



**HUMBOLDT COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING**

**AGENDA**

**DATE: Tuesday, May 26, 2026**

**TIME: 5:00 p.m.**

**LOCATION: 5055 Walnut Drive, Eureka, CA**

*The HCSD Boardroom is open to the public during the meeting's open session. This meeting is also held by video/teleconference, per CA Govt Code § 54953(b). If a member of the public cannot attend in person and would like to speak on an agenda item, including Public Participation, please join via Zoom (zoom.us) by entering Meeting ID 388 963 6754 and Passcode 202520. Access may also be via telephone by dialing 1-669-900-9128.*

**A. ROLL CALL**

Directors Benzonelli, Gardiner, Hansen, Matteoli, Ryan

**B. PLEDGE OF ALLEGIANCE**

**C. CONSENT CALENDAR**

- |   |          |
|---|----------|
| 1. Approval of May 26, 2026, Meeting Agenda                   | Pgs. 1-2 |
| 2. Approval of Minutes of the Regular Meeting of May 12, 2026 | Pgs. 3-6 |

**D. REPORTS**

- |   |            |
|---|------------|
| 1. <u>General Manager</u>                         |            |
| a) District Update                                | Pgs. 7-9   |
| 2. <u>Finance Department</u>                      |            |
| a) FY 2026 Q3 Investment Report                   | Pgs. 11    |
| b) Employee and Retiree Health Care Benefit Costs | Pgs. 13-14 |
| 3. <u>Planning</u>                                |            |
| a) Update   | Pgs. 15-17 |
| 4. <u>Legal Counsel</u>                           |            |
| 5. <u>Director Reports</u>                        |            |

## **E. PUBLIC PARTICIPATION**

The public may comment on items not on the agenda. Please use the information above to participate via Zoom. The Board requests that speakers state their name and where they are from, and limit their communications to 3 to 5 minutes. After all oral communications, the Board or staff may briefly respond to comments with information; however, the Brown Act prohibits discussion of matters not on the published agenda. Matters requiring discussion or action will be placed on the agenda of a future meeting.

## **F. NEW BUSINESS**

1. Consideration of Selecting a Candidate to Serve as a Regular Special District Member on the Local Agency Formation Commission (LAFCo) *Pgs. 19-23*
2. First Reading of Draft Fiscal Year 2025/26 Budget and Updated Master Rate and Charge Schedule *Pgs. 25-38*

## **G. CLOSED SESSION**

1. PURSUANT TO Government Code Section 54954.5(e) PUBLIC EMPLOYEE PERFORMANCE EVALUATION – General Manager

## **H. ADJOURNMENT**

Next Res: 2026-05

Next Ord: 2026-01

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Robert Christensen at (707) 443-4558, ext. 210, or by email at [asm@humboldtcsd.org](mailto:asm@humboldtcsd.org). Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility for this meeting (28 CFR 35.102–35.104, ADA Title II).

Pursuant to CA Govt §54957.5(a), any public record writings relating to an agenda item for an open session of a regular meeting of the Board of Directors, not otherwise exempt from public disclosure, are available for public inspection upon request at the District offices located at 5055 Walnut Drive, Monday through Friday during regular business hours.

DRAFT MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT

The Humboldt Community Services District Board of Directors met in regular session at 5:00 p.m. on Tuesday, April 28, 2026, at 5055 Walnut Drive, Eureka, California and on Zoom.

**A. CALL TO ORDER AND ROLL CALL**

Vice President Benzonelli called the meeting to order. Present upon roll call: Directors Benzonelli, Hansen (remote), and Ryan. Staff in attendance: General Manager Williams (GM), Finance Manager Montag (FM), and Utility Services Planner Rodriguez (USP).

Director Hansen reported that he was ill and requested to participate remotely.

**IT WAS MOVED BY DIRECTOR RYAN, SECONDED BY DIRECTOR MATTEOLI, TO APPROVE REMOTE PARTICIPATION OF DIRECTOR HANSEN PURSUANT TO GOVERNMENT CODE SECTION 54953 DUE TO JUST CAUSE RELATED TO ILLNESS. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, HANSEN, MATTEOLI, RYAN  
NOES: NONE  
ABSENT: GARDINER

**B. PLEDGE OF ALLEGIANCE**

Vice President Benzonelli invited those present to join in the Pledge of Allegiance.

**C. CONSENT CALENDAR**

*Director Gardiner arrived at the meeting at 5:03 p.m.*

1. Approval of May 12, 2026, Meeting Agenda
2. Approval of Minutes of the Regular Meeting April 28, 2026

**IT WAS MOVED BY DIRECTOR RYAN, SECONDED BY DIRECTOR MATTEOLI, TO APPROVE THE MAY 12, 2026, CONSENT CALENDAR. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN  
NOES: NONE

**D. REPORTS**

1. General Manager
  - a) District Update

DRAFT MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
MAY 12, 2026

GM reported that the 2026 HCSD Employee Appreciation Event will be at a Crabs baseball game on Friday, July 17<sup>th</sup>. On May 5<sup>th</sup>, Unit 4 - the District's crane truck- caught fire. No employees were hurt in the incident. The District has filed a claim with its insurance carrier. A community meeting to reduce road flooding and improve water supply reliability in the Elk River Community will be held on Wednesday, May 20, from 5:30-7:00 p.m. at the Humboldt Hill Grange.

GM updated the Board on the District's planned Capital Improvement Program (CIP) spending for the current Fiscal Year. The total planned CIP budget for the year was \$5.9 million. Approximately \$900,000 in planned project work will not be completed, including \$600,000 for a water and sewer project on Humboldt Hill. \$200,000 of planned spending for continuing projects will be completed in the subsequent fiscal year. The District also has unanticipated CIP costs associated with County road work within the District, projected at approximately \$250,000. Unspent funds allocated for this year's CIP projects will be placed in the District's reserve. Projects that were not completed this year will be included in FY 2027's CIP. The local CSDA Chapter is discussing collaborating with the County to identify a mechanism to offset costs for Districts on paving projects. There was a discussion about Community Development Block Grant funding opportunities.

GM noted that he attended a meeting for the Fields Landing and King Salmon (FLKS) communities to discuss potential projects to mitigate flooding and sea-level rise. GM and USP will attend a wastewater needs assessment on May 19, coordinated by the University of California in King Salmon.

2. Finance Manager

a) April 2026 Check Register

FM reviewed the April 2026 Check Register and noted several significant expenses, including both the February and March payments to the City of Eureka for Sewer and Water Purchase; purchases for the ongoing SCADA CIP project, and the District's annual payment for the bond for the Martin Slough Interceptor project. The bond payment was \$366,087.51, of which \$121,087.51 was interest.

Director Gardiner requested information on the District's historical Health Insurance Costs at a future meeting. Director Benzonelli requested information on how much interest had been paid on the bond since 2014 at a future meeting.

3. Planning

a) Update

USP reported that the District has selected four applicants for temporary employment in the District's Automated Meter Installation Program. Two additional applicants were selected to work in the maintenance and construction departments.

DRAFT MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
MAY 12, 2026

District staff attended a Cla-Val Training on May 5<sup>th</sup>, organized by the California Water Environment Association (CWEA). Staff learned preventive maintenance techniques, troubleshooting methods, and best practices to extend equipment life and improve system reliability. The District has more than 70 Cla-Valves.

4. Legal Counsel

No report.

5. Director Reports

Director Benzonelli reported that she attended a meeting on Community Development Block Grants on May 2 and a LAFCo training.

**E. PUBLIC PARTICIPATION**

No public comment.

**F. NEW BUSINESS**

1. Consideration of Adopting Resolution 2026-04 to Amend the Humboldt Community Services District Conflict of Interest Code

GM reported that the California Political Reform Act requires public agencies to review and update their conflict-of-interest codes biannually. The District also recently participated in a CalOES compliance assessment for the District's Hoover Street Flood Proofing Mitigation Project.

The District received direction from CalOES to develop a policy on Standards on Conduct for Federal Award Administration. The policy was incorporated into the District's Conflict of Interest Code. The District also updated the Code's introduction and clarified the process for future modifications to the document. The Superintendent position was also reinstated to the Designated Position Disclosure Categories, providing the District with flexibility in future staffing needs and eliminating the need to revisit the Conflict of Interest Code if the District were to solicit a Superintendent position.

No Public Comment.

**IT WAS MOVED BY DIRECTOR GARDINER, SECONDED BY DIRECTOR MATTEOLI, TO ADOPT RESOLUTION 2026-04 TO AMEND THE HUMBOLDT COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST CODE. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN  
NOES: NONE

2. Consideration of Appointing an Alternate Representative to the Redwood Regional Economic Development Commission

Director Benzonelli noted that due to her outside employment, there may be a potential conflict of interest in serving as an alternate representative of the Redwood Regional Economic Development Commission (RREDC).

GM reviewed RREDC's mission and outlined the responsibilities of the alternate representative role. Director Ryan noted that the frequency of meetings should be reduced because of changes to RREDC's bylaws. President Hansen stated that he was available to serve as the alternate representative.

**PRESIDENT HANSEN APPOINTED** himself to serve as the alternate representative to the Redwood Regional Economic Development Commission

**G. CLOSED SESSION**

1. PURSUANT TO Government Code Section 54954.5(e) PUBLIC EMPLOYEE PERFORMANCE EVALUATION – General Manager

AT 5:52 P.M., **IT WAS MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR GARDINER, TO MOVE INTO CLOSED SESSION. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, HANSEN, GARDINER, MATTEOLI, RYAN

The Board returned to open session at 7:28 p.m., and Vice President Benzonelli reported that the Board had taken no action.

**H. ADJOURNMENT**

Without further business, **IT WAS MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR RYAN, TO ADJOURN. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN

NOES: NONE

THE BOARD ADJOURNED ITS REGULAR MEETING OF May 12, 2026, AT 7:29 P.M.

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Submitted, Board Secretary

# Humboldt Community Services District

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*Dedicated to providing high quality, cost effective water and sewer service for our customers*

## MEMORANDUM

TO: Board of Directors

FROM: Terrence Williams, General Manager

DATE: May 22, 2026

SUBJECT: General Manager Report for May 26, 2026 Board Meeting

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### **Brier Lane Tank**

The Brier Lane Tank was rehabilitated in the summer of 2023 by a contractor based in Sparks, NV. A scheduled warranty inspection was conducted in the fall of 2024 by the District's consulting water tank inspector out of Corona, CA. The inspection identified several deficiencies requiring attention; however, wet weather conditions at the time prevented surface treatments from curing properly, delaying the warranty work.

Through the summer of 2025, District staff coordinated with the contractor and the consulting inspector to schedule the warranty repairs. The contractor mobilized to the site in October 2025 but was again unable to complete the work due to adverse weather. The contractor and inspector returned on May 20, 2026 of this year and have been onsite completing the warranty work since.

A few outstanding items are expected to remain at the end of this week, requiring an additional trip by the contractor. The contractor is currently working on a concurrent project in Paradise, CA with the same inspection firm and has committed to returning promptly to finalize the remaining work.

### **Felt Road**

The North Coast Regional Land Trust is conducting a restoration project in the Felt Ranch area near Three Corners within the District. The project intersects Felt Road, where historical storm drain work redirected Wood Creek into a roadside ditch. The proposed solution includes construction of a box culvert to restore a natural channel for Wood Creek.

The District maintains a water main within Felt Road at this location and is coordinating with the project manager, the County of Humboldt, and the contractor to install a temporary water main bypass during construction, followed by implementation of a redesigned water main that accommodates the new box culvert.

District staff attended a pre-construction meeting on May 21 at the project site. A nesting song sparrow was discovered within the footprint of the planned bypass road, requiring a

delay to project commencement. Work is anticipated to begin in approximately 30 days, once the nestlings have fledged.

### **Grant School**

Eureka City Schools is constructing two new buildings at the Grant School site, located near Campton and Oak Streets in Eureka. Although the project site lies outside of the Humboldt Community Services District (HCSD) boundary, HCSD is playing a supporting role in the project. Water and wastewater services will be provided by the City of Eureka; however, the City's water main in the area lacks sufficient flow capacity to meet the fire flow requirements set by the Office of the State Architect.

