



BOARD OF DIRECTORS

Stacy Atkins-Salazar, City of Arcata, **Chair**
Michelle Lewis-Lusso City of Blue Lake, **Vice Chair**
Leslie Castellano, City of Eureka
Randy Cady, City of Ferndale
Steve Madrone, County of Humboldt
Frank Wilson, City of Rio Dell

Meeting Agenda

Thursday, February 12, 2026, at 5:30 PM
Eureka City Council Chamber
531 K Street
Eureka, CA

HOW TO PARTICIPATE

The public is invited to attend and participate in the HWMA Board of Directors meeting using any of the following methods.

1. IN-PERSON

The public can attend and provide in-person comments during the meeting on regular agenda items and during Oral/Written Comment, at the Eureka City Council Chambers located on the second floor at 531 K Street, Eureka, California.

2. REMOTE

As a courtesy, and technology permitting, members of the public may continue to observe and participate remotely through the Zoom platform. HWMA cannot guarantee that the public's access to teleconference technology will be uninterrupted, and technical difficulties may occur from time to time. In those instances, so long as there is a board quorum and the public may still attend the meeting in person, the meeting will continue.

- a. Zoom <https://us06web.zoom.us/j/87272840425>
- b. Zoom Phone Numbers. +17207072699, Meeting ID: 87272840425

During the meeting, each period for public comment will be announced, and participants may use Zoom's "Raise Hand" feature to request to speak. If calling in via Zoom use *9 to raise and lower your hand. The meeting host will call on you, by name or last four digits of your phone number and enable the microphone when it is your turn to speak. To ensure the orderly meeting conduct, providing your name is encouraged, but not required.

3. EMAIL

The public may submit public comment via email to board@hwma.net. Any comments received up until 3:00 pm of the meeting date will be:

- a. Distributed to Board Members via email prior to the meeting,
- b. Referenced and attached to the meeting minutes.

Such email comments must identify the agenda item number in the subject line of the email. Comments received will be read into the record by staff, with a maximum allowance of three minutes (approximately 500 words) per individual comment, subject to the Chair's discretion. If a comment is received after the agenda item is heard, but before the close of the meeting, the comment will still be included as part of the written record of the meeting but will not be read into the record during the meeting.

4. TO WATCH OR LISTEN ONLY

The public may view the meeting on one-way video feed on Access Humboldt's YouTube Channel at www.youtube.com/c/accesshumboldt/live

***Copies Available:** Copies of the agenda materials are available electronically at www.hwma.net, through individual HWMA member agencies, or by calling HWMA at (707) 268-8680. There may be a charge for copies.*

***Accessibility:** Accommodations and access to HWMA meetings for people with special needs must be requested in advance of the meeting at (707) 268-8680 or by emailing board@hwma.net. The Eureka City Council Chamber room is ADA accessible. This agenda and other materials are available in alternative formats upon request.*

1. Call to Order and Roll Call at 5:30 PM

2. Consent Calendar

All matters listed under the Consent Calendar are considered routine by the HWMA Board and will be enacted upon by one motion, unless a specific request for review is made by a Board Member or a member of the public. The Consent Calendar will not be read. There will be no separate discussion of these items unless pulled for discussion.

- a. Approve Minutes from the January 8, 2026, HWMA Board of Directors Meeting.
- b. Review and Approve Draft November 2025 Financial Reports.

3. Oral and Written Communications

This time is provided for people to address the board or to submit written communications concerning matters not on this agenda. Board Members may respond to statements, but any request that requires board action will be referred to staff for review. Reasonable time limits may be imposed on both the total amount of time allocated for this item, and on the time permitted to each individual speaker. Such time allotment or portion thereof shall not be transferred to other speakers.

4. Receive Auditor's Report for Fiscal Year 2024-2025

5. Receive Presentation on Carpet Recycling

6. Receive Update on Organics Processing Feasibility Study

7. Discuss Strategic Vision Planning

8. Standing Item: Board Member Reports

9. Standing Item: Executive Director's Report

10. Closed Session: It is the intention of the Board of Directors to meet in closed session for one item:

- a. Closed session pursuant to Government Code 54956.8 Real Property to consider potential price and terms of purchase of Property APN 405-081-039.

11. Adjourn.



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Steve Madrone, County of Humboldt
Frank Wilson, City of Rio Dell

Minutes

Thursday, January 8, 2026, at 5:30 PM

Eureka City Council Chamber

Present: Stacy Atkins-Salazar, Michelle Lewis-Lusso, Leslie Castellano, Steve Madrone, Frank Wilson.
Absent: Randall Cady
Staff: Eric Keller-Heckman, Tony Heacock (via Zoom), Helder Morais, Hilary Schwartz
Legal Counsel: Nancy Diamond

1. Call to Order and Roll Call at 5:30 PM

Chairperson Atkins-Salazar called the meeting was called to order at 5:30 PM. A quorum was present and acting.

2. Consent Calendar

- a. Approve Minutes from the November 13, 2025, HWMA Board of Directors Meeting
- b. Review and Approve Draft September 2025 Financial Reports
- c. Review and Approve Draft October 2025 Financial Reports
- d. Review and Approve Recommendations for BBW & Associates, Inc. as the Successful Proposer for Registered Professional Forestry Services
- e. Receive Overview of SB 707 (Durazo) and Receive Full Updated Legislative Text of the Ralph M. Brown Act.

Chairperson Atkins-Salazar inquired if there were any requests to pull items from the Consent Calendar, and there were no requests.

Chairperson Atkins-Salazar opened the floor to public comment, and no public comment on the Consent Calendar was received.

Chairperson Atkins-Salazar closed the floor to public comment.

Motion: **Director Lewis-Lusso** motioned, and **Director Madrone** seconded, to approve items a) through e) of the Consent Calendar as delivered
Action: Approve the Motion as made by **Director Lewis-Lusso** and seconded by **Director Madrone**
Ayes: Unanimous
Noes: None
Absent: **Director Cady**

3. Oral and Written Communications

Chairperson Atkins-Salazar opened the floor to public comment regarding items not on the agenda. No public comment was received.

Chairperson Atkins-Salazar closed the floor to public comment.

4. Receive Presentation on Mattress Recycling

Director Morais presented an update and overview of mattress recycling at the Hawthorne Street Transfer Station. **Director Morais** reviewed the history of the mattress recycling program, which began in 2016 when the HWMA began accepting mattress free of charge, and was expanded to include commercial mattresses in 2018. **Director Morais** continued by providing an operational overview of the program. Mattresses are received by Tip Floor staff, stored in a designated staging area, sorted by condition, loaded onto the trailers provided by the Mattress Recycling Council, and transported by trailer to the processing facility. Less than 5% of the mattresses received at the Hawthorne Street Transfer Station are deemed unrecyclable.

Common challenges have been addressed over the duration of the program, including educating the public about how to keep mattresses clean and utilize the HWMA's Mattress Recycling Program, as well coordination between Tip Floor staff, Scalehouse staff, and customers at the time of disposal. The popularity of the Mattress Recycling Program has grown from about 400 mattresses collected monthly at the program's inception to a current rate of about 700 mattresses collected monthly. During calendar year 2025, about 8,300 mattresses were collected and recycled free of charge.

Chairperson Atkins-Salazar thanked staff for their presentation and service to the community. **Director Madrone** inquired about diversion data regarding the impact of the Mattress Recycling Program on the illegal dumping of mattresses in Humboldt County. **Executive Director Keller-Heckman** explained that precise diversion data could not be provided because illegal dumping of mattresses was not tracked prior to the Mattress Recycling Program. Illegally dumped mattresses were simply classified as solid waste at that time. However, the State of California reports that over 400,000 pounds of mattresses have been diverted statewide annually, and the HWMA's program is the second largest in Northern California.

Director Madrone expressed support for the concept of free dumping as a way for jurisdictions to address the issue of illegal dumping and cleanup costs. He acknowledged that the practice is not common, and not always effective, but that jurisdictions do have the authority to provide free dumping and hoped the discussion would be taken up at the state level. **Executive Director Keller-Heckman** affirmed the Authority's long-standing efforts to reduce costs associated with ethical solid waste disposal. HWMA was one of the first rural waste management jurisdictions to adopt programs such as mattress and carpet recycling over a decade ago. It is central to HWMA's mission statement to provide solid waste disposal services at the lowest possible cost so that residents are able and encouraged to do the right thing with their materials.

Director Castellano expressed support for the issues raised by **Director Madrone** regarding illegal dumping, and thanked staff for their efforts to recycle mattresses. She inquired if more education was needed regarding the importance of keeping used mattresses clean to enhance recyclability. **Director Morais** explained that when the components of mattresses are wet or soiled, they cannot be recycled as effectively. **Executive Director Keller-Heckman** added that in the decade that HWMA has participated in the mattress recycling program, the rate of unrecyclable dirty mattresses has fallen from around 50% to around 5% in 2025 due to multijurisdictional education and outreach. **Director Castellano** inquired if 700 mattresses a month represented a high rate of mattress recycling per capita. **Executive Director Keller-Heckman** responded that in 2024, the Authority was the second largest rural collector in California. He credited the growth in the program to the impact of offering valuable services to residents at no or very low cost.

Director Castellano inquired about the cost of operating the program. **Executive Director Keller-Heckman** responded that in theory, the program is structured to cover all costs of mattress collection. From time to time, staff or disposal costs may be higher than anticipated and the Authority absorbs those costs. An analysis of the net costs of operating the program will be brought before the board at a subsequent meeting. **Executive Director Keller-Heckman** added that staff had engaged in extensive cost analysis and that former Executive Director Duffy had worked diligently with the Mattress Recycling Council at the outset of the program to ensure the Authority's costs would be fully recovered. Subsequently, the contract price is adjusted annually per the Producer Price Index.

Chairperson Atkins-Salazar opened the floor to public comment. No public comment was received.

Chairperson Atkins-Salazar closed the floor to public comment.

5. Receive Update on Organics in Humboldt County

Executive Director Keller-Heckman gave a presentation to the board entitled Organics Overview and Update. **Executive Director Keller-Heckman** reviewed SB1383, the 2016 legislation that requires jurisdictions to divert and collect organic material, engage in edible food recovery, and comply with capacity planning and reporting requirements. HWMA's work began with a request from the Humboldt County Solid Waste Local Task Force in 2021 to develop a Request for Proposals (RFP) for regional organics compliance services. Edgar & Associates was identified as the winning proposer and the costs of the study were shared between the jurisdictions. The report outlined critical steps such as a compliance roadmap, processing and collection strategies, and potential fee structures.

The original timeline for organics processing identified that out-of-county processing would be utilized while in-county processing was being developed. HWMA amended its Joint Powers Agreement to secure flow control over organic material and jurisdictions quickly updated relevant ordinances. An RFP for out-of-county processing services was developed, circulated, and ultimately, awarded to Cold Creek Compost with an original anticipated start date of July 2025. Jurisdiction began negotiating franchise hauler

agreements and the HWMA Board tasked staff with developing long-term plans for in-county organics processing. This resulted in the development of an RFP for an in-county processing feasibility study in late 2024. The first release of the RFP in May 2025 received no qualifying proposals, and staff took input from the jurisdictions, the HWMA Board, and potential proposers to streamline the RFP and reign in the scope of the proposal. The RFP was re-released and again received no qualifying proposals. After seeking guidance from other jurisdictions who had already released similar RFPs, staff removed language from the RFP related to locating potential local properties for an organics facility. The RFP was released for a third time in October 2025, and staff is currently evaluating proposals.

Jurisdictions began preliminary franchise negotiations in 2023 by developing new agreements to incorporate SB1383 requirements and industry standards. Monthly meetings were held with jurisdiction staff, consultants, and franchise representatives, and the agreements are anticipated to be finalized in March of 2026. HWMA staff has participated in these meetings to ensure progress and a continued focus on finalizing these agreements. This process has taken significant time and effort by all parties.

