# Meeting Agenda

**Thursday, August 13, 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 July 9, 2026, HWMA Board of Directors Meeting.
   b. Review and Approve Draft May 2026 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. **Review and Approve Revisions to HWMA Policy 3030 - Reserve Policy, and Adopt Resolution 2027–04 "A Resolution of the HWMA Board of Directors Updating HWMA Handbook Policy 3030 – Reserve Policy."**

5. **Review and Approve Revisions to HWMA Policy 3020.3, and Adopt Resolution 2027–05 "A Resolution of the HWMA Board of Directors Updating HWMA Handbook Policy 3020.3"**

6. **Receive Presentation on Tire Recycling Program**

7. **Standing Item: Board Member Report**

8. **Standing Item: Executive Director's Report**

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

    a. Public Employment Evaluation - Executive Director pursuant to Government Code Section 54957.

10. **Adjourn.**

**Minutes**
**Thursday, July 9, 2026, at 5:30 PM**
**Eureka City Council Chamber**

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

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

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

2. **Consent Calendar**
   a. Approve Minutes from the June 11, 2026, HWMA Board of Directors Meeting
   b. Approve Minutes from the June 25, 2026, HWMA Board of Directors Special Meeting
   c. Review and Approve Draft April 2026 Financial Reports
   d. Receive and Approve Resolution 2027–03 "A Resolution of the Humboldt Waste Management Authority Authorizing the Authority to Enter into Regional Grant Agreements with the California Department of Resources, Recycling, and Recovery for Local Government Waste Tire Amnesty Grants During Fiscal Years 2027 through 2032."

   **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 on the Consent Calendar, and no public comment was received.

   **Chairperson Atkins-Salazar** closed the floor to public comment.

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

3. **Oral and Written Communications**

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

   **Chairperson Atkins-Salazar** closed the floor to public comment.

4. **Elect Authority Officers for Fiscal Year 2026–27**

   **Executive Director Keller-Heckman** advised the board that the HWMA Joint Powers Agreement requires the Authority to elect new board officers annually. Election periods run from July to June of the upcoming fiscal year. Board members discussed the required procedure when a board member's term ends. **General Counsel Diamond** clarified that it is the individual, rather than the agency, that is being elected. **Chairperson Atkins-Salazar** expressed her willingness to step down or continue to serve as Chairperson. **Director Lewis-Lusso** indicated that she too was willing to step down or continue serving as Vice Chair. Board members expressed their support for current leadership to continue in their respective capacities.

   **Chairperson Atkins-Salazar** opened the floor to public comment on the Authority Officers agenda item. No public comment was received.

| | |
|---|---|
| **Motion:** | **Director Lewis-Lusso** motioned, and **Director Castellano** seconded, to re-elect **Chairperson Atkins-Salazar** as Chairperson and **Director Lewis-Lusso** as Vice Chair of the HWMA Board of Directors for Fiscal Year 2026–27. |
| **Action:** | Approve the Motion as made by **Director Lewis-Lusso** and seconded by **Director Castellano** |
| **Ayes:** | Unanimous |
| **Noes:** | None |
| **Absent:** | **Director Madrone** |

5. **Approve Board Calendar for Fiscal Year 2026–27**

   **Executive Director Keller-Heckman** explained that, in concert with officer elections, the Authority approves the Board of Directors calendar and schedule for the upcoming fiscal year. As in prior years, staff recommends there be no meeting scheduled in December, but unlike prior years, staff recommends holding an August meeting to seek board authorization for time-sensitive projects related to the Organics facility. Staff further recommends that the regularly scheduled monthly meetings on the second Thursday of each month and beginning at **5:30 pm** remain unchanged for Fiscal Year 2026–27.

   **Chairperson Atkins-Salazar** opened the floor to public comment on Board Calendar agenda item. No public comment was received.

   **Chairperson Atkins-Salazar** closed the floor to public comment**.**

| | |
|---|---|
| **Motion:** | **Director Cady** motioned, and **Director Wilson** seconded, to approve the Board of Directors Calendar for Fiscal Year 2026–27 as presented. |
| **Action:** | Approve the Motion as made by **Director Cady** and seconded by **Director Wilson** |
| **Ayes:** | Unanimous |
| **Noes:** | None |
| **Absent:** | **Director Madrone** |

6. **Review and Approve updates to HWMA Policy 3030 Reserve Policy**

**Director Schwartz** presented comprehensive proposed revisions to HWMA Policy 3030 – Reserve Policy, developed in response to the recommendations made by the Authority's auditor, Richardson & Company, LLP, in their Management Letter dated February 5, 2026. The auditors recommended that the Authority's reserve policy be revised to include clear definitions of each reserve account and how its funding level is determined. Specifically, the auditors noted that the fund balance of the Operating Reserve did not match the funding level determined by Policy 3030, and the Long-Term Funding Reserve (i.e. Long-Term Organics Fund) was not included in Policy 3030.

**Director Schwartz** also presented information about Government Accounting Standards Board (GASB) Statement No. 54 (2009), which revised and standardized the recommended classification hierarchy for public agency reserve accounts. The revisions to Policy 3030 propose re-classifying the Authority's reserve accounts from "undesignated," which the auditors noted means undefined, to "assigned," which aligns with the GASB 54 classification hierarchy. One exception is the Cummings Road Pledge of Revenue account, which was classified as Restricted, the highest level in the hierarchy, in the Authority's Fiscal Year 2024–25 audited financial statements.

The revised policy includes the methodology for determining the funding level of the Operating Reserve and the intended uses of the Long-Term Organics Fund that were discussed and approved at the June regular meeting of this board. The revised policy also includes a minimum funding requirement for the unassigned Cash on Hand account of 30 days operating expenses. Finally, the revised policy includes an annual staff recommendation regarding the allocation of interest income and surplus revenue to unfunded pension liabilities.

**Director Castellano** inquired if the reserves that staff proposes be re-classified as Assigned should instead be classified as Committed. She was concerned that changes to reserve policies would not come before the board if the funds were classified as Assigned, and that they would if the funds were classified as Committed. **Director Schwartz** responded that the Authority's reserve funds meet the GASB 54 criteria for Assigned, based on the governance policies currently in place. **Executive Director Keller-Heckman** explained that a federal grant that is prefunded would be an example of a Committed reserve, the uses of which are defined by an external entity and therefore outside board control.

**Director Castellano** requested that staff add language to the revised policy stating that, following the reclassification of reserve funds to Assigned, as defined in Attachment B of the board packet, staff will still be required to bring any changes to the reserve funds before the board for approval. **Executive Director Keller-Heckman** requested clarification on what **Director Castellano** meant by "changes." **Director Castellano** responded that she was referring to changes in funding levels and the parameters that govern the funds. **General Counsel Diamond** suggested that **Director Castellano** direct staff to add the proposed language to the revised policy and bring it back to the board at the August meeting.

**Chairperson Atkins-Salazar** asked for confirmation that Policy 3030 was an existing HWMA policy and that only revisions were proposed. **Executive Director Keller-Heckman** confirmed that was the case, and that the proposed revisions placed more restrictions on the reserve funds than the current version of the policy. He further explained that the funding mechanism for the reserve accounts is almost always during the annual budget process. Funding levels for HWMA reserve accounts is either set by policy, such as the Personnel Stabilization Reserve policy which defines the funding level as $150,000; or during the annual budget process, as a line item embedded in the approved waste management fee structure, such as an annually calculated dollar amount per ton to fund approved capital improvement projects. However, staff can add additional protections into the language of the revised policy if so directed by the board.

**Chairperson Atkins-Salazar** inquired if other board members would prefer to entertain a motion rather than direct staff to incorporate the direction given at this meeting and bring the revised policy back before the board at the August meeting. No motion was made.

**Chairperson Atkins-Salazar** opened the floor to public comment on the Reserve Policy agenda item. No public comment was received.

**Chairperson Atkins-Salazar** closed the floor to public comment.

**7. Receive Presentation on Tire Recycling**

**Executive Director Keller-Heckman** requested that the board direct staff to return at the August meeting with the presentation on tire recycling, as Director Morais was unable to attend the meeting to give the presentation.

| | |
|---|---|
| **Motion:** | **Director Cady** motioned, and **Director Lewis-Lusso** seconded, to direct staff to bring the tire recycling presentation back to the board at the August meeting. |
| **Action:** | Approve the Motion as made by **Director Cady** and seconded by **Director Lewis-Lusso** |
| **Ayes:** | Unanimous |
| **Noes:** | None |
| **Absent:** | **Director Madrone** |

8. **Standing Item: Board Member Reports**

**Director Castellano** reported that she and **Chairperson Atkins-Salazar** met with **Executive Director Keller-Heckman** to discuss strategic planning. They discussed facilitators and the intention to include member agency staff. She encouraged board members to begin reaching out to staff involved in waste management in their agencies who could contribute to the Authority's strategic planning. **Executive Director Keller-Heckman** added that a tentative timeline for the project would be presented at the August meeting.

**Chairperson Atkins-Salazar** reported that she met with two individuals who were developing innovative new food waste composting techniques. There is potential that their methods could be used at scale in partnership with public agencies like the HWMA.

9. **Standing Item: Executive Director's Report**

**Executive Director Keller-Heckman** reported that the Authority had been awarded a new tire recycling grant that is now in effect. Individuals can bring up to nine (9) tires at a time to the Hawthorne Street Transfer Station and dispose of them at no charge. As there are some restrictions based on size and material, he encouraged members of the public to check the HWMA's website or call the Main Office if they have questions about tire eligibility. The grant will be in effect until the funds are exhausted.