To address this, HCSD is adding a fire hydrant to its transmission main along Campton Road. Because District policy requires that all connections to District mains be performed by District staff, the work has been divided accordingly. The Contractor, under its agreement with Eureka City Schools, is responsible for installing the fire hydrant and branch line, while District staff handle all direct connections to the main.

During the week of May 4, District staff completed installation of a tee and two valves into the transmission main to accommodate the new hydrant. The Contractor is scheduled to install the branch line and hydrant during the week of May 25, with District staff on standby to conduct inspections of thrust blocks and system installation as well as to oversee pressure testing, and pre-service disinfection.

### **Rate Study Solicitation**

The District is conducting a joint rate study solicitation in partnership with the City of Eureka, as approved by the Board on January 13, 2026. The Request for Proposals (RFP) was issued with submissions due May 21, 2026. The District's rate study is scheduled to begin implementation in August 2027.

The proposal review phase is underway (May 25–29), with firm interviews scheduled for June 1–5 if needed. A proposal packet has been received from City staff and is currently under review by District staff and the 2x2 Ad Hoc Committee. The Review Committee will convene on June 8 to evaluate submissions, advance the selection process, and finalize a consultant recommendation.

The Board will be kept informed as the process progresses. Staff will return with findings and a recommendation upon completion of the review.

### **Elk River**

In December 2024, the Humboldt County Department of Public Works submitted an application to the State Water Resources Control Board (SWRCB), Division of Financial Assistance, requesting Technical Assistance (TA) funding to assess the feasibility of

extending HCSD municipal potable water service into the Elk River Valley. The District's Board of Directors voted to support that application at its January 14, 2025 regular meeting. The SWRCB approved the request in March 2025. The study is being conducted by Verdantas, an environmental science and engineering firm contracted directly by the SWRCB. California Urban Water Agencies (CUWA), a non-advocacy technical organization representing major urban water providers statewide, is providing oversight and coordination of the grant-funded technical assistance work on behalf of the SWRCB. The study is proceeding at no cost or obligation to the Elk River community, Humboldt County, or the District.

The study is intended to develop accurate technical and financial information needed to inform any future decision about extending HCSD service to affected neighborhoods. It is exploratory and non-binding: it does not commit the District, the County, or residents to any course of action, nor does it predetermine that water service will be extended. The work will address critical data gaps regarding infrastructure alignment, system hydraulics, cost estimates and the regulatory pathways that would need to be navigated prior to any implementation.

On May 20, 2026, Humboldt County convened a public kickoff meeting at the Humboldt Grange to introduce the feasibility study to the community. No findings were presented; the meeting's purpose was to inform residents about what is being studied and why, and to initiate a community input process. A survey is being mailed to residents in the affected area to gather input that will help shape the study's scope and analysis.

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# Humboldt Community Services District

*Dedicated to providing high quality, cost effective water and sewer service to our customers*

## MEMORANDUM

**For HCSD Board of Directors Regular Meeting of:** May 26<sup>th</sup> 2026

**AGENDA ITEM:** D.2

**TITLE:** Investment performance report for 3<sup>rd</sup> QTR FY 2026

**PRESENTED BY:** Michael Montag, Finance Manager/District Treasurer

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HCSD's working capital, capital improvement reserves, and debt payment reserves are held in FDIC-insured demand deposit accounts at Umpqua Bank, and US Bank. District Investment funds are held with the County of Humboldt Investment Pool, California CLASS JPA Investment Pool, and a Certificate of Deposit at Redwood Capital Bank. As of March 31, 2026, the District had cash deposited in the following:

|  |                  |
|--|------------------|
| Umpqua Bank Checking Account:                | \$ 552,622.33    |
| U.S. Bank Checking Account:                  | \$ 2,447,133.30  |
| County of Humboldt Treasury:                 | \$ 1,138,131.33  |
| California CLASS JPA Investment Pool:        | \$ 15,450,585.66 |
| Redwood Capital Bank Certificate of Deposit: | \$ 2,012,833.33  |

Interest earned for the first three quarters of FY 2026 for the investment funds are listed in the table below (checking accounts are not interest-bearing). For comparison purposes, the State of California LAIF (Local Agency Investment Fund) rates are also included in the table.

| Investment Source         | FY 2026 Beginning Balance | 1 <sup>st</sup> QTR Investment Returns | 2 <sup>nd</sup> QTR Investment Returns | 3 <sup>rd</sup> QTR Investment Returns | 2026 Return % (raw) | 2026 Return % Annualized |
|---------------------------|---------------------------|--|--|--|---------------------|--------------------------|
| County of Humboldt        | \$1,109,466.75            | \$8,352.34                             | \$9,753.37                             | \$10,558.87                            | 2.58%               | 3.44%                    |
| CA CLASS JPA              | \$13,030,456.07           | \$142,215.34                           | \$136,300.32                           | \$141,693.93                           | 3.07%               | 4.09%                    |
| Redwood Capital Bank (CD) | \$2,002,000               | N/A                                    | N/A                                    | \$10,833.33                            | 0.54%               | 3.28%                    |
| LAIF                      | N/A                       | N/A                                    | N/A                                    | N/A                                    | 3.05%               | 4.06%                    |

Per California Government Code Section 53646, I certify that the District's investments are in conformity with the District's investment policy and that there is sufficient cash flow liquidity to meet the next six months estimated expenditures.

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Michael Montag  
Finance Manager, Humboldt Community Services District

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# **Humboldt Community Services District**

*Dedicated to providing high quality, cost effective water and sewer service to our customers*

## **MEMORANDUM**

**For HCSD Board of Directors Regular Meeting of:** May 26<sup>th</sup> 2026

**AGENDA ITEM:** D.2b

**TITLE:** Employee and Retiree Health Care Benefit Costs

**PRESENTED BY:** Michael Montag, Finance Manager/District Treasurer

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At the Board meeting of May 12<sup>th</sup>, 2026, a report of the historical and current costs of Employee and Retiree Health Care Benefits was requested. A chart detailing the costs of Employee and Retiree Health Care benefits from FY 2020 through FY 2026 is on the following page.

As shown in the accompanying chart, the District has experienced significant increases in the costs associated with Employee and Retiree health care over the past 7 years. There are multiple factors associated with the cost of Health Care Benefits. Most factors affecting costs are beyond the District's control. This includes the ages of covered employees and retirees, the family makeup of covered employees and retirees, and increases in premium costs imposed by insurance providers. The District has taken steps to reduce the impact of cost increases, such as assessing and offering alternative plans that are lower-cost for the District.

Some costs associated specifically with Retiree Health Benefits are expected to decrease over time. The District has had numerous recent retirees, which has increased associated costs, particularly for FY 2026. As shown on the accompanying chart, Health Care benefit costs reduce significantly once retirees qualify for Medicare. As these retired employees age and become eligible for the Medicare Advantage plans, it is expected that the cost of their benefits will reduce.

| Total Monthly Costs of HCSD Health Care a/o Annual Fiscal Year End |                     |                     |                     |                   |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| FISCAL YEAR  | 2020                | 2021                | 2022                | 2023              | 2024                | 2025                | 2026                | 2027                | 2028                |
| Employees  | \$ 50,021           | \$ 53,111           | \$ 52,970           | \$ 51,992         | \$ 52,970           | \$ 53,111           | \$ 50,021           | \$ 52,970           | \$ 54,823           |
| Board Members  | \$ 13,071           | \$ 12,088           | \$ 11,178           | \$ 10,220         | \$ 11,178           | \$ 12,088           | \$ 13,071           | \$ 9,826            | \$ 13,310           |
| Retirees Premium   | \$ 46,422           | \$ 29,925           | \$ 28,374           | \$ 20,853         | \$ 28,374           | \$ 29,925           | \$ 46,422           | \$ 20,022           | \$ 23,203           |
| Retiree Premium Contribution                                       | \$ (2,258)          | \$ (1,640)          | \$ (1,648)          | \$ (1,289)        | \$ (1,648)          | \$ (1,640)          | \$ (2,258)          | \$ (883)            | \$ (1,059)          |
| Net District Cost for Retirees                                     | \$ 44,164           | \$ 28,285           | \$ 26,726           | \$ 19,564         | \$ 26,726           | \$ 28,285           | \$ 44,164           | \$ 19,139           | \$ 22,144           |
| <b>Monthly Total</b>   | <b>\$ 109,513</b>   | <b>\$ 95,124</b>    | <b>\$ 92,522</b>    | <b>\$ 83,065</b>  | <b>\$ 92,522</b>    | <b>\$ 95,124</b>    | <b>\$ 109,513</b>   | <b>\$ 92,013</b>    | <b>\$ 91,336</b>    |
| <b>12 Month Total</b>  | <b>\$ 1,314,160</b> | <b>\$ 1,141,493</b> | <b>\$ 1,110,265</b> | <b>\$ 996,781</b> | <b>\$ 1,110,265</b> | <b>\$ 1,141,493</b> | <b>\$ 1,314,160</b> | <b>\$ 1,104,161</b> | <b>\$ 1,096,028</b> |

|                |    |    |    |    |    |    |    |
|----------------|----|----|----|----|----|----|----|
| Employee Count | 20 | 21 | 22 | 19 | 22 | 21 | 19 |
| Retiree Count  | 29 | 24 | 24 | 22 | 21 | 20 | 20 |

| DISTRICT INSURANCE PLANS                 |              |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|  | 2020         | 2021         | 2022         | 2023         | 2024         | 2025         | 2026         | 2027         | 2028         |
| CalCare HMO SINGLE                       | \$ 1,463.85  | \$ 1,396.32  | \$ 1,330.74  | \$ 1,259.79  | \$ 1,330.74  | \$ 1,396.32  | \$ 1,463.85  | \$ 1,195.69  | \$ 1,170.14  |
| CalCare HMO 2-PARTY                      | \$ 2,927.70  | \$ 2,792.64  | \$ 2,661.48  | \$ 2,519.58  | \$ 2,661.48  | \$ 2,792.64  | \$ 2,927.70  | \$ 2,391.38  | \$ 2,340.28  |
| CalCare HMO FAMILY                       | \$ 3,879.20  | \$ 3,700.25  | \$ 3,526.45  | \$ 3,338.44  | \$ 3,526.45  | \$ 3,700.25  | \$ 3,879.20  | \$ 3,168.58  | \$ 3,100.87  |
| <b>PERCENT CHANGE FROM PREVIOUS YEAR</b> | <b>4.84%</b> | <b>4.93%</b> | <b>5.63%</b> | <b>5.36%</b> | <b>5.63%</b> | <b>4.93%</b> | <b>4.84%</b> | <b>2.18%</b> | <b>7.60%</b> |

|  |               |               |               |                |               |               |               |               |               |
|--|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Classic PPO SINGLE                       | \$ 1,141.79   | \$ 1,037.99   | \$ 943.63     | \$ 842.53      | \$ 943.63     | \$ 1,037.99   | \$ 1,141.79   | \$ 936.14     | \$ 985.41     |
| Classic PPO 2-PARTY                      | \$ 2,283.58   | \$ 2,075.98   | \$ 1,887.26   | \$ 1,685.60    | \$ 1,887.26   | \$ 2,075.98   | \$ 2,283.58   | \$ 1,872.29   | \$ 1,970.83   |
| Classic PPO FAMILY                       | \$ 3,025.74   | \$ 2,750.67   | \$ 2,500.62   | \$ 2,232.70    | \$ 2,500.62   | \$ 2,750.67   | \$ 3,025.74   | \$ 2,480.78   | \$ 2,611.35   |
| <b>PERCENT CHANGE FROM PREVIOUS YEAR</b> | <b>10.00%</b> | <b>10.00%</b> | <b>12.00%</b> | <b>-10.00%</b> | <b>12.00%</b> | <b>10.00%</b> | <b>10.00%</b> | <b>-5.00%</b> | <b>-0.20%</b> |