In late 2023, in concert with several local jurisdictions, HWMA applied for an organics infrastructure grant. HWMA as lead agency was awarded \$2.7 million dollars in May 2024 from CalRecycle for facility improvements and processing equipment upgrades to retrofit the old Eureka Recycling Center into an organics processing facility for Humboldt County. Request for Bid (RFB) documents were approved by the HWMA Board in late 2024 for new floor construction, replacement doors, and processing equipment. At the time of the applications, it was believed that infrastructure improvements would be finalized and franchise agreements would be executed by early 2025 with doors opening at the new facility in July 2025.

With delays in securing franchise contracts, HWMA pulled back the construction bid documents until a better timeline could be established. The grant award and funding level is directly tied to the projected tons of organic material diverted by the project. With HWMA unable to show any progress or tons diverted 16 months into the grant period, CalRecycle issued a Stop Work Notice on November 14, 2025, freezing the funding and placing the project under CalRecycle review. HWMA and jurisdictions met with CalRecycle representatives on November 25, 2025, and walked them through the timeline to date, the efforts made, and the issues and setbacks in relation to why grant activity had failed to progress. At that time, HWMA formally asked to file an extension request and to update the proposed work plan. HWMA staff submitted the extension request and modified work plan on December 11, 2025. Additionally, HWMA sent letters to our area's legislative representatives and CalRecycle division directors imploring them to consider granting the extension request for these critical grant funds. The extension request is still under review by CalRecycle as of today.

The current status of the grant is a holding pattern until a new Notice to Proceed is issued. Staff has continued to move forward with smaller projects, including finalizing the Transfer Station permit revisions with final documents to be submitted to the Local Enforcement Agency (LEA) next week. Several RFPs and RFBs are ready for release pending approval of the extension request. HWMA staff has coordinated with several

potential proposers to ensure the July 1, 2026, target deadline can still be attained. If CalRecycle chooses to reallocate the grant funds, that decision will have a significant impact on the target deadline and HWMA's overall ability to execute this project.

Chairperson Atkins-Salazar thanked staff for their efforts on this complicated project. **Director Wilson** requested clarification of the grant period. **Executive Director Keller-Heckman** responded that while the current grant period ends in April 2026, the Authority cannot collect the amount of tonnage required by grant without the extension. **Director Wilson** expressed skepticism about the timeline of organics collection in Humboldt County, and **Executive Director Keller-Heckman** reiterated that although the process has been much slower than anticipated, jurisdiction staff believes they have turned a corner in the franchise negotiations and now expect full execution by March 2026. However, if the Authority does not retain the grant funding, it will be difficult to execute the rollout of organics collection as currently envisioned.

Director Castellano thanked staff for the update and echoed **Director Wilson's** concerns about the grant. She inquired if CalRecycle had provided a timeline for their response. **Executive Director Keller-Heckman** responded that he believes the Authority will receive a response from CalRecycle within approximately one week. **Director Castellano** inquired if there was an appeal process if the extension was denied. **Executive Director Keller-Heckman** responded that he was not aware of an appeal process but would inquire and return to the board with that information. He thanked jurisdiction staff who had signed on to the Authority's letter to CalRecycle and joined him in the meeting with CalRecycle representatives on November 25th, adding that their participation had contributed to the positive tone of the meeting. **Director Castellano** requested clarification of the July 1st target deadline, and **Executive Director Keller-Heckman** confirmed that July 1, 2026, was when the Authority planned to begin receiving organic material at the Hawthorne Transfer Station for delivery to the out-of-county processor.

Director Madrone requested clarification regarding what costs the grant would cover if CalRecycle approved the extension. **Executive Director Keller-Heckman** explained that the grant covers infrastructure only, such as floors, doors, and equipment, and the costs associated with the program going forward would be borne by a new organic waste processing fee that will be developed within the Authority's Fiscal Year 2026-2027 budget in advance of the July 1st start date. **Director Madrone** noted that the planned infrastructure upgrades are a part of the short-term plan to transport organic material out-of-county until an in-county processing facility comes online and inquired about the availability of organics collection trucks. **Executive Director Keller-Heckman** indicated that to his knowledge, Recology had procured of all but one of the necessary trucks to commence organics collection in all jurisdictions. **Executive Director Keller-Heckman** concurred with **Director Madrone's** observation that many jurisdictions face similar challenges implementing SB1383 requirements, and that like HWMA, other CalRecycle grantees have asked for, and received, extensions of their grant periods.

Director Madrone inquired about the long-path to a local organics processing facility and what methodologies had been successful in other communities. **Executive Director Keller-Heckman** clarified that HWMA would be transporting organic material to a

compost facility, as opposed to a facility utilizing an anaerobic digester, and that Humboldt County likely generates enough organic material to eventually support its own composting facility given enough time to plan and fund the project. He affirmed that the pathway outlined by Edgar & Associates' organic services report is still sound although the anticipated timeline has been extended; in order for jurisdictions to comply with SB1383 requirements, out-of-county processing will be necessary for approximately 3-5 years while the funding, design and permitting of an in-county facility is developed. He expressed hope that the organics feasibility study would jumpstart long-term planning. **Director Madrone** expressed support for the long-term planning process as well as home composters. **Executive Director Keller-Heckman** affirmed that all the jurisdictions were developing options for home composters who want to opt out of the organics collection service.

Director Castellano inquired if Trinidad and Fortuna were still considering joining the Authority. **Executive Director Keller-Heckman** responded that he had recently spoken with Fortuna City Manager Nielsen and that he would be appearing before her council in the next month or two to discuss the potential benefits of joining the Authority for Fortuna and its residents. While the City of Trinidad has experienced turnover in the City Manager position, the Trinidad City Council and staff were very supportive of joining the Authority when **Executive Director Keller-Heckman** visited with them in 2024.

Director Castellano inquired if there were ways that board members could support the franchise negotiations. **Executive Director Keller-Heckman** stated that his participation in the negotiations is primarily in a listening capacity, but he has observed that the jurisdictions' consultants are doing a tremendous job and that jurisdiction staff seems more confident about the process than they have in a long time. He confirmed that city managers have the most information about the status of specific jurisdiction's franchise negotiations.

Director Castellano inquired about the status of the organics feasibility study RFP. **Executive Director Keller-Heckman** confirmed that staff is currently reviewing the proposals that were received and he plans to update the board at the February meeting. **Director Madrone** expressed support for jurisdictions to join the Authority now and endeavor to preserve the organics grant funding opportunity, despite some lingering resistance. **Executive Director Keller-Heckman** reminded the board that the jurisdictions are negotiating complex contracts that will outlive most of the HWMA's current staff and elected officials. He praised the efforts of the jurisdictions and their staff to get these critical, long-term contracts right on behalf of their constituents and residents.

Chairperson Atkins-Salazar opened the floor to public comment. No public comment was received.

Chairperson Atkins-Salazar closed the floor to public comment.

6. Standing Item: Board Member Reports

Director Wilson updated the board on the cost proposal stage of Rio Dell's franchise negotiation, including the impact of services such as bulky item pick up. He expressed

skepticism about the success of organics collection but indicated he would keep the board apprised as negotiations progress.

Director Lewis-Lusso updated the board on the appointment of new City Manager Short by the Blue Lake City Council and reported that the City had narrowly avoided a special election to recall a Blue Lake City Council member.

Director Castellano requested an update on the proposed property purchase that was addressed in Closed Session in 2025 as a future agenda item. She also requested that the board continue its previous discussion of strategic planning once more information about local organics collection and processing become available. **Director Castellano** inquired if other board members were interested in creating an ad hoc committee with HWMA leadership to guide decision-making in the next year.

Chairperson Atkins-Salazar confirmed that there appeared to be consensus among the directors to address strategic planning opportunities at a future meeting. **Executive Director Keller-Heckman** indicated that he would place the potential creation of an ad-hoc strategic planning committee on the February meeting agenda for board discussion. **General Counsel Diamond** added that if board members have specific ideas about an ad-hoc committee, they should contact **Executive Director Keller-Heckman** so that he may incorporate their ideas into the agenda item.

Chairperson Atkins-Salazar thanked her fellow directors and HWMA staff for welcoming her as a new director and board chair. She acknowledged the awkwardness of assuming the position of board chair without being elected and expressed her willingness to serve until next election cycle or support an agenda item to hold elections sooner than planned. **Directors Wilson** and **Madrone** thanked **Chairperson Atkins-Salazar** for her willingness to assume the chair upon her appointment to the board.

7. Standing Item: Executive Director's Report

Executive Director Keller-Heckman had nothing further to report.

Chairperson Atkins-Salazar adjourned the meeting to at 6:54 pm.



HUMBOLDT WASTE
MANAGEMENT AUTHORITY

Staff Report

DATE: February 5, 2026. For Meeting of: February 12, 2026

FROM: Hilary Schwartz, Director of Finance

SUBJECT: Item 2b)
Receive Draft November 2025 Financial Reports

RECOMMENDED ACTION: Voice Vote

- 1) Review and Approve Draft November 2025 Financial Reports

DISCUSSION:

Background:

Each month, staff presents an update on the Authority's financials based on activity to-date for the current month. This enables staff to provide a complete presentation of the full financial activity for that period, as financial data will have been recorded and finalized for the reporting period at that point.

Each year, pending the finalization of the Authority's financial audit, these financial reports are presented as *preliminary* financial reports. Once the audit is finalized and staff closes the prior fiscal year, information presented will represent accurate to-date financial activity and will be marked as such.

The Authority's cash position is comprised of seven accounts: 1) the Authority's checking account, which handles the day-to-day expenses; 2) the Operating Reserve investment account; 3) the Cummings Road Landfill Pledge of Revenue investment account; 4) the Capital Improvement investment account; 5) the Employee Benefits investment account; 6) the Rate Stabilization investment account; and 7) the Long-Term Funding investment account. Together, the balances in these accounts constitute the total cash available to the Authority for reserves and operating activities. The current balances of the Authority's operating and investment accounts as of November 30, 2025, are as follows:

1)	Cash on hand	\$	2,818,264.17
2)	Operating Reserve	\$	1,500,179.38
3)	CRL Pledge of Revenue	\$	191,329.72
4)	Capital Improvement Fund	\$	926,105.47
5)	Employee Benefits Fund	\$	150,000.00
6)	Rate Stabilization Fun	\$	400,00.00
7)	Long-Term Funding	\$	284,449.68

Authority Financials:

Attachment 2b.1 contains the draft November 2025 financial reports, for board review and discussion. An analysis of that information as it relates to revenues and expenses, and current month disbursements to vendors and employees, is provided herein.

Revenues:

Revenues for November 2025 performed at approximately 8.5% below budget estimates for Fiscal Year 2025-26. These estimates encapsulate all activity throughout the Authority, although finances will be influenced by future payouts of fees passed through to Member Agencies, revenue shares for salvaged materials sales, and the delayed receipt of grant revenues for grant-based projects. In November 2025, lower than expected hazardous waste and tire revenues were offset by higher-than-expected solid waste revenues. The Authority's invested reserves earned \$3,651.42 interest in November 2025.

Staff continues to monitor diversion programs in terms of not only cost, but self-sustaining viability. At present, all divisions are fully funded from self-sustaining revenues or fees passed through from Self-Haul, Franchise, and Satellite facility tipping fees.

Expenses:

Operating expenses for November 2025 were approximately 11.4% below budget estimates, including expenses related to depreciation of Authority assets, and quarterly payments to Member Agencies for pass-through payments. In November 2025, overall lower expenses tracked with lower seasonal revenue. Merchant fees and fuel were notably lower than budget estimates, while leachate and operating expenses were higher than estimates. Staff continues to maintain strong control of ongoing expenses with particular attention to quarterly trends as the mid-year budget review approaches.

Monthly disbursements to Authority vendors and employees are summarized in Attachment 2b.1 (*Statement of Cash Flow*) for the month of November 2025. These disbursements are comprised primarily of day-to-day costs, representing \$458,457.92 in transportation and disposal costs, \$279,390.07 in payroll and employee benefit costs, and \$6,260.66 in pass-through allocations to member agencies.

Staff's Recommendation:

Staff recommends the board review and approve the draft November 2025 Financial Reports.