**Chairperson Atkins-Salazar** adjourned the meeting at 6:06 pm.

HUMBOLDT WASTE
MANAGEMENT AUTHORITY

***Staff Report***

**DATE:** August 6, 2026 For Meeting of: August 13, 2026

**FROM:** Hilary Schwartz, Director of Finance

**SUBJECT:** Item 2b)
Receive Draft May 2026 Financial Reports

**RECOMMENDED ACTION:** Voice Vote

1) Review and Approve Draft May 2026 Financial Reports

**DISCUSSION:**

***Background:***
Each month, staff presents an update on the Authority's financial position 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) Capital Improvement Fund; 3) Long-Term Funding reserve; 4) Operating Reserve; 5) Rate Stabilization Reserve; 6) Personnel Stabilization reserve; and 7) Cummings Road Landfill Pledge of Revenue. Together, these fund balances constitute the total cash available to the Authority for reserves and operating activities. The current balances of the Authority's operating and reserve accounts as of May 31, 2026, are as follows:

| | | | |
|---|---|---|---|
| 1) | Cash on hand | $ | 2,915,924 |
| 2) | Capital Improvement Fund | $ | 951,630 |
| 3) | Long-Term Funding | $ | 462,035 |
| 4) | Operating Reserve | $ | 1,521,034 |
| 5) | Rate Stabilization Reserve | $ | 400,000 |
| 6) | Personnel Stabilization Reserve | $ | 150,000 |
| 7) | CRL Pledge of Revenue | $ | 231,932 |

Authority Financials:
Attachment 2b.1 contains the draft May 2026 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 May 2026 performed at about 1.18% 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 May 2026, the Authority saw a continuation of the trend toward higher self-haul solid waste tonnage and a seasonal spike in greenwaste tonnage. The Authority's reserve fund balances earned $6,155 interest income in May 2026.

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 May 2026 were approximately 7.55% below budget estimates, including expenses related to depreciation of Authority assets, and quarterly pass-through payments to member agencies. In May 2026, higher fuel and facility repair and maintenance costs were offset by lower tire and hazardous waste disposal costs. Staff continues to maintain strong control of ongoing expenses with particular attention to fuel price trends that are predicted to impact expenditures in the upcoming fiscal year.

Monthly disbursements to Authority vendors and employees are summarized in Attachment 2b.1 (*Statement of Cash Flow)* for the month of May 2026. These disbursements are comprised primarily of day-to-day costs, representing $528,392 in transportation and disposal costs, $270,577 in payroll and employee benefit costs, and $2,103 in pass-through allocations to member agencies.

***Staff's Recommendation:***
Staff recommends that the board review and approve the draft May 2026 Financial Reports.
**Attachments:**
2b.1) Draft May 2026 Financial Reports

# Humboldt Waste Management Authority

## Draft Balance Sheet

As of May 31, 2026

Attachment 2b.1

| | TOTAL |
|---|---|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1000 Checking - Columbia Bank | 2,919,111.51 |
| 1001 CRL Pledge-8913 | 71,610.08 |
| 1002 Rate Reserve-6008 | 301,038.50 |
| 1003 CIP-3488 | 76,886.00 |
| 1004 LAIF | 1,510,024.30 |
| 1005 CLASS | |
| 10051 CLASS - CIP | 895,336.83 |
| 10052 CLASS - LTF | 134,845.20 |
| 10053 CLASS - CRL | 158,534.50 |
| 10054 CLASS - RS | 408,163.46 |
| 10055 CLASS - EB | 153,061.31 |
| **Total 1005 CLASS** | **1,749,941.30** |
| 1015 Change Bank | 5,500.00 |
| **Total Bank Accounts** | **$6,634,111.69** |
| Accounts Receivable | |
| 1020 Accounts Receivable | 923,764.77 |
| 1030 Allowance for Doubtful Accounts | 0.00 |
| **Total Accounts Receivable** | **$923,764.77** |
| Other Current Assets | |
| 1025 A/R - Other | 0.00 |
| 1045 Prepaid Expenses | 9,189.51 |
| 1050 Prepaid Insurance | 28,327.09 |
| 1055 Undeposited Funds | 0.00 |
| Due from Other Governments | 0.00 |
| **Total Other Current Assets** | **$37,516.60** |
| **Total Current Assets** | **$7,595,393.06** |
| Fixed Assets | |
| 1100 Land - Admin | 2,809,139.62 |
| 1200 Land Improvements | |
| 1201 Admin | 1,468,543.91 |
| 1202 Transfer Station | 903,375.59 |
| 1203 HHW | 7,050.00 |
| 1204 Landfill | 32,506.91 |
| 1205 Organics | 15,696.00 |
| **Total 1200 Land Improvements** | **2,427,172.41** |

# Humboldt Waste Management Authority

## Draft Balance Sheet

As of May 31, 2026

| | TOTAL |
|---|---|
| 1300 Buildings | |
| 1301 Admin | 0.00 |
| 1302 Transfer Station | 2,632,084.25 |
| 1303 HHW | 300,742.17 |
| 1305 Organics | 9,642.53 |
| **Total 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 | 24,068.95 |
| 1405 Organics | 64,371.90 |
| **Total 1400 Building Improvements** | **739,255.61** |
| 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 | 429,531.00 |
| 1507 Programs | 0.00 |
| **Total 1500 Equipment** | **3,227,121.51** |
| 1600 Office Equipment | |
| 1601 Admin | 19,045.66 |
| 1605 Organics | 0.00 |
| **Total 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 1700 Vehicles** | **136,738.32** |
| 1800 Software | |
| 1801 Admin | 69,573.89 |
| **Total 1800 Software** | **69,573.89** |
| 1900 Accumulated Depreciation | (7,091,107.71) |
| **Total Fixed Assets** | **$5,279,408.26** |
| Other Assets | |
| 1035 Deferred Outflows - Pension | 666,383.00 |
| 1910 Waste Authority Permit | 221,171.00 |
| 1920 Land Purchase Option - CRBAS | 0.00 |
| **Total Other Assets** | **$887,554.00** |

# Humboldt Waste Management Authority

## Draft Balance Sheet

As of May 31, 2026

| | TOTAL |
|---|---|
| **TOTAL ASSETS** | **$13,762,355.32** |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 Accounts Payable | 827,347.58 |
| **Total Accounts Payable** | **$827,347.58** |
| Credit Cards | |
| 2005 2005 Umpqua Bank Visa | 0.00 |
| 2006 Morais | 0.00 |
| 2007 Heacock | 1,761.78 |
| 2008 Schwartz | 7,000.71 |
| 2009 Keller | 1,583.84 |
| **Total 2005 2005 Umpqua Bank Visa** | **10,346.33** |
| **Total Credit Cards** | **$10,346.33** |
| 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 | 0.00 |
| 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 | 281,067.32 |
| 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 |
| **Total 24000 Payroll Liabilities** | **0.00** |
| **Total Other Current Liabilities** | **$476,516.32** |
| **Total Current Liabilities** | **$1,314,210.23** |

# Humboldt Waste Management Authority

## Draft Balance Sheet

As of May 31, 2026

| | TOTAL |
|---|---|
| Long-Term Liabilities | |
| 2100 Deferred Inflows - Pension | 12,103.00 |
| 2105 Accrued Long Term PTO Liability | 170,702.10 |
| 2110 Landfill Closure Estimated | 10,099,276.00 |
| 2130 Lease Payable - Columbia EF | 671,181.75 |
| 2135 Less Current Portion LT Liability | (126,688.96) |
| 2140 Net Pension Obligation | 1,232,062.00 |
| **Total Long-Term Liabilities** | **$12,058,635.89** |
| **Total Liabilities** | **$13,372,846.12** |
| Equity | |
| 3000 Opening Balance Equity | 0.00 |
| 3010 Investment in Capital Assets | 3,983,796.07 |
| 3030 Prior Period Adjustments | (30,399.40) |
| 3050 Restricted for Post-Closure Liability | 155,723.00 |
| 3200 Retained Earnings | (5,668,288.00) |
| Net Income — Net Income reduced by $700,456.74 YTD allocated to Reserves | 1,948,677.53 |
| **Total Equity** | **$389,509.20** |
| **TOTAL LIABILITIES AND EQUITY** | **$13,762,355.32** |

# Humboldt Waste Management Authority

## Statement of Cash Flows

May 2026

Attachment 2b.1

| | TOTAL |
|---|---|
| OPERATING ACTIVITIES | |
| Net Income | 155,006.54 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| 1020 Accounts Receivable | 22,390.09 |
| 1045 Prepaid Expenses | 9,189.59 |
| 1050 Prepaid Insurance | 28,327.10 |
| 2000 Accounts Payable | (512,900.54) |
| 2007 2005 Umpqua Bank Visa:Heacock | (2,130.61) |
| 2008 2005 Umpqua Bank Visa:Schwartz | 644.45 |
| 2009 2005 Umpqua Bank Visa:Keller | 1,307.84 |
| 2015 Accrued 457 deferrals payable | 0.00 |
| 2020 Accrued AFLAC | 0.00 |
| 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 Adjustments to reconcile Net Income to Net Cash provided by operations:** | **(453,172.08)** |
| **Net cash provided by operating activities** | **$ (298,165.54)** |
| INVESTING ACTIVITIES | |
| 1505 Equipment:Organics | (19,127.17) |
| **Net cash provided by investing activities** | **$ (19,127.17)** |
| FINANCING ACTIVITIES | |
| 2130 Lease Payable - Columbia EF | (15,826.63) |
| **Net cash provided by financing activities** | **$ (15,826.63)** |
| NET CASH INCREASE FOR PERIOD | $ (333,119.34) |
| Cash at beginning of period | 6,967,231.03 |
| CASH AT END OF PERIOD | **$6,634,111.69** |

