

**AGENDA**  
**REGULAR MEETING OF THE BOARD OF COMMISSIONERS**  
**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**

**DATE:** May 9, 2024

**TIME:** Regular Session – 6:00 P.M.

**PLACE:** Wharfinger Building, One Marina Way, Eureka, CA 95501

*The Wharfinger Building is wheelchair accessible. Accommodations and access to Harbor District meetings for people with other handicaps must be requested of the Director of Administrative Services at (707) 443-0801 at least 24 hours in advance of the meeting.*

**1. Public Comment**

*Note: This portion of the Agenda allows the public to speak to the Board on the closed session items. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Closed Session Agenda. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners.*

**2. Call to Order Regular Session at 6:00 P.M. and Roll Call**

**3. Pledge of Allegiance**

**4. Public Comment**

*Note: This portion of the Agenda allows the public to speak to the Board on the **various issues NOT itemized on this Agenda.** A member of the public may also request that a matter appearing on the Consent Calendar be pulled and discussed separately. Pursuant to the Brown Act, the Board may not take action on any item that does not appear on the Agenda. Each speaker is limited to speak for a period of three (3) minutes regarding each item on the Agenda. Each speaker is limited to speak for a period of three (3) minutes during the PUBLIC COMMENT portion of the Agenda regarding items of special interest to the public NOT appearing on the Agenda that are within the subject matter jurisdiction of the Board of Commissioners. The three (3) minute time limit may not be transferred to other speakers. The three (3) minute time limit for each speaker may be extended by the President of the Board of Commissioners or the Presiding Member of the Board of Commissioners at the regular meeting of the District.*

**5. Consent Calendar**

- a) Adopt Minutes for the April 11, 2024, Regular Board Meeting
- b) Receive District Financial Reports March 2024

**Agenda for May 9, 2024 Regular Board Meeting**

- c) Charter Agreement Renewal for Micah Woolworth dba Lost Coast Sportfishing to Operate a Charter Service at Woodley Island Marina
- d) Charter Agreement Renewal for R. Charles and Kim Class dba First Class to Operate a Bed & Breakfast at Woodley Island Marina

**6. Communications, Reports, and Correspondence Received**

- a) Correspondence Received
  - 1. Ballot for Humboldt LAFCo
  - 2. Letter from Heidi Benzonelli Regarding the Upcoming Election for Special District Members to Serve on the Humboldt Local Area Foundation Commission (LAFCo)
- b) Executive Director's Report
- c) Staff Reports
- d) District Counsel and District Treasurer Reports
- e) Commissioner and Committee Reports

**7. Unfinished Business**

- a) **Receive Status Update Regarding the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project**

*Recommendation:* Receive the report and provide direction.

*Summary:* The Board has requested a monthly update regarding the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project. The Board has requested a monthly update regarding the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project. Updates may include project schedule, budget, funding opportunities, tasks completed, tasks underway, upcoming tasks, the latest overall project strategy, and agreements with Crowley Wind Services. This report will provide an update for the month of May 2024.

**8. New Business**

- a) **Consider Adopting Resolution 2024-04, a Resolution Affirming the Humboldt Bay Harbor, Recreation, and Conservation District's Commitment to the Prevention of Sex Trafficking and "Missing and Murdered Indigenous People" in Association with the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project**

*Recommendation:* Staff Recommends the Board take the following three actions: 1. Adopt Resolution 2024-04; 2. Direct staff to share this staff report and the Resolution with local governmental entities throughout the Humboldt Bay region and to encourage those entities to consider using the Resolution as a template for their future projects; 3. Direct staff to continue to work with regional Tribes, learn from them, and identify actions that the District can enact to contribute to their advancement.

*Summary:* The proposed Resolution (see Attachment A) acknowledges a historical crisis among Tribes of sex trafficking, sexualized violence, and Missing and Murdered

## **Agenda for May 9, 2024 Regular Board Meeting**

Indigenous People (MMIP). The Resolution also commits the District to implement specific measures intended to prevent the District's Heavy Lift Marine Terminal project from contributing to such atrocities in the future.

### **b) Receive Report Regarding a Concept for a Future District Program Regarding the Removal of Abandoned Creosote Piles Throughout Humboldt Bay**

*Recommendation:* Staff recommends the Board: Receive a report regarding a concept for a future District Program regarding the removal of abandoned creosote piles throughout Humboldt Bay.

*Summary:* District staff estimates that there are approximately 5,000 abandoned creosote-soaked wood piles throughout Humboldt Bay. Staff recommends a five-step process to work towards removal of all abandoned piles in the Bay.

### **c) Budget Goals for Redwood Marine Terminal I, Redwood Marine Terminal II, and the Shelter Cove Boat Launch**

*Recommendation:* Staff recommends the Board receive a report on the proposed capital expense projects for the 2024-2025 fiscal year for Redwood Marine Terminal I, Redwood Marine Terminal II and the Shelter Boat Launch.

*Summary:* Beginning at the April 11<sup>th</sup> meeting, staff will present the Capital expense projects under consideration for the 2024-2025 fiscal year and the projected costs of each. These items do not include the recurring maintenance and operations costs, which will be presented in the final draft budget brought to the commission for approval in June.

### **d) Accept the Audit Report for the 2022-2023 Fiscal Year**

*Recommendation:* Staff recommends the Board: Accept the Audit Report for the 2022-2023 Fiscal Year.

*Summary:* Independent auditors report prepared by Harshwal & Company LLP for the fiscal year ending June 30<sup>th</sup>, 2023. See page 25 of the Audit for detailed information on restricted cash balances for the Dredge Surcharge and the Float Replacement Surcharge.

## **9. Future Agenda Items**

### **a) Resolution supporting Community Engagement**

## **10. Adjournment**

**DRAFT MINUTES  
REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**

**April 11, 2024**

The Humboldt Bay Harbor, Recreation and Conservation District met in regular session on the above date, Closed Session met at 5:00 P.M., Regular Session met at 6:00 P.M. at the Woodley Island Marina meeting room, 601 Startare Drive, Eureka, CA 95501.

**CLOSED SESSION – 5:00 P.M.**

**PUBLIC COMMENT:** The following individuals addressed the Commission regarding subject matters on the closed session meeting agenda: No one.

**BUSINESS**

- a) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Property: All or Portions of Humboldt County Assessor Parcel Nos.: 401-112-024-000, 401-031-040-000, 401-031-078-000, and 401-031-083-000, and portions of the tidelands along the Samoa Peninsula adjacent to Redwood Marine Terminal I. Agency negotiator: Chris Mikkelsen, Executive Director; Ryan Plotz, District Counsel. Negotiating parties: Crowley Wind Services, Inc. Under negotiation: price and terms of payment.
  
- b) CONFERENCE WITH REAL PROPERTY NEGOTIATORS. Terms of potential acquisition and/or lease of real property on the Samoa Peninsula, Humboldt County, with Assessor’s Parcel Numbers, 401-112-021 and 401-112-024 California pursuant to California Government Code § 54956.8. District negotiators: Chris Mikkelsen, Executive Director; Ryan Plotz, District Counsel. Negotiating party: California Marine Investments LLC. Under negotiation: price and payment terms.
  
- c) CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: One case. Facts and circumstances involve allegations by California River Watch of certain violations of the Clean Water Act or other related laws arising from the District’s Fields Landing facilities.

**REGULAR SESSION – 6:00 P.M.**

**ROLL CALL**

**PRESENT:** BENSON  
KULLMANN  
NEWMAN

**ABSENT:** DALE  
HIGGINS

**QUORUM:** YES

**PLEDGE OF ALLEGIENCE**

**PUBLIC COMMENT:** The following individuals addressed the Commission regarding subject matters not on the regular session meeting agenda: No one.

**CONSENT CALENDAR**

- a) Adopt Minutes for the March 14, 2024 Regular Board Meeting
- b) Receive District Financial Reports February 2024
- c) Consider Approval and Adoption of a Procurement Policy

COMMISSIONER BENSON ASKED BOARD VICE CHAIR TO PULL ITEM 8C FOR DISCUSSION.

COMMISSIONER NEWMAN MOVED ACCEPT CONSENT CALENDAR ITEMS A-B.

COMMISSIONER BENSON SECONDED.

VOICE VOTE WAS CALLED, MOTION CARRIED.

Ayes: BENSON, KULLMANN, NEWMAN

Noes: NONE

Absent: DALE, HIGGINS

Abstain: NONE

- I. Executive Director presented item 8c, Procurement Policy.
- II. The Commission discussed the item.
- III. Vice Chair Kullmann opened the item to public comment. Wendy Choate commented.
- IV. Vice Chair Kullmann moved the discussion back to the Commission.

COMMISSIONER BENSON MOVED TO ADOPT ITEM 8C.

COMMISSIONER NEWMANN SECONDED.

VOICE CALL VOTE WAS CALLED, MOTION CARRIED.

Ayes: BENSON, KULLMANN, NEWMAN

Noes: NONE

Absent: DALE, HIGGINS

Abstain: NONE

**COMMUNICATIONS, REPORTS AND CORRESPONDENCE RECEIVED**

- a) Correspondence Received
- b) Executive Director’s Report
  - I. Executive Director presented Executive Director’s report.
- c) Staff Reports
  - I. Staff presented reports.
- d) District Counsel and District Treasurer Reports
  - I. No report.
- e) Commissioner and Committee Reports
  - I. Commissioners reported on recent activities and subcommittees.

**UNFINISHED BUSINESS**

**a) Receive Status Update Regarding Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project**

- I. District staff presented the item.
- II. The Commission discussed the item.
- III. Vice Chair Kullmann opened the item to public comment. Alysia Bixler, Wendy Choate, Colleen Clifford and Kerry Venegas commented.
- IV. Vice Chair Kullmann moved the discussion back to the Commission.
- V. Discussion item only, no formal action was taken.

**b) Receive Status Update Regarding the District-Owned Marine Outfall Line**

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Vice Chair Kullmann opened the item to public comment. No one commented.
- IV. Vice Chair Kullmann moved the discussion back to the Commission.
- V. Discussion item only, no formal action was taken.

**NEW BUSINESS**

**a) Budget Goals for Woodley Island Marina, Fields Landing Boat Yard, and Dredging**

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Vice Chair Kullmann opened the item to public comment. No one commented.
- IV. Vice Chair Kullmann moved the discussion back to the Commission.
- V. Presentation only, no formal action was taken.

**b) Review and Adopt Travel Reimbursement Guidelines**

- I. Executive Director presented the item.
- II. The Commission discussed the item.
- III. Vice Chair Kullmann opened the item to public comment. Kerry Venegas commented.
- IV. Vice Chair Kullmann moved the discussion back to the Commission.

COMMISSIONER NEWMAN MOVED TO ADOPT CalHR 2023 – ALLOWANCES AND TRAVEL REIMBURSEMENT GUIDELINES

COMMISSIONER BENSON SECONDED.

VOICE VOTE WAS CALLED, MOTION CARRIED.