Attachments:

- 2b.1) Draft November 2025 Financial Reports



Balance Sheet
Humboldt Waste Management Authority
As of November 30, 2025
Attachment 2b.1

Distribution account Total

Assets

Current Assets

Bank Accounts

1000 Checking - Columbia Bank	3,305,471.46
1001 CRL Pledge-8913	185,141.16
1002 Rate Reserve-6008	282,929.35
1003 CIP-3488	953,291.61
1004 LAIF	765,604.14
1005 CLASS	
10054 CLASS - RS	400,617.55
10055 CLASS - EB	150,231.58

Total for 1005 CLASS **\$550,849.13**

1015 Change Bank 5,500.00

Total for Bank Accounts **\$6,048,786.85**

Accounts Receivable

1020 Accounts Receivable	889,924.81
1030 Allowance for Doubtful Accounts	0.00

Total for Accounts Receivable **\$889,924.81**

Other Current Assets

1025 A/R - Other	0.00
1045 Prepaid Expenses	64,327.05
1050 Prepaid Insurance	198,289.69
1055 Undeposited Funds	0.00
Due from Other Governments	0.00

Total for Other Current Assets **\$262,616.74**

Total for Current Assets **\$7,201,328.40**

Fixed Assets

1100 Land - Admin	2,809,139.62
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Balance Sheet

Humboldt Waste Management Authority
As of November 30, 2025

Distribution account	Total
1200 Land Improvements	
1201 Admin	1,468,543.91
1202 Transfer Station	903,375.59
1203 HHW	7,050.00
1204 Landfill	49,955.91
1205 Organics	15,696.00
Total for 1200 Land Improvements	\$2,444,621.41
1300 Buildings	
1301 Admin	0.00
1302 Transfer Station	2,632,084.25
1303 HHW	300,742.17
1305 Organics	9,642.53
Total for 1300 Buildings	\$2,942,468.95
1400 Building Improvements	
1401 Admin	50,076.58
1402 Transfer Station*	382,173.63
1403 HHW	218,564.55
1404 Landfill	6,619.95
1405 Organics	58,621.90
Total for 1400 Building Improvements	\$716,056.61
1500 Equipment	
1501 Admin	40,398.50
1502 Transfer Station*	1,880,566.00
1503 HHW	89,463.99
1504 Landfill	787,162.02
1505 Organics	156,907.65
1507 Programs	0.00
Total for 1500 Equipment	\$2,954,498.16

Balance Sheet

Humboldt Waste Management Authority
As of November 30, 2025

Distribution account	Total
1600 Office Equipment	
1601 Admin	19,045.66
1605 Organics	0.00
Total for 1600 Office Equipment	\$19,045.66
1700 Vehicles	
1701 Admin	28,790.62
1702 Transfer Station*	13,576.24
1703 HHW	46,079.18
1704 Landfill	48,292.28
Total for 1700 Vehicles	\$136,738.32
1800 Software	
1801 Admin	69,573.89
Total for 1800 Software	\$69,573.89
1900 Accumulated Depreciation	(7,091,107.71)
Total for Fixed Assets	\$5,001,034.91
Other Assets	
1035 Deferred Outflows - Pension	666,383.00
1910 Waste Authority Permit	221,171.00
1920 Land Purchase Option - CRBAS	0.00
Total for Other Assets	\$887,554.00
Total for Assets	\$13,089,917.31
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	980,040.39
Total for Accounts Payable	\$980,040.39
Credit Cards	

Balance Sheet

Humboldt Waste Management Authority
As of November 30, 2025

Distribution account	Total
2005 2005 Umpqua Bank Visa	\$0.00
2006 Unassigned	0.00
2007 Heacock	2,772.20
2008 Schwartz	1,615.70
2009 Keller	0.00
Total for 2005 2005 Umpqua Bank Visa	\$4,387.90
Total for Credit Cards	\$4,387.90
Other Current Liabilities	
2010 Accounts Payable - Other	0.00
2015 Accrued 457 deferrals payable	0.00
2020 Accrued AFLAC	316.75
2022 Accrued Bank Charges	4,259.31
2025 Accrued CalPERS	0.00
2026 UAL CalPERS	0.00
2030 Accrued CalPERS - Clearing	0.00
2035 Accrued FWH/MED	0.00
2040 Accrued Payroll	0.00
2045 Accrued PR Taxes	0.00
2050 Accrued PTO Current Portion	145,868.32
2055 Accrued SUI/ETT	0.00
2060 Accrued SWH/SDI	0.00
2065 Deferred Revenue - DOC/AB939	35,000.72
2070 Deferred Revenue - OPP	33,442.57
2071 Deferred Revenue - Tire Grant	0.00
2075 Garnishments Payable	0.00
2076 LT Liability Current Portion	126,688.96
2080 Note Payable - Chase	0.00
24000 Payroll Liabilities	\$0.00
24001 Garnishment -Weaver	0.00

Balance Sheet

Humboldt Waste Management Authority
As of November 30, 2025

	Total
Distribution account	
Total for 24000 Payroll Liabilities	\$0.00
Total for Other Current Liabilities	\$345,576.63
Total for Current Liabilities	\$1,330,004.92
Long-term Liabilities	
2100 Deferred Inflows - Pension	12,103.00
2105 Accrued Long Term PTO Liability	263,607.10
2110 Landfill Closure Estimated	10,099,276.00
2130 Lease Payable - Financial Pacif	765,167.04
2135 Less Current Portion LT Liability	(126,688.96)
2140 Net Pension Obligation	1,232,062.00
Total for Long-term Liabilities	\$12,245,526.18
Total for Liabilities	\$13,575,531.10
Equity	
3000 Opening Balance Equity	0.00
3010 Investment in Capital Assets	3,983,793.07
3030 Prior Period Adjustments	(30,399.40)
3200 Retained Earnings	(5,470,268.00)
Net Income	1,031,260.54
	Net Income reduced by \$59,714.48 reserve replenishment.
Total for Equity	(\$485,613.79)
Total for Liabilities and Equity	\$13,089,917.31



Statement of Cash Flows
 Humboldt Waste Management Authority
 November 2025
 Attachment 2b.1

Full name	Total
OPERATING ACTIVITIES	
Net Income	85,645.48
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1020 Accounts Receivable	(301,054.83)
1045 Prepaid Expenses	9,189.59
1050 Prepaid Insurance	28,327.10
2000 Accounts Payable	(357,634.22)
2007 2005 Umpqua Bank Visa:Heacock	(1,083.92)
2008 2005 Umpqua Bank Visa:Schwartz	(2,385.54)
2015 Accrued 457 deferrals payable	0.00
2020 Accrued AFLAC	0.00
2022 Accrued Bank Charges	(298.20)
2025 Accrued CalPERS	0.00
2035 Accrued FWH/MED	0.00
2060 Accrued SWH/SDI	0.00
24001 Payroll Liabilities:Garnishment -Weaver	0.00
Total for Adjustments to reconcile Net Income to Net Cash provided by operations:	(624,940.02)
Net cash provided by operating activities	(539,294.54)
INVESTING ACTIVITIES	
FINANCING ACTIVITIES	
2130 Lease Payable - Finanical Pacif	(15,396.39)
Net cash provided by financing activities	(15,396.39)
NET CASH INCREASE FOR PERIOD	(554,690.93)
Cash at beginning of period	\$6,603,477.78
CASH AT END OF PERIOD	\$6,048,786.85



Humboldt Waste Management Authority

Bill Payment List

November 2025

Attachment 2b.1

DATE	NUM	VENDOR	AMOUNT
1000 Checking - Columbia Bank			
11/02/2025	CBCEGR77ROVH	Valeo Networks	-4,359.73
11/06/2025	BP476	Empower	-325.00
11/01/2025	013214009	Humana Insurance	-4,510.64
11/01/2025	BP479	Blue Shield of California	-45,655.15
11/10/2025	VFTGFKKHLG	City of Eureka Water	-798.21
11/10/2025	NHYXPYP4C	City of Eureka Water	-664.59
11/06/2025	32731753	FedEx	-123.04
11/06/2025	BP484	CalPERS	-7,845.31
11/06/2025	BP485	CalPERS	-7,059.68
11/06/2025	BP487	CalPERS	-1,676.00
11/06/2025	100968	Humboldt Recycling Leachate	-30,141.54
11/06/2025	100956	Humboldt Sanitation	-16,424.30
11/06/2025	100970	B&B Portable Toilets	-411.53
11/06/2025	100971	Kernen Construction.	-4,682.48
11/06/2025	100963	Shafer's Ace Hardware	-256.55
11/06/2025	100965	Recology Humboldt County Samoa	-13,785.74
11/06/2025	100959	Picky. Picky, Picky Surplus, Inc	-377.03
11/06/2025	100964	Mobley Construction Inc.	-1,750.00
11/06/2025	100955	City of Eureka Discharge Fees	-9,180.00
11/06/2025	100961	WM Corporate Services, Inc	-2,359.36
11/06/2025	100966	Six Rivers Mechanical	-950.16
11/06/2025	100962	Advanced Security Systems.	-608.65
11/06/2025	100972	Industrial Electric	-317.23
11/06/2025	100957	Englund Marine - Eureka	-76.13
11/06/2025	100967	Copiers Plus	-248.72
11/06/2025	100958	Shasta Scale	-3,237.75
11/06/2025	100969	Powell Landscape Materials	-506.05
11/06/2025	100960	Pierson Building Center	-378.10
11/06/2025	100973	Bettendorf Enterprises, Inc	-994.35
11/06/2025	SPACH361	WSP USA, Inc	-25,597.83
11/06/2025	SPACH365	Microbac Laboratories, Inc	-814.00
11/06/2025	SPACH360	Ken's Auto Parts, LLC	-117.03
11/06/2025	SPACH364	Pape Machinery	-105.78
11/06/2025	SPACH363	Clean Harbors Environmental Services	-43,155.00
11/06/2025	SPACH362	World Oil Environmental Services	-111.00
11/06/2025	SPACH366	I-5 Tire, Inc.	-2,142.00
11/15/2025	BP489	Recology Humboldt County	-225.00
11/25/2025	BP490	Columbia Bank	-7,422.36
11/17/2025	BP492	CalPERS	-1,676.00
11/17/2025	BP493	FedEx	-17.70
11/06/2025	BP494	Zultys, Inc.	-717.43
11/17/2025	BP495	CalPERS	-8,293.21
11/24/2025	2511084120711	PG&E 724-3	-2,503.96
11/21/2025	13717079	Optimum Business	-440.90

Humboldt Waste Management Authority

Bill Payment List

November 2025

DATE	NUM	VENDOR	AMOUNT
11/17/2025	BP498	CalPERS	-7,466.35
11/06/2025	34569	Thumpers Mechanical	-3,293.00
11/28/2025	EDB32E	Western Health Advantage	-7,861.26
11/17/2025	BP499	Empower	-325.00
11/19/2025	258112	Humboldt Community Services District	-125.48
11/10/2025	29d1b5909372d90	Mission Linen Supply	-1,333.00
11/10/2025	BP503	Verizon Wireless	-306.96
11/19/2025	2511042261879	PG&E 550-3	-62.88
11/15/2025	D-332241-111325	Valley Pacific Petroleum Services, Inc	-5,275.86
11/10/2025	61541ddfed8f379	Mission Linen Supply	-1,342.87
11/17/2025	100999	AT&T Calnet	-38.79
11/17/2025	100998	Humboldt Recycling Propane	-3,080.00
11/17/2025	100979	City of Ferndale 939	-2,076.54
11/17/2025	100991	Filtrafine Corporation	-525.23
11/17/2025	100975	City of Blue Lake 939	-2,054.07
11/17/2025	100990	Lawrence & Associates	-1,472.50
11/17/2025	100981	Law Offices of Nancy Diamond	-1,537.75
11/17/2025	100984	Picky. Picky, Picky Surplus, Inc	-734.17
11/17/2025	100997	Mad River Union	-202.00
11/17/2025	100974	Edgar & Associates, Inc	-2,012.50
11/17/2025	100988	Harper Motors	-6,462.54
11/17/2025	100992	WM Corporate Services, Inc	-2,902.20
11/17/2025	100995	Access Humboldt	-101.40
11/17/2025	100983	New Directions	-475.00
11/17/2025	100977	Rogers Machinery Company, Inc.	-429.88
11/17/2025	100994	City of Rio Dell 939	-1,347.92
11/17/2025	100993	Foster Striping	-6,610.00
11/17/2025	100976	Scrapper's Edge	-424.14
11/17/2025	100985	Humboldt County Public Works Pass Through	-149,240.59
11/17/2025	101000	Mad River Community Hospital.	-717.50
11/17/2025	100982	City of Arcata 939	-6,611.66
11/17/2025	100989	Jamie Corsetti, CPA	-1,000.00
11/17/2025	100980	Peterson CAT	-1,119.56
11/17/2025	100986	Humboldt County Env Health Pass Through	-73,092.98
11/17/2025	100978	DCI Builders	-4,000.00
11/17/2025	100987	Bettendorf Enterprises, Inc	-2,400.00
11/17/2025	100996	City of Eureka 939	-8,423.15
11/17/2025	SPACH368	Lighting Resources	-8,938.34
11/17/2025	SPACH376	Airgas USA, LLC	-560.20
11/17/2025	SPACH378	Microbac Laboratories, Inc	-568.00
11/17/2025	SPACH381	NAPA	-43.53
11/17/2025	SPACH367	Pape Machinery	-1,061.33
11/17/2025	SPACH372	Amazon Capital Services, Inc.	-92.82
11/17/2025	SPACH370	Clean Harbors Environmental Services	-36,173.80
11/17/2025	SPACH377	Humboldt Organic Solutions, LLC	-56,591.88