# Humboldt Waste Management Authority

## Bill Payment List

May 2026

Attachment 2b.1

| DATE | NUM | VENDOR | AMOUNT |
|---|---|---|---|
| 1000 Checking - Columbia Bank | | | |
| 05/01/2026 | BP653 | Valeo Networks | -4,479.07 |
| 05/02/2026 | ACH-013214015 | Humana Insurance | -4,501.22 |
| 05/01/2026 | 2604160241349 | PG&E 053-6 | -2,292.05 |
| 05/10/2026 | L6QQ5WHHTG | City of Eureka Water | -798.21 |
| 05/10/2026 | JDWCRTV5KY | City of Eureka Water | -686.86 |
| 05/13/2026 | 352317 | Humboldt Community Services District | -119.01 |
| 05/07/2026 | SPACH489 | Airgas USA, LLC | -425.67 |
| 05/07/2026 | SPACH485 | WSP USA, Inc | -15,034.54 |
| 05/07/2026 | SPACH487 | Microbac Laboratories, Inc | -3,546.00 |
| 05/07/2026 | SPACH483 | Pape Machinery | -666.62 |
| 05/07/2026 | SPACH481 | Humboldt Organic Solutions, LLC | -54,961.62 |
| 05/07/2026 | SPACH486 | Hach Company | -148.70 |
| 05/10/2026 | e11c94c3640a701 | Mission Linen Supply 243103 | -1,529.00 |
| 05/14/2026 | D-349254-051426 | Valley Pacific Petroleum Services, Inc | -5,468.53 |
| 05/07/2026 | SPACH482 | Mendes Supply Company | -419.43 |
| 05/10/2026 | BP675 | Verizon Wireless | -326.82 |
| 05/07/2026 | SPACH488 | Rain for Rent | -6,637.77 |
| 05/15/2026 | BP673 | AFLAC | -633.50 |
| 05/07/2026 | SPACH484 | 101 Plumbing Humboldt Inc. | -17,500.00 |
| 05/10/2026 | 697b1abe8273984 | Mission Linen Supply 243103 | -1,386.45 |
| 05/07/2026 | 101210 | Humboldt Sanitation | -13,669.54 |
| 05/07/2026 | 101213 | Kernen Construction. | -992.45 |
| 05/07/2026 | 101208 | City of Ferndale 939 | -1,940.06 |
| 05/07/2026 | 101218 | City of Blue Lake 939 | -1,919.07 |
| 05/07/2026 | 101222 | Picky. Picky, Picky Surplus, Inc | -587.45 |
| 05/07/2026 | 101216 | City of Eureka Discharge Fees | -7,920.00 |
| 05/07/2026 | 101209 | Edgar & Associates, Inc | -893.75 |
| 05/07/2026 | 101212 | Access Humboldt | -101.45 |
| 05/07/2026 | 101207 | MapleService Inc | -2,720.00 |
| 05/07/2026 | 101221 | Advanced Security Systems. | -210.00 |
| 05/07/2026 | 101219 | City of Rio Dell 939 | -1,177.18 |
| 05/07/2026 | 101214 | Pacific Paper Co. | -19.98 |
| 05/07/2026 | 101211 | City of Arcata 939 | -6,177.13 |
| 05/07/2026 | 101215 | DCI Builders | -542.74 |
| 05/07/2026 | 101217 | Bettendorf Enterprises, Inc | -1,105.66 |
| 05/07/2026 | 101220 | City of Eureka 939 | -7,738.11 |
| 05/08/2026 | SPACH490 | Humboldt Organic Solutions, LLC | -58,656.01 |
| 05/08/2026 | 101223 | Humboldt County Public Works Pass Through | -139,432.10 |
| 05/08/2026 | 101224 | Humboldt County Env Health Pass Through | -68,289.11 |
| 05/12/2026 | 12056878742 | Northcoast Chimney Sweep, Inc. | -430.00 |
| 05/21/2026 | 101244 | AT&T Calnet | -39.34 |
| 05/21/2026 | 101246 | Humboldt Recycling Leachate | -17,823.20 |
| 05/21/2026 | 101232 | Humboldt Sanitation | -13,048.56 |

# Humboldt Waste Management Authority

## Bill Payment List

May 2026

| DATE | NUM | VENDOR | AMOUNT |
|---|---|---|---|
| 05/21/2026 | 101248 | B&B Portable Toilets | -420.98 |
| 05/21/2026 | 101226 | Advanced Display and Signs | -134.40 |
| 05/21/2026 | 101240 | Lawrence & Associates | -1,346.25 |
| 05/21/2026 | 101251 | Law Offices of Nancy Diamond | -6,225.00 |
| 05/21/2026 | 101236 | Picky. Picky, Picky Surplus, Inc | -570.45 |
| 05/21/2026 | 101237 | Mad River Union | -202.00 |
| 05/21/2026 | 101249 | Eureka Times Standard | -3,843.00 |
| 05/21/2026 | 101227 | City of Eureka Discharge Fees | -7,920.00 |
| 05/21/2026 | 101252 | WM Corporate Services, Inc | -3,030.75 |
| 05/21/2026 | 101250 | Humboldt Recycling Propane | -3,760.00 |
| 05/21/2026 | 101225 | New Directions | -4,905.00 |
| 05/21/2026 | 101239 | Humboldt Bay Fire | -480.00 |
| 05/21/2026 | 101233 | Lost Coast Communications, Inc | -750.00 |
| 05/21/2026 | 101247 | Advanced Security Systems. | -504.00 |
| 05/21/2026 | 101243 | Industrial Electric | -400.40 |
| 05/21/2026 | 101235 | Rogers Machinery Company, Inc. | -2,906.11 |
| 05/21/2026 | 101231 | O'Reilly Auto Parts | -16.53 |
| 05/21/2026 | 101238 | Holt of California | -2,513.58 |
| 05/21/2026 | 101234 | Copiers Plus | -248.72 |
| 05/21/2026 | 101241 | Shasta Scale | -7,949.23 |
| 05/21/2026 | 101242 | Humboldt Transit Authority. | -5,255.00 |
| 05/21/2026 | 101229 | Pierson Building Center | -196.39 |
| 05/21/2026 | 101228 | Peterson CAT | -259,246.18 |
| 05/21/2026 | 101245 | DCI Builders | -25,535.00 |
| 05/21/2026 | 101230 | Bettendorf Enterprises, Inc | -1,105.66 |
| 05/21/2026 | SPACH491 | Airgas USA, LLC | -93.76 |
| 05/21/2026 | SPACH494 | Pape Machinery | -829.67 |
| 05/21/2026 | SPACH495 | Amazon Capital Services, Inc. | -287.10 |
| 05/21/2026 | SPACH500 | Clean Harbors Environmental Services | -33,353.00 |
| 05/21/2026 | SPACH492 | Restif Cleaning Service Cooperative, Inc. | -500.00 |
| 05/21/2026 | SPACH497 | New Pig Corporation | -59.59 |
| 05/21/2026 | SPACH498 | World Oil Environmental Services | -386.00 |
| 05/21/2026 | SPACH496 | CivicPlus, LLC | -555.00 |
| 05/21/2026 | SPACH499 | Dry Creek Landfill | -523,463.82 |
| 05/21/2026 | SPACH493 | Blue Dream HR LLC | -2,100.00 |
| 05/15/2026 | BP680 | Recology Humboldt County | -225.00 |
| 05/21/2026 | CBISBLB68MU5 | Valeo Networks | -2,834.45 |
| 05/29/2026 | BP683 | Redheaded Blackbelt | -250.00 |
| 05/22/2026 | BP686 | PG&E 550-3 | -60.38 |
| 05/21/2026 | BP685 | Optimum Business | -440.90 |
| 05/28/2026 | A2DA2D | Western Health Advantage | -7,229.07 |
| 05/21/2026 | BP687 | CalPERS | -1,766.00 |
| 05/21/2026 | BP688 | CalPERS | -7,790.54 |
| 05/21/2026 | BP689 | CalPERS | -7,926.51 |
| 05/21/2026 | BP690 | CalPERS | -7,475.53 |

# Humboldt Waste Management Authority

## Bill Payment List

May 2026

| DATE | NUM | VENDOR | AMOUNT |
|---|---|---|---|
| 05/21/2026 | BP691 | CalPERS | -1,766.00 |
| 05/21/2026 | BP692 | CalPERS | -7,459.57 |
| 05/26/2026 | 2605104558072 | PG&E 724-3 | -2,618.63 |
| 05/29/2026 | 2605142534353 | PG&E 053-6 | -2,233.12 |
| 05/25/2026 | BP695 | Columbia Bank | -7,419.77 |
| 05/21/2026 | BP697 | Empower | -325.00 |
| 05/21/2026 | BP698 | Empower | -325.00 |
| 05/04/2026 | BP701 | Zultys, Inc. | -717.63 |
| **Total for 1000 Checking - Columbia Bank** | | | **$ -1,426,949.63** |
| 2005 2005 Umpqua Bank Visa | | | |
| 2008 Schwartz | | | |
| 05/07/2026 | BP672 | 707 Pest Solutions. | 155.00 |
| 05/15/2026 | 613441 | Crystal Springs Bottled Water | 290.00 |
| **Total for 2008 Schwartz** | | | **$445.00** |
| **Total for 2005 2005 Umpqua Bank Visa** | | | **$445.00** |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