Ayes: BENSON, KULLMANN, NEWMAN

Noes: NONE

Absent: DALE, HIGGINS

Abstain: NONE

**FUTURE AGENDA ITEMS**

- a) Resolution supporting Missing and Murdered Indigenous Persons (MMIP)**
- b) District Bay-wide Piling Removal Concept**
- c) ACOE Nearshore placement update**

**Draft Minutes for April 11, 2024 Regular Board Meeting**

**ADJOURNMENT – 7:19 P.M.**

APPROVED BY:

RECORDED BY:

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Aaron Newman  
Secretary of the Board of Commissioners

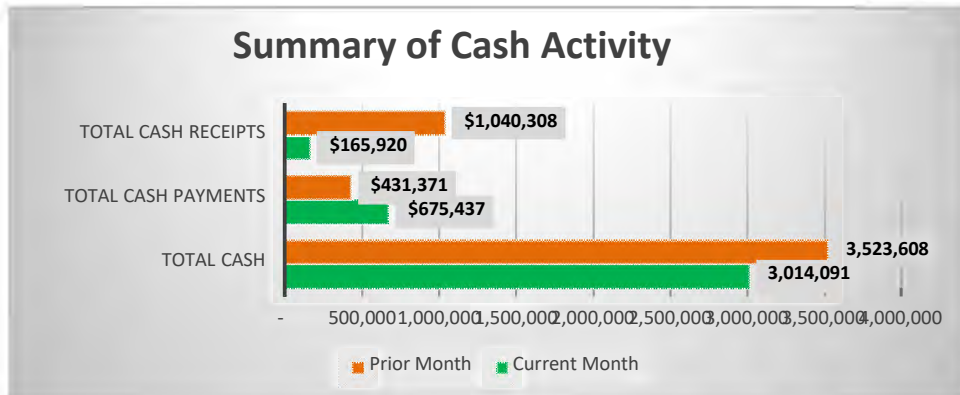
Mindy Hiley  
Director of Administrative Services

HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT

Monthly Cash Flow Analysis

For The Months Ended March 31, 2024 and February 29, 2024

	<u>3/31/24</u>	<u>2/29/24</u>
<b><u>Account Balances</u></b>		
Checking	\$ 24,939	\$ 374,754
Savings	1,688,335	1,699,015
County Treasury	1,298,624	1,448,624
Cash on hand	2,193	1,215
<b>Total Cash</b>	<b><u>3,014,091</u></b>	<b><u>3,523,608</u></b>
Less: Restricted cash for Marina surcharges	(430,849)	(403,868)
<b>Unrestricted Cash</b>	<b><u>2,583,242</u></b>	<b><u>3,119,740</u></b>
Less: Unexpended grant proceeds and Nordic deposits included in cash above	(741,408)	(745,945)
<b>Cash Available (Deficit), excluding Marina surcharges</b>	<b><u>1,841,834</u></b>	<b><u>2,373,795</u></b>
<b><u>Change in Cash Balance</u></b>		
Balance, Beginning of Month	\$ 3,523,608	\$2,914,671
Monthly Deposits	165,920	1,040,308
Monthly Payments	(675,437)	(431,371)
Balance, End of Month	<b><u>\$ 3,014,091</u></b>	<b><u>\$3,523,608</u></b>
<b><u>Monthly Expenses Summary</u></b>		
Significant Individual Expenses:		
Redwood Community Action Agency	\$ 35,418	\$ 101,718
Moffat & Nichol expenditure	284,455	
Third payroll in month		25,879
Wahlund Construction Inc.	98,414	
Semi-annual property tax expense		20,330
Sub-total, Significance/Unusual Expenses	<u>418,287</u>	<u>147,927</u>
General operating expenses and other misc. expense	257,150	283,444
Total Cash Payments	<b><u>\$ 675,437</u></b>	<b><u>\$ 431,371</u></b>
<b><u>Monthly Deposits Summary</u></b>		
Significant Individual Revenues:		
CalTrans-Office of Clean CA Local Grant		\$ 52,746
Property taxes and interest income		674,150
Nordic Aquafarms, Inc.		55,849
Sub-total, Significant/Unusual Revenues	<u>-</u>	<u>782,745</u>
General revenues	165,920	257,563
Total Cash Receipts	<b><u>\$ 165,920</u></b>	<b><u>\$1,040,308</u></b>





11:04 AM

**Humboldt Bay Harbor, Recreation & Conservation District**

**Balance Sheet**

05/03/24

As of March 31, 2024

Accrual Basis

	Mar 31, 24
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10000 · PETTY CASH ON HAND	150.00
10100 · CHANGE FUND ON HAND	300.00
10111 · COIN MACHINE FUND	730.00
10200 · CASH IN BANK, CHECKING	18,431.14
10200.1 · Cash in PNC, Checking	6,508.08
10400 · CASH IN COUNTY - FUND 2720	1,261,732.59
10500 · CASH IN COUNTY - FUND 3872	36,890.97
10600.1 · Cash in bank, Tariff PNC	1,677,981.16
10700.1 · Cash in bank, Water PNC	10,354.03
10901 · UNEXPENDED MARINA SURCHARGES	430,849.15
10903 · RESTRICTED CASH	-430,849.15
<b>Total Checking/Savings</b>	<b>3,013,077.97</b>
<b>Accounts Receivable</b>	
12000 · ACCTS RECEIVABLE	2,082,154.26
<b>Total Accounts Receivable</b>	<b>2,082,154.26</b>
<b>Other Current Assets</b>	
12100 · ALLOW FOR BAD DEBTS	-418,101.27
12200 · TAXES RECEIVBLE	266,953.00
12300 · INTEREST RECEIVBLE	14,802.77
12600 · Note Receivable - NMTC	5,849,375.00
12700 · PREPAID EXPENSES	77,132.84
1499 · Undeposited Funds	1,012.50
<b>Total Other Current Assets</b>	<b>5,791,174.84</b>
<b>Total Current Assets</b>	<b>10,886,407.07</b>
<b>Fixed Assets</b>	
<b>CAPITAL ASSETS, NET</b>	
14910 · SAMOA PROPERTY	208,149.00
14930 · TOWN OF SAMOA PROPERTY	3,007,851.23
14940 · BAY STREET PROPERTY	35,000.00
15000 · AUTOMOTIVE EQUIPMENT	95,639.08
15100 · OFFICE EQUIPMENT	193,303.88
15200 · OPERATING EQUIPMENT	314,098.74
15600 · MARINA	10,529,004.29
15700 · FL BOAT BLDG & REPAIR FACILITY	4,302,259.53
15800 · SHELTER COVE	2,386,247.10
15900 · DREDGING COSTS	215,226.78
16000 · KING SALMON	15,143.99
16100 · MARINA DREDGE, CONSTR IN PROGRES	1,351,140.12
16400 · REDWOOD DOCK PROPERTY	3,010,194.30
16500 · HOMELAND SECURITY EQUIPMENT	2,254,007.60
16600 · TABLE BLUFF LIGHTHOUSE	361.44
16700 · AQUAPONICS PILOT FACILITY	96,036.61
16800 · REDWOOD TERMINAL 2	2,613,169.43
16900 · Dredge	1,215,423.27
17000 · ACCUMULATED DEPRECIATION	-18,989,614.17
<b>Total CAPITAL ASSETS, NET</b>	<b>12,852,642.22</b>
14800 · SHIPWRECK PROPERTY	50,088.05
14900 · DOG RANCH PROPERTY	7,507.70
<b>Total Fixed Assets</b>	<b>12,910,237.97</b>
<b>Other Assets</b>	
18700 · Deferred Lease Asset	3,679,190.00
19000 · Deferred Outflows of PERS	702,529.00
<b>Total Other Assets</b>	<b>4,381,719.00</b>

## Humboldt Bay Harbor, Recreation &amp; Conservation District

## Balance Sheet

05/03/24

As of March 31, 2024

Accrual Basis

	Mar 31, 24
<b>TOTAL ASSETS</b>	<b>28,178,364.04</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 · ACCOUNTS PAYABLE	612,495.13
<b>Total Accounts Payable</b>	612,495.13
<b>Credit Cards</b>	
20112 · US Bank Visa	3,199.20
<b>Total Credit Cards</b>	3,199.20
<b>Other Current Liabilities</b>	
<b>Payroll tax &amp; Withholding Liab</b>	
2100 · PAYROLL LIABILITIES	-2,772.38
21000 · WAGE GARNISHES	372.46
21100 · FEDERAL WITHHOLDING TAX	5,229.30
21200 · STATE WITHHOLDING TAX	2,450.43
21300 · STATE UNEMPLOYMENT TAX	2,526.02
21600 · PERS CARE/MEDICAL INSURANCE	12,288.23
21700 · PERS RETIREMENT	5.60
21900 · UNION DUES DEDUCTIBLE	74.76
<b>Total Payroll tax &amp; Withholding Liab</b>	20,174.42
20200 · NOTES PAYABLE	173,717.33
20400 · ACCRUED WAGES PAYABLE	37,333.75
20500 · ACCRUED INTEREST	46,025.14
20600 · ACCRUED VACATION PAYABLE	68,682.94
20800 · DEPOSITS ON HAND	
20801 · KEY DEPOSITS ON HAND	18,120.00
20802 · PLUG DEPOSITS ON HAND	1,230.00
20803 · SLIP DEPOSITS ON HAND	50,832.81
20804 · STORAGE DEPOSITS	4,199.15
20806 · LEASE SECURITY DEPOSIT	101,698.42
20807 · STORAGE DEPOSIT - REDWOOD DOCK	2,943.31
20808 · WAIT LIST DEPOSIT	5,175.00
<b>Total 20800 · DEPOSITS ON HAND</b>	184,198.69
24000 · Ground Lease Deferred Income	3,906,000.00
24002 · Groundlease Current Def Income	120,184.62
27201 · Deferred Inflows - OPEB	3,223.00
28000 · DEFERRED INCOME	163,450.39
28400 · DEFERREDINCOMECalTrans Spartina	731,850.37
<b>Total Other Current Liabilities</b>	5,454,840.65
<b>Total Current Liabilities</b>	6,070,534.98
<b>Long Term Liabilities</b>	
24001 · Gound Lease Amortization	-424,391.45
24003 · Groundlease Current Offset	-120,184.62
25500 · OPEB Liability	169,351.00
25700 · BOND PAYABLE 2014 REFINANCING	1,447,641.17
25800 · BBVA Loan Payable	908,007.88
25900 · LESS CURRENT PORTION	-173,717.33
26100 · Rate Stabilization Fund	5,454,000.00
27000 · Net Pension Liability	1,408,435.00
27200 · Deferred Inflows of PERS	115,823.00
27202 · Deferred Inflows - Leases	3,545,298.00
<b>Total Long Term Liabilities</b>	12,330,262.65
<b>Total Liabilities</b>	18,400,797.63
<b>Equity</b>	

Humboldt Bay Harbor, Recreation & Conservation District

Balance Sheet

As of March 31, 2024

	<u>Mar 31, 24</u>
30500 · INVESTMENT IN FIXED ASSETS	9,225,775.07
30900 · RESTRICTED FUND BALANCE	
30901 · Restricted Fd Bal-Curr Yr Chang	-1,458,506.17
30900 · RESTRICTED FUND BALANCE - Other	<u>1,887,090.07</u>
Total 30900 · RESTRICTED FUND BALANCE	428,583.90
31200 · GENERAL FUND BALANCE	
31000 · FUND BALANCE - TIDELANDS TRUST	-931,218.23
31201 · General Fund-Change is Restrict	1,458,506.17
31200 · GENERAL FUND BALANCE - Other	<u>1,083,842.61</u>
Total 31200 · GENERAL FUND BALANCE	1,611,130.55
3900 · RETAINED EARNINGS	-63.45
Net Income	<u>-1,487,859.66</u>
Total Equity	<u>9,777,566.41</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>28,178,364.04</u></b>