|  |             |             |           |           |           |             |             |               |               |
|--|-------------|-------------|-----------|-----------|-----------|-------------|-------------|---------------|---------------|
| United Medicare Advantage Single         | \$ 557.45   | \$ 512.45   | \$ 412.45 | \$ 404.70 | \$ 412.45 | \$ 512.45   | \$ 557.45   | \$ 392.49     | \$ 392.49     |
| United Medicare Advantage 2-Party        | \$ 1,114.90 | \$ 1,024.90 | \$ 824.90 | \$ 809.40 | \$ 824.90 | \$ 1,024.90 | \$ 1,114.90 | \$ 784.98     | \$ 784.98     |
| <b>PERCENT CHANGE FROM PREVIOUS YEAR</b> | <b>9%</b>   | <b>24%</b>  | <b>2%</b> | <b>3%</b> | <b>2%</b> | <b>24%</b>  | <b>9%</b>   | <b>-5.00%</b> | <b>-5.00%</b> |

|  |              |              |              |              |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Dental SINGLE                            | \$ 34.60     | \$ 33.72     | \$ 33.72     | \$ 33.72     | \$ 33.72     | \$ 33.72     | \$ 34.60     | \$ 33.72     | \$ 33.72     |
| Dental 2-Party                           | \$ 67.02     | \$ 65.20     | \$ 65.20     | \$ 65.20     | \$ 65.20     | \$ 65.20     | \$ 67.02     | \$ 65.20     | \$ 65.20     |
| Dental FAMILY                            | \$ 109.17    | \$ 106.12    | \$ 106.12    | \$ 106.12    | \$ 106.12    | \$ 106.12    | \$ 109.17    | \$ 106.12    | \$ 106.12    |
| <b>PERCENT CHANGE FROM PREVIOUS YEAR</b> | <b>2.61%</b> | <b>0.00%</b> | <b>0.00%</b> | <b>0.00%</b> | <b>0.00%</b> | <b>0.00%</b> | <b>2.61%</b> | <b>0.00%</b> | <b>0.00%</b> |

|        |          |          |          |          |          |          |          |          |          |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| VISION | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 | \$ 15.63 |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|

# Humboldt Community Services District

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*Dedicated to providing high quality, cost effective water and sewer service for our customers*

TO: Board of Directors  
FROM: Ana Rodriguez, Utility Services Planner  
DATE: May 20<sup>th</sup>, 2026  
SUBJECT: Utility Services Planner Report for May 26, 2026 Board Meeting

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## **Quarterly Bacteriological Water Sampling**

On May 7, 2026, the State Water Resources Control Board (SWRCB) - Division of Drinking Water (DDW) issued a Notice of Violation to the District for failure to collect timely raw water bacteriological samples from District Wells during the first calendar quarter of 2026.

The District initially took steps to remediate the overdue sample and submitted it on April 10, 2026. The District then developed a modified quarterly sample schedule to ensure all subsequent quarterly samples would be submitted on time.

During a May 1, 2026, phone meeting with Scott Gilbreath, Water Resource Control Engineer for the SWRCB, the District was informed that a modified quarterly sample schedule would not be permitted and that the collection submitted on April 10 would be used as the District's 2<sup>nd</sup> quarter sample.

The District received a notice of violation for failing to collect a first-quarter sample and submit the results. The Division of Drinking Water has not indicated any additional enforcement action related to this violation. Scott Gilbreath confirmed that the District remains current with all other required testing and is on schedule to meet the 2026 calendar-year testing requirements.

The District collects weekly treated water samples and tests them for bacteriological activity. All results have been returned as non-detect, indicating that the District's water is safe to drink despite this lapse in raw water sample test results during Q1 of 2026.

The District will be transparent with the violation and will incorporate it into the District's annual Consumer Confidence Report.

## **Automated Meter Replacement (AMR) Program**

On May 18, the District welcomed six new temporary staff members to assist with the AMR Capital Improvement Program. The new staff were onboarded and completed safety training during their initial two days.

On Wednesday, May 20, the District's Construction crew provided one-on-one training to each new employee. Training covered meter replacement procedures, completion of required paperwork, familiarization with routes and reading cycles, and orientation to the District yard and daily operations. During their training, the construction crew supervised employees replacing the meters at The Meadows, a senior apartment complex on Hubbard Lane.



*Figure 1 AMR temporary personnel pictured from right to left: Logan Hokanson, Oscar Roby, Shawn Noggle, Travis Witte, and Quinn Simard. Not Pictured - Ryan Prigmore.*



RECEIVED  
MAY 11 2026

State Water Resources Control Board  
Division of Drinking Water

HUMBOLDT COMMUNITY SERVICES DISTRICT

Humboldt Community Service District (HCSD)  
P.O. Box 158  
Cutten, CA 95534

May 7, 2026

Attention: Terrence Williams, General Manager

**Subject: NOTICE OF VIOLATION – HCSD  
FAILURE TO COLLECT RAW BACTERIOLOGICAL SAMPLES**

This letter notifies the **HCSD** public water system of a violation of the California Code of Regulations, title 22, section 64421, subdivision (b)(2)(A) which requires quarterly bacteriological monitoring of the untreated (raw) water from each groundwater production well.

According to our records, **HCSD** failed to collect and/or report the required raw bacteriological sample for the first calendar quarter of 2026.

There will be no additional enforcement action with this violation. However, any future violations may result in the issuance of a formal citation along with a fee for the cost of preparation of the document. This violation must be reported in **HCSD's** 2026 Consumer Confidence Report.

If you have any questions regarding this matter, please contact Scott Gilbreath at (530) 224-4876 or me at (530) 224-4875.

Barry Sutter, P.E., Klamath District Engineer  
Division of Drinking Water  
STATE WATER RESOURCES CONTROL BOARD

PWS No. 1210009

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

364 Knollcrest Drive, Suite 101, Redding, CA 96002 | www.waterboards.ca.gov

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# Humboldt Community Services District

*Dedicated to providing high quality, cost effective water and sewer service for our customers*

## AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: **May 26, 2026**

**AGENDA ITEM:** F.1

**TITLE:** Consideration of Selecting a Candidate to Serve as a Regular Special District Member on the Local Agency Formation Commission (LAFCo)

**PRESENTED BY:** Terrence Williams, General Manager

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### **Recommendation:**

Motion and roll call vote to cast a vote in the Humboldt LAFCo and instruct the Board Secretary to complete the Official Ballot for return to the LAFCo office.

### **Summary:**

The Humboldt LAFCo is an independent agency whose mission is to *facilitate changes in local governmental structure and boundaries that foster orderly growth and development, promote the efficient delivery of services, and encourage the preservation of open space and agricultural land.*

LAFCo's Board of Commissioners is made up of appointed elected officials and one member of the public. Two seats on the Commission are for members from Special District Board of Directors. The basic process for selecting special district members to LAFCo is outlined in California Government Code Section 56332, which authorizes the Executive Officer of LAFCo to conduct a mail election on behalf of the Independent Selection Committee.

A request for nominations was considered by the HCSD Board at the April 14, 2026, meeting. No HCSD Board Members were nominated to fill the special district member vacancies.

Currently, there is one regular-member and one alternate-member vacancy for terms from July 1, 2026, to June 30, 2030. The regular-member incumbent, Troy Nicolini of the Peninsula Community Services District, is not seeking reelection. Director Benzonelli is currently serving a term on the LAFCo commission that will end on June 30, 2028.

Two candidates were nominated for the regular-member vacancy:

- **Meghan Ryan**, Manila Community Services District
- **David Couch**, McKinleyville Community Services District

## F.1 Consideration of Selecting a Candidate to Serve as a Regular Special District Member on the Local Agency Formation Commission (LAFCo)

The candidate who receives the highest number of votes will serve as the regular-special district member, and the candidate who receives the second-highest number of votes will serve as the alternate-special district member.

The District has not received any communication material from either candidate.

As outlined in the attached LAFCo correspondence dated May 8, 2026, the HCSD Board is requested to vote for one preferred candidate to serve as the regular special district member on the commission.

LAFCo requires the ballots to be completed and returned no later than June 26, 2026

### **Fiscal Impact:**

None



**RECEIVED**  
 MAY 11 2026  
 HUMBOLDT COMMUNITY SERVICES DISTRICT

Date: May 8, 2026  
 To: Board of Directors of Independent Special Districts  
 From: Colette Santsche, Executive Officer  
 Subject: **OFFICIAL BALLOT – Independent Special District Election**

The term of office for one (1) regular and one (1) alternate special district member on LAFCo expires on June 30, 2026. All terms are four years and end on June 30. There are no term limits.

**Current Special District Terms**

| Designation      | Current Member   | Term of Office (ends on June 30) |
|------------------|--|----------------------------------|
| Regular Member   | Heidi Benzonelli, Humboldt Community Services District | 2024 - 2028                      |
| Regular Member   | Troy Nicolini, Peninsula Community Services District   | 2022 - 2026                      |
| Alternate Member | David Couch, McKinleyville Community Services District | 2022 - 2026                      |

The basic process for selecting special district members to LAFCo is set forth in Government Code Section 56332, which provides for a meeting to be convened among representatives from each of the 48 independent special districts in Humboldt County, unless the Executive Officer determines that a meeting is not feasible. Based on Government Code Section 56332, it has been determined that a meeting of this "Independent Special District Selection Committee" for the purpose of selecting special district members is not feasible due to the likelihood that a quorum would not be achieved. As such, both the nominating process and the election itself will be conducted by mail on behalf of the Independent Special District Selection Committee by the LAFCo Executive Officer.

**Previously, a request for nominations was sent on March 11, 2026, which provided the opportunity for the presiding officer of each independent special district to nominate candidates to fill the special district member vacancies.** The nomination period ended on May 1, 2026.

Two nominations were received, both for the regular special district member seat. Enclosed is an official ballot for the regular special district member seat. **The candidate receiving the highest number of votes will serve as the regular special district member, and the candidate receiving the second-highest number of votes will serve as the alternate special district member.** Terms begin on July 1, 2026 and expire June 30, 2030.

Please mark selection directly onto the ballot, voting for no more than one (1) candidate. Formal board action to vote for a candidate is not required under Government Code Section 56332(f); however, districts may choose to confirm selections through action of their governing board. **Ballots must be returned to LAFCo, 670 9th Street, Suite 202, Arcata, CA 95521 or emailed to [amber@humboldtlaaco.org](mailto:amber@humboldtlaaco.org) on or before 5:00 p.m. on June 26, 2026.**

Your district is encouraged to participate in this election process. For an election to be valid, at least a quorum of the special districts must submit valid ballots. There are 49 independent special districts, therefore a majority vote constitutes 25. Any nomination and ballot received by the Executive Officer after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the Executive Officer shall extend the date to submit ballots by 60 days and notify all districts of the extension.

Please contact LAFCo staff at [amber@humboldtlaaco.org](mailto:amber@humboldtlaaco.org) (preferred) or call (707) 445-7508 with any questions.

