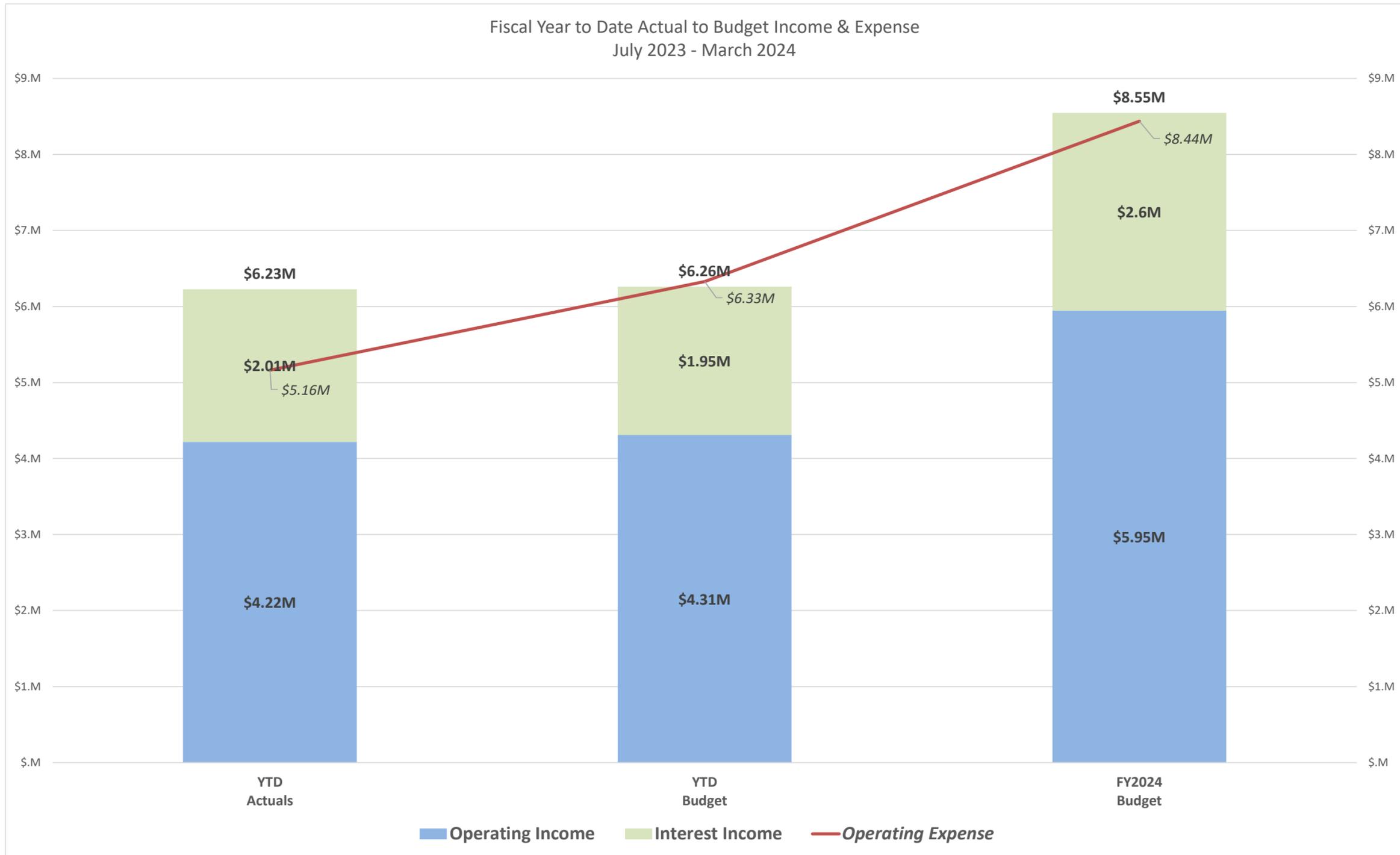
Taxes - PID Share	Includes revenues distributed by Butte County for property tax assessments and liens.
Monthly Service Charges	Includes revenues for monthly service fees for hydrant, business, irrigation, and residential meters.
Metered Water Consumption	Includes revenues for metered water consumption.
Misc. Fees & Penalties	Includes revenues for penalties, fines, and fees.
Outside Water Sales	Includes revenues for water sales to other agencies.
One-time Cash Jobs	Includes revenues for service installs, upgrades, repairs, and other misc. work.