11:07 AM

Humboldt Bay Harbor, Recreation & Conservation District

05/03/24

Profit & Loss

Accrual Basis

March 2024

	Mar 24	Jul '23 - Mar 24
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>Donations</b>		
46519 · Donations - Lighthouse	0.00	5.00
<b>Total Donations</b>	0.00	5.00
<b>Dredging Revenue</b>		
41318 · Dredging Surcharge - T	20,503.40	177,011.05
<b>Total Dredging Revenue</b>	20,503.40	177,011.05
<b>Fees</b>		
40108 · PERMITS-T	750.00	3,750.00
40808 · Pilotage Services - T	0.00	1,584.69
41308 · Moorage - T	0.00	11.20
41308.1 · Poundage - T	311.12	4,298.19
41818 · Late Charges/Interest - T	6,025.00	55,650.00
41819 · Late Charges/Interest - NT	25.00	919.77
45608 · Chevron - Ports O&M - T	8,087.50	24,262.50
<b>Total Fees</b>	15,198.62	90,476.35
<b>Float Replacement Account</b>		
41418 · Float Replacement	6,477.76	55,789.03
<b>Total Float Replacement Account</b>	6,477.76	55,789.03
<b>Grant Revenue</b>		
Harbor Grants		
45208.1 · Harbor Grants, Gov't - T	0.00	6,531.39
<b>Total Harbor Grants</b>	0.00	6,531.39
<b>Total Grant Revenue</b>	0.00	6,531.39
<b>Harbor Surcharge</b>		
40908 · Harbor Improvement Surcharge-T	3,748.00	86,853.68
<b>Total Harbor Surcharge</b>	3,748.00	86,853.68
<b>Interest Revenue</b>		
43108 · Interest Income - T	4,407.59	77,011.41
43109 · Interest Income - NT	583.33	5,249.97
43309 · Interest On Del Accts - NT	0.00	103.54
<b>Total Interest Revenue</b>	4,990.92	82,364.92
<b>Other Revenue</b>		
45908 · Other Revenue - T	1.00	1,039,929.90
45909 · Other Revenue - NT	10,032.53	271,406.81
46008 · Recovery of Bad Debt - T	0.00	1,000.00
<b>Total Other Revenue</b>	10,033.53	1,312,336.71
<b>Rent Income</b>		
40218 · Slip Rents - T	50,355.23	431,527.38
40318.1 · Transient Rentals - T	2,909.05	24,342.20
40518 · Equipment Rent - T	0.00	3,438.42
40519 · Equipment Rent - NT	310.00	1,790.00
40809 · Yard Rent - NT	1,021.20	10,300.80
41108 · Rents, Tidelands Leases - T	15,607.10	328,989.28
41309 · Storage - NT	5,637.01	54,963.54
41409 · Upland Rent - NT		
41409.2 · Redwood Terminal 2 - NMTC	0.00	0.00
41409 · Upland Rent - NT - Other	106,498.93	965,791.21
<b>Total 41409 · Upland Rent - NT</b>	106,498.93	965,791.21
<b>Total Rent Income</b>	182,338.52	1,821,142.83

## Humboldt Bay Harbor, Recreation &amp; Conservation District

## Profit &amp; Loss

05/03/24

March 2024

Accrual Basis

	Mar 24	Jul '23 - Mar 24
<b>Sales</b>		
40119 · Concession Sales - NT	634.25	4,627.25
<b>Total Sales</b>	634.25	4,627.25
<b>Tax Revenue</b>		
43509 · Property Tax Revenues	110,000.00	990,000.00
45009 · Other Federal Tax Revenue	0.00	12.57
<b>Total Tax Revenue</b>	110,000.00	990,012.57
<b>Utility Surcharge</b>		
40409 · Utility Surcharge - NT	1,608.00	27,455.38
40418 · Utility Surcharge, Marina Dock	369.29	38,633.60
<b>Total Utility Surcharge</b>	1,977.29	66,088.98
47019 · Returned Check Charges	0.00	35.00
52708.1 · Discount	0.00	174.40
<b>Total Income</b>	355,902.29	4,693,449.16
<b>Gross Profit</b>	355,902.29	4,693,449.16
<b>Expense</b>		
<b>Accounting/Auditing Services</b>		
52500 · Accounting Fees - T	3,433.50	39,183.38
52508 · Accounting Fees - NT	1,144.50	14,771.12
<b>Total Accounting/Auditing Services</b>	4,578.00	53,954.50
<b>Advertising &amp; Promotion</b>		
51000 · Advertising & Promotion - NT	0.00	1,790.96
51008 · Advertising & Promotion - T	0.00	3,031.45
<b>Total Advertising &amp; Promotion</b>	0.00	4,822.41
<b>Bad Debts</b>		
51308 · Bad Debts - T	0.00	28,498.80
<b>Total Bad Debts</b>	0.00	28,498.80
<b>Communications</b>		
51400 · Communications - NT	2,067.61	15,827.88
51408 · Communications - T	173.61	1,535.06
<b>Total Communications</b>	2,241.22	17,362.94
<b>Conference &amp; Meetings</b>		
51500 · Conferences & Meetings - NT	3,782.25	14,698.59
51508 · Conferences & Meetings - T	61.56	2,043.23
<b>Total Conference &amp; Meetings</b>	3,843.81	16,741.82
<b>Dredging Expense</b>		
55608 · Dredging Expense - T	0.00	196,823.61
56708 · Dredging - GT	0.00	573,688.75
56718 · Dredging - MT	0.00	918,528.75
<b>Total Dredging Expense</b>	0.00	1,689,041.11
<b>Dues, Subscriptions &amp; Licences</b>		
51600 · Dues & Subscriptions - NT	4,547.40	27,191.30
51608 · Dues & Subscriptions - T	1,110.00	3,161.50
<b>Total Dues, Subscriptions &amp; Licences</b>	5,657.40	30,352.80
<b>Elections &amp; Government Fees</b>		
51700 · Elections & Prop Tax Assess-NT	132.00	62,417.61
<b>Total Elections &amp; Government Fees</b>	132.00	62,417.61
<b>Engineering Services</b>		

## Humboldt Bay Harbor, Recreation &amp; Conservation District

## Profit &amp; Loss

05/03/24

March 2024

Accrual Basis

	Mar 24	Jul '23 - Mar 24
52400 · Engineering Fees - NT	5,282.50	61,840.15
52408 · Engineering Fees - T	336.25	4,955.00
<b>Total Engineering Services</b>	<b>5,618.75</b>	<b>66,795.15</b>
<b>Fuel</b>		
50400 · IMPUTED AUTO VALUE G/A	180.00	1,080.00
51200 · Automotive, Fuel- NT	81.23	4,843.95
51208 · Vessel Fuel	1,482.71	3,335.50
51218 · Automotive, Fuel - T	261.24	5,535.98
<b>Total Fuel</b>	<b>2,005.18</b>	<b>14,795.43</b>
<b>Grant Expenses</b>		
<b>Conservation Grant Expenses</b>		
54408.3 · Conservation Grant Exp	0.00	13,039.59
<b>Total Conservation Grant Expenses</b>	<b>0.00</b>	<b>13,039.59</b>
<b>Harbor Grant Expenses</b>		
54408.1 · Harbor Grant Exp	494,564.97	1,647,564.70
<b>Total Harbor Grant Expenses</b>	<b>494,564.97</b>	<b>1,647,564.70</b>
<b>Recreation Grant Expenses</b>		
54408.2 · Recreation Grant Exp	24,295.22	193,491.08
<b>Total Recreation Grant Expenses</b>	<b>24,295.22</b>	<b>193,491.08</b>
<b>Total Grant Expenses</b>	<b>518,860.19</b>	<b>1,854,095.37</b>
<b>Insurance</b>		
51800 · Insurance - NT	11,428.16	95,721.41
51808 · Insurance - T	0.00	19,766.50
<b>Total Insurance</b>	<b>11,428.16</b>	<b>115,487.91</b>
<b>Interest Expense</b>		
55108 · Interest Expense - T	4,156.00	177,125.00
55109 · Interest Expense - NT	7,624.00	68,616.00
<b>Total Interest Expense</b>	<b>11,780.00</b>	<b>245,741.00</b>
<b>Legal Services</b>		
52300 · Legal Fees - NT	4,236.25	52,443.52
52308 · Legal Fees - T	503.75	15,153.48
<b>Total Legal Services</b>	<b>4,740.00</b>	<b>67,597.00</b>
<b>Maintenance - Equipment</b>		
51209 · Automotive, Repairs - NT	411.82	9,885.23
52710 · Repairs & Maint, Equip - NT	144.09	2,649.45
52718 · Repairs & Maint, Equip - T	2,400.00	3,208.94
<b>Total Maintenance - Equipment</b>	<b>2,955.91</b>	<b>15,743.62</b>
<b>Maintenance - Facilities</b>		
52708 · Repairs & Maint, Facilities - T	498.14	46,098.63
52719 · Repairs & Maint, Facilities - N	3,124.19	48,302.51
<b>Total Maintenance - Facilities</b>	<b>3,622.33</b>	<b>94,401.14</b>
<b>Maintenance - IT</b>		
57008 · Maintenance, IT Equip - T	511.00	7,601.53
57009 · Maintenance, IT Equip - NT	487.50	3,922.15
<b>Total Maintenance - IT</b>	<b>998.50</b>	<b>11,523.68</b>
<b>Maintenance Supplies</b>		
52008 · Maintenance Supplies - T	0.00	298.08
52010 · Maintenance Supplies - NT	3,120.27	15,529.06

## Humboldt Bay Harbor, Recreation &amp; Conservation District

## Profit &amp; Loss

05/03/24

March 2024

Accrual Basis

	Mar 24	Jul '23 - Mar 24
Total Maintenance Supplies	3,120.27	15,827.14
Office Supplies		
51900 · Office Supplies - NT	3,773.56	36,851.55
51908 · Office Supplies - T	314.92	6,421.91
Total Office Supplies	4,088.48	43,273.46
Other Expenses		
53709 · Cash Over/Short - NT	863.18	95.75
55418 · Other Expenses - T	0.00	325.00
55419 · Other Expenses - NT	0.00	7,500.00
Total Other Expenses	863.18	7,920.75
Other Professional/Outside Serv		
52109 · Outside Services, Other - NT	1,971.00	3,772.17
52110 · OUTSIDE SERVICES M/A	0.00	250.00
52118 · Outside Services, Other - T	0.00	3,702.00
Total Other Professional/Outside Serv	1,971.00	7,724.17
Permits		
51610 · Permits - NT	0.00	171.66
51618 · Permits - T	0.00	14,093.00
Total Permits	0.00	14,264.66
Personnel Expenses		
Commissioners Fees		
50200 · Commissioner's Salaries - NT	2,100.00	18,900.00
50208 · Commissioner's Salaries - T	900.00	8,100.00
Total Commissioners Fees	3,000.00	27,000.00
Contract Temporary Services		
50318 · Contract Temporary Services - T	0.00	13,518.18
Total Contract Temporary Services	0.00	13,518.18
Payroll Burden		
50500 · Payroll Benefits, Other - NT	28,779.25	285,181.02
50508 · Payroll Benefits, Other - T	7,034.65	82,469.00
6560 · Workers' Comp	5,339.40	36,741.17
Total Payroll Burden	41,153.30	404,391.19
Salaries/Wages		
50100 · Salaries & Wages - NT	108,014.63	843,628.59
Total Salaries/Wages	108,014.63	843,628.59
Total Personnel Expenses	152,167.93	1,288,537.96
Planning Services		
52200 · Planning Fees - NT	0.00	39,491.41
52208 · Planning Fees - T	-740.00	2,477.50
Total Planning Services	-740.00	41,968.91
Rent Expense		
52600 · Rent Expense - NT	500.00	1,256.00
54308 · Redwood Terminal 2 Lease Expens	1,147.54	8,620.54
Total Rent Expense	1,647.54	9,876.54
Small Tools		
52800 · Small Tools - NT	0.00	1,266.46
52808 · Small Tools - T	0.00	162.78
Total Small Tools	0.00	1,429.24

Humboldt Bay Harbor, Recreation & Conservation District

05/03/24

Profit & Loss

Accrual Basis

March 2024

	Mar 24	Jul '23 - Mar 24
<b>Utilities</b>		
52909 · Utilities - NT	14,441.23	145,111.13
52918 · Utilities - T	8,017.05	44,732.17
53000 · Water, Sewer, & Refuse - NT	9,586.78	103,986.70
53008 · Water, Sewer, & Refuse - T	5,565.75	63,696.62
<b>Total Utilities</b>	37,610.81	357,526.62
57018 · Bank Service Charges	428.29	3,587.08
<b>Total Expense</b>	779,618.95	6,181,308.82
<b>Net Ordinary Income</b>	-423,716.66	-1,487,859.66
<b>Net Income</b>	<b>-423,716.66</b>	<b>-1,487,859.66</b>