### Election Schedule

|  |  |
|--|--|
| LAFCo call for nominations letter emailed & mailed | Wednesday, March 11, 2026                  |
| Nominations due to LAFCo                           | By 5:00 p.m., Friday, May 1, 2026          |
| Ballots mailed from LAFCo via certified mail       | No later than Friday, May 8, 2026          |
| <b>Election Day – Ballots due to LAFCo</b>         | <b>By 5:00 p.m., Friday, June 26, 2026</b> |
| Election results mailed from LAFCo                 | No later than Friday, July 3, 2026         |

### Independent Special Districts

Big Lagoon Community Services District  
 Briceland Community Services District  
 Carlotta Community Services District  
 Fieldbrook-Glendale Community Services District  
 Humboldt Community Services District  
 Loleta Community Services District  
 Manila Community Services District  
 McKinleyville Community Services District  
 Miranda Community Services District  
 Orick Community Services District  
 Orleans Community Services District  
 Palmer Creek Community Services District  
 Patrick Creek Community Services District  
 Peninsula Community Services District  
 Phillipsville Community Services District  
 Redway Community Services District  
 Riverside Community Services District  
 Scotia Community Services District  
 Weott Community Services District  
 Westhaven Community Services District  
 Willow Creek Community Services District

Alderpoint County Water District  
 Hydesville County Water District  
 Jacoby Creek County Water District  
 Humboldt Bay Municipal Water District  
 Garberville Sanitary District  
 Resort Improvement District No. 1

Arcata Fire Protection District  
 Blue Lake Fire Protection District  
 Briceland Fire Protection District  
 Bridgeville Fire Protection District  
 Ferndale Fire Protection District  
 Fruitland Ridge Fire Protection District  
 Garberville Fire Protection District  
 Humboldt No. 1 Fire Protection District  
 Kneeland Fire Protection District  
 Myers Flat Fire Protection District  
 Petrolia Fire Protection District  
 Redway Fire Protection District  
 Rio Dell Fire Protection District  
 Salmon Creek Fire Protection District  
 Telegraph Ridge Fire Protection District  
 Willow Creek Fire Protection District

Humboldt Bay Harbor, Recreation and  
 Conservation District  
 Humboldt County Resource Conservation  
 District  
 North Humboldt Recreation and Park District  
 Southern Humboldt Community Healthcare  
 District  
 Fortuna Cemetery District  
 Petrolia Cemetery District



**OFFICIAL BALLOT**  
**INDEPENDENT SPECIAL DISTRICT ELECTION**  
**REGULAR MEMBER**

Mark selection directly onto the ballot, voting for no more than one (1) candidate. Formal board action to vote for a candidate is not required under Government Code Section 56332(f); however, districts may choose to confirm selections through action of their governing board.

The candidate with the highest number of votes will serve as the regular special district member and the candidate receiving the second-highest number of votes will serve as alternate special district member. Ballots must be returned to the LAFCo office at 670 9<sup>th</sup> Street, Suite 202, Arcata, CA 95521 or emailed to [amber@humboldtlaftco.org](mailto:amber@humboldtlaftco.org) on or before 5:00 p.m. on June 26, 2026.

Please vote for one of the following candidates for REGULAR special district member:

- MEGHAN RYAN**  
District Affiliation: Manila Community Services District
  
- DAVID COUCH**  
District Affiliation: McKinleyville Community Services District

**VOTING DISTRICT AUTHORIZATION**

Name of Voting District: \_\_\_\_\_

District Address: \_\_\_\_\_

District Phone Number: \_\_\_\_\_

Printed Name of Presiding Officer: \_\_\_\_\_

Signature of Presiding Officer: \_\_\_\_\_

*(Signature Required<sup>1</sup>)*

<sup>1</sup> All ballots must be signed by the district's presiding officer or the presiding officer's alternate as designated by the governing body. If an alternate has been designated by the governing body pursuant to Government Code Section 56332(f), documentation of the designation (e.g., meeting minutes or minute order) may be included.

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# Humboldt Community Services District

*Dedicated to providing high quality, cost effective water and sewer service for our customers*

## AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: **May 26, 2026**

**Agenda Item:** **F.2**

**TITLE:** **First Reading of Fiscal Year 2026-27 Draft Budget.**

**Presented by:** Michael Montag, Finance Manager/District Treasurer

---

**Recommendation:** Staff recommends the Board of Directors:

1. Review and discuss the proposed Fiscal Year (FY) 2026/2027 Budget and updates to Water and Sewer rates
2. Motion and roll call vote to approve the Draft Budget for Fiscal Year 2026-2027 for adoption at the next regularly scheduled meeting.
3. If the Draft Budget is not approved, provide direction to staff on proposed changes or adjustments for presentation at the next scheduled Board meeting.

### **Summary:**

Attached for the Board's review and consideration is the initial draft of the FY 2026/2027 District Budget. Notable highlights are listed below.

### **Highlights of significance within the proposed FY 2026/2027 Budget:**

**Water Rate Revenue:** The Rate Study that was completed and adopted in 2023 projected rate increases of 13% for FY 2026-27. This increased amount is considered necessary in order to build the funds necessary for significant expected Capital Improvements expenditures in future years, most notably replacement of the District's aging Asbestos Concrete (AC) Water mains projected at a cost of \$9,000,000 per year over 15 years beginning in FY 2029-30. If rates are increased by less than the amount specified in the rate study, then each percentage reduction in rate increase for FY 26-27 will result in \$66,000 less revenue for FY 26-27 and due to the compounding nature of increases will result in \$430,000 lower reserve funds over a 5 year period.

**Sewer Rate Revenue:** The Rate Study that was completed and adopted in 2023 projected rate increases of 12% for FY 2026-27. This increase amount was considered necessary in order to build the funds necessary for significant expected Capital Improvements expenditures in future years, most notably replacement of the District's Gravity Mains and Force Mains, as well as significant costs expected for the District's share of improvements to the Waste Water Treatment Plant.. If rates are increased by less than the amount specified in the rate study, then each percentage reduction in rate increase for FY 26-27 will result in \$89,000 less revenue for FY 26-27 and, due to the compounding nature of increases, will result in \$555,400 lower reserve funds over a 5-year period.

**Wage and Benefit expenses:** District direct wage expenses are projected to increase slightly compared to the FY 2025-26 due to a wave of retirements of long-tenured employees. Costs related to the District's Retiree Health Benefits Program (RHBP) have increased monthly by \$16,497 due to the increase in the number of retirees participating in the RHBP. The District has also included an Additional Discretionary Payment (ADP) to CalPERS to reduce the District's long-term liability. This budget draft also includes a 5% cost-of-living adjustment that the employee association has requested in its annual negotiations.

**Water purchase HBMWD and City of Eureka:** Water purchase costs have been set according to the charges from the most recent years with an increase applied based on District staff projections for Water purchases from the City of Eureka and HBMWD.

**Sewage Treatment Operations and Maintenance:** Sewage Treatment Operations and Maintenance comprises charges billed to the district by the City of Eureka Wastewater Treatment Plant. The budget amount is based on charges from the recent year, with an increase applied based on projections of rising costs made by District staff.

**Temporary Labor:** Due to projects such as the Automated Meter Replacement Program, in which the District intends to utilize temporary labor, expenses are projected to increase compared with FY 2026.

**Electrical Power and Street Lighting:** Fiscal Year 2026 electrical costs were less than budgeted due to an ongoing reduction in Electricity Consumed by the District compared to prior years. The Fiscal Year 26-2027 Budget is set with the expectation that District Electrical consumption will be maintained at current levels while accounting for potential increases in electrical rates.

**Long Term Debt:** The Davis-Grunsky loan through the Department of Water Resources as well as the Vac-Con truck loan had their final payment in FY 2026. Debt service for other existing District loans are proceeding as expected. Payments on the 2012 CIP Loan will continue until FY 2032-33 and the 2014 Wastewater Revenue Loan will continue until FY 2044-45.

**Capital Expenditures:** Capital expenditure totals are listed in the draft budget and correspond to the Capital Expenditures to be presented by the General Manager. The District is projected to have less in Capital Improvement Expenditures for FY 2026 due to delay in some projects that were originally scheduled for FY 2025/26. The amounts shown for Capital Improvements for FY 26/27 include \$468,000 in Water Capital Improvements, \$499,000 in Sewer Capital Improvements, and \$143,000 in General Capital Improvements, which were originally scheduled for FY 25/26. The amount also includes the replacement of the District Truck (Unit 4) that was recently damaged by fire.

**Working Capital Reserve Summaries:**

The 2023 Rate Study provides a minimum reserve recommendation of 60 days Operating Expenses, 5% of Net asset values related to Capital Rehabilitation and Replacement, and 1 year of debt service. The rate study also provides a Maximum recommended reserve of 180 days of operating expenses, 1 year of debt service, \$2,000,000 for Water Capital Replacement reserves, and \$8,000,000 for Sewer Capital Replacement Reserves. Maintaining reserves near the minimum means the District has funds for day-to-day operation, but would create funding challenges for long-term needs or emergency situations. Maintaining reserves near the maximum ensures that the District is funded for long-term needs.

The following chart compares reserve balances calculated using these formulas against the projected reserves under the current proposed budget. Under this projection, reserve funds as of the end of FY 26/27 are projected to be between the minimum and maximum amounts recommended in the rate study. Such reserves are necessary to accommodate the expected capital expenditures in Fiscal Year 2027 and beyond.

|              | Recommended reserves                      |   | Projected reserves                 |                                    |
|--------------|---|---|------------------------------------|------------------------------------|
|              | Rate Study reserve Min for end of FY 2027 | Rate Study reserve Max for end of FY 2027 | Projected reserves as of 6/30/2026 | Projected reserves as of 6/30/2027 |
| Water Fund   | \$1,748,600                               | \$4,899,000                               | \$6,324,889                        | \$5,832,282                        |
| Sewer Fund   | \$2,321,200                               | \$11,067,700                              | \$10,499,103                       | \$9,120,788                        |
| General Fund | \$25,000                                  | \$50,000                                  | \$1,592,962                        | \$1,507,962                        |
| <b>Total</b> | <b>\$4,094,800</b>                        | <b>\$16,016,700</b>                       | <b>\$18,416,954</b>                | <b>\$16,461,032</b>                |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
 FOR ENTIRE DISTRICT