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 & 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>
Grand Total		\$1,467,577.23	

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%
	<i>Remainder</i>	<i>\$182,132.87</i>
Grand Total	\$1,467,577.23	



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

Payment Date	Payment Number	Payable Number	Description (Item)	Amount
Vendor: 01016 - Access Information Management				
03/31/2024	APA001549	10735181	Bulk Shredding	219.40
Vendor 01016 - Access Information Management Total:				219.40
Vendor: 01021 - ACWA/JPIA				
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
Vendor 01021 - ACWA/JPIA Total:				41,850.69
Vendor: 03185 - Advanced Document Concepts For Business				
03/07/2024	APA001515	INV119662	Printer Service	290.01
03/31/2024	APA001550	INV122152	Office Equipment Maintenance	414.26
Vendor 03185 - Advanced Document Concepts For Business Total:				704.27
Vendor: 02957 - Aflac				
03/01/2024	DFT0007294	INV0007262	Montly Invoices	278.82
03/15/2024	DFT0007355	INV0007276	Montly Invoices	278.82
Vendor 02957 - Aflac Total:				557.64
Vendor: 03066 - Airgas USA, LLC				
03/15/2024	DFT0007382	5506466628	Welding Supplies	568.45
Vendor 03066 - Airgas USA, LLC Total:				568.45
Vendor: 03211 - Amazon.com				
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
Vendor 03211 - Amazon.com Total:				2,938.43
Vendor: 03090 - APTIM Environmental & Infrastructure LLC				
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 management	55,326.24
Vendor 03090 - APTIM Environmental & Infrastructure LLC Total:				111,210.26
Vendor: 01068 - Aramark Uniform Services				
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	SO013660781.001	1" PVC cap	12.42
03/15/2024	APA001536	SO013660781.001	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
Vendor: 01353 - Cooperative Personnel Services				
03/15/2024	APA001537	0012574	Comp Study	11,067.00
Vendor 01353 - Cooperative Personnel Services Total:				11,067.00
Vendor: 03300 - Crossfire Tree & Vegetation Services, Inc				
03/25/2024	DFT0007435	2725	Tree Care	1,200.00
Vendor 03300 - Crossfire Tree & Vegetation Services, Inc Total:				1,200.00
Vendor: 03354 - Dars Cox Construction Inc				
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
Vendor 03354 - Dars Cox Construction Inc Total:				2,365.77
Vendor: 01403 - De Novo Planning Group				
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
Vendor 01403 - De Novo Planning Group Total:				11,233.00
Vendor: 01496 - Employee Relations				
03/07/2024	1305	96716	Pre-employment	174.44
Vendor 01496 - Employee Relations Total:				174.44
Vendor: 01480 - Employment Development Dept.				
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
Vendor 01480 - Employment Development Dept. Total:				14,310.67
Vendor: 01275 - Enterprise Record				
03/15/2024	APA001538	1405173	Public notices	507.87
Vendor 01275 - Enterprise Record Total:				507.87
Vendor: 01527 - Ferguson Enterprises, Inc				
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

Expense Approval Report

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

Payment Date	Payment Number	Payable Number	Description (Item)	Amount
Vendor: 01705 - Hunt & Sons, Inc.				
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
Vendor 01705 - Hunt & Sons, Inc. Total:				6,778.30
Vendor: 01713 - I.B.E.W. Local Union 1245				
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
Vendor 01713 - I.B.E.W. Local Union 1245 Total:				2,570.03
Vendor: 01716 - ICMA Retirement Trust-401				
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
Vendor 01716 - ICMA Retirement Trust-401 Total:				9,117.75
Vendor: 01715 - ICMA Retirement Trust-457				
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
Vendor 01715 - ICMA Retirement Trust-457 Total:				47,623.18
Vendor: 01720 - Inland Business Systems				
03/31/2024	APA001562	IN3975721	Office Supplies	39.89
Vendor 01720 - Inland Business Systems Total:				39.89
Vendor: 03062 - Instrument Technology Corporation				
03/15/2024	APA001543	23103	locator repair	476.28
Vendor 03062 - Instrument Technology Corporation Total:				476.28
Vendor: 01731 - Internal Revenue Service				
03/01/2024	DFT0007258	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