11:05 AM

Humboldt Bay Harbor, Recreation & Conservation District

05/03/24

Account QuickReport

Accrual Basis

As of March 31, 2024

Type	Date	Num	Name	Memo	Amount
<b>10200.1 - Cash in PNC, Checking</b>					
Bill Pmt -Check	03/01/2024	ACH	CalPERS Health	2233447024	-17,206.40
Liability Check	03/01/2024	ACH	State Disbursement Unit	0230000067964	-233.53
Liability Check	03/01/2024	ACH	PERS Unfunded Accrue...	2233447024	-5,598.30
Liability Check	03/01/2024	ACH	CalPERS 457 Program	450348	-1,113.35
Bill Pmt -Check	03/01/2024	ACH	CalPERS 457 Program	457Match 03/01/...	-300.00
Bill Pmt -Check	03/01/2024	2869	Advanced Security Syste...	RMT2 364 Vanc...	-223.50
Bill Pmt -Check	03/01/2024	2870	Amazon Business (Invoi...	ANG2R6J1Z77S1	-198.74
Bill Pmt -Check	03/01/2024	2871	AT&T Internet	831-000-8571 571	-886.57
Bill Pmt -Check	03/01/2024	2872	California Redwood Co.	Red Tank Electri...	-1,126.60
Bill Pmt -Check	03/01/2024	2873	Campton Electric Supply		-225.90
Bill Pmt -Check	03/01/2024	2874	City of Eureka	09-9778	-500.00
Bill Pmt -Check	03/01/2024	2875	City of Eureka (Sewer)	2001-901804-02	-5,387.36
Bill Pmt -Check	03/01/2024	2876	City of Eureka (Water)	2001-901802-01	-6,357.45
Bill Pmt -Check	03/01/2024	2877	Francotyp-Postalia	466106100	-145.66
Bill Pmt -Check	03/01/2024	2878	Humboldt Community Se...	3165	-18.00
Bill Pmt -Check	03/01/2024	2879	Moffatt & Nichol	Project 212991/0...	-284,455.41
Bill Pmt -Check	03/01/2024	2880	Network Help To Go		-575.00
Bill Pmt -Check	03/01/2024	2881	North Coast Laboratories...	FLBY	-245.00
Bill Pmt -Check	03/01/2024	2882	Northern California Glove	3474	-257.61
Bill Pmt -Check	03/01/2024	2883	Pacific Gas & Electric (8...	0074698259-4	-2,893.41
Bill Pmt -Check	03/01/2024	2884	Pacific Gas & Electric (N...	2072047	-638.59
Bill Pmt -Check	03/01/2024	2885	Reincke Marine Fabricati...	PO#2108 Emerg...	-3,444.62
Bill Pmt -Check	03/01/2024	2886	Restif Cleaning Service		-110.00
Bill Pmt -Check	03/01/2024	2887	Solink Corporation	PO#2007 Dock ...	-3,078.03
Bill Pmt -Check	03/01/2024	2888	Standard Insurance Com...	ST 908447 0001	-178.00
Bill Pmt -Check	03/01/2024	2889	Tony Gosselin & Sons	PO#2106 Blue ...	-353.91
Bill Pmt -Check	03/01/2024	2890	Valley Pacific Petroleum ...	114137	-1,140.08
Bill Pmt -Check	03/01/2024	2891	Yurok Tribe	Council Operations	-1,000.00
Bill Pmt -Check	03/01/2024	2892	Anderson Trucking LLC		-9,500.00
Bill Pmt -Check	03/01/2024	2893	World Oil Enviromental S...	15055	-1,011.69
Check	03/01/2024	2894	US Bank Corporate Pay...		-4,322.40
Check	03/01/2024	2895	Forkner, Bill	Tenant Refund	-273.00
Check	03/01/2024	2896	Bouterse, Will	Tenant Refund	-17.50
Check	03/01/2024	2897	Fox, Rick.	Tenant Refund	-191.10
Check	03/01/2024	2898	Davis, Patrick Cyn	Tenant Refund	-291.60
Check	03/01/2024	2899	Cherney, David & Elaine	Replace Check #...	-20.00
Check	03/01/2024	2900	High Rock Conservation ...	Replace Check #...	-200.00
Check	03/01/2024	2901	Lee, Daniel	Replace Check #...	-220.52
Check	03/04/2024	DD	Inchcape Shipping Servi...	Returned Duplica...	-14,045.82
Liability Check	03/11/2024	E-pay	Internal Revenue Service	94-2262845 QB ...	-38.28
Liability Check	03/12/2024	E-pay	Employment Developme...	499-0307-3 QB T...	-1,839.38
Liability Check	03/12/2024	E-pay	Internal Revenue Service	94-2262845 QB ...	-4,614.40
Liability Check	03/14/2024		QuickBooks Payroll Serv...	Created by Payro...	-25,678.33
Bill Pmt -Check	03/15/2024	2902	K&L Gates LLP	2074259.00001	-15,713.50
Bill Pmt -Check	03/15/2024	2903	Redwood Community Ac...	PO 1841, Project...	-35,418.48
Bill Pmt -Check	03/15/2024	2904	Wahlund Construction Inc.	35-21	-98,413.90
Liability Check	03/15/2024	ACH	State Disbursement Unit	0230000067964	-233.53
Liability Check	03/15/2024	ACH	CalPERS 457 Program	450348	-1,113.87
Liability Check	03/15/2024	ACH	PERS Unfunded Accrue...	2233447024	-5,595.83
Bill Pmt -Check	03/15/2024	ACH	PERS Unfunded Accrue...	2233447024	-7,930.50
Bill Pmt -Check	03/15/2024	ACH	CalPERS 457 Program	457Match 03/15/...	-300.00
Bill Pmt -Check	03/15/2024	2905	101Netlink		-790.34
Bill Pmt -Check	03/15/2024	2906	314intermedia		-60.00
Bill Pmt -Check	03/15/2024	2907	Alliant Insurance Service...	HUMBAY-02	-500.00
Bill Pmt -Check	03/15/2024	2908	Arcata Used Tire & Wheel		-20.00
Bill Pmt -Check	03/15/2024	2909	B & B Portable Toilets	RWD	-133.44
Bill Pmt -Check	03/15/2024	2910	CA Dept of Tax and Fee ...	Hazardous Wast...	-434.00
Bill Pmt -Check	03/15/2024	2911	California Dept of Motor ...	2004 SPCN UTIL...	-10.00
Bill Pmt -Check	03/15/2024	2912	California Redwood Co.	Red Tank Electri...	-1,301.15
Bill Pmt -Check	03/15/2024	2913	Campton Electric Supply		-228.62
Bill Pmt -Check	03/15/2024	2914	Colantuono, Highsmith &...	Bill Received 3/0...	-168.00
Bill Pmt -Check	03/15/2024	2915	David L. Moonie & Co., L...		-4,690.00
Bill Pmt -Check	03/15/2024	2916	Downey Brand LLP	49712.00000	-1,386.00
Bill Pmt -Check	03/15/2024	2917	Englund Marine Supply		-310.20
Bill Pmt -Check	03/15/2024	2918	Eureka Oxygen Company		-94.00
Bill Pmt -Check	03/15/2024	2919	Hensell Materials, Inc.		-103.24
Bill Pmt -Check	03/15/2024	2920	Hiley, Mindy	Notary Services	-15.00
Bill Pmt -Check	03/15/2024	2921	Humboldt Area Chapter ...	Dues for 2024	-50.00

Humboldt Bay Harbor, Recreation & Conservation District

05/03/24

Account QuickReport

Accrual Basis

As of March 31, 2024

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	03/15/2024	2922	Humboldt Bay Municipal ...	9002.001 RMT2	-1,266.39
Bill Pmt -Check	03/15/2024	2923	Humboldt No. 1 Fire Prot...		-132.00
Bill Pmt -Check	03/15/2024	2924	Humboldt Recycling, LLC.		-45.00
Bill Pmt -Check	03/15/2024	2925	Humboldt Waste Manag...	20218	-36.33
Bill Pmt -Check	03/15/2024	2926	Keenan Supply		-21.98
Bill Pmt -Check	03/15/2024	2927	Kernen Construction	PO#2102 Rip Ra...	-1,310.00
Bill Pmt -Check	03/15/2024	2928	Law Offices of Nancy Dia...	Billboards	-715.00
Bill Pmt -Check	03/15/2024	2929	Mario's Marina, LLC	Fish Cleaning St...	-500.00
Bill Pmt -Check	03/15/2024	2930	Mill Yard, The		-43.69
Bill Pmt -Check	03/15/2024	2931	Mission Uniform & Linen	299313	-628.35
Bill Pmt -Check	03/15/2024	2932	Napa Auto Parts	24290	-341.16
Bill Pmt -Check	03/15/2024	2933	North Coast Journal		-221.25
Bill Pmt -Check	03/15/2024	2934	Pacific Gas & Electric (1...	Acct #06704919...	-3,881.32
Bill Pmt -Check	03/15/2024	2935	Pacific Gas & Electric (3...	6598073494-4	-337.28
Bill Pmt -Check	03/15/2024	2936	Pierson Building Center	1297	-631.36
Bill Pmt -Check	03/15/2024	2937	Pitcher's Pro Repair	Diagnostic PA B...	-300.00
Bill Pmt -Check	03/15/2024	2938	Platt Electric Supply	217917	-545.58
Bill Pmt -Check	03/15/2024	2939	Recology Eel River	061097997	-519.24
Bill Pmt -Check	03/15/2024	2940	Recology Humboldt Cou...	061218064	-837.49
Bill Pmt -Check	03/15/2024	2941	Recology Humboldt Cou...	A0060000265	-1,807.35
Bill Pmt -Check	03/15/2024	2942	Schmidbauer Building S...		-245.43
Bill Pmt -Check	03/15/2024	2943	Shafer's Ace Hardware #...	21586	-76.37
Bill Pmt -Check	03/15/2024	2944	Shafer's Ace Hardware (...)	31586	-19.58
Bill Pmt -Check	03/15/2024	2945	Shelter Cove Resort Imp...	SC 01/29/24-02/...	-114.45
Bill Pmt -Check	03/15/2024	2946	SHN Consulting Enginee...		-5,213.30
Bill Pmt -Check	03/15/2024	2947	Sonic Leak Detection	PO# 2110	-650.00
Bill Pmt -Check	03/15/2024	2948	Specialty Traffic Systems		-57.36
Bill Pmt -Check	03/15/2024	2949	StewTel, Inc.		-347.22
Bill Pmt -Check	03/15/2024	2950	Thrifty Supply		-6.69
Bill Pmt -Check	03/15/2024	2951	Times Printing Co	Business Cards	-131.07
Bill Pmt -Check	03/15/2024	2952	Tony Gosselin & Sons	PO#2112 Blue ...	-353.91
Bill Pmt -Check	03/15/2024	2953	Valley Pacific Petroleum ...	114137	-2,209.59
Bill Pmt -Check	03/15/2024	2954	Verizon Wireless		-164.18
Bill Pmt -Check	03/15/2024	2955	Western Chainsaw	PO#2101	-393.29
Bill Pmt -Check	03/15/2024	2956	Verizon Wireless		-252.91
Check	03/15/2024	2957	US Bank Corporate Pay...		-3,268.78
Bill Pmt -Check	03/15/2024	2958	City of Eureka - Wharfing...	PO#2119 Specia...	-670.00
Bill Pmt -Check	03/15/2024	2959	Scribble Software	Marina Manage...	-2,220.00
Liability Check	03/27/2024	E-pay	Internal Revenue Service	94-2262845 QB ...	-5,354.70
Liability Check	03/27/2024	E-pay	Employment Developme...	499-0307-3 QB T...	-2,111.08
Check	03/28/2024		QuickBooks Payroll Serv...	Created by Direct...	-3.50
Liability Check	03/28/2024		QuickBooks Payroll Serv...	Created by Payro...	-28,136.93
Bill Pmt -Check	03/29/2024	DD April	Howser, Suzie	April Health Insur...	-757.82
Bill Pmt -Check	03/29/2024	DD April	Mell, Doug	April Health Insur...	-757.82
Liability Check	03/29/2024	2960	Operating Engineers Loc...	94-2262845	-515.16
Liability Check	03/29/2024	ACH	State Disbursement Unit	0230000067964	-233.53
Liability Check	03/29/2024	2961	Franchise Tax Board		-150.00
Liability Check	03/29/2024	ACH	PERS Unfunded Accrue...	2233447024	-5,604.90
Liability Check	03/29/2024	ACH	CalPERS 457 Program	450348	-1,141.73
Bill Pmt -Check	03/29/2024	ACH	CalPERS 457 Program	457Match 03/29/...	-300.00
Bill Pmt -Check	03/29/2024	2962	Amazon Business (Invoi...	ANG2R6J1Z77S1	-498.14
Bill Pmt -Check	03/29/2024	2963	Coastal Business Syste...	017-1623192-000	-527.94
Bill Pmt -Check	03/29/2024	2964	Dale, Greg.	PO 2122	-1,025.48
Bill Pmt -Check	03/29/2024	2965	Eureka Rubber Stamp		-18.15
Bill Pmt -Check	03/29/2024	2966	Keenan Supply		-61.22
Bill Pmt -Check	03/29/2024	2967	Network Help To Go		-575.00
Bill Pmt -Check	03/29/2024	2968	Wiyot Tribe	Received 03/25/...	-4,047.10
Check	03/29/2024	2970	Daniels, Mike	Tenant Refund	-257.50
Check	03/29/2024	2971	Paxton, James	Tenant Refund	-91.50
Check	03/29/2024	2969	Salo, Steve	Tenant Refund	-2,533.20
Bill Pmt -Check	03/29/2024	2972	Amazon Business (Invoi...	ANG2R6J1Z77S1	-108.20
Bill Pmt -Check	03/29/2024	2973	Standard Insurance Com...	ST 908447 0001	-178.00
Bill Pmt -Check	03/29/2024	2974	Pacific Gas & Electric (8...	0074698259-4	-10,502.75
Check	03/29/2024			Service Charge	-381.83
Total 10200.1 - Cash in PNC, Checking					-671,556.72
<b>TOTAL</b>					<b>-671,556.72</b>