|  | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE</b>                   |                   |                   |                       |                       |                            |                               |
| Metered Water Sales                        | 5,927,451         | 6,603,000         | 6,600,000             | 7,458,000             | 12.95%                     | 13.00%                        |
| Sewer Service Charges                      | 8,099,512         | 8,842,500         | 8,900,000             | 9,968,000             | 12.73%                     | 12.00%                        |
| Water & Sewer Construction Charges         | 35,337            | 35,000            | 50,100                | 35,000                | 0.00%                      | -30.14%                       |
| Account Charges                            | 120,407           | 115,000           | 154,000               | 135,000               | 17.39%                     | -12.34%                       |
| Inspection Charges                         | 464               | 700               | -                     | 1,500                 | 114.29%                    | 0.00%                         |
| Reimbursable Maintenance Charges           | 51                | 1,600             | 15,988                | 1,700                 | 6.25%                      | -89.37%                       |
| Miscellaneous                              | 1,466             | 2,000             | 828                   | -                     | -100.00%                   | -100.00%                      |
| <b>TOTAL OPERATING REVENUE</b>             | <b>14,184,688</b> | <b>15,599,800</b> | <b>15,720,916</b>     | <b>17,599,200</b>     | <b>12.82%</b>              | <b>11.95%</b>                 |
| <b>NON-OPERATING REVENUE</b>               |                   |                   |                       |                       |                            |                               |
| Capital Connection/Capacity Charges        | 120,814           | 125,000           | 125,000               | 125,000               | 0.00%                      | 0.00%                         |
| Interest/General                           | 581,445           | 405,000           | 554,000               | 530,000               | 30.86%                     | -4.33%                        |
| Discounts Earned                           | 1,007             | 1,750             | (260)                 | -                     | -100.00%                   | -100.00%                      |
| Sales:Fixed Assets/Scrap Metal             | 14,142            | 2,000             | 430                   | 600                   | -70.00%                    | 39.53%                        |
| Bad Debt Recovery                          | 900               | 3,000             | 800                   | 1,000                 | -66.67%                    | 25.00%                        |
| Property Taxes & Assessments               | 498,494           | 450,000           | 450,000               | 450,000               | 0.00%                      | 0.00%                         |
| Insurance Rebate                           | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Other Non-Operating Revenue                | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL NON-OPERATING REVENUE</b>         | <b>1,216,802</b>  | <b>986,750</b>    | <b>1,129,970</b>      | <b>1,106,600</b>      | <b>12.15%</b>              | <b>-2.07%</b>                 |
| <b>TOTAL DISTRICT REVENUE</b>              | <b>15,401,490</b> | <b>16,586,550</b> | <b>16,850,886</b>     | <b>18,705,800</b>     | <b>12.78%</b>              | <b>11.01%</b>                 |
| <b>OPERATING EXPENSES</b>                  |                   |                   |                       |                       |                            |                               |
| Wages Direct                               | 1,781,762         | 2,065,812         | 1,950,000             | 2,064,000             | -0.09%                     | 5.85%                         |
| Discretionary PERS UAL Payment             | -                 | -                 | 321,000               | 283,014               | 0.00%                      | -11.83%                       |
| Benefits: PERS                             | 538,873           | 607,000           | 582,400               | 586,400               | -3.39%                     | 0.69%                         |
| Group Ins                                  | 1,145,671         | 1,451,000         | 1,236,000             | 1,544,500             | 6.44%                      | 24.96%                        |
| Workers Comp Ins                           | 29,240            | 32,000            | 30,500                | 32,000                | 0.00%                      | 4.92%                         |
| FICA/Medicare                              | 137,370           | 151,650           | 151,000               | 159,000               | 4.85%                      | 5.30%                         |
| Misc Benefits                              | 200               | 1,920             | 850                   | 1,800                 | -6.25%                     | 111.76%                       |
| <b>Total Wages and Benefits</b>            | <b>3,633,116</b>  | <b>4,309,382</b>  | <b>4,271,750</b>      | <b>4,670,714</b>      | <b>8.38%</b>               | <b>9.34%</b>                  |
| Less: wages & ben charged to Capital Proj. | (410,966)         | (300,000)         | (500,000)             | (750,000)             | 150.00%                    | 50.00%                        |
| <b>Total Operating Wages and benefits</b>  | <b>3,222,150</b>  | <b>4,009,382</b>  | <b>3,771,750</b>      | <b>3,920,714</b>      | <b>-2.21%</b>              | <b>3.95%</b>                  |
| Water Purchase HBMWD                       | 1,146,935         | 1,180,000         | 1,209,000             | 1,270,000             | 7.63%                      | 5.05%                         |
| Water Purchase Eureka                      | 741,796           | 850,000           | 870,000               | 913,000               | 7.41%                      | 4.94%                         |
| Sewage Treatment Operations & Maint.       | 2,021,760         | 2,185,000         | 1,850,000             | 1,942,500             | -11.10%                    | 5.00%                         |
| Water/Sewer Analysis                       | 11,089            | 12,000            | 14,000                | 15,000                | 25.00%                     | 7.14%                         |
| Supplies/ Construction                     | 124,798           | 150,000           | 96,000                | 150,000               | 0.00%                      | 56.25%                        |
| Supplies/ Office-Administration            | 10,554            | 15,000            | 14,000                | 15,000                | 0.00%                      | 7.14%                         |
| Supplies/ Engineering                      | 593               | 2,000             | 450                   | 2,500                 | 25.00%                     | 455.56%                       |
| Supplies/ Maintenance                      | 94,408            | 100,000           | 98,500                | 100,000               | 0.00%                      | 1.52%                         |
| Invoicing                                  | 74,227            | 65,000            | 70,000                | 70,000                | 7.69%                      | 0.00%                         |
| Temporary Labor                            | 90,984            | 44,500            | 32,000                | 56,500                | 26.97%                     | 76.56%                        |
| Repairs & Maintenance/Trucks               | 70,388            | 75,000            | 55,000                | 75,000                | 0.00%                      | 36.36%                        |
| Equipment Rental                           | -                 | 2,000             | 500                   | 2,500                 | 25.00%                     | 400.00%                       |
| Building & Grounds Maintenance             | 36,047            | 35,000            | 34,500                | 35,000                | 0.00%                      | 1.45%                         |
| Electrical Power                           | 419,871           | 500,000           | 465,000               | 500,000               | 0.00%                      | 7.53%                         |
| Street Lights                              | 77,125            | 90,000            | 75,000                | 80,000                | -11.11%                    | 6.67%                         |
| Telephone                                  | 21,508            | 15,000            | 18,000                | 18,000                | 20.00%                     | 0.00%                         |
| Postage                                    | 2,883             | 2,500             | 2,500                 | 2,500                 | 0.00%                      | 0.00%                         |
| Freight                                    | 1,208             | 1,000             | 250                   | 900                   | -10.00%                    | 260.00%                       |
| Chemicals                                  | 12,975            | 13,000            | 16,060                | 17,500                | 34.62%                     | 8.97%                         |
| Liability Insurance                        | 133,725           | 150,000           | 150,000               | 160,000               | 6.67%                      | 6.67%                         |
| Legal                                      | 7,580             | 40,000            | 60,000                | 46,000                | 15.00%                     | -23.33%                       |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
 FOR ENTIRE DISTRICT

|                                      | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--------------------------------------|-------------------|--------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| Accounting                           | 18,658            | 20,000             | 20,000                | 20,000                | 0.00%                      | 0.00%                         |
| Engineering                          | 939               | 1,500              | -                     | 2,000                 | 33.33%                     | 0.00%                         |
| Other Professional Services          | 16,198            | 130,000            | 53,000                | 70,000                | -46.15%                    | 32.08%                        |
| Bank Service Charges                 | 21,087            | 22,000             | 22,000                | 24,000                | 9.09%                      | 9.09%                         |
| Transportation                       | 67,458            | 75,000             | 65,000                | 90,000                | 20.00%                     | 38.46%                        |
| Office Equip. Maintenance            | 4,944             | 6,000              | 3,750                 | 4,350                 | -27.50%                    | 16.00%                        |
| Computer Software Maintenance        | 47,525            | 46,000             | 63,000                | 67,500                | 46.74%                     | 7.14%                         |
| Memberships & Subscriptions          | 26,481            | 47,500             | 45,400                | 44,500                | -6.32%                     | -1.98%                        |
| Bad Debts & Minimum Balance Writeoff | (5)               | 20,000             | 20,000                | 20,000                | 0.00%                      | 0.00%                         |
| Conference & Continuing Ed           | 6,987             | 33,000             | 22,000                | 30,000                | -9.09%                     | 36.36%                        |
| Certifications                       | 5,757             | 7,500              | 9,000                 | 8,000                 | 6.67%                      | -11.11%                       |
| State/County & LAFCO Charges         | 69,638            | 62,000             | 64,000                | 70,000                | 12.90%                     | 9.38%                         |
| Hydraulic Water Model Maintenance    | -                 | 2,000              | -                     | 2,000                 | 0.00%                      | 0.00%                         |
| Elections Expense                    | 16,881            | -                  | -                     | 17,000                | 0.00%                      | 0.00%                         |
| Human Resources                      | 14,891            | 22,000             | 29,500                | 20,000                | -9.09%                     | -32.20%                       |
| Miscellaneous                        | 1,212             | 10,000             | (458)                 | -                     | -100.00%                   | -100.00%                      |
| Director's Charges                   | 12,850            | 16,000             | 12,000                | 12,500                | -21.88%                    | 4.17%                         |
| <b>TOTAL OPERATING EXPENSES</b>      | <b>8,654,105</b>  | <b>10,056,882</b>  | <b>9,330,702</b>      | <b>9,894,464</b>      | <b>-1.61%</b>              | <b>6.04%</b>                  |
| <b>LONG TERM DEBT PAYMENTS</b>       |                   |                    |                       |                       |                            |                               |
| 2012 CIP & Refi.                     | 177,600           | 177,600            | 177,600               | 177,600               | 0.00%                      | 0.00%                         |
| Davis-Grunsky Loan                   | 6,045             | 6,050              | 6,125                 | -                     | -100.00%                   | -100.00%                      |
| VacCon Truck Loan(2021)              | 117,441           | 117,441            | 117,441               | -                     | -100.00%                   | -100.00%                      |
| 2014 Wastewater Revenue Bonds        | 486,575           | 487,175            | 487,175               | 484,825               | -0.48%                     | -0.48%                        |
| <b>TOTAL LONG TERM DEBT PAYMENTS</b> | <b>787,661</b>    | <b>788,266</b>     | <b>788,341</b>        | <b>662,425</b>        | <b>-15.96%</b>             | <b>-15.97%</b>                |
| <b>CAPITALIZED EXPENDITURES</b>      |                   |                    |                       |                       |                            |                               |
| Vehicles, Rolling Stock & Equipment  | 125,091           | 97,500             | 254,962               | 195,000               | 100.00%                    | -23.52%                       |
| Building, Yard & Paving Improvements | 90,444            | 395,000            | 252,000               | 345,000               | -12.66%                    | 36.90%                        |
| Capital Improvements Water           | 1,199,283         | 2,944,800          | 2,476,800             | 2,915,000             | -1.01%                     | 17.69%                        |
| Capital Improvements Sewer           | 729,782           | 1,645,500          | 1,146,500             | 2,810,833             | 70.82%                     | 145.17%                       |
| Engineering & Studies                | -                 | 15,000             | 15,000                | 15,000                | 0.00%                      | 0.00%                         |
| <b>TOTAL CAPITAL EXPENDITURES</b>    | <b>2,144,600</b>  | <b>5,097,800</b>   | <b>4,145,262</b>      | <b>6,280,833</b>      | <b>23.21%</b>              | <b>51.52%</b>                 |
| City of Eureka Projects:             |                   |                    |                       |                       |                            |                               |
| CoE WWTP CIP                         | 579,805           | 3,670,000          | 3,670,000             | 3,824,000             | 4.20%                      | 4.20%                         |
| <b>TOTAL City of Eureka Projects</b> | <b>579,805</b>    | <b>3,670,000</b>   | <b>3,670,000</b>      | <b>3,824,000</b>      | <b>4.20%</b>               | <b>4.20%</b>                  |
| <b>BUDGET SURPLUS (DEFICIT)</b>      | <b>3,235,319</b>  | <b>(3,026,398)</b> | <b>(1,083,419)</b>    | <b>(1,955,922)</b>    | <b>-35.37%</b>             | <b>80.53%</b>                 |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
FOR ENTIRE DISTRICT

|   | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual  | 2026-27<br>Budget req  | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|---|-------------------|--------------------|------------------------|------------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE &amp; EXPENSES</b>       |                   |                    |                        |                        |                            |                               |
| TOTAL OPERATING REVENUE                       | 14,184,688        | 15,599,800         | 15,720,916             | 17,599,200             | 12.82%                     | 11.95%                        |
| TOTAL OPERATING EXPENSES                      | (8,654,105)       | (10,056,882)       | (9,330,702)            | (9,894,464)            | -1.61%                     | 6.04%                         |
| NET SURPLUS/(DEFICIT) FROM OPERATIONS         | <u>5,530,583</u>  | <u>5,542,918</u>   | <u>6,390,214</u>       | <u>7,704,736</u>       | <u>39.00%</u>              | <u>20.57%</u>                 |
| <b>NON-OPERATING REVENUE &amp; EXPENSES</b>   |                   |                    |                        |                        |                            |                               |
| TOTAL NON-OPERATING REVENUE                   | 1,216,802         | 986,750            | 1,129,970              | 1,106,600              | 12.15%                     | -2.07%                        |
| TOTAL LONG TERM DEBT SERVICE                  | (787,661)         | (788,266)          | (788,341)              | (662,425)              | -15.96%                    | -15.97%                       |
| SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES | <u>5,959,724</u>  | <u>5,741,402</u>   | <u>6,731,843</u>       | <u>8,148,911</u>       | <u>41.93%</u>              | <u>21.05%</u>                 |
| HCSD CAPITAL IMPROVEMENT EXPENDITURES         | (2,144,600)       | (5,097,800)        | (4,145,262)            | (6,280,833)            | 23.21%                     | 51.52%                        |
| CITY of EUREKA PROJECT REIMBURSEMENT          | (579,805)         | (3,670,000)        | (3,670,000)            | (3,824,000)            | 4.20%                      | 4.20%                         |
| BUDGET SURPLUS (DEFICIT)                      | <u>3,235,319</u>  | <u>(3,026,398)</u> | <u>(1,083,419)</u>     | <u>(1,955,922)</u>     | <u>-35.37%</u>             | <u>80.53%</u>                 |
| <b>Working Capital Reserve Summary</b>        |                   |                    |                        |                        |                            |                               |
| BUDGET SURPLUS or (DEFICIT)                   | 3,235,319         | (3,026,398)        | (1,083,419)            | (1,955,922)            | -35.37%                    | 80.53%                        |
| Beginning Working Capital Reserves            | <u>16,265,054</u> | <u>19,500,373</u>  | <u>19,500,373</u>      | <u>18,416,954</u>      | <u>-5.56%</u>              | <u>-5.56%</u>                 |
| Working Capital Reserve Balance, End of Year  | <u>19,500,373</u> | <u>16,473,975</u>  | <u>18,416,954</u>      | <u>16,461,032</u>      | <u>-0.08%</u>              | <u>-10.62%</u>                |
| <b>Minimum Target Reserve Balance</b>         |                   |                    | <b>\$3,819,200.00</b>  | <b>\$4,094,800.00</b>  |                            |                               |
| <b>Maximum Target Reserve Balance</b>         |                   |                    | <b>\$15,482,800.00</b> | <b>\$16,016,700.00</b> |                            |                               |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025**  
**Water Fund**