Humboldt Waste Management Authority

Bill Payment List

November 2025

DATE	NUM	VENDOR	AMOUNT
11/17/2025	SPACH375	Restif Cleaning Service Cooperative, Inc.	-500.00
11/17/2025	SPACH369	Shaw Law Group	-510.00
11/17/2025	SPACH371	I-5 Tire, Inc.	-220.50
11/17/2025	SPACH373	Call2Recycle, Inc.	-23,626.24
11/17/2025	SPACH380	Redwood Waste Solutions	-467.28
11/17/2025	SPACH374	Dry Creek Landfill	-518,423.39
11/17/2025	SPACH379	Blue Dream HR LLC	-2,100.00
11/15/2025	BP511	AFLAC	-633.50
11/28/2025	BP516	Redheaded Blackbelt	-250.00
Total for 1000 Checking - Columbia Bank			\$ -1,210,287.76
Not Specified			
11/04/2025	VC-53539421.2	McMaster-Carr Supply Company	0.00
11/10/2025	VC-M287361	Mendes Supply Company	0.00
11/14/2025	VC53539421/513	McMaster-Carr Supply Company	0.00
11/26/2025	VC-33433	Schuyler Rubber Co., Inc	0.00
Total for Not Specified			\$0.00



A/R Aging Summary Report

Humboldt Waste Management Authority
 As of November 30, 2025
 Attachment 2b.1

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
707 Pest Solutions		77.14			77.14
A-1 Cleaning Service	100.56				100.56
Abercrombie Construction	12.50				12.50
Above Board Construction and Roofing	1,770.00	900.53			2,670.53
ACGC Inc.	1,065.33				1,065.33
Advanced Security Systems	12.50				12.50
A & I Roofing	521.20				521.20
Anderson Construction		22.93			22.93
Arnold's Family Construction LLC	901.37	39.61			940.98
Arrow Property Management	118.87				118.87
Arts Roofing LLC	6,556.72				6,556.72
Asbestos Management Group of CA				961.09	961.09
Ayres Enterprises	45.87	22.93	58.37	12.50	139.67
Beacom Construction	114.66				114.66
Bedliners Plus	229.33				229.33
Benchmark Realty Group	33.08				33.08
Berg Rentals		45.87			45.87
Bethel Church	75.05				75.05
Bigfoot Construction Inc.		(3.89)			(3.89)
Bingham Tile	75.05				75.05
Blackwell Construction	179.66				179.66
Blackwell Rentals	47.95				47.95
Blossom Landscaping & Handyman Service	1,169.39	812.65	705.77		2,687.81
Blue Lake Enterprises	371.10	29.19			400.29
Blue Sky Roofer	1,836.70				1,836.70
Bob White Electric	91.74				91.74
Bode Construction	297.59				297.59
Branch Ranch Building Co.		42.74			42.74

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Broadway Trailer Park	175.49				175.49
Buddy's Auto Center	2,758.20				2,758.20
Bureau of Land Management Arcata	12.66			19.00	31.66
Cal Poly Humboldt- Garbage	8,043.16				8,043.16
Carpet Depot	483.69				483.69
Carter & Company	12.50				12.50
CDH Painting	27.10				27.10
Century Service Center	177.21				177.21
Chris Rutter Construction	45.87				45.87
City of Eureka-Engineering				2,983.74	2,983.74
City of Eureka - Facilities	91.73				91.73
City of Eureka - Harbor	25.00				25.00
City of Eureka - Parks	536.67				536.67
City of Eureka - Sewer Collections	3,258.55				3,258.55
City of Eureka - Streets	361.71	1,315.44	1,518.19		3,195.34
City of Eureka - Waste Water Treatment	144.00				144.00
Clayton Construction	29.19		208.48		237.67
CM Construction	47.95				47.95
Coastal Co Builders	433.67				433.67
Coast Seafoods Company	1,019.03				1,019.03
Colburn Electric	191.80				191.80
Cottage Construction	350.99				350.99
County of Humboldt ADA Compliance	116.75				116.75
Craig Mayberry	18.76				18.76
Curb Appeal Construction	339.82				339.82
Cutten Schools		37.53	18.76		56.29
Darryl Berg Painting	33.36				33.36
David Allen Construction	95.90				95.90
DCI Construction	2,618.50				2,618.50

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Del Biaggio Dairy	187.63				187.63
Delta Mattress & Sofa Outlet	316.11				316.11
Dennis Byrd Construction	170.96				170.96
Developed Employment Services	214.87				214.87
Diamond Drywall	154.26	279.35	402.37		835.98
DS Construction	343.99				343.99
Earth Care Landscaping	14.49				14.49
Eel River Transportation & Salvage	303.30				303.30
Ellena Construction	133.80				133.80
Emerald Custom Construction	68.80				68.80
Emerald Forest Cabins & RV	304.38	412.79			717.17
Equity Building	75.05				75.05
Eric Finkle	20.85				20.85
Eugene A Skweir General Contractor	41.70				41.70
Eureka City Schools	9,558.52	2,849.15			12,407.67
Eureka Glass Co. Inc.	321.03				321.03
Eureka Housing Authority	399.75				399.75
Eureka Overhead Door Company	433.63				433.63
Eureka Rehabilitation & Wellness				(15.00)	(15.00)
Eureka Rescue Mission	483.67				483.67
Eureka Vacation Rentals Inc.	9.50				9.50
Evans Mechanical	25.00				25.00
Evergreen Landscape	304.70	154.71	177.20		636.61
Figas Construction	596.26	157.68			753.94
Fitz It Right Plumbing	294.22	139.64			433.86
Forbes Cabinets	339.81				339.81
Forest Builder 707	799.46				799.46
Frazier Rental & Development	164.70				164.70
Furniture Design Center	348.17				348.17

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Genevieve Schmidt	113.99				113.99
Genuine Junk and Haul	1,457.41				1,457.41
Glendale Mobile Estates	43.78				43.78
G M Pavlich	56.28				56.28
Great Redwood Trail Agency	18.76				18.76
Griz Handyman Service	97.99				97.99
GR Sundberg Inc.	210.56				210.56
Hamanaka Painting	331.45				331.45
Handle It Junk Removal	2,180.70				2,180.70
HCAR	63.32				63.32
Heartwood Design and Building	298.13				298.13
Hemmingsen Pavement Solutions	33.35	25.02	64.63		123.00
Henderson Village Apt.	145.94				145.94
Hensell Materials	466.48				466.48
Hilfiker Pipe Company	116.75				116.75
Hooven & Co.	429.47				429.47
Houseworth Construction			68.80		68.80
Humboldt Bay Harbor District	413.09				413.09
Humboldt Community Service District	147.97				147.97
Humboldt Countertops	539.02	463.48			1,002.50
Humboldt County DHHS	26.18				26.18
Humboldt County Office of Education	168.87				168.87
Humboldt County Parks	1,351.46	1,405.50			2,756.96
Humboldt County Sheriffs Office	24.00				24.00
Humboldt Electric	21.53				21.53
Humboldt Mechanical Solutions	150.11	102.16			252.27
Humboldt Moving & Storage	754.96				754.96
Humboldt Plaza	29.19				29.19
Humboldt Sanitation & Recycling	84,741.43				84,741.43

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Humboldt Transit Authority			70.88		70.88
Island State Construction	12.50				12.50
Jacoby Creek Real Estate	47.95				47.95
James Poovey	79.11				79.11
Janowski Builders	70.88				70.88
JDS Construction				394.44	394.44
J & G Lawn and Garden	126.65	251.71			378.36
Jim Groeling & Associates	114.67				114.67
Jitter Bean Coffee Co.	37.50				37.50
J & J Rentals	476.11				476.11
JLM Freedom Electric Inc	22.93				22.93
JNG Insulation Pros	694.22	921.47			1,615.69
JNM Construction	479.50				479.50
John H Kruger Plaster & Drywall	227.24	70.88			298.12
Johnny's Flooring & Window Coverings	10.20				10.20
Johnston Construction	188.54	53.94			242.48
Johns Used Cars				325.23	325.23
Joyce Radelich		31.27			31.27
Justin Adams Construction	95.90				95.90
Karges Flooring	148.02				148.02
Kelly Martin	39.61				39.61
K H McKenny	152.19				152.19
Kimaw Medical Center	95.00				95.00
Kramer Investment Corp.	246.01				246.01
Landscaping Ventures Inc.	781.70		(47.35)		734.35
Lawn Care Plus	771.49				771.49
LDH Construction	97.99				97.99
Leons Car Care Center	25.02				25.02
Lisa Short		12.50	1.51		14.01

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Living Styles	185.55				185.55
LJG BUILDERS LLC	517.04	39.61			556.65
Lost Coast Brewery & Cafe	66.71				66.71
Lost Coast Rentals				24.47	24.47
Mad River Construction	494.10				494.10
Mad River Hospital	268.00				268.00
Making Headway Center	243.92				243.92
Martin Bros Construction	77.14				77.14
Martin Construction	1,082.38	800.54	3,286.07		5,168.99
Matlock Construction	98.36				98.36
Mattress Recycling Council	6,375.37				6,375.37
McCrea Motors	158.45				158.45
McCullough Construction	1,795.39				1,795.39
McMurray & Sons Inc.	9,185.99				9,185.99
Milgard Manufacturing LLC - Sacramento	212.64				212.64
Ming Tree Realtors	120.92			(35.44)	85.48
Moore's Sleepworld	204.25				204.25
Munoz Osorio Construction	89.65				89.65
Munson Investments	271.02				271.02
Myrtle town Body Shop	33.36				33.36
Nelson Floors	104.15				104.15
New Century Yard Maintenance	178.01				178.01
New Life Service Company	992.37				992.37
Next Generation Landscape & Design	75.05				75.05
Nichols Handy Work	108.40	(0.06)			108.34
Nick Frank	68.79				68.79
Northcoast Acoustics	50.02				50.02
Northcoast Childrens Service	9.25				9.25