Expense Approval Report

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

Payment Date	Payment Number	Payable Number	Description (Item)	Amount
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
Vendor 01731 - Internal Revenue Service Total:				72,331.68
Vendor: 03057 - International Brotherhood of 137 TCWH				
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
Vendor 03057 - International Brotherhood of 137 TCWH Total:				1,428.96
Vendor: 03201 - Irth Solutions LLC				
03/31/2024	APA001564	SIR009310	Utility locator software	6,138.00
Vendor 03201 - Irth Solutions LLC Total:				6,138.00
Vendor: 01722 - isolved, Inc.				
03/09/2024	DFT0007224	I135114842	Flexable Benefits	92.61
Vendor 01722 - isolved, Inc. Total:				92.61
Vendor: 03348 - Jan Jesensky				
03/08/2024	58167	822 Regnier Ln	Reimbursement	800.00
Vendor 03348 - Jan Jesensky Total:				800.00
Vendor: 03255 - John Michael Bunch				
03/31/2024	APA001565	2145	Electrical	385.00
Vendor 03255 - John Michael Bunch Total:				385.00
Vendor: 03350 - John T Martin				
03/15/2024	58168	2024-03	Deposit for Carport	712.22
Vendor 03350 - John T Martin Total:				712.22
Vendor: 01780 - Kimball Midwest				
03/07/2024	DFT0007351	101903853	Supplies	157.05
Vendor 01780 - Kimball Midwest Total:				157.05
Vendor: 03351 - Kingdom Calibrations				
03/13/2024	DFT0007419	1795	One Stage Calibration with Cert	654.83
Vendor 03351 - Kingdom Calibrations Total:				654.83
Vendor: 01790 - Knife River Construction				
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
Vendor 01790 - Knife River Construction Total:				2,881.97
Vendor: 03144 - KW Emerson, Inc.				
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
Vendor 03144 - KW Emerson, Inc. Total:				770.97
Vendor: 03270 - MAC Tools				
03/18/2024	DFT0007472	D218334	Small Tool	154.18
03/25/2024	DFT0007473	D218615	Small Tool	585.17
Vendor 03270 - MAC Tools Total:				739.35
Vendor: 03299 - MGE Underground, Inc.				
03/25/2024	58177	FH240110	Hydrant meter closeout - MGE	229.03
03/25/2024	58177	FH240110	Hydrant meter closeout - MGE	-115.58

Expense Approval Report

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

Payment Date	Payment Number	Payable Number	Description (Item)	Amount
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