Attachment 2b.1

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| 707 Pest Solutions | 27.10 | 27.10 | | | $54.20 |
| A-1 Cleaning Service | | 14.59 | | | $14.59 |
| Abercrombie Construction | 431.55 | | | | $431.55 |
| Above Board Construction and Roofing | 1,895.08 | 1,319.68 | | | $3,214.76 |
| Ace Handyman Services - North Coast | 185.55 | | | | $185.55 |
| ACGC Inc. | 975.66 | | | | $975.66 |
| Advanced Security Systems | 29.19 | | | | $29.19 |
| Alchemy Construction Inc. | 97.72 | | | | $97.72 |
| Alcohol Drug Care Services | 39.61 | | | | $39.61 |
| Align Landscape | 46.02 | | | | $46.02 |
| Alves Inc. | | (1,431.13) | | | $ (1,431.13) |
| Arcata Bay Self Storage | 164.70 | | | | $164.70 |
| Arnold's Family Construction LLC | | 77.04 | 143.77 | 1,237.79 | $1,458.60 |
| Arrow Property Management | 98.88 | | | | $98.88 |
| Arts Roofing LLC | 14,059.88 | | | | $14,059.88 |
| Ayres Enterprises | 28.01 | | | | $28.01 |
| Barry Smith Construction | 77.14 | | | | $77.14 |
| Bayside Garden Supply | 187.63 | | | | $187.63 |
| Bedliners Plus | 260.59 | | | | $260.59 |
| Bethel Church | 260.60 | | | | $260.60 |
| Bigfoot Construction Inc. | | | | (3.89) | $ (3.89) |
| Blackwell Construction | 352.33 | 429.47 | | | $781.80 |
| Blackwell Rentals | 31.27 | | | | $31.27 |
| Blossom Landscaping & Handyman Service | 1,304.50 | 265.01 | | | $1,569.51 |
| Blue Lake Enterprises | 56.41 | 164.70 | | | $221.11 |
| Blue Sky Roofer | 521.20 | | | | $521.20 |
| Bluestone Landscapes | 183.59 | | | | $183.59 |
| Bode Construction | 483.68 | | | | $483.68 |
| Brian Lawrence Construction | | | 47.95 | | $47.95 |
| Broadway Trailer Park | 195.97 | | | | $195.97 |
| Buddy's Auto Center | 246.01 | | | | $246.01 |
| Cal Fire | | 5.00 | | | $5.00 |
| Cal Poly Humboldt- Garbage | 11,398.90 | 1,820.03 | | | $13,218.93 |
| California Department of Fish & Wildlife | | 1,978.28 | | | $1,978.28 |
| Carpet Depot | 166.70 | | | | $166.70 |
| Carter & Company | 244.02 | | | | $244.02 |
| CDH Painting | 45.86 | | | | $45.86 |
| Chris Lehto Electric | 402.36 | | | | $402.36 |
| Chris Rutter Construction | 91.70 | | | | $91.70 |
| Ciraulo Plumbing Services | 27.09 | 12.50 | | | $39.59 |
| City of Eureka - Facilities | 12.50 | | | | $12.50 |
| City of Eureka - Parks | 25.33 | | | | $25.33 |
| City of Eureka - Sewer Collections | 21,579.74 | | | | $21,579.74 |
| City of Eureka - Streets | 75.28 | | | | $75.28 |
| CM Construction | 658.79 | | | | $658.79 |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Coast Seafoods Company | 560.68 | | | | $560.68 |
| Coastal Co Builders | 580.21 | | | | $580.21 |
| Colburn Electric | 272.37 | | | | $272.37 |
| Cook Properties | 62.54 | | | | $62.54 |
| Curb Appeal Construction | 754.71 | 62.55 | | | $817.26 |
| Cutten Mini Storage | 112.58 | | | | $112.58 |
| Cutten Schools | | 37.53 | | | $37.53 |
| David Allen Construction | 64.63 | | | | $64.63 |
| Del Biaggio Dairy | 321.06 | | | | $321.06 |
| Delta Mattress & Sofa Outlet | 269.20 | | | | $269.20 |
| Dennis Byrd Construction | 492.01 | | | | $492.01 |
| Developed Employment Services | 210.99 | 58.08 | | | $269.07 |
| Diamond Drywall | | 262.68 | | | $262.68 |
| DMC Home Building Inc. | | 302.67 | | | $302.67 |
| Dovetail Construction | 60.46 | | | | $60.46 |
| DS Construction | 102.16 | 665.05 | 14.59 | | $781.80 |
| Duncan Electric | 127.09 | 12.50 | | | $139.59 |
| Earth Care Landscaping | 16.57 | | | | $16.57 |
| Ed Mattson General Building Co. | 12.50 | | | | $12.50 |
| Eel River Transportation & Salvage | 616.80 | | | | $616.80 |
| Emerald Custom Construction | 193.89 | | | | $193.89 |
| Emerald Forest Cabins & RV | 1,457.65 | 412.79 | | | $1,870.44 |
| Equity Building | 117.12 | | | | $117.12 |
| Eric Finkle | 383.97 | | | | $383.97 |
| Eureka City Schools | 9,157.35 | | | | $9,157.35 |
| Eureka Floor Carpet One | 129.50 | | | | $129.50 |
| Eureka Glass Co. Inc. | 125.09 | | | | $125.09 |
| Eureka Housing Authority | 772.00 | | | | $772.00 |
| Eureka Overhead Door Company | 133.42 | 189.71 | | | $323.13 |
| Eureka Rescue Mission | 856.85 | | | | $856.85 |
| Eureka the Pentecostal Church | 25.00 | | | | $25.00 |
| Evergreen Landscape | 139.67 | | | | $139.67 |
| Figas Construction | 2,474.65 | | | | $2,474.65 |
| Fitz It Right Plumbing | 256.17 | 97.95 | | | $354.12 |
| Forbes Cabinets | 806.82 | | | | $806.82 |
| Forest Builder 707 | 1,416.02 | | | | $1,416.02 |
| Frank Zabel Trucking Inc. | 56.29 | 79.22 | | | $135.51 |
| Frazier Rental & Development | 546.01 | | | | $546.01 |
| Furniture Design Center | 925.65 | 358.57 | | | $1,284.22 |
| G M Pavlich | 25.00 | | | | $25.00 |
| Genevieve Schmidt | 41.16 | | | | $41.16 |
| Genuine Junk and Haul | 846.42 | 277.28 | | | $1,123.70 |
| Glendale Mobile Estates | 64.28 | | | | $64.28 |
| Granite Construction Company | 1,001.19 | 246.01 | | | $1,247.20 |
| Great Redwood Trail Agency | 91.71 | | | | $91.71 |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Hamanaka Painting | 256.40 | | | | $256.40 |
| Handle It Junk Removal | 1,377.34 | | | | $1,377.34 |
| Hemmingsen Pavement Solutions | 54.19 | 45.85 | 31.27 | | $131.31 |
| Henderson Village Apt. | 102.16 | | | | $102.16 |
| Hensell Materials | 115.57 | | | | $115.57 |
| Homan Enterprises | | 83.39 | | | $83.39 |
| Horsecreek Junk Removal | 336.30 | | | | $336.30 |
| Houseworth Construction | | | 88.12 | | $88.12 |
| Hubbards German Auto | 169.25 | | | | $169.25 |
| Humboldt Bay Fire Headquarters | 25.00 | | | | $25.00 |
| Humboldt Bay Harbor District | 27.10 | | | | $27.10 |
| Humboldt Bay Water District | 243.92 | | | | $243.92 |
| Humboldt Community Service District | 493.64 | | | | $493.64 |
| Humboldt Countertops | 523.28 | 264.77 | | | $788.05 |
| Humboldt County Building Maintenance | 75.99 | 123.00 | | | $198.99 |
| Humboldt County DHHS | 12.50 | | | | $12.50 |
| Humboldt County Parks | 1,430.44 | | | | $1,430.44 |
| Humboldt Electric | | (3.87) | | | $ (3.87) |
| Humboldt Moving & Storage | 4.42 | | | | $4.42 |
| Humboldt Plaza | 108.41 | | | | $108.41 |
| Humboldt Sanitation & Recycling | 90,613.56 | | | | $90,613.56 |
| I Noah Guy Forestry | 31.27 | | | | $31.27 |
| Island State Construction | 97.99 | | | | $97.99 |
| J & G Lawn and Garden | 294.43 | | | | $294.43 |
| J & J Rentals | 18.76 | | | | $18.76 |
| James Poovey | 34.50 | | | | $34.50 |
| Janowski Builders | 50.03 | | | | $50.03 |
| Jim Groeling & Associates | 33.36 | 45.87 | | | $79.23 |
| JNG Insulation Pros | 3,919.19 | 911.04 | | | $4,830.23 |
| JNM Construction | 473.25 | | | | $473.25 |
| Johnny's Flooring & Window Coverings | 3.10 | | | | $3.10 |
| Johns Used Cars | | | | 325.23 | $325.23 |
| Johnston Construction | 25.00 | | | | $25.00 |
| Juells Electric | 39.60 | | | | $39.60 |
| Justin Adams Construction | 127.17 | | | | $127.17 |
| Karges Flooring | 177.20 | | | | $177.20 |
| Kelly Martin | 35.44 | | | | $35.44 |
| Ken & Lesa Shealor | 12.66 | | | | $12.66 |
| Kramer Investment Corp. | 685.91 | | | | $685.91 |
| Landscaping Ventures Inc. | 212.65 | | | | $212.65 |
| Lawn Care Plus | 814.61 | | | | $814.61 |
| LDH Construction | 195.97 | | | | $195.97 |
| Living Styles | 191.80 | | | | $191.80 |
| LJG BUILDERS LLC | 123.00 | | | | $123.00 |
| Lost Coast Brewery & Cafe | 145.94 | | | | $145.94 |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Mad River Construction | 528.17 | | | | $528.17 |
| Martin Bros Company | 692.16 | | | | $692.16 |
| Martin Construction | 375.27 | | | | $375.27 |
| Matlock Construction | 527.46 | | | | $527.46 |
| Mattress Recycling Council | 4,100.32 | 3,441.34 | | | $7,541.66 |
| McCullough Construction | 170.95 | | | | $170.95 |
| McMurray & Sons Inc. | 15,493.39 | 4,669.94 | | | $20,163.33 |
| Milgard Manufacturing LLC - Sacramento | 91.73 | | | | $91.73 |
| Miller Farms Nursery | 91.73 | | | | $91.73 |
| Ming Tree Realtors | 166.78 | | 20.85 | (35.44) | $152.19 |
| Moores Sleepworld | 217.69 | | | | $217.69 |
| Mori Rental Properties | 25.02 | | | | $25.02 |
| Munson Investments | 268.94 | | | | $268.94 |
| Myrtletown Body Shop | 137.59 | | | | $137.59 |
| Nelson Floors | 137.59 | 35.53 | | | $173.12 |
| New Century Yard Maintenance | 12.50 | | | | $12.50 |
| New Horizon Drywall Construction | 70.88 | | | | $70.88 |
| New Life Service Company | 558.72 | | | | $558.72 |
| Nichols Handy Work | | | | (0.66) | $ (0.66) |
| NOAA | 125.00 | | | | $125.00 |
| North Coast Flooring Inc. | 1,056.26 | | | | $1,056.26 |
| Northcoast Acoustics | 112.56 | | | | $112.56 |
| Northcoast Childrens Service | 38.69 | | | | $38.69 |
| Northern Building Company | 356.87 | | | | $356.87 |
| O & M Industries | 188.85 | | | | $188.85 |
| Ocean View Cemetery | 89.65 | | | | $89.65 |
| Open Door Community Health Center | 301.20 | | | | $301.20 |
| Pacific Builders | 37.50 | | | | $37.50 |
| Pacific Coast Rentals | 160.53 | (43.78) | | | $116.75 |
| Pacific Contracting | 45.87 | | | | $45.87 |
| Pacific Earthscape | 62.54 | | | | $62.54 |
| Pacific Towing | 394.02 | | | | $394.02 |
| Parks Enterprise | | 35.44 | | | $35.44 |
| Patricia Craig Rentals | 12.50 | | | | $12.50 |
| Pierson Company | 725.44 | | | | $725.44 |
| Point of View Preservation LLC | 70.88 | | | | $70.88 |
| Point Pleasant MHP | 431.56 | | | | $431.56 |
| Poletskis Appliance Center | 352.34 | | | | $352.34 |
| Providence St. Josephs Hospital | 440.00 | 440.00 | | | $880.00 |
| Pure Water Spas | 150.11 | | | | $150.11 |
| Quality Body Works | 95.90 | | | | $95.90 |
| Quick Mow | 225.87 | | | | $225.87 |
| Rainbow Self Storage | 863.48 | | | | $863.48 |
| Rebholtz Cleaning Service | | | 20.85 | 312.73 | $333.58 |
| Recology Eel River | 73,000.62 | | 2,325.00 | | $75,325.62 |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Recology of Arcata | 123,973.27 | | | | $123,973.27 |
| Recology of Humboldt County | 401,469.98 | | | | $401,469.98 |
| Recology Samoa | 42,934.15 | | | | $42,934.15 |
| Redwood Acres Fair Grounds | 306.47 | 129.26 | | | $435.73 |
| Redwood Coast Plumbing | 25.02 | 81.31 | | | $106.33 |
| Redwood Coast Real Estate Inc. | 237.65 | 514.92 | 192.89 | | $945.46 |
| Redwood Community Action Agency | 90.84 | 70.00 | | 6.07 | $166.91 |
| Redwood Teen Challenge | 1,460.12 | 100.62 | | | $1,560.74 |
| Redwoods Community College District | 14.59 | | | | $14.59 |
| Rendezvous Music & Vending | 31.27 | | | | $31.27 |
| Rentor | 155.19 | 333.50 | | | $488.69 |
| Restif Cleaning Service | 160.53 | 233.50 | | | $394.03 |
| RG Goolsby Construction | 80.02 | | | | $80.02 |
| RH Construction | 329.40 | | | | $329.40 |
| Rich’s Body Shop | 16.68 | 27.10 | | | $43.78 |
| Rob Jordan Construction | | | 29.10 | | $29.10 |
| Robert Donathan | 48.34 | | | | $48.34 |
| Ross A Nash Remodeling | 106.32 | | | | $106.32 |
| S & S Phelps Inc. | 596.25 | | | | $596.25 |
| Samson Construction | 441.98 | | | | $441.98 |
| Sanders Roofing Inc. | 3,256.44 | | | | $3,256.44 |
| Schmidbauer Building Supply LLC. | 1,555.94 | | | | $1,555.94 |
| Sempervirens Gardening | 316.89 | | | | $316.89 |
| Sequoia Construction | 12.50 | | | | $12.50 |
| Serenity Inn | 168.87 | | | | $168.87 |
| ServiceMaster | 233.50 | 160.53 | | | $394.03 |
| Simple Visions | 410.70 | | | | $410.70 |
| Sisu Extracts | 3,396.11 | 1,790.85 | | | $5,186.96 |
| Six Rivers Mechanical Inc. | 58.38 | | | | $58.38 |
| Soilscapes Solutions LLC | 293.96 | | | | $293.96 |
| Spencer Electric | 1,957.61 | | | | $1,957.61 |
| Spinks Property Management | 445.77 | | | | $445.77 |
| Strombeck Construction | 2,620.59 | | | | $2,620.59 |
| STS Construction | 54.20 | | | | $54.20 |
| Susan Whitely / Eric Dugan | 191.76 | | | | $191.76 |
| Swains Flat Trailer Court | 258.51 | 168.87 | | | $427.38 |
| T and T Roofing | 3,164.72 | | | | $3,164.72 |
| TEMPORARY | | | | 494.50 | $494.50 |
| The People of New Directions | 136.81 | 150.11 | | | $286.92 |
| Thomas Home Center | 56.29 | | | | $56.29 |
| Timber Heritage Association | 60.16 | 55.12 | 198.06 | | $313.34 |
| Tonis Restaurant | 233.50 | | | | $233.50 |
| Tree Ventures Inc. | 633.78 | 527.34 | 1,088.90 | 89.65 | $2,339.67 |
| Triad Inc | 723.92 | | | | $723.92 |
| Trinidad Rancheria | | | | (1,209.60) | $ (1,209.60) |