HUMBOLDT BAY HARBOR, RECREATION  
AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO  
OPERATE A CHARTER SERVICE

Startare Drive  
Woodley Island Marina  
P.O. Box 1030  
Eureka, CA 95501

PERMITTEE:  
**Micah Woolworth**  
**dba *Lost Coast Sportfishing***  
**4245 Dows Prairie Rd**  
**McKinleyville, CA 95519**

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **MICAH WOOLWORTH** an individual, dba ***LOST COAST SPORTFISHING*** hereinafter referred to as "**Micah Woolworth.**"

**WHEREAS, Micah Woolworth** will be the Lessee of Slip Number 00E, Float D, at the Woodley Island Marina for a vessel, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

**WHEREAS,** on or about April 15, 2024 **Micah Woolworth** made written request to renew the Permit operate the business ***Lost Coast Sportfishing*** on a vessel moored at Slip Number 4, Float D at the Woodley Island Marina; and

**WHEREAS,** Ordinance Number 9, Section 6.7, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

**AFTER REVIEW AND CONSIDERATION** thereof by the Board of Commissioners of the District of the application of **Micah Woolworth:**

**THE PARTIES, THEREFORE, AGREE AS FOLLOWS:**

1. District shall permit **Micah Woolworth**, an individual, to operate the business ***Lost Coast Sportfishing*** for the purpose of charter service at the Woodley Island Marina. The charter services shall consist primarily of sport fishing. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **Micah Woolworth** operates the business of charter services from the Woodley Island Marina.
2. The term of this Permit and Agreement shall be for one (3) years commencing May 01, 2024 and terminating on April 30, 2027. District or **Micah Woolworth** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **Micah Woolworth** with or without cause or reason by giving **Micah Woolworth** sixty (60) days written notice of termination and **Micah Woolworth** shall terminate his business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **Micah Woolworth**, at 4245 Dows Prairie Road, McKinleyville, CA 95519. In the event **Micah Woolworth** is in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **Micah Woolworth's** Berthing Permit is terminated pursuant to said Agreement, this Permit and Agreement to operate a Charter Service shall terminate forthwith on the date of termination of **Micah Woolworth's** Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.
3. In addition to the monthly rental payable by **Micah Woolworth** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **Micah Woolworth**

shall pay District the sum of two hundred fifty dollars and no cents (\$250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.

4. On or prior to the date of the Agreement, to wit: May 01, 2024, **Micah Woolworth** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **Micah Woolworth** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **Micah Woolworth** from liability for bodily injury, death, or property damage as a result of his operation and shall name District as an additional insured and provide District, prior to May 01 each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents (\$1,000,000.00) per occurrence. In the event said liability insurance policy referred to in Paragraph 4 is cancelled or terminated, **Micah Woolworth** shall forthwith cease and stop his **Lost Coast Sportfishing** business at District's premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.
5. **Micah Woolworth** shall, prior to commencing operation of **Lost Coast Sportfishing** obtain any and all necessary permits, if applicable, including but not limited to City of Eureka business license, and California Department of Fish and Wildlife licenses.
6. **Micah Woolworth** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **Micah Woolworth** and **Micah Woolworth** shall indemnify and hold harmless District,

its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **Micah Woolworth** agrees to hold harmless, indemnify, and hold District non-responsible for any of **Micah Woolworth's** operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.

7. **Micah Woolworth** at all times shall comply and shall obtain compliance of Lessee's family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.
8. **Micah Woolworth** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.
9. **Micah Woolworth** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **Micah Woolworth** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform

in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.

10. This Permit and Agreement is not transferable or assignable by **Micah Woolworth** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **Micah Woolworth** shall be null and void.
11. This Permit and Agreement is non-exclusive, and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.
13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **Micah Woolworth** is hereby notified by the District that this Permit and Agreement to Operate ***Lost Coast Sportfishing*** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **Micah Woolworth** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **Micah Woolworth** agrees and acknowledges that he has actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **Micah Woolworth** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a charter service in conjunction with the Berthing Permit and Rental Agreement for the vessels for Woodley Island Marina **Micah Woolworth** hereby acknowledges that he has actual knowledge of the existence of a possessory interest tax and has read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **Micah**

**Woolworth** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and his Berthing Permit and Rental Agreement for his vessel, for Woodley Island Marina.

**EXECUTED on, \_\_\_\_\_, 2024, by authority of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT.**

\_\_\_\_\_  
**Greg Dale, President  
Board of Commissioners  
HUMBOLDT BAY HARBOR, RECREATION,  
AND CONSERVATION DISTRICT**

**Micah Woolworth, an individual, dba, *Lost Coast Sportfishing***, as Permittee in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: \_\_\_\_\_, 2024

By \_\_\_\_\_  
**Micah Woolworth, Owner  
*Lost Coast Sportfishing***



HUMBOLDT BAY HARBOR, RECREATION  
AND CONSERVATION DISTRICT

PERMIT AND AGREEMENT TO  
OPERATE A BED AND BREAKFAST BUSINESS

Startare Drive  
Woodley Island Marina  
PO Box 1030  
Eureka, CA 95501

PERMITTEE:

**R. Charles (Doby) and Kim Class**  
**dba *First Class***  
**1578 10<sup>th</sup> Street**  
**Arcata, CA 95521**

This Permit and Agreement is executed in triplicate at Woodley Island Marina, Eureka, California, between HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, hereinafter referred to as "District", and **R. Charles (Doby) and Kim Class**, dba ***FIRST CLASS*** hereinafter referred to as "**R. Charles (Doby) and Kim Class.**"

**WHEREAS, R. Charles (Doby) and Kim Class** will be the Lessees of Slip Number 01, Float G, at the Woodley Island Marina for the sailing vessel ***OBSESSION***, pursuant to a Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto and incorporated by reference as Exhibit "A" hereto; and

**WHEREAS,** on or about April 15, 2024 **R. Charles (Doby) and Kim Class** made a written application to renew their Permit and Agreement to operate the Bed and Breakfast business ***First Class*** on the sailing vessel ***OBSESSION*** moored at Slip Number 01 Float G at the Woodley Island Marina; and

**WHEREAS,** Ordinance Number 9, Section 6.7, subparagraph (a) of the District prohibits any commercial endeavor or charter service for hire without a special permit from the District.

**AFTER REVIEW AND CONSIDERATION** thereof by the Board of Commissioners of the District of the application of **R. Charles (Doby) and Kim Class**:

**THE PARTIES, THEREFORE, AGREE AS FOLLOWS:**

1. District shall permit **R. Charles (Doby) and Kim Class**, to operate the business **First Class** for the purpose of a Bed and Breakfast at the Woodley Island Marina. The Bed and Breakfast shall consist primarily of overnight accommodations and may include sailing excursions. Diving or diving instruction from or on said vessel shall not be allowed and shall be prohibited at all times at any locations within or without the boundaries of Woodley Island Marina while **R. Charles (Doby) and Kim Class** operates the business of a Bed and Breakfasts from the Woodley Island Marina.
2. The term of this Permit and Agreement shall be for three (3) years commencing May 01, 2024 and terminating on April 30, 2027. District or **R. Charles (Doby) and Kim Class** may terminate this Permit and Agreement by giving sixty (60) days written notice of termination to the other party. District may terminate this Permit and Agreement with **R. Charles (Doby) and Kim Class** with or without cause or reason by giving **R. Charles (Doby) and Kim Class** sixty (60) days written notice of termination and **R. Charles (Doby) and Kim Class** shall terminate their business, as defined in Paragraph 1, (60) days from the date of personal service of said written notice of termination or sixty (60) days from the date of deposit or the written notice of termination deposited, enclosed in a sealed envelope with postage thereon fully prepaid, in the United States mail, and addressed to **R. Charles (Doby) and Kim Class**, at **1578 10<sup>th</sup> Street, Arcata, CA 95521**.

In the event **R. Charles (Doby) and Kim Class** are in default of any of the provisions of the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", and **R. Charles (Doby) and Kim Class's** Berthing Permit is terminated pursuant to

said Agreement, this Permit and Agreement to operate a *Bed and Breakfast* shall terminate forthwith on the date of termination of **R. Charles (Doby) and Kim Class**'s Berthing Permit and Rental Agreement for the Woodley Island Marina without the requirement of the hereinabove set forth sixty (60) day notice of termination provisions.

3. In addition to the monthly rental payable by **R. Charles (Doby) Class and Kim Class** to the District pursuant to the Berthing Permit and Rental Agreement for the Woodley Island Marina, a copy of which is attached hereto as Exhibit "A", **R. Charles (Doby) and Kim Class** shall pay District the sum of two hundred fifty dollars and no cents (\$250.00) per year, however all rates may be changed pursuant to paragraph 3 of the Berthing Permit and Rental Agreement for Woodley Island Marina which provides that the District may change or increase the rates by giving thirty (30) days notice.
4. On or prior to the date of the Agreement, to wit: April 30, 2024, **R. Charles (Doby) and Kim Class** shall purchase and maintain throughout the term of the Permit and Agreement Commercial General Liability insurance covering **R. Charles (Doby) and Kim Class** pursuant to the terms of this Permit and Agreement. Said insurance policy of "protection and indemnity insurance" insuring **R. Charles (Doby) and Kim Class** from liability for bodily injury, death, or property damage as a result of their operation and shall name District as an additional insured and provide District, prior to April each year, with a Certificate of Insurance stating the amount of the insurance and proof that the District is an additional named insured, and the agreement of said insurance company that District shall be notified forthwith of the event of non-payment of the premium or termination of said insurance policy. The amount of insurance shall be One Million Dollars and no cents (\$1,000,000.00) per occurrence. In the event said liability insurance policy referred to in the Paragraph 4 is cancelled or terminated, **R. Charles (Doby) and Kim Class** shall forthwith cease and stop their **FIRST CLASS** business at District's

premises at the Woodley Island Marina and shall not resume operations until said liability insurance policy is fully reinstated and in full force and effect.