Expense Approval Report

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

Payment Date	Payment Number	Payable Number	Description (Item)	Amount
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
Vendor: 03210 - Spatial Networks, Inc.				
03/26/2024	DFT0007407	7E7049a6-0059	Field software	337.17
Vendor 03210 - Spatial Networks, Inc. Total:				337.17
Vendor: 02292 - Standard Insurance Company				
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
Vendor 02292 - Standard Insurance Company Total:				737.25
Vendor: 03061 - Sterling Health Services, Inc DBA				
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
Vendor 03061 - Sterling Health Services, Inc DBA Total:				501.90
Vendor: 03284 - T&S Construction Co., Inc - Umpqua Bank				
03/15/2024	58171	2024-02	Zome A Pump station and Tra...	5,440.74
Vendor 03284 - T&S Construction Co., Inc - Umpqua Bank Total:				5,440.74
Vendor: 03283 - T&S Construction Co., Inc				
03/15/2024	58170	2024-02	Zone A Pump Station & Trans...	103,374.21
Vendor 03283 - T&S Construction Co., Inc Total:				103,374.21
Vendor: 03165 - Teiechert Pipelines, Inc.				
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
Vendor 03165 - Teiechert Pipelines, Inc. Total:				1,373.84
Vendor: 02808 - The UPS Store				
03/31/2024	APA001571	02.27.24	Postage	63.10
03/31/2024	APA001571	03.13.24	Postage	184.34
Vendor 02808 - The UPS Store Total:				247.44
Vendor: 02362 - Thomas Ace Hardware				
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
Vendor: 03261 - Tractor Supply Company				
03/06/2024	DFT0007395	132691	Supplies	398.65
Vendor 03261 - Tractor Supply Company Total:				398.65
Vendor: 02824 - US Bank Corporate Payment System				
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
Vendor 02824 - US Bank Corporate Payment System Total:				4,018.32
Vendor: 02686 - USA Blue Book				
03/31/2024	APA001573	INV00285367	Supplies	510.76
03/31/2024	APA001573	INV00285877	Supplies	201.44
Vendor 02686 - USA Blue Book Total:				712.20
Vendor: 02703 - Verizon Wireless				
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
Vendor 02703 - Verizon Wireless Total:				2,292.64
Vendor: 02712 - VistaNet inc.				
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
Vendor 02712 - VistaNet inc. Total:				3,552.68
Vendor: 02714 - Wagner & Bonsignore				
03/31/2024	APA001575	02-24-589	CIP Water Rights	5,827.50
03/15/2024	APA001547	03-24-884	Legal	1,575.00
Vendor 02714 - Wagner & Bonsignore Total:				7,402.50
Vendor: 03002 - Water Works Engineers				
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
Vendor 03002 - Water Works Engineers Total:				383,373.81
Vendor: 03134 - White Glove Cleaning Svc Inc				
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
Vendor 03134 - White Glove Cleaning Svc Inc Total:				1,604.00
Vendor: 02778 - Wurth USA Inc.				
03/07/2024	DFT0007350	98025311	Shop supplies	343.15
03/31/2024	APA001576	98029007	Supplies	107.70
Vendor 02778 - Wurth USA Inc. Total:				450.85

Expense Approval Report

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

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

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
Number of new meters (per monthly)	200
Percent PID owned backflows	95%
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

1300 cubic feet equals 9,725 gallons.

According to USGS, the average person uses 80-100 gallons of water per day (325 cu.ft.).

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

TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor’s Report..... 1-3

Management’s Discussion and Analysis (Unaudited) 4-8

Financial Statements:

 Statement of Net Position..... 9

 Statement of Revenues, Expenses, and Changes in Net Position 10

 Statement of Cash Flows..... 11-12

Notes to the Financial Statements..... 13-27

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net OPEB Liability..... 28

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

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*.....29-30

OTHER INFORMATION

Independent Auditor’s Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance31-33

Schedule of Expenditures of Federal Awards..... 34

Notes to the Schedule of Expenditures of Federal Awards 35

Schedule of Findings and Questioned Costs.....36-38

Corrective Action Plan 39

FINANCIAL SECTION

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

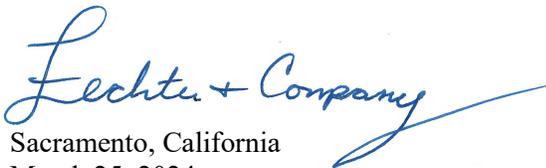
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* 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	191,828,914	174,669,504	17,159,410
Deferred Outflows of Resources:	500,829	564,296	(63,467)
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	12,709,954	10,808,249	1,901,705
Deferred Inflows of Resources:	779,580	813,255	(33,675)
Net Position:			
Net investment in capital assets	64,294,849	37,568,841	26,726,008
Unrestricted	114,545,360	126,043,455	(11,498,095)
Total Net Position	\$178,840,209	\$163,612,296	\$ 15,227,913

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

	<u>2023</u>	<u>2022</u>	<u>Change</u>
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

	<u>2023</u>	<u>2022</u>	<u>Change</u>
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

	<u>2023</u>	<u>2022</u>	<u>Change</u>
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:

	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance 6/30/2023</u>
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	<u>(23,359,439)</u>	<u>(1,427,679)</u>	1,095,809	<u>(23,691,309)</u>
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 7/1/2022	Additions	Retirements	Balance 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**