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
North Coast Co-Op Arcata	66.72				66.72
North Coast Flooring Inc.	1,126.14				1,126.14
Northern Building Company	550.39				550.39
Ocean View Cemetery	66.71				66.71
O & M Industries	275.18				275.18
Open Door Community Health Center	41.70				41.70
Pacific Builders	864.73		342.64	129.43	1,336.80
Pacific Coast Rentals	171.32				171.32
Pacific Towing	41.70	202.60	85.48	168.87	498.65
Parks Enterprise	60.46	148.02			208.48
Pierson Company	2,762.80				2,762.80
Point of View Preservation LLC	34.83				34.83
Point Pleasant MHP	479.51	343.99			823.50
Poletskis Appliance Center	700.48	58.37			758.85
Porter and Sons Painting			64.63		64.63
Providence St. Josephs Hospital	440.00	440.00	144.00		1,024.00
Quality Body Works	112.58				112.58
Quick Mow	80.74				80.74
RA Construction	27.10				27.10
Rainbow Self Storage	565.53				565.53
RebCo	26.91				26.91
Recology Eel River	71,912.53				71,912.53
Recology of Arcata	128,400.87				128,400.87
Recology of Humboldt County	386,492.66				386,492.66
Recology Samoa	58,568.75				58,568.75
Redwood Coast Plumbing	41.70				41.70
Redwood Coast Real Estate Inc.	229.29			(13.46)	215.83
Redwood Community Action Agency	54.44	(0.01)	(3.40)		51.03
Redwood Marine Outdoors	12.50				12.50

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Redwoods Community College District	38.19				38.19
Redwood Teen Challenge	1,422.25				1,422.25
Renner Petroleum	279.36				279.36
Rentor	423.13	288.25	441.88		1,153.26
Restif Cleaning Service	127.17				127.17
Rich's Body Shop	31.27		31.27		62.54
Robert Donathan	28.50	131.40			159.90
Ross A Nash Remodeling	25.02		9.50		34.52
Samson Construction	266.85				266.85
Sanders Roofing Inc.	558.73				558.73
Schmidbauer Building Supply LLC.	1,242.55				1,242.55
Sempervirens Gardening	546.18				546.18
Sequoia Construction	1,338.45				1,338.45
Serenity Inn	118.82				118.82
ServiceMaster	1,072.89	200.14			1,273.03
Sherlock Mini Storage	195.80				195.80
Sherwood Excavation	195.97				195.97
Simple Visions	802.39				802.39
Sisu Extracts	3,008.39				3,008.39
Six Rivers Property Management	34.00				34.00
Soilscapes Solutions LLC	268.93				268.93
Spencer Electric	763.03				763.03
S & S Phelps Inc.	1,027.82				1,027.82
Stetzel Builders				1,306.92	1,306.92
Strombeck Construction	1,365.54				1,365.54
STS Construction	523.28	170.95			694.23
Susan Whitely / Eric Dugan	512.16				512.16
Swains Flat Trailer Court	300.21				300.21
T and T Roofing	537.85	1,163.30			1,701.15

A/R Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Customer	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
TEMPORARY				494.50	494.50
The People of New Directions	1,459.17		43.00	14.59	1,516.76
Thomas Home Center	37.52				37.52
Timber Heritage Association		9.50			9.50
Tonis Restaurant	210.56				210.56
Tree Ventures Inc.			246.03	941.61	1,187.64
Triad Inc	674.15				674.15
Trinidad Rancheria			(1,299.00)		(1,299.00)
Ultimate Building Solutions	525.38				525.38
Vern McGaughey	952.75				952.75
Vern's Furniture	1,257.01				1,257.01
Wade Bray General Contractor	14.59	258.46	22.93		295.98
Wahlund Construction	457.24				457.24
Watson Well Service	77.14				77.14
Wayne Maples Plumbing	18.76				18.76
West End Builders Inc.		(3.12)			(3.12)
Westside Community Improvement Assoc.	337.72				337.72
Williamson Construction	462.83				462.83
Wing Inflatables	181.60	110.00			291.60
WSC Solar and Roofing		2,647.70	687.98		3,335.68
Yurok Tribe Construction Corporation	168.87				168.87
Zerlang & Zerlang Marine Services	81.31	422.17			503.48
TOTAL	854,223.07	18,105.73	7,350.62	7,712.49	\$887,391.91



A/P Aging Summary Report

Humboldt Waste Management Authority
 As of November 30, 2025
 Attachment 2b.1

Vendor	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
707 Pest Solutions.	155.00				155.00
Access Humboldt	101.40				101.40
Airgas USA, LLC	298.02				298.02
Amazon Capital Services, Inc.	495.43	110.24	230.27		835.94
AT&T Calnet	39.89				39.89
B&B Portable Toilets	411.53				411.53
Bettendorf Enterprises, Inc	6,472.42	1,985.27			8,457.69
Blue Dream HR LLC	2,100.00				2,100.00
Blue Flame Crew, LLC		88,598.00			88,598.00
Blue Shield of California	43,234.84				43,234.84
Call2Recycle, Inc.	5,854.80				5,854.80
CalPERS		16,139.73			16,139.73
City of Eureka Discharge Fees	12,780.00				12,780.00
City of Eureka Water	1,462.80				1,462.80
Clean Harbors Environmental Services	23,047.00				23,047.00
Copiers Plus		248.72			248.72
Cox Rasmussen	4,945.00				4,945.00
Crystal Springs Bottled Water	270.00				270.00
Dry Creek Landfill	447,240.19		3,000.00		450,240.19
Edgar & Associates, Inc	1,828.75	521.25			2,350.00
Eel River Transportation & Storage	1,761.50				1,761.50
Empower		325.00			325.00
Eureka Times Standard		4,482.00		(5.00)	4,477.00
FedEx		171.11			171.11
Holt of California	1,263.54				1,263.54
Hooven		7,257.49			7,257.49
Humana Insurance	4,321.64				4,321.64
Humboldt Community Services District	54.31				54.31
Humboldt Organic Solutions, LLC	46,131.56				46,131.56

A/P Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Vendor	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Humboldt Recycling Leachate	25,729.29				25,729.29
Humboldt Recycling Propane	3,440.00				3,440.00
Humboldt Sanitation	28,844.23				28,844.23
Humboldt Transit Authority.	5,280.00				5,280.00
I-5 Tire, Inc.	1,080.00				1,080.00
James L. Able Forestry Consultants, Inc		877.50			877.50
Law Offices of Nancy Diamond	1,000.00				1,000.00
Lawrence & Associates	2,707.50				2,707.50
Lost Coast Communications, Inc	750.00	750.00			1,500.00
Mad River Union	202.00				202.00
McMaster-Carr Supply Company	789.67				789.67
Mendes Supply Company	646.05				646.05
Microbac Laboratories, Inc	4,032.00				4,032.00
Mission Linen Supply	2,253.24				2,253.24
New Directions	1,167.50				1,167.50
North Coast Journal	5,407.00				5,407.00
North Coast Lock & Key	429.56				429.56
Pacific Motorsports		701.46			701.46
Pacific Paper Co.	80.83				80.83
Peterson CAT	287.36				287.36
PG&E 053-6	2,807.81				2,807.81
Picky. Picky, Picky Surplus, Inc	416.70				416.70
Pierson Building Center	76.54				76.54
Rain for Rent	9,517.28				9,517.28
Recology Humboldt County	225.00				225.00
Recology Humboldt County Samoa	3,195.75	4,196.93			7,392.68
Restif Cleaning Service Cooperative, Inc.	500.00				500.00
Schuyler Rubber Co., Inc	4,626.53				4,626.53

A/P Aging Summary Report

Humboldt Waste Management Authority
As of November 30, 2025

Vendor	CURRENT	1 - 30	31 - 60	61 AND OVER	Total
Shafer's Ace Hardware	29.35				29.35
Streamline	555.00				555.00
SWRCB	80,190.00				80,190.00
Thrifty Supply Company	78.26				78.26
ULINE	1,970.66				1,970.66
Valeo Networks	4,258.07	3,198.11			7,456.18
Valley Pacific Petroleum Services, Inc	3,272.75				3,272.75
Verizon Wireless	1,015.04				1,015.04
WM Corporate Services, Inc	2,714.54	3,325.60			6,040.14
WSP USA, Inc	40,081.58				40,081.58
TOTAL	843,926.71	132,888.41	3,230.27	(5.00)	\$980,040.39



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: February 9, 2026 For Meeting Of: February 12, 2026
FROM: Hilary Schwartz, Director of Finance
SUBJECT: Item 4)
Receive Presentation Outlining Independent Auditor's Report for Fiscal Year
2024-2025 and File

RECOMMENDED ACTION: Informational Only
Receive Presentation Outlining Independent Auditor's Report for Fiscal Year
2024-2025 to be Filed with Authority Archives, State Comptroller, and required
Financial Institutions.

DISCUSSION:

The annual audit of the Authority's financial statements is a tool by which the board and the general public may measure the fiscal health of the Authority, both in the sense that it discusses the state of the Authority's assets and investigates the ongoing activities and reporting procedures of Authority staff. The audit is an independent review of this information which helps guide the board in improving internal fiscal controls and establishing priorities for future budgets.

Staff respectfully presents the following responses to the audited financial statements:

Opinion Paragraph (see Attachment 4.1)

1. Management's Discussion and Analysis

Response: Agree.

Status: Partially implemented. Staff will provide a Management's Discussion and Analysis (MD&A) during the next financial audit as required by GASB 103.

Background: Staff will analyze the impacts of required implementation of GASB Statements 103, 104, and 105. At the next fiscal year-end, staff will work with the auditors to ensure all financial reporting is aligned with the new statement requirements.

Governance Letter (see Attachment 4.2)

1. Restatement and implementation of GASB 101 for compensated absences

Response: Agree.

Status: Implemented. Staff has revised compensated absences spreadsheets to reflect GASB 101 requirements using the template developed by the auditors during the Fiscal Year 2024-2025 audit. The compensated absences journal entry for Fiscal Year 2025-2026 will be reviewed by the auditors prior to recording.

Background: Fiscal Year 2024-2025 was the first year GASB 101 implementation was required.

2. Reclassification of disposed asset

Response: Agree

Status: Implemented. Staff will perform a full reconciliation between accounting and depreciation software on an annual basis prior to the next financial audit. The asset disposal journal entry will be reviewed by an independent CPA.

Background: The Fiscal Year 2024-2025 audit was the first audit following the Authority's transition from spreadsheets to software for fixed asset accounting.

3. Adjustment to Pension Liability

Response: Agree

Status: Implemented. The auditors provided the GASB 68 tool for calculating the pension liability adjustment. Staff will now record this adjusting entry on an annual basis at the close of each fiscal year.

Background: The Authority's prior auditors recorded this entry on behalf of staff.

Management Letter (see Attachment 4.3)

1. Capital Asset Policy

Response: Agree

Status: Partially implemented. At its regular meeting on September 5, 2025, the HWMA Board approved a revision to Financial Policy 3020.3, raising the capitalization threshold to \$10,000. Staff will seek additional guidance from the board to develop a useful life schedule for assets for inclusion in Policy 3020.3 before the next financial audit.

Background: Staff will align the proposed schedule with Note A of the financial statements and compare with examples of useful life schedules recently approved by other local public agencies.

2. Anti-Fraud Policy

Response: Agree

Status: Under review.

Background: Staff will seek direction from the board to develop and implement an Anti-Fraud Policy prior to the next financial audit.

3. Risk Assessment Process

Response: Agree

Status: Under review.

Background: Staff will seek direction from the board to develop and implement a Risk Assessment Process prior to the next financial audit.

4. Reserve Policies

Response: Agree

Status: Under review.

Background: Staff will seek direction from the board to develop and implement a comprehensive reserve policy that defines each reserve fund and how it is determined, prior to the next financial audit.

5. Cash Transfer Procedures

Response: Agree

Status: Implemented. Cash transfers are now recorded on the day the transfers are made, rather than the last date of the month in which the revenue was generated.

Background: None

6. Payroll Review

Response: Agree

Status: Implemented. The Executive Director now reviews and approves the payroll register and journal entry prior to recording in the accounting system.

Background: None

Staff has reviewed the enclosed documents and agrees with the content of the audit as presented.

FISCAL IMPACT: None. This item was budgeted.