# Humboldt Waste Management Authority

## Draft A/R Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Ultimate Building Solutions | 968.55 | | | | $968.55 |
| United Indian Health | 216.00 | 947.77 | | | $1,163.77 |
| US Fish and Wildlife Service | 218.25 | | | | $218.25 |
| Vern McGaughey | 1,144.55 | | | | $1,144.55 |
| Vern's Furniture | 875.47 | 600.39 | | | $1,475.86 |
| Wade Bray General Contractor | 150.10 | | | | $150.10 |
| Wahlund Construction | 874.46 | | | | $874.46 |
| Watson Well Service | 97.98 | 68.80 | (37.53) | | $129.25 |
| Wayne Maples Plumbing | 12.50 | | | | $12.50 |
| Westside Community Improvement Assoc. | 201.19 | | | | $201.19 |
| William J Cosby Construction | | (10.00) | | | $ (10.00) |
| Williamson Construction | 258.52 | | | | $258.52 |
| Wilwerding Construction | 12.50 | | | | $12.50 |
| Wing Inflatables | 446.40 | | | | $446.40 |
| Wiyot Tribe | 12.50 | | | | $12.50 |
| WSC Solar and Roofing | | | | 2,647.70 | $2,647.70 |
| Yurok Tribe Construction Corporation | 661.15 | | | | $661.15 |
| Zerlang & Zerlang Marine Services | 168.12 | | 58.37 | | $226.49 |
| TOTAL | **$889,402.23** | **$23,743.37** | **$4,222.19** | **$3,864.08** | **$921,231.87** |

96.5% current

# Humboldt Waste Management Authority

## Draft A/P Aging Summary

As of May 31, 2026

Attachment 2b.1

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| 101 Plumbing Humboldt Inc. | | 1,810.00 | | | $1,810.00 |
| 707 Pest Solutions. | | 155.00 | | | $155.00 |
| Access Humboldt | 101.45 | | | | $101.45 |
| Advanced Security Systems. | | (354.00) | | | $ (354.00) |
| Airgas USA, LLC | 79.01 | | | | $79.01 |
| Amazon Capital Services, Inc. | 781.81 | | | | $781.81 |
| AT&T Calnet | 39.88 | | | | $39.88 |
| B&B Portable Toilets | 420.98 | | | | $420.98 |
| Baldwin, Blomstrom, Wilkinson & Associates, Inc. | 2,191.00 | 4,629.59 | | | $6,820.59 |
| Bettendorf Enterprises, Inc | 1,164.79 | 1,164.79 | | | $2,329.58 |
| Blue Dream HR LLC | 2,100.00 | | | | $2,100.00 |
| Blue Shield of California | | 44,897.01 | | | $44,897.01 |
| City of Eureka Discharge Fees | 7,380.00 | | | | $7,380.00 |
| City of Eureka Water | 1,462.80 | | | | $1,462.80 |
| Crystal Springs Bottled Water | 290.00 | | | | $290.00 |
| Dry Creek Landfill | 515,270.34 | | 2,325.00 | | $517,595.34 |
| Edgar & Associates, Inc | 81.25 | 243.75 | | | $325.00 |
| ELD Experts LLC | 19,127.17 | | | | $19,127.17 |
| Eureka Glass Company | | 2,495.97 | | | $2,495.97 |
| Farwest Steel Corp | 30,738.71 | | | | $30,738.71 |
| Humana Insurance | 4,419.02 | | | | $4,419.02 |
| Humboldt Community Services District | 47.84 | | | | $47.84 |
| Humboldt County DHHS CUPA Fees | 1,154.89 | | | | $1,154.89 |
| Humboldt Organic Solutions, LLC | 66,028.55 | | | | $66,028.55 |
| Humboldt Recycling Leachate | 15,099.88 | | | | $15,099.88 |
| Humboldt Recycling Propane | 7,480.00 | | | | $7,480.00 |
| Humboldt Sanitation | 15,179.34 | | | | $15,179.34 |
| I-5 Tire, Inc. | 918.00 | | | | $918.00 |
| Law Offices of Nancy Diamond | 6,018.75 | | | | $6,018.75 |
| Lawrence & Associates | 845.00 | 2,688.75 | | | $3,533.75 |
| Lost Coast Communications, Inc | 750.00 | | | | $750.00 |
| Mad River Union | 202.00 | | | 202.00 | $404.00 |
| Mendes Supply Company | 610.99 | | | | $610.99 |
| Microbac Laboratories, Inc | 1,376.00 | 1,376.00 | 1,376.00 | 1,320.00 | $5,448.00 |
| Mission Linen Supply 243103 | 2,339.47 | | | | $2,339.47 |
| New Directions | 600.00 | | | | $600.00 |
| North Coast Fabricators. | 11,695.96 | | | | $11,695.96 |
| Pacific Paper Co. | 99.60 | | | | $99.60 |
| Pape Machinery | 1,800.59 | 1,178.06 | | | $2,978.65 |
| Peterson CAT | 1,288.25 | | | | $1,288.25 |
| Picky. Picky, Picky Surplus, Inc | 1,335.84 | | | | $1,335.84 |
| Rain for Rent | 6,637.77 | | | | $6,637.77 |
| Recology Humboldt County | 225.00 | | | | $225.00 |
| Recology Humboldt County Samoa | 5,865.56 | 2,777.45 | | | $8,643.01 |
| Restif Cleaning Service Cooperative, Inc. | 500.00 | | | | $500.00 |