	2023
ASSETS	
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	124,659,403
Non-Current Assets:	
Capital assets - net of accumulated depreciation	67,169,511
Total non-current assets	67,169,511
TOTAL ASSETS	191,828,914
DEFERRED OUTFLOWS OF RESOURCES	
Gain from debt refunding	36,433
Deferred other post-employment benefits	464,396
TOTAL DEFERRED OUTFLOWS OF RESOURCES	500,829
LIABILITIES	
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	9,307,719
Non-Current Liabilities:	
Long-term debt - net of current portion	2,122,095
Other post-employment benefits	1,280,140
Total non-current liabilities	3,402,235
TOTAL LIABILITIES	12,709,954
DEFERRED INFLOWS OF RESOURCES	
Deferred other post-employment benefits	779,580
NET POSITION	
Net investment in capital assets	64,294,849
Unrestricted	114,545,360
TOTAL NET POSITION	\$ 178,840,209

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

	2023
OPERATING REVENUES:	
Water sales and service	\$ 4,435,192
Outside water sales	241,404
Other operating revenues	111,580
Total operating revenues	4,788,176
OPERATING EXPENSES:	
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	1,427,679
Total operating expenses	9,570,102
Operating loss	(4,781,926)
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	52,050
Total non-operating revenues and (expenses)	1,882,853
Net loss before extraordinary items	(2,899,073)
Extraordinary items:	
Insurance reimbursements	2,897,125
Government grants	15,229,861
Total extraordinary items	18,126,986
Change in net position	15,227,913
Beginning net position	163,612,296
Ending net position	\$ 178,840,209

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**

	2023
Cash flows from operating activities:	
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	(1,183,543)
Cash flows from non-capital financing activities:	
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	49,606
Cash flows from capital and related financing activities:	
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	4,907,341
Cash flows from investing activities:	
Interest received	1,630,903
Investment loss	(984,668)
Net cash provided by investing activities	646,235
Net increase in cash and cash equivalents	4,419,639
Cash and cash equivalents, beginning of year	90,606,984
Cash and cash equivalents, end of year	\$ 95,026,623

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

	2023
Reconciliation of operating loss to net cash used by operating activities:	
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	108,642
Net cash used by operating activities	\$ (1,183,543)

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 secures 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:

	<u>Maximum Maturity</u>	<u>Maximum Specified Percentage of Portfolio</u>	<u>Minimum Quality Requirements</u>
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 Legal 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	\$93,627,822		\$ 1,729,354	\$64,122,838	\$ 8,097,337	\$19,678,293

* - 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 or Less	13 - 24 Months	25 - 36 Months	37 - 48 Months	49 - 60 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 July 1, 2022	Additions	Deletions	Transfers/ Adjustments	Balance 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 July 1, 2022	Additions	Retirements	Balance June 30, 2023	Due Within 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	1,169,300	-	(561,300)	608,000	574,000
Total	<u>\$ 3,682,395</u>	<u>\$ -</u>	<u>\$ (771,300)</u>	<u>\$ 2,911,095</u>	<u>\$ 789,000</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:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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 Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (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 2.65%	Discount Rate 3.65%	1% Increase 4.65%
District's proportionate share 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 Trend - 1%	Healthcare Cost Trend Assumed	Healthcare Cost Trend + 1%
District's proportionate share 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 Appropriate 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.

REQUIRED SUPPLEMENTARY INFORMATION

**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*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
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	<u>103,139</u>	<u>(556,064)</u>	<u>87,224</u>	<u>435,218</u>	<u>95,816</u>
Net OPEB liability - beginning	<u>1,177,001</u>	<u>1,733,065</u>	<u>1,645,841</u>	<u>1,210,623</u>	<u>1,114,807</u>
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	<u>90,317</u>				
Net OPEB liability - beginning	<u>1,024,490</u>				
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.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

**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*.

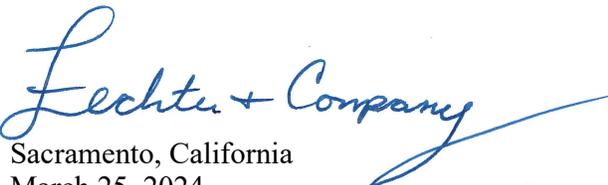
District's Response to Findings

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

OTHER INFORMATION

**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 Identifying Number</u>	<u>ALN Number</u>	<u>Expenditures</u>
<u>The Department of Homeland Security</u>			
Passed through Governor's Office of Emergency Services:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	FEMA-4407-DR-CA/Cal 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>
Total Expenditures			<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 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 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 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 13th, 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

6332 Clark Road · Paradise, California 95969-4146 · 530.877.4971 · Fax 530.876.0483

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