ATTACHMENTS:

- 4.1) HWMA FY 2024-25 Final Audited Financial Statements
- 4.2) HWMA Governance Letter 2025
- 4.3) HWMA Management Letter 2025

ATTACHMENT 4.1

**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Audited Financial Statements
and Compliance Report

June 30, 2025

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HUMBOLDT WASTE MANAGEMENT AUTHORITY

Audited Financial Statements
and Compliance Report

June 30, 2025

TABLE OF CONTENTS

Independent Auditor’s Report.....	1
<u>Basic Financial Statements</u>	
Statements of Net Position.....	4
Statements of Revenues, Expenses and Changes in Net Position.....	5
Statements of Cash Flows.....	6
Notes to The Basic Financial Statements.....	8
<u>Required Supplementary Information</u>	
Schedule of the Proportionate Share of the Net Pension Liability and Schedule of Contributions to the Pension Plan (Unaudited).....	21
<u>Compliance Report</u>	
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	22

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Humbolt Waste Management Authority
Eureka, California

Report on Financial Statements

We have audited the accompanying financial statements of Humboldt Waste Management Authority (the Authority), which comprise the statement of net position as of June 30, 2025, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2025, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special Authorities.

Basis for Opinion

We conducted our audits 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 State Controller's Minimum Audit Requirements for California Special Authorities. 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 Authority, 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 opinion.

Change in Accounting Principle

As discussed in Note I to the financial statements, the Authority implemented Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Correction of Error

As discussed in Note I to the financial statements, the Authority corrected errors in the June 30, 2024 financial statements for pass through expenses and revenues received not previously recorded. Our opinion is not modified with respect to this matter.

To the Board of Directors
Humboldt Waste Management Authority

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 Authority'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 opinion. 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 Authority'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 Authority'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.

To the Board of Directors
Humboldt Waste Management Authority

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, and be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2026 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provision of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

Richardson & Company, LLP

February 5, 2026

HUMBOLDT WASTE MANAGEMENT AUTHORITY

STATEMENT OF NET POSITION

June 30, 2025

ASSETS AND DEFERRED OUTFLOWS

Current Assets:

Cash and investments	\$ 5,233,654
Accounts receivable	969,626
Prepaid expenses	339,925
Total Current Assets	<u>6,543,205</u>

Noncurrent Assets:

Capital assets, net	4,688,837
Total Noncurrent Assets	<u>4,688,837</u>

TOTAL ASSETS 11,232,042

DEFERRED OUTFLOWS OF RESOURCES

Pensions	666,383
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u><u>11,898,425</u></u>

LIABILITIES, DEFERRED INFLOWS AND NET POSITION (DEFICIT)

Current Liabilities:

Accounts payable and accrued liabilities	\$ 1,011,752
Accrued payroll and benefits	98,314
Unearned revenue	68,444
Current portion of long-term liabilities:	
Note payable	281,067
Compensated absences	126,689
Total Current Liabilities	<u>1,586,266</u>

Noncurrent Liabilities:

Long-term liabilities, non current:	
Note payable	170,702
Compensated absences	357,181
Net pension liability	1,232,062
Estimated closure and post-closure care costs	10,099,276
Total Noncurrent Liabilities	<u>11,859,221</u>

TOTAL LIABILITIES 13,445,487

DEFERRED INFLOWS OF RESOURCES

Pensions	12,103
TOTAL LIABILITIES AND DEFERRED INFLOWS	<u>13,457,590</u>

NET POSITION (DEFICIT)

Net investment in capital assets	3,983,796
Restricted for Cummings Road landfill	155,723
Unrestricted	(5,698,684)
TOTAL NET POSITION	<u>\$ (1,559,165)</u>

TOTAL LIABILITIES, DEFERRED INFLOWS
AND NET POSITION \$ 11,898,425

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

HUMBOLDT WASTE MANAGEMENT AUTHORITY

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

For the Year Ended June 30, 2025

OPERATING REVENUES	
Gross waste management fees	\$ 13,328,532
Less: pass-through fees	(867,346)
	<u>12,461,186</u>
Net Waste Management Fees	12,461,186
Green waste	839,050
Other operating revenues	156,180
TOTAL OPERATING REVENUES	<u>13,456,416</u>
OPERATING EXPENSES	
Operations and maintenance	8,618,178
Administrative and general	3,811,723
Professional services	48,928
Depreciation and amortization	298,440
Landfill closure revaluation	(92,162)
Other expenses	18,581
TOTAL OPERATING EXPENSES	<u>12,703,688</u>
OPERATING INCOME	752,728
NON-OPERATING REVENUES (EXPENSES)	
Interest income	23,026
Rent income, net	159,072
Grant revenue	142,444
Grant expense	(68,110)
Interest expense	(26,709)
Loss on asset disposals	(101,008)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>128,715</u>
CHANGE IN NET POSITION	881,443
NET DEFICIT	
Beginning of year	(2,250,930)
Prior period adjustments	(189,678)
Beginning of year, as restated	<u>(2,440,608)</u>
NET POSITION AT END OF YEAR	<u><u>\$ (1,559,165)</u></u>

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

HUMBOLDT WASTE MANAGEMENT AUTHORITY

STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts from customers	\$ 13,451,929
Cash payments to suppliers for goods and services	(9,535,452)
Cash payments to employees for services	(2,860,212)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,056,265</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from grant revenues	<u>74,334</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	74,334
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisitions and construction of capital assets	(493,624)
Principal paid on long-term debt	(120,693)
Interest paid on long-term debt	(26,709)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(641,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income received	23,026
Rental income received	159,072
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>182,098</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	671,671
Cash and cash equivalents at beginning of year	<u>4,561,983</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 5,233,654</u></u>

(Continued)

HUMBOLDT WASTE MANAGEMENT AUTHORITY

STATEMENTS OF CASH FLOWS (Continued)

For the Year Ended June 30, 2025

RECONCILIATION OF NET INCOME FROM OPERATIONS TO
NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating income	\$ 752,728
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	298,440
Landfill closure revaluation	(92,162)
(Increase) Decrease in:	
Accounts receivable	16,324
Prepaid expense	60,061
Deferred outflows	151,075
Accounts payable and accrued liabilities	(122,383)
Accrued payroll and benefits	10,196
Unearned revenue	(20,811)
Compensated absences	23,031
Net pension obligation	(51)
Deferred inflows	(20,183)
	<u>1,056,265</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,056,265</u>

NONCASH INVESTING, CAPITAL AND FINANCING TRANSACTIONS:

Landfill closure revaluation	\$ 92,162
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The accompanying notes are an integral part of these financial statements.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2025

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Humboldt Waste Management Authority (the Authority) have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting Entity: The Humboldt Waste Management Authority (Authority) was formed on November 17th, 1999 for the purposes of economically coordinating the management of solid waste management services, the preparation and implementation of an Integrated Waste Management Plan which meets the requirements for the California Integrated Waste Management Act of 1989, and the disposal of waste generated in the incorporated and unincorporated areas of Humboldt County and the safe closure and long-term postclosure maintenance of the Cummings Road Landfill. The Authority received all assets, liabilities and responsibilities from the Humboldt County Waste Management Authority, which was dissolved November 8, 2000. The Authority is a regional agency and its members include the cities of Arcata, Blue Lake, Eureka, Ferndale, Rio Dell and the County of Humboldt. Each member has one representative on the Authority's Board of Directors which governs the Authority.

Basis of Presentation: The Authority's resources are allocated to and accounted for in these basic financial statements as an enterprise fund type of the proprietary fund group. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis to be financed or recovered primarily through user charges, or where the governing body has decided that period determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other policies. Net position for the enterprise fund represents the amount available for future operations.

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The enterprise fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows, liabilities, and deferred inflows associated with the operation of the fund are included on the statement of net position. Net position is segregated into the net investment in capital assets, amounts restricted and amounts unrestricted. Enterprise fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net assets.

In the Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position, business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. All revenues are susceptible to accrual.

Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal operations. The principal operating revenues of the Authority are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

HUMBOLDT WASTE MANAGEMENT AUTHORITY
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
 (Continued)

Grant revenues are recognized in the fiscal year in which all eligibility requirements are met. Under the terms of grant agreements, the Authority may fund certain programs with a combination of cost reimbursement grants and general revenues. Thus, both restricted and unrestricted net position are available to finance program expenses. The Authority’s policy is to first apply restricted grant resources to such programs, followed by general revenues, if necessary.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the Authority considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Receivables: Receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts, if applicable, and estimated refunds due. Management believes that all accounts receivable were fully collectible; therefore no allowance for doubtful accounts was recorded as of June 30, 2025.

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements.

Capital Assets: Capital assets are recorded at historical cost. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. Self-constructed assets are recorded based on the amount of direct labor and materials charged to the asset construction. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Description	Estimated Life
Hawthorne Street Transfer Station	20 years
Land improvements	15-20 years
Buildings	20 years
Building improvements	7-20 years
Equipment	5-10 years

Maintenance and repairs are charged to operations when incurred. It is the Authority’s policy to capitalize all capital assets with a cost of \$5,000, depending on the asset type. Costs of assets sold or retired (and the related amounts of accumulated depreciation) are eliminated from the balance sheet in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

Depreciation expense was \$298,440 for the year ended June 30, 2025.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Compensated Absences: The Authority’s policy allows employees to accumulate earned but unused vacation which will be paid to employees upon separation from the Authority’s service. The cost of compensated absences is recognized in the period earned. The Authority’s policy allows employees to accumulate annual leave, capped at 240 hours based on years of service. Under GASB Statement No. 101, the Authority accrues 100% of vacation and the portion of sick leave expected to be used for time-off or be paid at separation in future periods. The cost of vacation and sick leave is recognized in the period earned.

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the pension plan, and pension expense, information about the fiduciary net position of the Authority’s California Public Employees’ Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows and deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net assets by the government that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until then. *Deferred inflows of resources* represent an acquisition of net assets that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred outflows and inflows of resources represent amounts deferred related to the Authority’s pension plan as described in Note F.

Net Position: The net position amount is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net investment in capital assets is capital assets, less accumulated depreciation and any outstanding debt and other payables related to the acquisition, construction or improvement of those assets excluding unspent debt proceeds. Net position is reported as restricted when there are legal limitations imposed on their use by the Authority or external restrictions by other governments, creditors or grantors.

New Pronouncements: In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or paid in cash or settled through noncash means, and leave that has been used but not paid in cash or settled through noncash means. The effects of the implementation of this Statement are disclosed in Note I to the financial statements.

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement will implement changes to the financial reporting model including the Management’s Discussion and Analysis, Unusual or Infrequent Items, Presentation of the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position, Major Component Unit Information, and Budgetary Comparison Information. The provisions of this Statement are effective for the year ended June 30, 2026.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

In October 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, that requires certain types of assets to be disclosed separately in the note disclosures and establishes requirements for capital assets held for sale. The provisions of this Statement are effective for the fiscal years beginning after June 15, 2025.

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. The provisions of this Statement are effective for fiscal years beginning after June 15, 2026.

The Authority is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND CASH EQUIVALENTS

Cash and cash equivalents are reported at fair value. Cash and cash equivalent consisted of the following at June 30, 2025:

Unrestricted cash and cash equivalents:	
Cash on hand	\$ 5,638
Deposits in financial institutions	<u>5,228,016</u>
Total cash and investments	<u>\$ 5,233,654</u>

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

At June 30, 2025, the carrying amount of the Authority's unrestricted and restricted deposits was \$5,228,016 and the balances in financial institutions were \$5,462,386. Of the balances in financial institutions at June 30, 2025, \$250,000 was covered by federal depository insurance each year and the remaining amounts were collateralized as required by state law (Government Code §53630) by the pledging financial institution with assets held in a common pool for the Authority and other governmental agencies. State law requires that the market value of the common pool of collateral be equal to or greater than 110% of all public deposits with the pledging financial institution if governmental securities are used, or 150% if mortgages are used as collateral. The collateral is not held by or in the name of the Authority.