5. **R. Charles (Doby) and Kim Class** shall, prior to commencing operation of **FIRST CLASS**, obtain any and all necessary permits and licenses, if applicable, including but not limited to City of Eureka business license and United States Coast Guard vessel inspection. A United States Coast Guard inspection shall be conducted annually.
6. **R. Charles (Doby) and Kim Class** agrees that neither the Humboldt Bay Harbor, Recreation and Conservation District, nor its Board of Commissioners, nor any Officer of the District shall be liable to any extent for the injury or damages to any person or property or for the death of any person arising out of or connected with **R. Charles (Doby) and Kim Class**, and **R. Charles (Doby) and Kim Class** shall indemnify and hold harmless District, its Commissioners, and Officers free and harmless from any liability for any such injury, death or damages. In addition, **R. Charles (Doby) and Kim Class** agrees to hold harmless, indemnify, and hold District non-responsible for any of **R. Charles (Doby) and Kim Class**'s operations according to the provisions of paragraphs 11, 13, and 19 of the Berthing Permit and Rental Agreement for Woodley Island Marina, a copy of which is attached hereto as Exhibit "A" and incorporated by reference as though set forth in full.
7. **R. Charles (Doby) and Kim Class** at all times shall comply and shall obtain compliance of Lessees' family, agents, employees, business visitors, and invitees of all laws, ordinances, rules and regulations, including Ordinance No.9, the Woodley Island Marina Rules and Regulations, and those of local, state, and federal government.
8. **R. Charles (Doby) and Kim Class** at all times shall ensure that walkways and finger piers are not obstructed in any manner. No tires, ropes, canvas, or other material shall be nailed or attached to finger piers, docks, and piles

without the written approval of the District. No person shall throw, discharge, or deposit from any vessel or from the shore or float or in any other manner, any waste, fish or shellfish parts into or upon the waters of the Woodley Island Marina or upon the banks, walls, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. No person shall place or leave waste, dead animals, fish, shellfish, bait, or other putrefying matter on or along seawalls, harbor structures, floats, piers, sidewalks, or parking areas within the boundaries of the Woodley Island Marina. Vessel must be kept free of trash and waste product so as not to attract seagulls, sea lions, harbor seals, and other animals. All trash and waste product shall be properly disposed of each day.

9. **R. Charles (Doby) and Kim Class** may place a sign on the vessel the size of which must be approved by the District's Executive Director. **R. Charles (Doby) and Kim Class** may place a directional sign for incoming traffic onto Woodley Island Marina in an area approved by the Executive Director. Type and size of all signs are to be approved by the Executive Director of the District and, shall reasonably conform in size, shape, and colors of the signs heretofore existing on Woodley Island and the Woodley Island Marina.
10. This Permit and Agreement is not transferable or assignable by **R. Charles (Doby) and Kim Class** without approval in writing by the District. Any transfer of assignment or attempted transfer or assignment of this Permit by **R. Charles (Doby) and Kim Class** shall be null and void.
11. This Permit and Agreement is non-exclusive and District retains the right to enter into agreements with and grant permits to other persons or business for the same purposes as set forth in this Permit and Agreement.
12. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, successors, and assigns of all of the parties hereto; and all of the parties hereto shall be jointly and severally liable hereunder.

13. Time is of the essence of this Permit and Agreement and of each and every covenant, term, and condition, and provision hereof.
14. **R. Charles (Doby) and Kim Class** is hereby notified by the District that this Permit and Agreement to Operate **FIRST CLASS** in conjunction with the Berthing Permit and Rental Agreement for a vessel at the Woodley Island Marina or property interests created herein, if any, may be subject to a possessory interest tax or property taxation if created pursuant to Sections 107 to 108 of the California Revenue and Taxation Code and that **R. Charles (Doby) and Kim Class** and/or the party in whom the possessory interest is vested may be subject to the payment of property taxes levied upon such interests. **R. Charles (Doby) and Kim Class** agrees and acknowledges that they have actual notice pursuant to Section 107.6 of the California Revenue and Taxation Code and that **R. Charles (Doby) and Kim Class** may be required to pay a possessory interest tax as a result of this Permit and Agreement to operate a Bed and Breakfast in conjunction with the Berthing Permit and Rental Agreement for the vessel for Woodley Island Marina. **R. Charles (Doby) and Kim Class** hereby acknowledge that they have actual knowledge of the existence of a possessory interest tax and have read the provision of Section 107 to 108 of the California Revenue and Taxation Code. **R. Charles (Doby) and Kim Class** agrees to and shall pay all possessory interest taxes levied by any governmental agency by reason of this Permit and Agreement and their Berthing Permit and Rental Agreement for their vessel, for Woodley Island Marina.

**EXECUTED on, \_\_\_\_\_, 2024, by authority of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT.**

\_\_\_\_\_  
**Greg Dale, President  
Board of Commissioners  
HUMBOLDT BAY HARBOR, RECREATION,  
AND CONSERVATION DISTRICT**

**R. Charles (Doby) and Kim Class, dba, *First Class***, as Permittees in this Permit and Agreement hereby accepts and agrees to all terms and conditions herein above set forth.

Dated: \_\_\_\_\_, 2024 By \_\_\_\_\_  
**R. Charles (Doby) Class, Owner  
*FIRST CLASS***

Dated: \_\_\_\_\_, 2024 By \_\_\_\_\_  
**Kim Class, Owner  
*FIRST CLASS***



RECEIVED

APR 03 2024

H.B.H.R. & C.D.

**Please note that our address has changed:  
\*\*Humboldt LAFCo, 670 9th Street, Suite 5, Arcata, CA 95521\*\***

Date: April 5, 2024  
 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 special district member on LAFCo expires on June 30, 2024. 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	Debra Lake, Fruitland Ridge Fire Protection District	2020 - 2024
Regular Member	Troy Nicolini, Peninsula Community Services District	2022 - 2026
Alternate Member	Heidi Benzonelli, Humboldt 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 January 26, 2024, which provided for the opportunity for independent special district boards to nominate candidates to fill the special district member vacancies.** The nomination period ended on March 29, 2024.

**Enclosed is an official ballot to elect one candidate to serve as a regular special district member on LAFCo with a term beginning on July 1, 2024 and expiring June 30, 2028.**

**Please mark selection directly onto the ballot, voting for no more than one (1) candidate. Ballots must be returned to LAFCo, 670 9th Street, Suite 5, Arcata, CA 95521 on or before 5:00 p.m. on June 7, 2024.**

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. The candidate receiving the most votes shall be deemed elected. 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.

If you have any questions, please contact LAFCo staff at [colettem@humboldtlafo.org](mailto:colettem@humboldtlafo.org) or you can leave a voicemail at (707) 445-7508.



### Election Schedule

LAFCo call for nominations letter mailed	Friday, January 26, 2024
Nominations due to LAFCo	By 5:00 p.m., Friday, March 29, 2024
Ballots mailed from LAFCo via certified mail	No later than Friday, April 5, 2024
Election Day – Ballots due to LAFCo	By 5:00 p.m., Friday, June 7, 2024
Election results mailed from LAFCo	No later than Friday, June 14, 2024

### Independent Special Districts

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>Big Lagoon Community Services District</li> <li>Briceland Community Services District</li> <li>Carlotta Community Services District</li> <li>Fieldbrook-Glendale Community Services District</li> <li>Humboldt Community Services District</li> <li>Loleta Community Services District</li> <li>Manila Community Services District</li> <li>McKinleyville Community Services District</li> <li>Miranda Community Services District</li> <li>Orick Community Services District</li> <li>Orleans Community Services District</li> <li>Palmer Creek Community Services District</li> <li>Patrick Creek Community Services District</li> <li>Peninsula Community Services District</li> <li>Phillipsville Community Services District</li> <li>Redway Community Services District</li> <li>Riverside Community Services District</li> <li>Scotia Community Services District</li> <li>Weott Community Services District</li> <li>Westhaven Community Services District</li> <li>Willow Creek Community Services District</li> </ul> | <ul style="list-style-type: none"> <li>Arcata Fire Protection District</li> <li>Blue Lake Fire Protection District</li> <li>Briceland Fire Protection District</li> <li>Bridgeville Fire Protection District</li> <li>Ferndale Fire Protection District</li> <li>Fruitland Ridge Fire Protection District</li> <li>Garberville Fire Protection District</li> <li>Humboldt No. 1 Fire Protection District</li> <li>Kneeland Fire Protection District</li> <li>Myers Flat Fire Protection District</li> <li>Petrolia Fire Protection District</li> <li>Redway Fire Protection District</li> <li>Rio Dell Fire Protection District</li> <li>Salmon Creek Fire Protection District</li> <li>Telegraph Ridge Fire Protection District</li> <li>Willow Creek Fire Protection District</li> </ul> |
| <ul style="list-style-type: none"> <li>Alderpoint County Water District</li> <li>Hydesville County Water District</li> <li>Jacoby Creek County Water District</li> <li>Humboldt Bay Municipal Water District</li> <li>Garberville Sanitary District</li> <li>Resort Improvement District No. 1</li> </ul>  | <ul style="list-style-type: none"> <li>Humboldt Bay Harbor, Recreation and Conservation District</li> <li>Humboldt County Resource Conservation District</li> <li>North Humboldt Recreation and Park District</li> <li>Southern Humboldt Community Healthcare District</li> <li>Fortuna Cemetery District</li> <li>Petrolia Cemetery District</li> </ul>   |



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

Mark selection directly onto the ballot, voting for no more than one (1) candidate. Ballots must be returned to the LAFCo office at 670 9<sup>th</sup> Street, Suite 5, Arcata, CA 95521 on or before 5:00 p.m. on June 7, 2024.

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

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

Telephone: \_\_\_\_\_

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

**HEIDI BENZONELLI**  
Sponsor: Humboldt Community Services District

**DAVID COUCH**  
Sponsor: McKinleyville Community Services District

The Board hereby selects the above candidate to fill the term beginning on July 1, 2024 and expiring on June 30, 2028, as a regular special district member of the Humboldt Local Agency Formation Commission.

Board action taken on the \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES: \_\_\_\_\_

NOSE: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

DISTRICT REPRESENTATIVE:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name / Title

# Humboldt Community Services District

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

April 15, 2024

RECEIVED

Board of Directors for  
Humboldt Bay Harbor, Recreation and Conservation District  
PO Box 1030  
Eureka, CA 95502

APR 17 2024

H.B.H.R. & C.D.

Subject: Upcoming Election for Special District Members to Serve on the Humboldt Local Area Foundation Commission (LAFCo)

Dear Board Members,

My name is Heidi Benzonelli. I have been serving as the LAFCo Alternate Special District Member since January 2022, and am now seeking selection as a Special District Regular Member for the Local Agency Formation Commission.

Elected to the Humboldt Community Services District in December 2020, I am currently serving as the President of the Board of Directors. Humboldt County has been home for more than 41 years after discovering the natural beauty and unique culture of our community while attending Humboldt State University (now Cal Poly). I have worked in: Energy Conservation and Renewable Energy for the Redwood Coast Energy Authority, Water/Wastewater for the Manila Community Services District, and have spent the last 12 years in Community Improvement helping found the Westside Community Improvement Association where we remain the feedback loop focusing on the residents' desires for a healthy, safe and livable community.

I am uniquely qualified because I am "playing the long game". Residents' visions for the future of their community and government requirements such as RHNA must be balanced with environmental stewardship and economic development in order to assure the long-term sustainability of these plans. If we are planning for 5-10 years or the next iteration of a general plan, we are not considering problems we may be creating for the future of our community and the planet. With a background in Environmental Resources Engineering, a Masters of Business Administration, a passion for community organizing, and a commitment to present and future residents, I am an ideal fit for serving with LAFCo.

When you receive your ballot, please consider voting for me as a LAFCo Special District Regular Member.

In Service,

Heidi Benzonelli  
HCSD Board President

COMMISSIONERS

1<sup>st</sup> Division

Aaron Newman

2<sup>nd</sup> Division

Greg Dale

3<sup>rd</sup> Division

Stephen Kullmann

4<sup>th</sup> Division

Craig Benson

5<sup>th</sup> Division

Patrick Higgins

**Humboldt Bay**  
**Harbor, Recreation and Conservation District**  
(707)443-0801  
P.O. Box 1030  
Eureka, California 95502-1030



**STAFF REPORT**  
**HARBOR DISTRICT MEETING**  
**May 9, 2024**

**TO:** Honorable Board President and Harbor District Board Members

**FROM:** Rob Holmlund, Development Director

**DATE:** April 26, 2024

**TITLE:** Receive Status Update Regarding Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project

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**STAFF RECOMMENDATION:** Receive report and provide direction.

**SUMMARY:** The Board has requested a monthly update regarding the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project. Updates may include project schedule, budget, funding opportunities, tasks completed, tasks underway, upcoming tasks, the latest overall project strategy, and agreements with Crowley Wind Services. This report will provide an update for the month of May 2024.