# Humboldt Waste Management Authority

## Draft A/P Aging Summary

As of May 31, 2026

| | CURRENT | 1 - 30 | 31 - 60 | 61 AND OVER | TOTAL |
|---|---|---|---|---|---|
| Shafer's Ace Hardware | 15.21 | | | | $15.21 |
| Shaw Law Group | 992.00 | | | | $992.00 |
| The Battery Network, Inc. | 3,930.40 | | | | $3,930.40 |
| Thumpers Mechanical | | 2,012.50 | | | $2,012.50 |
| Valeo Networks | 4,479.07 | | | | $4,479.07 |
| Valley Pacific Petroleum Services, Inc | 7,915.39 | | | | $7,915.39 |
| Verizon Wireless | 326.90 | | | | $326.90 |
| Western Chain Saw | | | 716.61 | | $716.61 |
| WM Corporate Services, Inc | 4,926.64 | | | | $4,926.64 |
| TOTAL | **$756,333.10** | **$65,074.87** | **$4,417.61** | **$1,522.00** | **$827,347.58** |

91.4% current

# Humboldt Waste Management Authority

## Budget vs. Actuals

July 2025 - May 2026

Attachment 2b.1

| | TOTAL | | |
|---|---|---|---|
| | ACTUAL | BUDGET | % OF BUDGET |
| Income | | | |
| 5000 Base Fees | 2,595,779 | 2,642,376 | 98.00 % |
| 5010 County Wide Program Fees | | | |
| 50155 Administration CWF | 47,543 | 43,313 | 110.00 % |
| 50160 Household Hazardous Waste Program | 876,098 | 759,495 | 115.00 % |
| 50165 CRL Pledge of Revenue | 77,730 | 70,269 | 111.00 % |
| 50170 Illegal Dumping & Clean Up | 50,562 | 46,063 | 110.00 % |
| 50175 Rural Container Program | 421,852 | 384,313 | 110.00 % |
| 50180 County/Cities AB939 | 155,459 | 207,700 | 75.00 % |
| 50185 Table Bluff Maintenance | 64,146 | 58,438 | 110.00 % |
| 50190 Countywide Enforcement (LEA) | 252,810 | 230,313 | 110.00 % |
| 50195 Edible Food Recovery | 30,186 | 27,500 | 110.00 % |
| **Total 5010 County Wide Program Fees** | **1,976,386** | **1,827,402** | **108.00 %** |
| 5025 Greenwaste Tip Fees | | | |
| 5026 Franchise | 360,186 | 320,845 | 112.00 % |
| 5027 Self-Haul | 447,214 | 481,267 | 93.00 % |
| **Total 5025 Greenwaste Tip Fees** | **807,399** | **802,112** | **101.00 %** |
| 5030 HHW Revenue | 44,813 | 47,300 | 95.00 % |
| 5045 Recycling Revenue | 37,945 | 23,397 | 162.00 % |
| 5055 Solid Waste Tip Fees | | | |
| 5057 Satellite | 1,025,724 | 1,024,051 | 100.00 % |
| 5058 Franchise | 4,091,466 | 4,592,677 | 89.00 % |
| 5059 Self Haul | 3,256,307 | 2,772,977 | 117.00 % |
| 5060 Treated Wood Waste | 50,490 | 56,146 | 90.00 % |
| 5061 Tires | 21,495 | 62,714 | 34.00 % |
| **Total 5055 Solid Waste Tip Fees** | **8,445,482** | **8,508,564** | **99.00 %** |
| **Total Income** | **$13,907,805** | **$13,851,151** | **100.00 %** |
| GROSS PROFIT | **$13,907,805** | **$13,851,151** | **100.00 %** |
| Expenses | | | |
| 6000 Accounting Expense | 5,904 | 7,333 | 81.00 % |
| 6005 Advertising | 17,855 | 32,542 | 55.00 % |
| 6010 Auditing | 21,900 | 20,167 | 109.00 % |
| 6015 Bank Charges | (1,867) | 9,350 | (20.00 %) |
| 6016 Merchant Fees | 72,197 | 95,792 | 75.00 % |
| 6020 Bad Debt Expense | | 0 | |
| 6030 Computer & Related Expenses | 85,232 | 89,283 | 95.00 % |
| 6035 Consulting | 61,621 | 53,625 | 115.00 % |
| 6040 Dues & Subscriptions | 3,766 | 3,392 | 111.00 % |
| 6045 Contracted Services | 417,174 | 418,917 | 100.00 % |
| 6050 Equipment Lease | 2,736 | 2,750 | 99.00 % |
| 6055 Solid Waste Trans & Disposal | | | |
| 6056 Fortuna Satellite | 479,883 | 475,588 | 101.00 % |

# Humboldt Waste Management Authority

## Budget vs. Actuals

July 2025 - May 2026

| | TOTAL | | |
|---|---|---|---|
| | ACTUAL | BUDGET | % OF BUDGET |
| 6057 McKinleyville Satellite | 544,402 | 548,463 | 99.00 % |
| 6058 Hawthorne | 4,524,359 | 4,851,389 | 93.00 % |
| 6059 Recycling Disposal | 48,073 | 47,483 | 101.00 % |
| **Total 6055 Solid Waste Trans & Disposal** | **5,596,717** | **5,922,923** | **94.00 %** |
| 6060 Engineering & Consulting | 26,077 | 118,708 | 22.00 % |
| 6065 Environmental Monitoring | 120,204 | 119,167 | 101.00 % |
| 6070 Greenwaste Trans & Disposal | 750,789 | 802,112 | 94.00 % |
| 6075 Gas/Fuel | 64,830 | 73,333 | 88.00 % |
| 6085 Insurance | | | |
| 6086 Liability | 162,861 | 160,142 | 102.00 % |
| 6087 Workers Comp | 108,701 | 162,067 | 67.00 % |
| **Total 6085 Insurance** | **271,562** | **322,208** | **84.00 %** |
| 6095 Janitorial Expense | 36,460 | 36,117 | 101.00 % |
| 6105 Leachate | 240,479 | 215,417 | 112.00 % |
| 6110 Legal Expense | 27,675 | 18,333 | 151.00 % |
| 6115 Meetings | 1,473 | 1,192 | 124.00 % |
| 6120 Mileage Reimbursement | 204 | 220 | 93.00 % |
| 6130 New Hire Expense | | 11,917 | |
| 6135 Office Supplies | 3,643 | 6,371 | 57.00 % |
| 6136 Office Furniture | 7,434 | 15,308 | 49.00 % |
| 6140 Operating Expense | 87,001 | 128,700 | 68.00 % |
| 6145 Pass Through Expense | | | |
| 61470 Illegal Disposal & Clean Up | 41,782 | 46,063 | 91.00 % |
| 61475 Pass Through - Rural Container | 350,130 | 384,313 | 91.00 % |
| 61480 AB939 Paid to Members | 58,467 | 141,168 | 41.00 % |
| 61485 Pass Through - Table Bluff Maintenance | 53,240 | 58,438 | 91.00 % |
| 61490 Pass Through - Countywide Enforcement (LEA) | 209,828 | 230,313 | 91.00 % |
| 61495 Edible Food Recovery | 25,054 | 27,500 | 91.00 % |
| **Total 6145 Pass Through Expense** | **738,502** | **887,793** | **83.00 %** |
| 6150 Payroll & Related Expenses | | | |
| 6151 Salaries & Wages | 1,915,872 | 2,052,417 | 93.00 % |
| 6152 Employee Benefits | 549 | 4,400 | 12.00 % |
| 6153 Health Insurance | 613,894 | 587,217 | 105.00 % |
| 6154 Employee Portion | (30,652) | (33,825) | 91.00 % |
| **Total 6153 Health Insurance** | **583,242** | **553,392** | **105.00 %** |
| 6155 Retirement | 241,351 | 266,017 | 91.00 % |
| 6156 Health Insurance in Lieu | 13,200 | 15,400 | 86.00 % |
| 6157 Payroll Taxes | 33,864 | 35,108 | 96.00 % |
| 6158 UAL CalPERS | 101,085 | 101,017 | 100.00 % |
| **Total 6150 Payroll & Related Expenses** | **2,889,164** | **3,027,750** | **95.00 %** |
| 6160 Permits, Licenses, Fees | 98,184 | 97,213 | 101.00 % |
| 6165 Printing | 1,268 | 11,733 | 11.00 % |