|  | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE</b>                   |                   |                   |                       |                       |                            |                               |
| Metered Water Sales                        | 5,927,451         | 6,603,000         | 6,600,000             | 7,458,000             | 12.95%                     | 13.00%                        |
| Water Construction Charges                 | 19,223            | 20,000            | 50,000                | 20,000                | 0.00%                      | -60.00%                       |
| Account Charges                            | 68,632            | 70,000            | 88,000                | 80,000                | 14.29%                     | -9.09%                        |
| Inspection Charges                         | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Reimbursable Maintenance Charges           | 29                | 1,400             | 15,688                | 1,500                 | 7.14%                      | -90.44%                       |
| Miscellaneous                              | 617               | 1,000             | 128                   | -                     | -100.00%                   | -100.00%                      |
| <b>TOTAL OPERATING REVENUE</b>             | <b>6,015,952</b>  | <b>6,695,400</b>  | <b>6,753,816</b>      | <b>7,559,500</b>      | <b>12.91%</b>              | <b>11.93%</b>                 |
| <b>NON-OPERATING REVENUE</b>               |                   |                   |                       |                       |                            |                               |
| Water Capital Connection/Capacity Charges  | 44,778            | 50,000            | 100,000               | 50,000                | 0.00%                      | -50.00%                       |
| Interest/General                           | 204,901           | 190,000           | 215,000               | 205,000               | 7.89%                      | -4.65%                        |
| Discounts Earned                           | 574               | 1,000             | (150)                 | -                     | -100.00%                   | -100.00%                      |
| Sales:Fixed Assets/Scrap Metal             | 8,061             | 1,000             | 230                   | 300                   | -70.00%                    | 30.43%                        |
| Bad Debt Recovery                          | 513               | 2,000             | 450                   | 500                   | -75.00%                    | 11.11%                        |
| FW/MR Assessment                           | 1,083             | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Other Non-Operating Revenue                | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL NON-OPERATING REVENUE</b>         | <b>259,910</b>    | <b>244,000</b>    | <b>315,530</b>        | <b>255,800</b>        | <b>4.84%</b>               | <b>-18.93%</b>                |
| <b>TOTAL DISTRICT REVENUE</b>              | <b>6,275,862</b>  | <b>6,939,400</b>  | <b>7,069,346</b>      | <b>7,815,300</b>      | <b>12.62%</b>              | <b>10.55%</b>                 |
| <b>OPERATING EXPENSES</b>                  |                   |                   |                       |                       |                            |                               |
| Wages Direct                               | 875,900           | 958,750           | 925,000               | 970,000               | 1.17%                      | 4.86%                         |
| Wages & Benefits: Allocated                | 663,675           | 827,731           | 907,625               | 988,507               | 19.42%                     | 8.91%                         |
| Benefits: PERS                             | 113,859           | 143,475           | 90,000                | 72,700                | -49.33%                    | -19.22%                       |
| Group Ins                                  | 373,820           | 413,000           | 355,000               | 443,500               | 7.38%                      | 24.93%                        |
| Workers Comp Ins                           | 14,918            | 14,850            | 14,500                | 15,000                | 1.01%                      | 3.45%                         |
| FICA/Medicare                              | 66,925            | 70,370            | 70,000                | 75,000                | 6.58%                      | 7.14%                         |
| Misc Benefits                              | -                 | -                 | -                     | -                     | -                          | -                             |
| <b>Total Wages and Benefits</b>            | <b>2,109,097</b>  | <b>2,428,176</b>  | <b>2,362,125</b>      | <b>2,564,707</b>      | <b>5.62%</b>               | <b>8.58%</b>                  |
| Less: wages & ben charged to Capital Proj. | (292,864)         | (185,000)         | (260,000)             | (390,000)             | 110.81%                    | 50.00%                        |
| <b>Total Operating Wages and benefits</b>  | <b>1,816,233</b>  | <b>2,243,176</b>  | <b>2,102,125</b>      | <b>2,174,707</b>      | <b>-3.05%</b>              | <b>3.45%</b>                  |
| Water Purchase HBMWD                       | 1,146,935         | 1,180,000         | 1,209,000             | 1,270,000             | 7.63%                      | 5.05%                         |
| Water Purchase Eureka                      | 741,796           | 850,000           | 870,000               | 913,000               | 7.41%                      | 4.94%                         |
| Water Analysis                             | 11,089            | 12,000            | 14,000                | 15,000                | 25.00%                     | 7.14%                         |
| Supplies/ Construction                     | 93,048            | 110,000           | 61,000                | 75,000                | -31.82%                    | 22.95%                        |
| Supplies/Office-Administration             | 2,841             | 4,500             | 3,500                 | 4,000                 | -11.11%                    | 14.29%                        |
| Supplies/ Engineering                      | 327               | 500               | 300                   | -                     | -100.00%                   | -100.00%                      |
| Supplies/ Maintenance                      | 36,368            | 50,000            | 55,000                | 50,000                | 0.00%                      | -9.09%                        |
| Temporary Labor                            | 39,516            | 22,250            | 20,000                | 23,250                | 4.49%                      | 16.25%                        |
| Repairs & Maintenance/Trucks               | 38,124            | 40,000            | 30,000                | 37,500                | -6.25%                     | 25.00%                        |
| Equipment Rental                           | -                 | 1,000             | -                     | 1,250                 | 25.00%                     | 0.00%                         |
| Building & Grounds Maintenance             | 6,485             | 6,000             | 11,000                | 11,000                | 83.33%                     | 0.00%                         |
| Electrical Power                           | 245,599           | 285,000           | 270,000               | 290,000               | 1.75%                      | 7.41%                         |
| Telephone                                  | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Postage                                    | 218               | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Freight                                    | 248               | 350               | -                     | 300                   | -14.29%                    | 0.00%                         |
| Chemicals                                  | 12,975            | 13,000            | 16,000                | 17,500                | 34.62%                     | 9.38%                         |
| Engineering                                | 535               | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Other Professional Services                | 285               | 5,000             | -                     | 5,000                 | 0.00%                      | 0.00%                         |
| Transportation                             | 38,451            | 43,000            | 37,000                | 50,000                | 16.28%                     | 35.14%                        |
| Office Equip. Maintenance                  | 615               | 750               | 450                   | 500                   | -33.33%                    | 11.11%                        |
| Computer Software Maintenance              | 22,878            | 21,000            | 33,000                | 35,000                | 66.67%                     | 6.06%                         |
| Memberships & Subscriptions                | 4,230             | 2,000             | 2,700                 | 3,000                 | 50.00%                     | 11.11%                        |
| Bad Debts & Minimum Balance Writeoff       | (3)               | 10,000            | 10,000                | 10,000                | 0.00%                      | 0.00%                         |
| Conference & Continuing Ed                 | 4,478             | 10,000            | 10,000                | 15,000                | 50.00%                     | 50.00%                        |
| Certifications                             | 3,478             | 3,500             | 3,500                 | 3,000                 | -14.29%                    | -14.29%                       |
| State/County & LAFCO Charges and Charges   | 42,477            | 39,000            | 60,000                | 65,000                | 66.67%                     | 8.33%                         |
| Hydraulic Water Model Maintenance          | -                 | 2,000             | -                     | 2,000                 | 0.00%                      | 0.00%                         |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
**Water Fund**

|  | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|--------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| Human Resources                          | 3,529             | 4,500              | 10,000                | 6,000                 | 33.33%                     | -40.00%                       |
| Miscellaneous                            | 43                | 1,000              | 25                    | -                     | -100.00%                   | -100.00%                      |
| General & Admin Expense Allocation       | 260,606           | 349,150            | 294,700               | 315,900               | -9.52%                     | 7.19%                         |
| <b>TOTAL OPERATING EXPENSES</b>          | <b>4,573,404</b>  | <b>5,308,676</b>   | <b>5,123,300</b>      | <b>5,392,907</b>      | <b>1.59%</b>               | <b>5.26%</b>                  |
| <b>LONG TERM DEBT PAYMENTS</b>           |                   |                    |                       |                       |                            |                               |
| 2012 CIP & Refi.                         | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| Davis-Grunsky Loan                       | 6,045             | 6,050              | 6,125                 | -                     | -100.00%                   | -100.00%                      |
| Debt Service: Allocated                  | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL LONG TERM DEBT PAYMENTS</b>     | <b>6,045</b>      | <b>6,050</b>       | <b>6,125</b>          | <b>-</b>              | <b>-100.00%</b>            | <b>-100.00%</b>               |
| <b>CAPITALIZED EXPENDITURES</b>          |                   |                    |                       |                       |                            |                               |
| Vehicles/Rolling Stock/Capital Equipment | 4,756             | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| Building & Yard Improvements             | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| Capital Improvements Water               | 1,199,283         | 2,944,800          | 2,476,800             | 2,915,000             | -1.01%                     | 17.69%                        |
| Engineering & Studies                    | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL CAPITAL EXPENDITURES</b>        | <b>1,204,039</b>  | <b>2,944,800</b>   | <b>2,476,800</b>      | <b>2,915,000</b>      | <b>-1.01%</b>              | <b>17.69%</b>                 |
| <b>BUDGET SURPLUS (DEFICIT)</b>          | <b>492,375</b>    | <b>(1,320,126)</b> | <b>(536,879)</b>      | <b>(492,607)</b>      | <b>-62.68%</b>             | <b>-8.25%</b>                 |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
Water Fund

|   | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|---|-------------------|--------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE &amp; EXPENSES</b>       |                   |                    |                       |                       |                            |                               |
| TOTAL OPERATING REVENUE                       | 6,015,952         | 6,695,400          | 6,753,816             | 7,559,500             | 12.91%                     | 11.93%                        |
| TOTAL OPERATING EXPENSES                      | (4,573,404)       | (5,308,676)        | (5,123,300)           | (5,392,907)           | 1.59%                      | 5.26%                         |
| NET SURPLUS/(DEFICIT) FROM OPERATIONS         | 1,442,549         | 1,386,724          | 1,630,516             | 2,166,593             | 56.24%                     | 32.88%                        |
| <b>NON-OPERATING REVENUE &amp; EXPENSES</b>   |                   |                    |                       |                       |                            |                               |
| TOTAL NON-OPERATING REVENUE                   | 259,910           | 244,000            | 315,530               | 255,800               | 4.84%                      | -18.93%                       |
| TOTAL LONG TERM DEBT SERVICE                  | (6,045)           | (6,050)            | (6,125)               | -                     | -100.00%                   | -100.00%                      |
| SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES | 1,696,414         | 1,624,674          | 1,939,921             | 2,422,393             | 49.10%                     | 24.87%                        |
| HCSD CAPITAL IMPROVEMENT EXPENDITURES         | (1,204,039)       | (2,944,800)        | (2,476,800)           | (2,915,000)           | -1.01%                     | 17.69%                        |
| BUDGET SURPLUS or (DEFICIT)                   | <u>492,375</u>    | <u>(1,320,126)</u> | <u>(536,879)</u>      | <u>(492,607)</u>      | <u>-62.68%</u>             | <u>-8.25%</u>                 |
| <b>Working Capital Reserve Summary</b>        |                   |                    |                       |                       |                            |                               |
| BUDGET SURPLUS or (DEFICIT)                   | 492,375           | (1,320,126)        | (536,879)             | (492,607)             | -62.68%                    | -8.25%                        |
| Beginning Working Capital Reserves            | 6,369,393         | 6,861,768          | 6,861,768             | 6,324,889             | -7.82%                     | -7.82%                        |
| Working Capital Reserve Balance, End of Year  | 6,861,768         | 5,541,642          | 6,324,889             | 5,832,282             | 5.24%                      | -7.79%                        |
| <b>Minimum Target Reserve Balance</b>         |                   |                    | \$1,627,500.00        | \$1,748,600.00        |                            |                               |
| <b>Maximum Target Reserve Balance</b>         |                   |                    | \$4,701,000.00        | \$4,899,000.00        |                            |                               |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
 Sewer Fund