Investment policy: California statutes authorize the Authority to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 - Financial Affairs. The table below identifies the investment types that are authorized for the Authority by the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE B – CASH AND CASH EQUIVALENTS (Continued)

During the year ended June 30, 2025, the Authority’s permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Federal Agency obligations	5 Years	None	None
U.S. Treasury bills	5 Years	None	None
State of California obligations	5 Years	None	None
Local agency bonds and obligations	5 Years	None	None
Banker's acceptances	180 Days	40%	30%
Commercial paper - selected agencies	270 Days	40%	10%
Negotiable certificates of deposit	5 Years	30%	None
Nonnegotiable certificates of deposit	5 Years	30%	None
Repurchase agreements	1 Year	None	None
Reverse repurchase agreements	92 Days	20%	None
Medium-term corporate notes	5 Years	30%	None
Money market mutual funds	N/A	20%	10%
Local Agency Investment Fund (LAIF)	N/A	None	None
California Asset Management Program (CAMP)	N/A	None	None

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 2,809,140			\$ 2,809,140
Solid Waste Facility Permit	221,171			221,171
	3,030,311			3,030,311
Capital assets being depreciated:				
Land improvements	2,273,890	\$ 293,788	\$ (140,505)	2,427,173
Buildings and improvements	4,027,069	172,444	(517,787)	3,681,726
Equipment	2,851,107	27,392	(170,059)	2,708,440
	9,152,066	493,624	(828,351)	8,817,339
Less accumulated depreciation:				
Land improvements	(1,854,502)	(35,607)	118,142	(1,771,967)
Buildings and improvements	(3,692,077)	(27,071)	441,778	(3,277,370)
Equipment	(2,041,137)	(235,762)	167,423	(2,109,476)
	(7,587,716)	(298,440)	727,343	(7,158,813)
Net capital assets being depreciated	1,564,350	195,184	(101,008)	1,658,526
Net capital assets	\$ 4,594,661	\$ 195,184	\$ (101,008)	\$ 4,688,837

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE C – CAPITAL ASSETS (Continued)

Cummings Road Landfill assets received in the original agreement from City garbage of Eureka were valued at zero. These assets include the landfill, several operating methane gas wells, a workshop structure, an office structure, and various pieces of equipment such as generators and pumps. No attempt was made to place a fair market value on these assets at the time of acquisition. Improvements to the landfill since the agreement have been recorded at cost.

NOTE D – LONG-TERM LIABILITIES

The activity of the Authority’s long-term liabilities during the years ended June 30, was as follows:

	Balance July 1, 2024 as Restated	Additions	(Reductions)	Balance June 30, 2025	Due Within One Year
Note payable	\$ 604,563		\$ (120,693)	\$ 483,870	\$ 126,689
Total notes payable	604,563		(120,693)	483,870	126,689
Compensated absences	428,738	\$ 23,031		451,769	281,067
Net pension obligation	1,232,113		(51)	1,232,062	
Postclosure landfill costs	10,191,438		(92,162)	10,099,276	
	<u>\$ 12,456,852</u>	<u>\$ 23,031</u>	<u>\$ (212,906)</u>	<u>\$ 12,266,977</u>	<u>\$ 407,756</u>

The Authority’s long-term liabilities consist of the following:

Note Payable: On December 20, 2023, the Authority entered into a Municipal Lease-Purchase Agreement for \$653,150. The note is payable through January 2029. Payments are due monthly on the 1st of in the amount of \$12,283 at an interest rate of 4.85%. If the Authority fails to make the required payment on or before the date it becomes due, the Authority is required to pay interest on the delinquent payments from the due date until paid at the lesser of 18.00% per annum or the maximum permitted by law.

Principal and interest payments on debt are due as follows:

<u>For the Year Ended June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 126,689	\$ 20,712	\$ 147,401
2027	132,983	14,418	147,401
2028	139,590	7,812	147,402
2029	84,608	1,376	85,984
	<u>\$ 483,870</u>	<u>\$ 44,318</u>	<u>\$ 528,188</u>

Post-closure Landfill Costs: On June 16, 2000, the Authority acquired Cummings Road Landfill (Landfill) through the acquisition of the Hawthorne Street Transfer Station from Eureka City Garbage, Inc. Transfer of ownership of the Landfill was done as part of a property agreement, with the value of the Landfill set at zero. The Landfill had 3,449,667 cubic yards of capacity to retain waste. The amount of 420,506 cubic yards of the total Landfill remained unused. The Landfill ceased receiving municipal solid waste on June 2000, with small volume inert wastes accepted until 2003. This was primarily concrete/

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE D – LONG-TERM LIABILITIES (Continued)

asbestos. As stated in the California Code of Regulations, Division 2 Title 27 Article 2 Section 21180, "a) the landfill shall be maintained and monitored for a period of not less than thirty (30) years after the completion of closure of the entire solid waste landfill." Therefore, the Authority is responsible for post-closure and maintenance care for 30 years after the Final Quality Assurance Report related to construction closure is approved.

State and Federal laws and regulations require the Authority to perform certain maintenance and monitoring functions on its landfill for 30 years after closure. The Authority has recorded a liability for landfill closure in accordance with GASB 18, Accounting for Municipal Solid Waste Landfill Closure and Post closure Costs. The Authority hired a private consultant to perform an analysis to determine estimated total cost of the landfill closure, post-closure care costs, total capacity and remaining life. The Authority's landfill closure liability, based on landfill capacity used to date, is recorded based on the information provided by the consultant's analysis. The consultant's analysis is an estimate only and is subject to yearly changes due to inflation or deflation, technology, or applicable laws and regulations. The Authority is currently estimating that 100% of the landfill is used and there is no remaining life. As of June 30, 2025, the remaining closure and post-closure maintenance costs to be recognized over the next 22 years is \$10,099,276.

NOTE E – NET POSITION

Restrictions: Restricted net position consists of constraints placed on net asset use through external requirements imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments or constraints by law through constitutional provisions or enabling legislation. The amount recorded as restricted for Cumming Road landfill is held pursuant to the Pledge of Revenue Agreement with the California Integrated Waste Management Board related to the Solid Waste Facilities permit.

Designations: Designations of unrestricted net position may be imposed by the Board of Directors to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Board action. The Board has made designations of net position; however, the unrestricted net position balance is negative, so no amounts are available for designations. The Authority has sufficient cash balances for designations. Designations included the following as of June 30, 2025:

Operating reserve	\$ 1,485,440
Capital replacement	903,155
Long-term funding	132,454
Rate and Personnel stabilization	674,741
Total designated net position	<u>\$ 3,195,790</u>

The designations are for the following:

Designated for operating reserve, which represents 15% of budgeted operating expenses intended for unanticipated expenditures and projects for which an annual budget cannot sufficiently manage without requiring an increase in waste management fees.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE E – NET POSITION (Continued)

Designated for capital replacement is intended to fund expenditures contained in the Authority's Capital Improvement Plan.

Designated for long-term funding is intended to be set aside for future expansion of the Authority's operations.

Designated for rate stabilization is intended to stabilize the effects of unanticipated increases in contract costs.

Designated for personnel stabilization is intended to offset unanticipated increases in the Authority's self-insurance benefits policies and full encumbrance of non-exempt employee pay grades. Additionally, this reserve may also be used to assist in funding unanticipated increases to personnel costs from State and Federal mandates.

Designated for Cummings Road Landfill is intended to offset the future post closure costs of the landfill.

NOTE F – PENSION PLANS

Plan Descriptions: All qualified employees are eligible to participate in the Authority's cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). PERS acts as a common investment and administrative agent for participating public employers within the State of California. The Authority participates in the Miscellaneous and PEPRA Miscellaneous rate plans.

Benefit provisions under the Plans are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the following: the 1957 Survivor Benefit or the Optional Settlement 2W Death Benefit. The cost of living adjustments are applied as specified by the Public Employees' Retirement Law.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE F – PENSION PLANS (Continued)

The Plans’ provisions and benefits in effect at June 30, 2025 are summarized as follows:

	Classic Miscellaneous Plan (Prior to January 1, 2013)	PEPRA Miscellaneous Plan (On or after January 1, 2013)
Hire date		
Benefit formula (at full retirement)	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	7.75%
Required employer contribution rates	11.88%	7.87%
Required employee contribution rates - 2022/23	6.92%	7.25%
Required employer contribution rates - 2022/23	11.65%	7.65%

In addition to the contribution rates above, the Authority was also required to make payments of \$85,328 toward its unfunded actuarial liability during the year ended June 30, 2025.

The Classic Miscellaneous Plan is closed to new members that are not already CalPERS eligible participants.

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The contributions recognized as part of pension expense for the Plan was \$275,897 for the year ended June 30, 2025.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2025, the Authority reported a net pension liability for its proportionate share of the net pension liability of the Plan of \$1,232,062.

The Authority’s net pension liability is measured as the proportionate share of the net pension liability. The net pension liability as of June 30, 2025 is measured as of June 30, 2024, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The Authority’s proportion of the net pension liability was based on a projection of the Authority’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers,

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE F – PENSION PLANS (Continued)

actuarially determined. The Authority’s proportionate share of the net pension liability for the Plan as of June 30, 2025 was as follows:

Proportion - June 30, 2024	0.02464%
Proportion - June 30, 2025	<u>0.02547%</u>
Change - Increase (Decrease)	0.00083%

For the year ended June 30, 2025, the Authority had pension expense of \$406,738. The Authority reported deferred outflows of resources and deferred inflows of resources related to all Plans combined from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 275,897	
Differences between actual and expected experience	106,523	\$ (4,156)
Changes in assumptions	31,667	
Change in employer's proportion	103,069	
Differences between the employer's contribution and the employer's proportionate share of contributions	78,299	(7,947)
Net differences between projected and actual earnings on plan investments	<u>70,928</u>	
Total	<u>\$ 666,383</u>	<u>\$ (12,103)</u>

The \$275,897 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as net deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ended June 30:</u>	
2026	\$ 159,046
2027	213,784
2028	29,859
2029	<u>(24,306)</u>
	<u>\$ 378,383</u>

HUMBOLDT WASTE MANAGEMENT AUTHORITY
 NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE F – PENSION PLANS (Continued)

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

Valuation Date		June 30, 2023
Measurement Date		June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate (1)		6.90%
Inflation		2.30%
Projected Salary Increases	Varies by age and service	
Mortality	Derived using CalPERS Membership Data for all Funds	

(1) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions was developed based on CalPERS-specific data. The rates for June 30, 2025 incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. Further details can be found on the CalPERS website.

Discount Rate: The discount rate used to measure the total pension liability was 6.90% for the year ended June 30, 2025. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current discount rate is appropriate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE F – PENSION PLANS (Continued)

The table below reflects the long-term expected real rate of return by asset class for the Plan as of the measurement dates of June 30. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)
Global Equity - cap weighted	30.0%	4.54%
Global Equity non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100.0%	

(a) An expected inflation of 2.3% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Authority’s proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the Authority’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	5.90%
Net Pension Liability	\$ 2,200,613
Current Discount Rate	6.90%
Net Pension Liability	\$ 1,232,062
1% Increase	7.90%
Net Pension Liability	\$ 434,803

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

Payable to the Pension Plan: At June 30, 2025, the Authority reported payables for the outstanding amount of contributions to the pension plan of \$14,103.

HUMBOLDT WASTE MANAGEMENT AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

June 30, 2025

NOTE G – INSURANCE

The Authority participates in the Special Districts Risk Management Authority (SDRMA) for insurance coverage. SDRMA is a risk-pooling self-insurance authority created under the provisions of the California Government Code Sections 6500 et. seq. Its purpose is to provide a full risk management program for California local governments. The Authority pays an annual premium based on its pro-rata share of charges for the pooled risk, claims adjusting, legal costs and administrative costs to operate the SDRMA.

Coverage includes 1) property, (including boiler & machinery, pollution, cyber, and catastrophic loss), 2) general liability (including bodily injury, property damage, public officials personal, employment benefits, employee/public officials E & O, employment practices liability, and employee/public officials dishonesty), 3) auto bodily injury and property damage, and 4) workers’ compensation (employer’s liability and workers’ compensation coverage), for which the Council has combined SDRMA and commercial reinsurance coverage limits of up to \$1,000,000,000, \$5,000,000, \$5,000,000 and \$5,000,000 and the statutory limit, respectively. Financial statements are available from SDRMA at sdrma.org.

Settled claims from these risks have not exceeded commercial insurance coverage and there were no reductions in insurance coverage for the past three years.

NOTE H — COMMITMENTS AND CONTINGENCIES

The Authority is subject to general risk and exposure due to normal operations in the course of business. These risks involve various claims against the Authority, both asserted and unasserted, all of which management considers to be immaterial to these financial statements.