**DISCUSSION:** Topics to be covered in the May 2024 monthly update include: an in-progress RFQ for consulting services; ongoing efforts to understand ways in which the District can contribute to the prevention of MMIP-related problems; status of ongoing meetings with Tribes, fishermen, aquaculture tenants, neighborhood groups; a site-tour provided the staff from the Federal Maritime Administration that will be overseeing recently awarded PIDP23 and INFRA grants.

## COMMISSIONERS

1<sup>st</sup> Division

Aaron Newman

2<sup>nd</sup> Division

Greg Dale

3<sup>rd</sup> Division

Stephen Kullmann

4<sup>th</sup> Division

Craig Benson

5<sup>th</sup> Division

Patrick Higgins

**Humboldt Bay**  
**Harbor, Recreation and Conservation District**  
 (707)443-0801  
 P.O. Box 1030  
 Eureka, California 95502-1030



**STAFF REPORT**  
**HARBOR DISTRICT MEETING**  
**May 9, 2024**

**TO:** Honorable Board President and Harbor District Board Members

**FROM:** Rob Holmlund, Development Director

**DATE:** May 3, 2024

**TITLE:** Consider Adopting Resolution 2024-04, a Resolution Affirming the Humboldt Bay Harbor, Recreation, and Conservation District's Commitment to the Prevention of Sex Trafficking and "Missing and Murdered Indigenous People" in Association with the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project

**STAFF RECOMMENDATION:** Staff Recommends the Board take the following three actions: 1. Adopt Resolution 2024-04; 2. Direct staff to share this staff report and the Resolution with local governmental entities throughout the Humboldt Bay region and to encourage those entities to consider using the Resolution as a template for their future projects; 3. Direct staff to continue to work with regional Tribes, learn from them, and identify actions that the District can enact to contribute to their advancement.

**SUMMARY:** The proposed Resolution (see Attachment A) acknowledges a historical crisis among Tribes of sex trafficking, sexualized violence, and Missing and Murdered Indigenous People (MMIP). The Resolution also commits the District to implement specific measures intended to prevent the District's Heavy Lift Marine Terminal project from contributing to such atrocities in the future.

**DISCUSSION:** The following is a chronological outline of how the proposed Resolution was developed. The following content regularly references "District representatives" which includes staff from the Harbor District as well as the members of the District Board's "Offshore Wind Subcommittee," which includes two designated members of the District's elected Board (currently the District's Board President and Vice President). Where "District staff" is referenced, only the District's Development Director and/or Executive Director were involved.

Harbor District representatives met with and communicated with representatives of several local Tribal governments throughout 2023 and 2024 to discuss, evaluate, and improve the District's envisioned "Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project" (HLMT project). Each Tribal government brought different topics of interest and concern to each conversation. District representatives invested significant time and effort to understand each individual topic from

each individual Tribe. Some Tribes sought to expand their conversations to include other Tribes, though most insisted on private conversations limited to their own individual Tribal autonomy. While District staff found it challenging to balance these conflicting interests, great effort was made to honor the preferences of each Tribe.

In August of 2023, following a series of meetings between the Yurok Tribal Council and District representatives, the Yurok Tribe publicly submitted a letter (see Attachment B) to the District outlining the Tribe's concerns about how the HLMT project could worsen the on-going crises of sex trafficking, sexualized violence, and MMIP. That letter from the Tribe included references to 10 sources of material outlining the history, complexities, and enduring tragedies experienced by Native communities. District staff thoroughly reviewed each of the cited reference materials, as well as all of the reference materials cited in each of those 10 sources.

Following receipt of the letter, District representatives attended a series of meetings with officials from the Yurok Tribe to review the letter submitted by the Tribe and to learn more about the intricacies of the Tribe's experiences and concerns. The District representatives requested education about MMIP and how the topic relates to the HLMT project. Much valuable insight was gained through those educational sessions. Simultaneously, meetings continued between District representatives and six other Tribal governments from the region. During those meetings, staff inquired with those Tribes if they shared the Yurok Tribe's concerns regarding MMIP. Most of the Tribal governments indicated that they do share the same concerns and that they supported the Yurok Tribe's leadership on the topic. Several of the Tribes indicated that they wanted to defer to the Yurok Tribe's facilitation of conversations regarding MMIP. It is important to note that some Tribes had less availability to meet than others, so District staff acknowledges that the level of and timing of engagement varied between Tribes.

In the middle of those months of meetings, the Yurok Tribe expressly invited the Harbor District to attend the "Second Annual Missing and Murdered Indigenous Peoples (MMIP) Summit, Day of Action, and March on the State Capital" on 2/12/24 and 2/13/24. District staff was fortunate enough to be able to attend. At that event, testimony was provided by dozens of Tribal peoples from throughout the western United States. Several Tribes co-led the event and presented a thorough list of actions that the California State government can enact to address the ongoing crises. An agenda of the event can be found in Attachment C. Videos about the event can be found here:

- <https://youtu.be/cxXyPZmmm-c>
- <https://youtu.be/6lbGowXYWxQ>

Staff's primary take-away following that event is: While the vast majority of the Tribes' requests related to MMIP are far beyond the jurisdiction or authority of the Harbor District, some matters can be attended to by the District. Primarily, the most important action that the Harbor District can take is to acknowledge the MMIP crises. Just that acknowledgement alone indicates that the District understands the severity and urgency of challenges that plague our Tribal neighbors. Following that acknowledgement, we can review our activities and plans to ensure that the District is not contributing to these crises, even if in minor, indirect, or unintended ways.

Following all this listening and research, staff drafted an early version of a Resolution acknowledging the circumstances of MMIP and committing to measures intended to prevent the Heavy Lift Terminal project from contributing to the complex web of challenges. That first draft of the Resolution was *nearly entirely* drawn from the content and requests presented in the original letter sent from the Yurok Tribe to the Harbor District in August of 2023. The District then shared the draft Resolution with the Yurok Tribe and asked for feedback. Through a series of conversations and exchanges of edited drafts, a Final Draft Resolution was prepared that incorporated the majority of the Tribe's suggestions. Then, on April 12<sup>th</sup>, that Final Draft Resolution was shared with other Tribal governments, each of whom was encouraged to contribute. While only a few comments were received from other Tribes, the version of the Resolution before the Board incorporates all suggested content.

As final comments were coming in from other Tribes, staff and select Board members attended two additional events at the direct invitation of the Yurok Tribe:

- 5/1/24 and 5/2/24: MMIP Press Conference, Budget Sub Committee (Public Safety), and Floor Ceremony (Sacramento) (see Attachments D and E)
- 5/6/24: Walk for MMIP Awareness Day 2024 (Eureka) (see Attachment F)

The event on 5/1/24 included a harrowing day of heart-wrenching testimony from victims of MMIP, dancing, speeches, and a candlelight vigil on the Capital steps that went well past 9:00pm. Then, on 5/2/24 in the presence of nearly 100 leaders from dozens of California Tribes, the California Assembly unanimously designated the month of May to be "MMIP Awareness Month" and urged the Governor to declare a state of emergency (see Attachment E). These actions were passed out of the Assembly and sent to the Senate for adoption. Witnessing these events strengthened staff's recommendation for the Board to adopt the proposed Resolution.

As of the time of the final drafting of this staff report (5/3/24), the event on 5/6/24 in Eureka has not yet occurred. However, the District Board should be aware that the Yurok Tribe requested that the Harbor District help advertise the event so that more awareness may be brought to the MMIP-related crises. Accordingly, on 4/9/24, District staff posted a copy of the event flyer (see Attachment F) at seven locations throughout Woodley Island. Staff also forwarded the event flyer to 235 email addresses, primarily individuals that have expressed interest in the HLMT project.

Staff feels compelled to disclose the following final bit of information that was conveyed to District staff last week: Feedback was received from one Tribe expressing frustration with the fact that District staff worked so closely with the Yurok Tribe in the development of the Resolution before seeking involvement from the other Tribes. District staff acknowledges that, due to scheduling conflicts and canceled meetings, some Tribes had more time and involvement than others to participate in the drafting of the MMIP Resolution. While some Tribes expressly deferred to the Yurok Tribe early in the process, this one Tribe indicated that they would have preferred to have been involved much sooner. The Tribe expressed support for the Resolution and indicated that they encourage the Board to adopt the Resolution, but were displeased that they had not been directly involved earlier. District staff regrets our failure to involve that Tribe sooner and seeks to use the experience as a learning opportunity to facilitate a better process in the future.

Staff recommends the Board take the following three actions:

1. Adopt Resolution 2024-04;
2. Direct staff to share this staff report and the Resolution with local governmental entities throughout the Humboldt Bay region and to encourage those entities to consider using the Resolution as a template for their future projects;
3. Direct staff to continue to work with regional Tribes, learn from them, and identify actions that the District can enact to contribute to their advancement.

District staff are grateful to the Council members, staff members, and Tribal members of dozens of different Tribes for sharing their difficult stories, as well as for the life-changing education, experiences, and enlightenment they have provided through their testimonies. Special gratitude is due to several Tribes of the greater Humboldt Bay region, who have dedicated dozens of hours to work with Harbor District staff over the past 12 months to share their specific interests and concerns. District staff plans to continue these conversations over the coming 12 months and beyond.

**ATTACHMENTS:**

- A. Resolution 2024-04
- B. Letter (dated August 28, 2024) from Yurok Tribe to “Humboldt Bay Harbor Recreation and Conservation District Commissioners & Directors.”
- C. Agenda: “Second Annual Missing and Murdered Indigenous Peoples (MMIP) Summit, Day of Action, and March on the State Capital” on 2/12/24 and 2/13/24
- D. Agenda: “MMIP Press Conference, Budget Sub Committee (Public Safety), and Floor Ceremony in Sacramento” on 5/1/24 and 5/2/24.
- E. CA Bill Text – ACR-133 Missing and Murdered Indigenous People Awareness Month.
- F. Agenda: “Walk for MMIP Awareness Day 2024 in Eureka” on 5/6/24.



**HUMBOLDT BAY HARBOR, RECREATION,  
AND CONSERVATION DISTRICT**

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**RESOLUTION NO. 2024-04**

**A RESOLUTION AFFIRMING THE HUMBOLDT BAY HARBOR, RECREATION, AND  
CONSERVATION DISTRICT'S COMMITMENT TO THE PREVENTION OF SEX TRAFFICKING AND  
"MISSING AND MURDERED INDIGENOUS PEOPLE" IN ASSOCIATION WITH  
THE HUMBOLDT BAY OFFSHORE WIND HEAVY LIFT MARINE TERMINAL PROJECT**

**WHEREAS**, the Humboldt Bay Harbor, Recreation, and Conservation District sits on Wiyot Tribe Ancestral Land; and

**WHEREAS**, California's North Coast of Humboldt, Del Norte, and Trinity counties are home to a rich and diverse community of Native American peoples and eleven federally recognized and unrecognized Tribes, Rancherias and Sovereign Tribal Governments including Big Lagoon Rancheria, Blue Lake Rancheria, Elk Valley Rancheria, Hoopa Valley Tribal Council, Karuk Tribe of California, Resighini Rancheria, Bear River Band of the Rohnerville Rancheria, Smith River Rancheria, Tolowa Dee-ni' Nation, Trinidad Rancheria, Wiyot Tribe and the Yurok Tribe; and

**WHEREAS** there has been a historical crisis of sex trafficking and Missing and Murdered Indigenous People (MMIP) throughout the United States, a crisis that persists today; and

**WHEREAS**, California has the fifth largest MMIP caseload, and the Northern California Coast is the epicenter for these cases; and

**WHEREAS**, a 120-year survey of California MMIP cases found that one in five of the State's cases are from Humboldt County; and

**WHEREAS**, since the Gold Rush, Tribal women, girls, men, and two-spirit individuals have been subject to violence, assault, genocide, killing, and sexual violence; and

**WHEREAS**, local Tribes indicate that many of these crimes are perpetrated by non-Indians who Tribal law enforcement and courts are often unable to arrest, interrogate, and prosecute, due to Public Law 280 and where such perpetrators take advantage of this gap in Tribal law enforcement jurisdiction; and

**WHEREAS**, Native communities in Northern California are being hit harder than any other community by the fentanyl crisis, making young women and girls particularly vulnerable; and

**WHEREAS**, Public Law 280 and complex jurisdictional issues among federal, state, and Tribal governments make policing, prosecution, and the protection of Tribal people more difficult, making Native people, especially those living on reservations, more vulnerable; and

**WHEREAS**, numerous recently-published Tribally-led and peer-reviewed studies from across the United States and Canada demonstrate that development projects on or near Tribal communities have brought industrial man camps and an increase in MMIP, violent crime, drug abuse, and sex trafficking of Native women and children; and

**WHEREAS**, studies indicate that these problems are largely preventable, and that the strongest form of prevention is the creation of a Tribal Safety and MMIP Prevention Plan to protect Native people before, during, and after development projects; and

**WHEREAS**, studies indicate that “Tribal Safety and MMIP Prevention Plans” are more effective when project participants collaborate early and often with Tribal communities in the development and implementation of such plans during the life of the project; and

**WHEREAS**, solutions to the problems must be multi-faceted, covering prevention, education, and response.

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The District stands in solidarity with the Tribes of the region in a desire to end violence against Native peoples, sex trafficking of Native children and people, and the crisis of Missing and Murdered Indigenous Peoples.