|  | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE</b>                   |                   |                   |                       |                       |                            |                               |
| Sewer Service Charges                      | 8,099,512         | 8,842,500         | 8,900,000             | 9,968,000             | 12.73%                     | 12.00%                        |
| Sewer Construction Charges                 | 16,114            | 15,000            | 100                   | 15,000                | 0.00%                      | 14900.00%                     |
| Account Charges                            | 51,775            | 45,000            | 66,000                | 55,000                | 22.22%                     | -16.67%                       |
| Inspection Charges                         | 464               | 700               | -                     | 1,500                 | 114.29%                    | 0.00%                         |
| Reimbursable Maintenance Charges           | 22                | 200               | 300                   | 200                   | 0.00%                      | -33.33%                       |
| Miscellaneous                              | 465               | 1,000             | 100                   | -                     | -100.00%                   | -100.00%                      |
| <b>TOTAL OPERATING REVENUE</b>             | <b>8,168,352</b>  | <b>8,904,400</b>  | <b>8,966,500</b>      | <b>10,039,700</b>     | <b>12.75%</b>              | <b>11.97%</b>                 |
| <b>NON-OPERATING REVENUE</b>               |                   |                   |                       |                       |                            |                               |
| Sewer Capital Connection/Capacity Charges  | 76,036            | 75,000            | 25,000                | 75,000                | 0.00%                      | 200.00%                       |
| Interest/General                           | 218,229           | 200,000           | 235,000               | 225,000               | 12.50%                     | -4.26%                        |
| Discounts Earned                           | 433               | 750               | (110)                 | -                     | -100.00%                   | -100.00%                      |
| Sales:Fixed Assets/Scrap Metal             | 6,081             | 1,000             | 200                   | 300                   | -70.00%                    | 50.00%                        |
| Bad Debt Recovery                          | 387               | 1,000             | 350                   | 500                   | -50.00%                    | 42.86%                        |
| Other Non-Operating Revenue                | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL NON-OPERATING REVENUE</b>         | <b>301,166</b>    | <b>277,750</b>    | <b>260,440</b>        | <b>300,800</b>        | <b>8.30%</b>               | <b>15.50%</b>                 |
| <b>TOTAL DISTRICT REVENUE</b>              | <b>8,469,518</b>  | <b>9,182,150</b>  | <b>9,226,940</b>      | <b>10,340,500</b>     | <b>12.62%</b>              | <b>12.07%</b>                 |
| <b>OPERATING EXPENSES</b>                  |                   |                   |                       |                       |                            |                               |
| Wages Direct                               | 501,076           | 598,000           | 617,000               | 660,000               | 10.37%                     | 6.97%                         |
| Wages & Benefits: Allocated                | 663,675           | 827,731           | 907,625               | 988,507               | 19.42%                     | 8.91%                         |
| Benefits: PERS                             | 60,242            | 77,250            | 58,000                | 49,500                | -35.92%                    | -14.66%                       |
| Group Ins                                  | 203,871           | 275,000           | 230,000               | 287,000               | 4.36%                      | 24.78%                        |
| Workers Comp Ins                           | 7,923             | 9,275             | 10,000                | 10,000                | 7.82%                      | 0.00%                         |
| FICA/Medicare                              | 38,277            | 43,950            | 47,000                | 51,000                | 16.04%                     | 8.51%                         |
| Misc Benefits                              | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>Total Wages and Benefits</b>            | <b>1,475,064</b>  | <b>1,831,206</b>  | <b>1,869,625</b>      | <b>2,046,007</b>      | <b>11.73%</b>              | <b>9.43%</b>                  |
| Less: wages & ben charged to Capital Proj. | (71,271)          | (65,000)          | (200,000)             | (300,000)             | 361.54%                    | 50.00%                        |
| <b>Total Operating Wages and benefits</b>  | <b>1,403,793</b>  | <b>1,766,206</b>  | <b>1,669,625</b>      | <b>1,746,007</b>      | <b>-1.14%</b>              | <b>4.57%</b>                  |
| Sewage Treatment: Operating & Maint.       | 2,021,760         | 2,185,000         | 1,850,000             | 1,942,500             | -11.10%                    | 5.00%                         |
| Sewer Analysis                             | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Supplies/ Construction                     | 31,750            | 40,000            | 35,000                | 75,000                | 87.50%                     | 114.29%                       |
| Supplies/ Office-Administration            | 2,143             | 4,500             | 3,000                 | 3,500                 | -22.22%                    | 16.67%                        |
| Supplies/ Engineering                      | 247               | 500               | -                     | -                     | -100.00%                   | 0.00%                         |
| Supplies/ Maintenance                      | 58,040            | 45,000            | 43,000                | 50,000                | 11.11%                     | 16.28%                        |
| Temporary Labor                            | 29,810            | 22,250            | 12,000                | 23,250                | 4.49%                      | 93.75%                        |
| Repairs & Maintenance/Trucks               | 32,264            | 35,000            | 25,000                | 37,500                | 7.14%                      | 50.00%                        |
| Equipment Rental                           | -                 | 1,000             | 500                   | 1,250                 | 25.00%                     | 150.00%                       |
| Building & Grounds Maintenance             | 4,568             | 5,000             | 6,500                 | 7,000                 | 40.00%                     | 7.69%                         |
| Electrical Power                           | 94,247            | 115,000           | 95,000                | 105,000               | -8.70%                     | 10.53%                        |
| Telephone                                  | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Postage                                    | 164               | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Freight                                    | 960               | 350               | -                     | 300                   | -14.29%                    | 0.00%                         |
| Chemicals                                  | -                 | -                 | 60                    | -                     | 0.00%                      | -100.00%                      |
| Legal                                      | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Engineering                                | 404               | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Other Professional Services                | 3,375             | 5,000             | 3,000                 | 5,000                 | 0.00%                      | 66.67%                        |
| Transportation                             | 29,007            | 32,000            | 28,000                | 40,000                | 25.00%                     | 42.86%                        |
| Office Equip. Maintenance                  | 464               | 750               | 300                   | 350                   | -53.33%                    | 16.67%                        |
| Computer Software Maintenance              | 18,352            | 19,000            | 26,000                | 28,000                | 47.37%                     | 7.69%                         |
| Memberships & Subscriptions                | 1,556             | 1,500             | 2,700                 | 3,000                 | 100.00%                    | 11.11%                        |
| Bad Debts & Minimum Balance Writeoff       | (2)               | 10,000            | 10,000                | 10,000                | 0.00%                      | 0.00%                         |
| Conference & Continuing Ed                 | 589               | 10,000            | 12,000                | 15,000                | 50.00%                     | 25.00%                        |
| Certifications                             | 359               | 2,500             | 4,500                 | 4,000                 | 60.00%                     | -11.11%                       |
| State/County & LAFCO Charges and Charges   | 6,427             | 4,000             | 4,000                 | 5,000                 | 25.00%                     | 25.00%                        |
| Human Resources                            | 2,662             | 3,000             | 7,500                 | 4,000                 | 33.33%                     | -46.67%                       |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
 Sewer Fund

|  | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|--------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| Miscellaneous                            | 32                | 1,500              | 17                    | -                     | -100.00%                   | -100.00%                      |
| General & Admin Expense Allocation       | 260,606           | 349,150            | 294,700               | 315,900               | -9.52%                     | 7.19%                         |
| <b>TOTAL OPERATING EXPENSES</b>          | <b>4,003,577</b>  | <b>4,658,206</b>   | <b>4,132,402</b>      | <b>4,421,557</b>      | <b>-5.08%</b>              | <b>7.00%</b>                  |
| <b>LONG TERM DEBT PAYMENTS</b>           |                   |                    |                       |                       |                            |                               |
| 2014 Wastewater Revenue Bonds            | 486,575           | 487,175            | 487,175               | 484,825               | -0.48%                     | -0.48%                        |
| 2012 CIP & Refi.                         | 177,600           | 177,600            | 177,600               | 177,600               | 0.00%                      | 0.00%                         |
| VacCon Truck Loan(2021)                  | 117,441           | 117,441            | 117,441               | -                     | -100.00%                   | -100.00%                      |
| Debt Service: Allocated                  | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL LONG TERM DEBT PAYMENTS</b>     | <b>781,616</b>    | <b>782,216</b>     | <b>782,216</b>        | <b>662,425</b>        | <b>-15.31%</b>             | <b>-15.31%</b>                |
| <b>CAPITALIZED EXPENDITURES</b>          |                   |                    |                       |                       |                            |                               |
| Vehicles/Rolling Stock/Capital Equipment | 15,145            | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| Building, Yard& Paving Improvements      | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| Capital Improvements Sewer               | 729,782           | 1,645,500          | 1,146,500             | 2,810,833             | 70.82%                     | 145.17%                       |
| Engineering & Studies                    | -                 | -                  | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL CAPITAL EXPENDITURES</b>        | <b>744,927</b>    | <b>1,645,500</b>   | <b>1,146,500</b>      | <b>2,810,833</b>      | <b>70.82%</b>              | <b>145.17%</b>                |
| City of Eureka Projects:<br>CoE WWTP CIP | 579,805           | 3,670,000          | 3,670,000             | 3,824,000             | 4.20%                      | 4.20%                         |
| <b>TOTAL OTHER</b>                       | <b>579,805</b>    | <b>3,670,000</b>   | <b>3,670,000</b>      | <b>3,824,000</b>      | <b>4.20%</b>               | <b>4.20%</b>                  |
| <b>BUDGET SURPLUS (DEFICIT)</b>          | <b>2,359,594</b>  | <b>(1,573,772)</b> | <b>(504,178)</b>      | <b>(1,378,315)</b>    | <b>-12.42%</b>             | <b>173.38%</b>                |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
Sewer Fund

|   | 2024-25<br>Actual | 2025-26<br>Budget  | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|---|-------------------|--------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE &amp; EXPENSES</b>       |                   |                    |                       |                       |                            |                               |
| TOTAL OPERATING REVENUE                       | 8,168,352         | 8,904,400          | 8,966,500             | 10,039,700            | 12.75%                     | 11.97%                        |
| TOTAL OPERATING EXPENSES                      | (4,003,577)       | (4,658,206)        | (4,132,402)           | (4,421,557)           | -5.08%                     | 7.00%                         |
| NET SURPLUS/(DEFICIT) FROM OPERATIONS         | 4,164,776         | 4,246,194          | 4,834,098             | 5,618,143             | 32.31%                     | 16.22%                        |
| <b>NON-OPERATING REVENUE &amp; EXPENSES</b>   |                   |                    |                       |                       |                            |                               |
| TOTAL NON-OPERATING REVENUE                   | 301,166           | 277,750            | 260,440               | 300,800               | 8.30%                      | 15.50%                        |
| TOTAL LONG TERM DEBT SERVICE                  | (781,616)         | (782,216)          | (782,216)             | (662,425)             | -15.31%                    | -15.31%                       |
| SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES | 3,684,326         | 3,741,728          | 4,312,322             | 5,256,518             | 40.48%                     | 21.90%                        |
| HCSD CAPITAL IMPROVEMENT EXPENDITURES         | (744,927)         | (1,645,500)        | (1,146,500)           | (2,810,833)           | 70.82%                     | 145.17%                       |
| CITY of EUREKA PROJECT REIMBURSEMENT          | (579,805)         | (3,670,000)        | (3,670,000)           | (3,824,000)           | 4.20%                      | 4.20%                         |
| BUDGET SURPLUS or (DEFICIT)                   | <u>2,359,594</u>  | <u>(1,573,772)</u> | <u>(504,178)</u>      | <u>(1,378,315)</u>    | <u>-12.42%</u>             | <u>173.38%</u>                |