# Humboldt Waste Management Authority

## Budget vs. Actuals

July 2025 - May 2026

| | TOTAL | | |
|---|---|---|---|
| | ACTUAL | BUDGET | % OF BUDGET |
| 6170 Postage | 1,204 | 2,498 | 48.00 % |
| 6180 R & M - Equipment | 106,440 | 155,375 | 69.00 % |
| 6185 R & M - Facilities | 220,346 | 238,471 | 92.00 % |
| 6190 R & M - Vehicles | 354 | 7,792 | 5.00 % |
| 6200 Safety Expense | 18,640 | 32,083 | 58.00 % |
| 6205 Salvage Materials Hauling | | 0 | |
| 6210 Security | 4,983 | 4,217 | 118.00 % |
| 6215 Small Tools | 6,331 | 7,517 | 84.00 % |
| 6220 Telephone | 19,769 | 20,625 | 96.00 % |
| 6225 Tire Trans & Disposal | 19,608 | 43,083 | 46.00 % |
| 6230 Training | 7,686 | 19,342 | 40.00 % |
| 6235 Travel | 923 | 6,050 | 15.00 % |
| 6240 Uniforms | 17,118 | 23,925 | 72.00 % |
| 6245 Utilities - Electricity & Heat | 69,440 | 72,417 | 96.00 % |
| 6250 Utilities - Water & Sewer | 16,595 | 15,354 | 108.00 % |
| 66000 Payroll Expenses | 7,531 | 8,250 | 91.00 % |
| **Total Expenses** | **$12,165,148** | **$13,206,662** | **92.00 %** |
| NET OPERATING INCOME | **$1,742,657** | **$644,489** | **270.00 %** |
| Other Income | | | |
| 7000 Interest Income | 82,068 | 6,725 | 1,220.00 % |
| 7100 Grant & Payment Program Income | | | |
| 7110 Payment Program Income - CCPP | 20,432 | 11,917 | 171.00 % |
| 7115 Grant Income - HHW | | 0 | |
| 7120 Payment Program Income - OPP | 41,569 | 33,000 | 126.00 % |
| 7125 Grant Income - TA | | 14,667 | |
| 7130 Grant Income - ORG7 | | 1,833,333 | |
| **Total 7100 Grant & Payment Program Income** | **62,001** | **1,892,917** | **3.00 %** |
| 7300 Rental Income | 149,314 | 152,966 | 98.00 % |
| **Total Other Income** | **$293,384** | **$2,052,607** | **14.00 %** |
| Other Expenses | | | |
| 8100 Grant & Payment Program Expenses | | | |
| 8110 Payment Program Expenses - CCPP | 24,992 | 11,917 | 210.00 % |
| 8120 Payment Program Expenses - OPP | 38,762 | 33,000 | 117.00 % |
| 8125 Grant Program Expenses - TA | | 14,667 | |
| 8130 Grant Program Expenses - ORG | | 1,833,333 | |
| **Total 8100 Grant & Payment Program Expenses** | **63,754** | **1,892,917** | **3.00 %** |
| 8200 Timber Expenses | 14,999 | 16,042 | 94.00 % |
| 8300 Rental Expense | 17,357 | 91,667 | 19.00 % |
| **Total Other Expenses** | **$96,110** | **$2,000,625** | **5.00 %** |
| NET OTHER INCOME | **$197,274** | **$51,982** | **380.00 %** |
| NET INCOME | **$1,939,930** | **$696,472** | **279.00 %** |

**HUMBOLDT WASTE**
**MANAGEMENT AUTHORITY**

***Staff Report***

**DATE:** August 6, 2026 For Meeting of: August 13, 2026

**FROM:** Hilary Schwartz, Director of Finance

**SUBJECT**: Item 4)
Receive proposed revised HWMA Policy 3030 - Reserve Policy

**RECOMMENDED ACTION:** Voice vote

1) Receive and Approve proposed revised Policy 3030 – Reserve Policy, and Adopt Resolution 2027–04, "A Resolution of the Humboldt Waste Management Authority Adopting Revised HWMA Handbook Policy 3030 – Reserve Policy."

**DISCUSSION:**

***Background:***

The financial policies known as SERIES 3000 – FINANCIAL POLICY – were adopted by the Humboldt Waste Management Authority Board of Directors on July 25, 2001, and incorporated into the HWMA Policy Handbook on May 14, 2009.

In February 2009, the Government Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The objective of this statement was to establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Following this pronouncement, public agencies were encouraged to use the following fund balance classifications for accounting purposes:

1. **Non-spendable Fund Balance**
   Amounts that cannot be spent because they are associated with inventories (not applicable to the HWMA).
2. **Restricted Fund Balance**
   Amounts that can be spent only for the specific purpose stipulated by constitution, external resource providers, or through enabling legislation.
3. **Committed Fund Balance**
   Amounts that can be used only for the specific purposes determined or altered by a formal action of the agency's highest level of decision-making authority.

4. **<u>Assigned Fund Balance</u>**
   Amounts intended to be used for a specific purpose but do not meet the criteria to be classified as restricted or committed.
5. **<u>Unassigned Fund Balance</u>**
   The residual classification which includes all spendable amounts not contained in the other classifications (Cash on Hand).

In their Management Letter dated February 5, 2026, Richardson & Company, LLP, the Authority's independent audit firm, provided the following recommendations:

> *<u>Reserve Policies</u>: 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 are also not included in the policies.*

1. Staff recommends the following classifications of Authority reserve funds, in order of most constrained to least constrained:
   a. <u>Restricted</u> – the Cummings Road Landfill Pledge of Revenue (already classified as Restricted in the FY24–25 independent audit report).
   b. <u>Assigned</u>: Operating Reserve Account (3030.1), Rate Stabilization Reserve Account (3030.2), Personnel Stabilization Reserve Account (3030.3), Capital Improvement Fund (3030.4), Long-Term Organics Fund (3030.5)
   c. <u>Unassigned</u>: Cash on hand (3030.6)

2. The proposed revised policy includes the methodology for determining the funding level of the Operating Reserve and the intended uses of the Long-Term Organics fund that were discussed and approved by this board on June 11, 2026.

   At their regularly scheduled meeting on July 9, 2026, the HWMA board provided direction to staff to better clarify the HWMA board's oversight of establishing, modifying, or eliminating these reserves. This additional language can be found in section 3030.12.

3. Staff has proposed the following additions to Policy 3030:
   a. 3030.5: Long-Term Organics Fund, amounts that have been committed for long-term organics processing.
   b. 3030.6: A minimum of Cash on Hand equal to 30 days average operating expenses will be maintained in the Authority's operating account.
   c. 3030.8: Allocation of interest income earned by invested reserve funds will be proposed by staff following the close of each fiscal year.
   d. 3030.10: If all reserve accounts are fully funded and the Authority has surplus revenue at fiscal year-end, staff will recommend discretionary payments to reduce unfunded pension liability or contributions to an approved pension rate stabilization fund.

e. 3030.12: The classification of fund balances under GASB Statement No. 54 is for financial reporting purposes only and does not alter the Authority's delegated spending or budgetary approval authorities. The HWMA Board of Directors retains the sole authority to establish, modify, or eliminate assigned reserves through board action.

***Staff's Recommendation:***

Staff recommends that the Board approve the proposed revised Policy 3030 - Reserve Policy and adopt Resolution 2027–04, "A Resolution of the HWMA Board of Directors Updating HWMA Handbook Policy 3030 – Reserve Policy."

**FISCAL IMPACTS:**

Minimal staff time costs associated with this staff report. Budgetary impacts, if any, will be presented in the Fiscal Year 2027–28 budget cycle.

**ALTERNATIVES:**

1) Direct staff to maintain the current Reserve Policy
2) Board Discretion

**ATTACHMENTS:**

4.1) HWMA Policy 3030 – Reserve Policy approved September 2019
4.2) Proposed revised HWMA Policy 3030
4.3) Resolution 2027-04

**Current**

**POLICY TITLE: Reserve Policy**
**POLICY NUMBER: 3030**

To provide adequate funds for the uninterrupted provision of services to the Authority's Member Agencies and ratepayers, and to proactively reduce potential significant financial impacts to the Waste Management Fee for both anticipated projects and unpredicted expenditures, the Humboldt Waste Management Authority Board of Directors establishes the following reserve accounts:

**3030.1** Operating Reserve Account: An undesignated reserve with a minimum base level of funding equal to fifteen percent (15%) of operating expenses. This reserve is intended for unanticipated expenditures and projects for which an annual budget cannot sufficiently manage without requiring an increase in Waste Management Fees.

**3030.2** Rate Stabilization Reserve Account: A designated reserve with a minimum base level of funding equal to $400,000. This reserve is intended to stabilize the effects of unanticipated increases in contract costs (e.g., fuel rates increases, CalRecycle pass-through fees imposed on landfill-disposed solid waste).

**3030.3** Personnel Stabilization Reserve Account: A designated reserve with a minimum base level of funding equal to $150,000. This reserve 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, such as changes to the minimum wage or limits to cost-sharing from employee pay.

**3030.4** Capital Improvement Reserve Account: A designated reserve, with initial funding of $400,000. This reserve is intended to fund expenditures contained in the Authority Capital Improvement Plan. Total funds in the Capital Improvement Reserve Account may fluctuate annually depending on authorized expenditures made within any specific Fiscal Year.

**3030.5** Reserve account balances will be reviewed annually. Shortfalls in any of the approved reserve accounts created in Section 3030 may be recovered through increases in Solid Waste Management Fees collected in the following Fiscal Year(s).

**3030.6** Reserve funds and idle cash may be invested through government sponsored Pooled Money Investment Accounts (PMIAs) including the Local Agency Investment Fund (LAIF) through the State Treasurer's office and the County of Humboldt Pooled Investment Fund through the County Treasurer's Office.

**3030.7** Funds in the Authority checking account may be used as a temporary investment for "Sweep Account" (or similar*) funds. Sweep account investment shall be only through money market accounts that are authorized to invest public funds. (*See Board meeting 6/26/02).

**3030.8** Trust funds that are established for landfill financial assurances with a state agency listed as beneficiary shall be managed in accordance with regulations and policies of that state agency.