NOTE I - RESTATEMENT

During the year ended June 30, 2025, the Authority discovered transactions related to the year ended June 30, 2024 that were recorded in fiscal year 2024/25 related to pass-through fees and waste management fees. As a result, a restatement was made to accrue additional revenue and expenses.

The Authority implemented GASB Statement No. 101, Compensated Absences, during the year ended June 30, 2025, which resulted in additional sick leave payable being accrued for estimated usage. As a result of this change of accounting principle, the compensated absences liability and net position increased as of July 1, 2024.

	June 30, 2024		Change in	
	As previously	Error	Accounting	July 01, 2024
	Reported	Correction	Principle for	As Restated
			GASB 101	
Net Position	<u>\$ (2,250,930)</u>	<u>\$ (30,400)</u>	<u>\$ (159,278)</u>	<u>\$ (2,440,608)</u>
Compensated absences	<u>\$ 269,460</u>		<u>\$ 159,278</u>	<u>\$ 428,738</u>

REQUIRED SUPPLEMENTAL INFORMATION

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HUMBOLDT WASTE MANAGEMENT AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2025

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (UNAUDITED)
Last 10 Years**

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Proportion of the net pension liability	0.025470%	0.024640%	0.022650%	0.012450%	0.007380%	0.006720%	0.006080%	0.006300%	0.013370%
Proportionate share of the net pension liability	\$ 1,232,062	\$ 1,232,113	\$ 1,059,833	\$ 236,314	\$ 803,301	\$ 688,877	\$ 586,002	\$ 604,579	\$ 476,183
Covered payroll - measurement period	\$ 1,784,612	\$ 1,782,995	\$ 1,874,887	\$ 1,894,542	\$ 1,757,011	\$ 1,694,678	\$ 1,503,974	\$ 1,412,145	\$ 1,417,048
Proportionate share of the net pension liability as a percentage of covered payroll	69.04%	69.10%	56.53%	12.47%	45.72%	40.65%	38.96%	42.81%	33.60%
Plan fiduciary net position as a percentage of the total pension liability	82.83%	81.13%	82.35%	95.35%	82.95%	84.05%	84.32%	81.46%	82.70%

Notes to Schedule:

Reporting valuation date	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Reporting measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Discount rate	6.90%	6.90%	7.15%	7.15%	7.15%	7.15%	7.15%	7.65%	7.65%

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2014 as they have minimal cost impact.

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)
Last 10 Years**

	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Contractually required contribution (actuarially determined)	\$ 275,897	\$ 306,621	\$ 261,643	\$ 214,445	\$ 173,747	\$ 137,108	\$ 93,349	\$ 106,222	\$ 103,221
Contributions in relation to the actuarially determined contributions	(275,897)	(306,621)	(261,643)	(214,445)	(173,747)	(137,108)	(93,349)	(106,222)	(103,221)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll - fiscal year	\$ 1,968,060	\$ 1,784,612	\$ 1,782,995	\$ 1,874,887	\$ 1,894,542	\$ 1,757,011	\$ 1,694,678	\$ 1,503,974	\$ 1,412,145
Contributions as a percentage of covered payroll	14.02%	33.32%	33.13%	19.52%	39.08%	14.87%	5.51%	11.98%	10.86%

Notes to Schedule:

Valuation date:	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
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Methods and assumptions used to determine contribution rates:

Actuarial method	Entry age normal								
Amortization method	Level percentage of payroll, closed								
Remaining amortization period	Varies by rate plan, not more than 30 years								
Asset valuation method	5-year smoothed market								
Discount rate	6.80%	7.00%	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Inflation	2.30%	2.50%	2.50%	2.50%	2.625%	2.75%	2.75%	2.75%	2.75%
Payroll growth	2.80%	2.75%	2.75%	2.875%	3.00%	3.00%	3.00%	3.00%	3.00%
Salary increase	Varies by entry age and service								
Retirement age	50-67 years. Probabilities of retirement are based on on the most recent CalPERS Experience Study								
Mortality	Most recent CalPERS Experience Study								

Omite Years: GASB Statement No. 68 was implemented during the year ended June 30, 2017. No information was available prior to this date. Information will be provided prospectively as it becomes available.

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OTHER REPORTS

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

Humboldt Waste Management Authority
Eureka, 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 the governmental activities and each major fund of the Humboldt Waste Management Authority (the Authority) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 5, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

February 5, 2026



550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
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GOVERNANCE LETTER

To the Board of Directors
Humboldt Waste Management Authority
Eureka, California

We have audited the financial statements of the Humboldt Waste Management Authority for the year ended June 30, 2025, and have issued our report thereon dated February 5, 2026. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated May 2, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the internal control of the Commission. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we also performed tests of the Commission's compliance with certain provisions of laws, regulations, contracts and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We noted no internal control related matters that are required to be communicated under professional standards.

We are required by the audit standards to identify potential risks of material misstatements during the audit process. We have identified the following significant risk of material misstatement as part of our

audit planning: Management override of controls and revenue recognition. These are the areas that the audit standards require at a minimum to be identified as significant risks. However, no such items were noted during our audit.

We performed the audit according to the planned scope previously communicated to you in our engagement letter dated May 2, 2025.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note A to the financial statements. The Authority implemented GASB Statement No. 101, *Compensated Absences*, which resulted in the Authority being required to accrue sick leave expected to be used for time-off as part of the compensated absences liability in fiscal year 2024/2025. The restatement recorded due to the implementation of this Statement is discussed in Note N in the financial statements. The application of existing policies was not changed during fiscal year 2024/2025. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were: depreciable lives and methods used to depreciate capital assets, and the accrual for pension benefits. We evaluated the methods assumptions, and data used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The accrual for pension benefits was determined by actuarial valuations, which are required to be performed by CalPERS every year.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the following:

Pension Liability: Information on the Authority's pension plans, including the Authority's share of the unfunded pension liability, is shown in Note F. The Authority's share of the unfunded pension liability at June 30, 2024, the most recent measurement date, was \$1,232,062 which is reflected as a liability in the Authority's financial statements as of June 30, 2025. As a result of the changes in the net pension liability and related deferred inflows and outflows, the Authority's pension expense is \$406,738 primarily because of the Plan's difference between projected and actual investment earnings on pension investments.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted three adjustments as a result of our audit including adjustments for:

- Restatement and implementation of GASB 101 for compensated absences

- Reclassification of disposed asset
- Adjustment to pension liability

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 5, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Issues Discussed Prior to Retention of Independent Auditors

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to required supplementary information (RSI) as reported in the table of contents of the financial statements that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Richardson & Company, LLP

February 5, 2026



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MANAGEMENT LETTER

To the Board of Directors and Management
Humboldt Waste Management Authority
Eureka, California

In planning and performing our audit of the financial statements of the Humboldt Waste Management Authority (the Authority) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's system of internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

The items below are presented for your consideration:

Capital Asset Policy: We noted during the course of the audit that the Authority's current capitalization threshold was \$5,000. We recommend that the Authority consider increasing the capitalization threshold to \$10,000. Lower value items can be tracked within internal documentation. We noted that while the Authority does have a policy that outlines capitalization thresholds, the policy does not include a policy for asset useful lives for depreciation and for disposal of capital assets. Without clear procedures for the accounting of capital assets, there is a risk of inconsistent treatment of asset depreciation and disposals. We recommend the capital asset policy be revised to incorporate asset useful lives and to include Board approval for surplus assets prior to them being disposed.

Anti-Fraud Policy: We noted as part of our internal control questionnaires that the Authority currently does not have an anti-fraud policy. We recommend one be developed and approved by the board of directors.

Risk Assessment Process: We recommend management meet with the Board of Directors at least annually to discuss the business risks including fraud risks and management-proposed procedures to address them. In addition, the Authority should include an item on a staff meeting agenda at least annually to discuss any areas where employees feel there is a risk of fraud occurring

Reserve Policies: We recommend that management propose to the Board of Directors updated reserve policies that clearly define each of the Authority's reserves and how they are determined. For example, the Operating Reserve is defined as an undesignated reserve equal to 15% of the Authority's operating budget. However, the accounting definition of undesignated means undefined purpose and the Operating Revenue is not equal to 15% of the total operating budget. Also, the Long-Term Funding Reserves and its purposes is also not included in the policies.

Cash Transfers: We recommend revising procedures to record transfers based on the actual date of transaction rather than back-posting to the tonnage month. This change will improve bank reconciliation accuracy and eliminate recurring timing differences between the general ledger and bank statements.

Payroll Review: We noted that there is not a review of the payroll register and journal entries that are prepared before being entered into the system. We recommend that the Executive Director, or another qualified individual, review the prepared payroll registers and journal entries prior to being posted, including a digital or physical approval documenting their review.

* * * * *

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us during the course of the examination. This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than the specified parties.

Richardson & Company, LLP

February 5, 2026



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: February 2, 2026.

For Meeting of: February 12, 2026

FROM: Helder Morais, Interim Director of Operations

SUBJECT: Item 5)
Receive Presentation on Mattress Recycling

RECOMMENDED ACTION: Informational Only
1) Receive Presentation

DISCUSSION:

Staff will provide a presentation to the Board regarding the Carpet Recycling program at the Hawthorne Street Transfer Station.

FISCAL IMPACT

None.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: January 25, 2026. For Meeting of: February 12, 2026

FROM: Eric Keller-Heckman, Executive Director

SUBJECT: Item 6)
Receive Presentation on Organics Processing Feasibility Study

RECOMMENDED ACTION: Voice Vote

- 1) Receive Update on Request for Proposals for Organics Processing Feasibility Study.
- 2) Provide Direction as Appropriate

DISCUSSION:

Background:

In 2024, the HWMA board tasked staff with developing a mechanism to determine appropriate levels of in-county organics processing capacity. Through this process, it was determined that a Request for Proposals for in-county organics processing feasibility study be developed and circulated.

In November of 2024, the HWMA board approved the proposed timeline for development and provided items they would like to see appear in the proposal. HWMA staff then gathered input from member agency staff and out-of-county jurisdictions that had conducted similar proposals before finalizing and releasing the RFP in May of 2025.

At this time, HWMA jurisdictions earmarked funding from their SB 1383 local assistance grant funds to assist the Authority in covering the projected costs of the proposed work.

This solicitation received no qualified proposals, and staff took input from jurisdictions, this board, and potential proposers to better streamline the RFP and its overall scope

The updated proposal was released in July of 2025, and again this round of solicitation received no qualified proposals. Staff subsequently reached out to other jurisdictions throughout the state that had conducted similar RFPs, and a key item emerged. The original RFP included a requirement to identify potential local properties where the facility could be located.

In speaking with out-of-county jurisdictions and potential proposers, this requirement was deemed prohibitive to the completion of the overall report; accordingly, staff removed this requirement from the RFP.

Staff released the RFP again in October of 2025 and received a single proposal.

Upon evaluation, HWMA staff deemed the proposal nonresponsive.

With this information, staff held a meeting with jurisdiction staff and discussed possible timelines and solutions. At this time, jurisdiction staff believes the currently earmarked grant funds may be of better use in other areas of SB 1383 compliance but would be happy to revisit the study in the future.

Staff's Recommendation:

Staff recommends that the current feasibility study be tabled until in-county collection and HWMA acceptance and processing is implemented and notify jurisdictions they may reallocate their current grant funds for alternative uses.

FISCAL IMPACT

None.



**HUMBOLDT WASTE
MANAGEMENT AUTHORITY**

Staff Report

DATE: February 2, 2026.

For Meeting of: February 12, 2026

FROM: Eric Keller-Heckman, Executive Director

SUBJECT: Item 7)
Discuss Strategic Vision Planning

RECOMMENDED ACTION: **Voice Vote**
1) Discuss Strategic Vision Planning.
2) Provide Direction as Appropriate.

DISCUSSION:

At their January 2026 meeting, the HWMA Board requested staff add a discussion and possible action item to an upcoming board agenda regarding long-term strategic vision planning.

FISCAL IMPACT

None.