**Working Capital Reserve Summary**

|  |            |             |            |             |         |         |
|--|------------|-------------|------------|-------------|---------|---------|
| BUDGET SURPLUS or (DEFICIT)                  | 2,359,594  | (1,573,772) | (504,178)  | (1,378,315) | -12.42% | 173.38% |
| Beginning Working Capital Reserves           | 8,643,688  | 11,003,281  | 11,003,281 | 10,499,103  | -4.58%  | -4.58%  |
| Working Capital Reserve Balance, End of Year | 11,003,281 | 9,429,509   | 10,499,103 | 9,120,788   | -3.27%  | -13.13% |

**Minimum Target Reserve Balance**

\$2,166,700.00    \$2,321,200.00

**Maximum Target Reserve Balance**

\$10,731,800.00    \$11,067,700.00

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025**  
**General Fund**

|   | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|---|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE</b>                    |                   |                   |                       |                       |                            |                               |
| Interest                                    | 158,315           | 15,000            | 104,000               | 100,000               | 566.67%                    | -3.85%                        |
| Miscellaneous                               | 384               | -                 | 600                   | -                     | 0.00%                      | -100.00%                      |
| <b>TOTAL OPERATING REVENUE</b>              | <b>158,699</b>    | <b>15,000</b>     | <b>104,600</b>        | <b>100,000</b>        | <b>566.67%</b>             | <b>-4.40%</b>                 |
| <b>NON-OPERATING REVENUE</b>                |                   |                   |                       |                       |                            |                               |
| Property Taxes                              | 497,411           | 450,000           | 450,000               | 450,000               | 0.00%                      | 0.00%                         |
| Insurance Rebate                            | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Other Non-Operating Revenue                 | -                 | -                 | -                     | -                     |                            |                               |
| <b>TOTAL NON-OPERATING REVENUE</b>          | <b>497,411</b>    | <b>450,000</b>    | <b>450,000</b>        | <b>450,000</b>        | <b>0.00%</b>               | <b>0.00%</b>                  |
| <b>TOTAL DISTRICT REVENUE</b>               | <b>656,110</b>    | <b>465,000</b>    | <b>554,600</b>        | <b>550,000</b>        | <b>18.28%</b>              | <b>-0.83%</b>                 |
| <b>OPERATING EXPENSES</b>                   |                   |                   |                       |                       |                            |                               |
| Wages Direct                                | 404,786           | 509,062           | 408,000               | 434,000               | -14.75%                    | 6.37%                         |
| Discretionary PERS UAL Payment              | -                 | -                 | 321,000               | 283,014               | 0.00%                      | -11.83%                       |
| Benefits: PERS                              | 364,772           | 386,275           | 434,400               | 464,200               | 20.17%                     | 6.86%                         |
| Group Ins                                   | 567,980           | 763,000           | 651,000               | 814,000               | 6.68%                      | 25.04%                        |
| Workers Comp Ins                            | 6,399             | 7,875             | 6,000                 | 7,000                 | -11.11%                    | 16.67%                        |
| FICA/Medicare                               | 32,168            | 37,330            | 34,000                | 33,000                | -11.60%                    | -2.94%                        |
| Misc Benefits                               | 200               | 1,920             | 850                   | 1,800                 | -6.25%                     | 111.76%                       |
| <b>Total Wages and Benefits</b>             | <b>1,376,305</b>  | <b>1,705,462</b>  | <b>1,855,250</b>      | <b>2,037,014</b>      | <b>19.44%</b>              | <b>9.80%</b>                  |
| Less: wages & ben charged to Capital Proj.  | (46,831)          | (50,000)          | (40,000)              | (60,000)              | 20.00%                     | 50.00%                        |
| Less: Allocated to Water and Sewer Funds    | (1,327,350)       | (1,655,462)       | (1,815,250)           | (1,977,014)           | 19.42%                     | 8.91%                         |
| <b>Total Unallocated Wages and Benefits</b> | <b>2,124</b>      | <b>-</b>          | <b>-</b>              | <b>-</b>              | <b>0.00%</b>               | <b>0.00%</b>                  |
| Supplies/ Construction                      | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Supplies/ Administration                    | 5,570             | 6,000             | 7,500                 | 7,500                 | 25.00%                     | 0.00%                         |
| Supplies/ Engineering                       | 19                | 1,000             | 150                   | 2,500                 | 150.00%                    | 1566.67%                      |
| Supplies/ Maintenance                       | -                 | 5,000             | 500                   | -                     | -100.00%                   | -100.00%                      |
| Invoicing                                   | 74,227            | 65,000            | 70,000                | 70,000                | 7.69%                      | 0.00%                         |
| Temporary Labor                             | 21,658            | -                 | -                     | 10,000                | 0.00%                      | 0.00%                         |
| Repairs & Maintenance/Trucks                | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Equipment Rental                            | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Building & Grounds Maintenance              | 24,994            | 24,000            | 17,000                | 17,000                | -29.17%                    | 0.00%                         |
| Electrical Power                            | 80,025            | 100,000           | 100,000               | 105,000               | 5.00%                      | 5.00%                         |
| Street Lights                               | 77,125            | 90,000            | 75,000                | 80,000                | -11.11%                    | 6.67%                         |
| Telephone                                   | 21,508            | 15,000            | 18,000                | 18,000                | 20.00%                     | 0.00%                         |
| Postage                                     | 2,501             | 2,500             | 2,500                 | 2,500                 | 0.00%                      | 0.00%                         |
| Freight                                     | -                 | 300               | 250                   | 300                   | 0.00%                      | 20.00%                        |
| Liability Insurance                         | 133,725           | 150,000           | 150,000               | 160,000               | 6.67%                      | 6.67%                         |
| Legal Services                              | 7,580             | 40,000            | 60,000                | 46,000                | 15.00%                     | -23.33%                       |
| Accounting                                  | 18,658            | 20,000            | 20,000                | 20,000                | 0.00%                      | 0.00%                         |
| Engineering                                 | -                 | 1,500             | -                     | 2,000                 | 33.33%                     | 0.00%                         |
| Other Professional Services                 | 12,538            | 120,000           | 50,000                | 60,000                | -50.00%                    | 20.00%                        |
| Bank Service Charges                        | 21,087            | 22,000            | 22,000                | 24,000                | 9.09%                      | 9.09%                         |
| Transportation                              | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Office Equip. Maintenance                   | 3,865             | 4,500             | 3,000                 | 3,500                 | -22.22%                    | 16.67%                        |
| Computer Software Maintenance               | 6,295             | 6,000             | 4,000                 | 4,500                 | -25.00%                    | 12.50%                        |
| Memberships & Subscriptions                 | 20,695            | 44,000            | 40,000                | 38,500                | -12.50%                    | -3.75%                        |
| Bad Debts & Minimum Balance Writeoff        | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| Conference & Continuing Ed                  | 1,920             | 13,000            | -                     | -                     | -100.00%                   | 0.00%                         |
| Certifications                              | 1,920             | 1,500             | 1,000                 | 1,000                 | -33.33%                    | 0.00%                         |
| State/County & LAFCO Charges and Charges    | 20,734            | 19,000            | -                     | -                     | -100.00%                   | 0.00%                         |
| Elections Expense                           | 16,881            | -                 | -                     | 17,000                | 0.00%                      | 0.00%                         |
| Human Resources                             | 8,700             | 14,500            | 12,000                | 10,000                | -31.03%                    | -16.67%                       |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
**General Fund**

|  | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|--|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| Miscellaneous                            | 1,137             | 7,500             | (500)                 | -                     | -100.00%                   | -100.00%                      |
| Director's Charges                       | 12,850            | 16,000            | 12,000                | 12,500                | -21.88%                    | 4.17%                         |
| General & Admin Expense Allocation       | (521,211)         | (698,300)         | (589,400)             | (631,800)             | -9.52%                     | 7.19%                         |
| <b>TOTAL OPERATING EXPENSES</b>          | <b>77,125</b>     | <b>90,000</b>     | <b>75,000</b>         | <b>80,000</b>         | <b>-11.11%</b>             | <b>6.67%</b>                  |
| <b>LONG TERM DEBT PAYMENTS</b>           |                   |                   |                       |                       |                            |                               |
| Less: Allocated to Water & Sewer Funds   | -                 | -                 | -                     | -                     | 0.00%                      | 0.00%                         |
| <b>TOTAL LONG TERM DEBT PAYMENTS</b>     | <b>-</b>          | <b>-</b>          | <b>-</b>              | <b>-</b>              |                            |                               |
| <b>CAPITALIZED EXPENDITURES</b>          |                   |                   |                       |                       |                            |                               |
| Vehicles/Rolling Stock/Capital Equipment | 105,190           | 97,500            | 254,962               | 195,000               | 100.00%                    | -23.52%                       |
| Building, Yard & Paving Improvements     | 90,444            | 395,000           | 252,000               | 345,000               | -12.66%                    | 36.90%                        |
| Engineering & Studies                    | -                 | 15,000            | 15,000                | 15,000                | 0.00%                      | 0.00%                         |
| <b>TOTAL CAPITAL EXPENDITURES</b>        | <b>195,634</b>    | <b>507,500</b>    | <b>521,962</b>        | <b>555,000</b>        |                            |                               |
| <b>BUDGET SURPLUS (DEFICIT)</b>          | <b>383,351</b>    | <b>(132,500)</b>  | <b>(42,362)</b>       | <b>(85,000)</b>       | <b>-35.85%</b>             | <b>100.65%</b>                |

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2024-2025  
General Fund

|   | 2024-25<br>Actual | 2025-26<br>Budget | 2025-26<br>Est Actual | 2026-27<br>Budget req | % Change vs<br>2026 Budget | % Change vs<br>2026 Projected |
|---|-------------------|-------------------|-----------------------|-----------------------|----------------------------|-------------------------------|
| <b>OPERATING REVENUE &amp; EXPENSES</b>       |                   |                   |                       |                       |                            |                               |
| TOTAL OPERATING REVENUE                       | 158,699           | 15,000            | 104,600               | 100,000               | 566.67%                    | -4.40%                        |
| TOTAL OPERATING EXPENSES                      | (77,125)          | (90,000)          | (75,000)              | (80,000)              | -11.11%                    | 6.67%                         |
| NET SURPLUS/(DEFICIT) FROM OPERATIONS         | 81,574            | (75,000)          | 29,600                | 20,000                | -126.67%                   | -32.43%                       |
| <b>NON-OPERATING REVENUE &amp; EXPENSES</b>   |                   |                   |                       |                       |                            |                               |
| TOTAL NON-OPERATING REVENUE                   | 497,411           | 450,000           | 450,000               | 450,000               | 0.00%                      | 0.00%                         |
| SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES | 578,985           | 375,000           | 479,600               | 470,000               | 25.33%                     | -2.00%                        |
| HCSD CAPITAL IMPROVEMENT EXPENDITURES         | (195,634)         | (507,500)         | (521,962)             | (555,000)             | 9.36%                      | 6.33%                         |
| BUDGET SURPLUS or (DEFICIT)                   | <u>383,351</u>    | <u>(132,500)</u>  | <u>(42,362)</u>       | <u>(85,000)</u>       | <u>-35.85%</u>             | <u>100.65%</u>                |
| <b>Working Capital Reserve Summary</b>        |                   |                   |                       |                       |                            |                               |
| BUDGET SURPLUS or (DEFICIT)                   | 383,351           | (132,500)         | (42,362)              | (85,000)              | -35.85%                    | 100.65%                       |
| Beginning Working Capital Reserves            | 1,251,973         | 1,635,324         | 1,635,324             | 1,592,962             | -2.59%                     | -2.59%                        |
| Working Capital Reserve Balance, End of Year  | 1,635,324         | 1,502,824         | 1,592,962             | 1,507,962             | 0.34%                      | -5.34%                        |