**Proposed**

**POLICY TITLE: Reserve Policy**
**POLICY NUMBER: 3030**

The Authority shall account for reserves as required by Governmental Accounting Standards Board Statement No. 54, which distinguishes reserves as among these classes: non-spendable, restricted, committed, assigned and unassigned. The reserves stated by this policy, unless otherwise required by law, contract, or Authority policy shall be deemed "assigned" reserves. Use of Authority reserves is limited to available "unrestricted" funds (not obligated by law, contract or agreement), including interest earned, fees for service, or other non-grant earnings. All special use funds will be designated by formal action of the Board.

To provide adequate funds for the uninterrupted provision of services to the Authority's Member Agencies and ratepayers, and to proactively reduce potential significant financial impacts to the Waste Management Fee for both anticipated projects and unpredicted expenditures, the Humboldt Waste Management Authority Board of Directors establishes the following reserve accounts:

3030.1 Operating Reserve Account: An assigned reserve with a minimum base level of funding equal to fifteen percent (15%) of operating expenses, less the fully funded combined balances of the Rate Stabilization and Personnel Stabilization reserve accounts. This reserve is intended for unanticipated expenditures and projects for which an annual budget cannot sufficiently manage without requiring an increase in Waste Management Fees.

3030.2 Rate Stabilization Reserve Account: An assigned reserve with a minimum base level of funding equal to $400,000. This reserve is intended to stabilize the effects of unanticipated increases in contract costs (e.g., fuel rate increases, CalRecycle pass-through fees imposed on landfill-disposed solid waste).

3030.3 Personnel Stabilization Reserve Account: An assigned reserve with a minimum base level of funding equal to $150,000. This reserve 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, such as changes to the minimum wage or limits to cost-sharing from employee pay.

3030.4 Capital Improvement Fund: An assigned reserve, with initial funding of $400,000. This reserve is intended to fund expenditures contained in the Authority's Capital Improvement Plan. Total funds in the Capital Improvement Reserve Account may fluctuate annually depending on authorized expenditures made within any specific Fiscal Year.

3030.5 Long-Term Organics Fund: An assigned reserve intended to fund expenditures related to Long-Term Organics processing. Total funds in the Long-Term Organics Fund may fluctuate annually depending on approved funding and authorized expenditures made within any specific Fiscal Year.

3030.6 Cash on Hand (unassigned) equal to 30 days average operating expenses shall be maintained in the Authority's operating account.

3030.7 The Executive Director, in collaboration with the Director of Finance, shall perform a reserve status analysis following the conclusion of each fiscal year and make a recommendation regarding allocation of interest income earned by invested fund balances. Shortfalls in any of the approved reserve accounts created in Section 3030 may be recovered through increases in Solid Waste Management Fees collected in the following Fiscal Year(s). Additional information may be provided to the Board upon the occurrence of the following events:

a) When a major change in conditions threatens the reserve levels established by this policy or calls into question the effectiveness of this policy;
b) Upon Executive Director and/or Board request.

3030.8 Reserve funds and idle cash may be invested through government sponsored Pooled Money Investment Accounts (PMIAs) including the Local Agency Investment Fund (LAIF) through the State Treasurer's office and California Cooperative Liquid Assets Securities System (CLASS).

3030.9 Funds in the Authority checking account may be used as a temporary investment for "Sweep Account" (or similar*) funds. Sweep account investment shall be only through money market accounts that are authorized to invest public funds. (*See Board meeting 6/26/02).

3030.10 If all reserve accounts are fully funded and the Authority has surplus revenue following the conclusion of the Fiscal Year, staff will make a recommendation regarding allocation of surplus revenue including, but not limited to, additional discretionary payments to reduce the Authority's pension obligations or contributions to an approved pension rate stabilization trust fund.

3030.11 Trust funds that are established for landfill financial assurances with a state agency listed as beneficiary shall be managed in accordance with regulations and policies of that state agency.

3030.12 The classification of fund balances under GASB Statement No. 54 is for financial reporting purposes only and does not alter the Authority's delegated spending or budgetary approval authorities. The HWMA Board of Directors retains the sole authority to establish, modify, or eliminate assigned reserves through board action.

**RESOLUTION 2027-04**

**RESOLUTION OF THE HUMBOLDT WASTE MANAGEMENT AUTHORITY ADOPTING REVISED HWMA HANDBOOK POLICY 3030 – RESERVE POLICY**

**WHEREAS**, on July 25, 2001, the HWMA Board of Directors adopted Policy 3030 – Reserve Policy and on May 14, 2009, incorporated it into the HWMA Policy Handbook; and

**WHEREAS**, over the years individual policies have undergone revision with Board approval and consistent with the foregoing, Authority staff and legal counsel have performed a comprehensive review substantially revising policies to make current with generally accepted governmental accounting standards; and

**WHEREAS**, pursuant to the provisions provided by the HWMA Policy Handbook, the Board of Directors may review, revise, and amend the handbook from time to time.

**NOW, THEREFORE, BE IT RESOLVED** that the Humboldt Waste Management Authority Board of Directors adopts revised HWMA Policy 3030 – Reserve Policy, and authorizes the Executive Director to implement said policies.

This Resolution shall be effective August 13, 2026.

Dated: ________________, 2026 ________________________________

Stacy Atkins-Salazar, Chair of the Board

Dated: ________________, 2026 ________________________________

Eric Keller-Heckman, Clerk of the Board

**HUMBOLDT WASTE**
**MANAGEMENT AUTHORITY**

***Staff Report***

**DATE:** August 6, 2026 For Meeting of: August 13, 2026

**FROM:** Hilary Schwartz, Director of Finance

**SUBJECT**: Item 5)
Proposed Revision to HWMA Financial Policy 3020.3 to incorporate asset useful lives.

**RECOMMENDED ACTION:**

1) Review and Approve Revision to Policy 3020.3 of the HWMA Policy Handbook.
2) Approve Resolution 2027-05 "A Resolution of the HWMA Board of Directors Adopting Revised HWMA Handbook Policy 3020.3."

**DISCUSSION:**

***Background:***

Series 3000 of the HWMA Policy Handbook defines the Authority's Financial Policies and was adopted by the Humboldt Waste Management Authority Board on July 25, 2001. Section 3020.3 was added in the January 29, 2004, meeting, revised on February 7, 2007, incorporated into the HWMA Policy Handbook on May 14, 2009, and further revised on September 11, 2025.

In their Management Letter dated February 5, 2026, the Authority's independent audit firm, Richardson & Company, LLP, provided the following recommendation:

> *"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."*

Staff identified a current HWMA Policy entitled Surplus Sales, Policy Number 4090, that contains the following language:

> **4090.1** *The sale of HWMA equipment or materials requires that the item be declared government surplus by the Board. The Executive Director is authorized to dispose of surplus property.*

HWMA Policy 4090, Surplus Sales, was adopted by this board on July 25, 2001, revised on May 11, 2006, and incorporated into the HWMA Policy Handbook on May 14, 2009. Staff does not recommend revising this policy because it is consistent with the auditor's recommendations in its current form.

The current version of HWMA Policy 3020.3 states:

"*Assets of $10,000 or greater will be capitalized and depreciated. The depreciation amounts of all assets will be covered by user fees and should be factored into budget expenditures. This policy was amended on September 11, 2025, during a regular meeting of the Board of Directors."*

Staff recommends that HWMA Policy 3020.3 be revised to state the following:

"*Assets of $10,000 or greater will be capitalized and depreciated. 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 |

*The depreciation amounts of all assets will be covered by user fees and should be factored into budget expenditures. This policy was amended on September 11, 2025, and again on August 13, 2026, during regular meetings of the Board of Directors."*

This proposed change will ensure asset depreciation and disposals will be consistent across the board.

***Staff's Recommendation:***
Staff recommends that the Board approve the proposed revisions to HWMA Policy 3020.3 and adopt Resolution 2027-05, "A Resolution of the HWMA Board of Directors Adopting Revised HWMA Handbook Policy 3020.2."

**FISCAL IMPACT:**
None.

**ALTERNATIVES:**
Board Discretion

**ATTACHMENTS:**
5.1) Resolution 2027-05

**RESOLUTION 2027-05**

**RESOLUTION OF THE HUMBOLDT WASTE MANAGEMENT AUTHORITY BOARD OF DIRECTORS ADOPTING REVISED HWMA HANDBOOK POLICY 3020.3 ASSET USEFUL LIFE**

**WHEREAS**, on January 29, 2004, the HWMA Board of Directors approved the HWMA Policy 3020.3; and

**WHEREAS**, on September 11, 2025, the HWMA board of Directors amended HWMA Policy 3020.3 and increased the threshold from $5,000 to $10,000; and

**WHEREAS**, modification to the fixed asset policy is necessary to align with the value of equipment and assets; and

**WHEREAS**, modification to the fixed asset policy is necessary to indicate the proper useful lives for each asset category; and

**WHEREAS**, pursuant to the provisions provided by the HWMA Policy Handbook, the Board of Directors may review, revise and amend the handbook from time to time.

**NOW, THEREFORE, BE IT RESOLVED** that the Humboldt Waste Management Authority Board of Directors adopts revised HWMA Policy 3020.3 and authorizes the Executive Director to implement said policies.

This Resolution shall be effective August 13, 2026.

Dated: ________________, 2026 ________________________________

Stacy Atkins-Salazar, Chair of the Board

Dated: ________________, 2026 ________________________________

Eric Keller-Heckman, Clerk of the Board

HUMBOLDT WASTE
MANAGEMENT AUTHORITY

***Staff Report***

**DATE:** June 28, 2026 For Meeting of: August 13, 2026

**FROM:** Helder Morais, Director of Operations

**SUBJECT:** Item 7)
Receive Presentation on Tire Recycling Program

**RECOMMENDED ACTION:** **Informational Only**

1) Receive Presentation

**DISCUSSION:**
Staff will provide a presentation to the Board regarding the Tire Recycling Program at the Hawthorne Street Transfer Station.

**FISCAL IMPACT**
None.