**SECTION 2.** For the Humboldt Bay Offshore Wind Heavy Lift Marine Terminal Project, the District will obligate terminal project developers and direct contractors to, among other things, take the following measures in an effort to prevent sexualized violence, sex trafficking, and MMIP:

- A. Invite the Tribal governments of Humboldt County to participate in Tribal government pre-development meeting(s) with Project leaders (such as Site Managers or Construction Managers) prior to commencement of construction, to:
  - i. Share information with Tribal Nations and Native communities about proposed construction and operations activities, and get feedback from Tribal and Native communities about the social impacts of such activities;
  - ii. Examine the impact of proposed development on the health and safety of the Native community;
  - iii. Identify opportunities and strategies to prevent sex trafficking and MMIP during the development project;
  - iv. In coordination and consultation with the Tribal Governments and the District, co-create and adopt a Tribal Public Safety and MMIP Prevention Plan with

- defined protocols to keep Native peoples safe before, during, and after the development project;
- v. In coordination and consultation with the Tribal Governments and the District, co-create and adopt a MMIP & Tribal Safety Communications Plan, with clear identification as to who is responsible to respond to real-time concerns and issues in the community, as well as contacts for each of the major Tribal Nations and Native communities in the region.
- B. Conduct ongoing meetings (no less frequent than quarterly) with Tribal Governments and Native communities to:
- i. Monitor and assess compliance with the Tribal Public Safety and MMIP Prevention Plan and the MMIP & Tribal Safety Communications Plan;
  - ii. Revisit and rework the Tribal Public Safety and MMIP Prevention Plan and the MMIP & Tribal Safety Communications Plan, as needed;
  - iii. Monitor the impact of the development project and make adjustments, as needed.
- C. Acknowledge and affirm that a comprehensive background check has been completed as to all employees to be hired for the project to the extent allowed by applicable laws.
- D. Pay for and require each worker (construction and operations) at the project site to acquire and maintain a “Transportation Worker Identification Credential” from the Federal Transportation Security Administration (TSA).<sup>1</sup>
- E. Provide a regularly-updated list of housing options to employees that are temporarily moving to the area to work on the project to prevent the creation of industrial or makeshift man camps, and to ensure that workers are living in housing that is accessible to emergency services.
- F. Implement the following if temporary makeshift housing sites for industry workers are utilized for and/or required by the project<sup>2</sup>:
- i. Monitor the safety of employee housing and work in cooperation with Tribal governments to develop a best-practices manual to guide operations of the site;
  - ii. Ensure that employees be able to provide and maintain documentation of their current address;
  - iii. Ensure that areas where employees are housed must have access to emergency services;
- G. Advocate to the Humboldt Transit Authority to add a bus stop near the project site and work with the Transit Authority to identify mechanisms through which the project can contribute to the funding of a bus stop;

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<sup>1</sup> The Transportation Worker Identification Credential, also known as TWIC, is required by the Maritime Transportation Security Act for workers who need access to secure areas of the nation’s maritime facilities/vessels, and others who require a TWIC®. TSA conducts a security threat assessment (background check) to determine a person’s eligibility and issues the credential. Once an individual successfully acquires the certification, they are issued a TWIC identification card. TWIC credentials are distributed to employees after they have submitted a form of biometric information, like fingerprints. TWIC holders must also pass a security threat assessment administered by a TSA officer. A TWIC features both a computer chip and a magnetized bar which contain the holder’s biometric data, so it can be either scanned or swiped at access points. To qualify for a TWIC, an individual must be: a U.S. citizen, lawful permanent resident, naturalized citizen or a nonimmigrant alien or refugee who is in lawful status; able to present proof of identity and residency; able to pass a thorough background and security check; and innocent of serious illegal offense.

<sup>2</sup> As of the date of this Resolution, the project is not expected to require or implement any “temporary makeshift housing sites established for industry workers” (also known as “collective on-site housing,” “work camps,” and “man camps”). This measure is added under an abundance of caution, but is not expected to be relevant to this project.

- H. Ensure that access to the site is monitored by a security station(s) with security gate(s) and security staff;
- I. Ensure vehicle identification and safety by:
  - i. Requiring a site-specific vehicle registration and parking pass for all vehicles parked within the project site boundaries;
  - ii. Requiring that employees' have properly licensed vehicles prior to being granted a parking pass;
  - iii. Tagging company vehicles so that each company vehicle can be readily and accurately identified.
- J. Work with local Tribal governments to co-create and co-conduct mandatory employee training on:
  - i. Native peoples and the culture of local Tribes;
  - ii. Tribal cultural-sensitivity;
  - iii. Preventing human sex trafficking;
  - iv. Preventing MMIP.
- K. Coordinate with and support stronger law enforcement in the region by:
  - i. Working with local and Tribal law enforcement to develop a public safety plan;
  - ii. Engaging in and maintaining regular dialogue with local law enforcement.
- L. Support victim services and social services programs to respond to any increase in crime and victimization, including:
  - i. Consider providing financial support to victim services, women's shelters, or community foundations that can provide aide and assist in developing long term solutions to the problem of human sex trafficking in the area;
  - ii. Consider donating to support the social and victim services infrastructure in the region;
- M. Explore strategies by which the project can invest in local workforce development;
- N. Adopt:
  - i. Policies to comply with Title VI of the Civil Rights Act;
  - ii. Policies to prevent MMIP and sex trafficking;
  - iii. Policies to implement and ensure respect for the principles contained in the Universal Declaration of Human Rights;
  - iv. Policies to implement and ensure respect for the United Nations Guiding Principles on Business and Human Rights;
  - v. Policies to implement and ensure respect for the World Bank's Operational Policy and Bank Procedure on Indigenous Peoples;
  - vi. A comprehensive code of conduct for all employees;
  - vii. A mandate that all subcontractors comply with all such policies;
  - viii. Strong whistleblower protections.

**SECTION 3.** The Board directs staff to work with the Humboldt County Sherrif's office, the Coast Guard, the City of Eureka Police Department, and other relevant local/State/Federal law enforcement agencies to support their efforts to prevent MMIP.

**PASSED AND ADOPTED** by the Humboldt Bay Harbor, Recreation and Conservation District Board of Commissioners at a duly called meeting held on the **9<sup>th</sup> day of May 2024** by the following polled vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

**ATTEST:**

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**Greg Dale, President  
Board of Commissioners**

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**Aaron Newman, Secretary  
Board of Commissioners**

**CERTIFICATE OF SECRETARY**

The undersigned, duly qualified and acting Secretary of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, does hereby certify that the attached Resolution is a true and correct copy of RESOLUTION NO. **2024-04** entitled,

**A RESOLUTION AFFIRMING THE HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT'S COMMITMENT TO THE PREVENTION OF SEX TRAFFICKING AND "MISSING AND MURDERED INDIGENOUS PEOPLE" IN ASSOCIATION WITH THE HUMBOLDT BAY OFFSHORE WIND HEAVY LIFT MARINE TERMINAL PROJECT**

as regularly adopted at a legally convened meeting of the Board of Commissioners of the HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT, duly held on the **9<sup>th</sup> day of May 2024**; and further, that such Resolution has been fully recorded in the Journal of Proceedings in my office, and is in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand this **9<sup>th</sup> day of May 2024**.

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**Aaron Newman, Secretary**  
**Board of Commissioners**



# YUROK TRIBE

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Via E-Mail

**To: Humboldt Bay Harbor Recreation and  
Conservation District Commissioners &  
Directors**

1st Division Commissioner Aaron Newman  
2nd Division Commissioner Greg Dale  
3rd Division Commissioner Steven Kullman  
4th Division Commissioner Craig Benson  
5th Division Commissioner Patrick Higgins  
Executive Director Larry Oetker  
Rob Holmlund, Director of Development

Sent via email: [kay6v71@aol.com](mailto:kay6v71@aol.com), [gdale574@gmail.com](mailto:gdale574@gmail.com), [skullmann@humboldtby.org](mailto:skullmann@humboldtby.org),  
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[rholmlund@humboldtby.org](mailto:rholmlund@humboldtby.org)  
CC: [districtplanner@humboldtby.org](mailto:districtplanner@humboldtby.org)

August 28, 2023

Aiy ye kwee' Harbor District Commissioners and Directors:

We write today to with deep concern about Crowley Maritime Services and we urge you to reconsider your selection of the company as the prospective leaseholder of Humboldt's wind terminal. We do not believe that Crowley will serve the interests of our community due to (i) a concerning historical track record as it faces allegations of sexual misconduct and sex trafficking which hasn't been appropriately addressed; and (ii) already very concerning behavior on the part of the company during its very limited time in our community. We urge that you instead invite a new competitive bid process that integrates a more robust human rights and MMIP prevention framework.

On Thursday, July 26th, the *Eureka Times-Standard* reported allegations of sex trafficking by employees of Crowley Marine Services, the parent company of the prospective leaseholder of Humboldt's wind terminal, Crowley Wind Services. We find it particularly concerning that publicly available evidence suggests that high-level executives within Crowley were aware and complacent in allowing misconduct to thrive, which demonstrates a top-down, company-wide cultural problem with the way Crowley handles accusations of sexual misconduct within its company. Jane Doe and Vanessa Treminio, former Crowley employees, allege that senior leaders at Crowley Maritime knew about repeated sexual harassment complaints regarding their Crowley supervisor, yet mandated they go on a business trip to Florida with the man, where he sexually assaulted Doe and raped Treminio.<sup>1</sup> According to Treminio, the supervisor assaulted her in El Salvador and when she reported the rape to Crowley, and the Vice President in charge did not investigate or take action.<sup>2</sup> In fact, according to

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<sup>1</sup> <https://www.times-standard.com/2023/07/26/crowley-the-offshore-wind-terminal-operator-accused-of-sex-trafficking/>

<sup>2</sup> <https://www.times-standard.com/2023/07/26/crowley-the-offshore-wind-terminal-operator-accused-of-sex-trafficking/>



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Tremino, the company then mandated her attendance on the business trip with the very same supervisor, who again raped her and then assaulted Jane Doe on that trip.<sup>3</sup>

These allegations picture a rotten company culture which ignores cries from female employees who are experiencing sexual assault and harassment and are deeply concerning. On a national scale, the unwillingness of the company to accept any responsibility for its alleged actions also suggests that Crowley is incapable of making much-needed institutional change.

Adding to the information we have about Crowley’s harmful treatment of women and a company culture of ignoring employee complaints, we are disturbed by Crowley’s behavior in the community thus far and their treatment of women. First, Crowley has had six months to work with local Tribes, Tribal Leaders, and the Native community on a Community Benefits Agreement and other MMIP prevention measures. Yet, they have not made any fundamental public or private commitments towards addressing this company-wide problem and to ensure that the Harbor District Development project does not bring harm to our women and people. Second, and more disturbing, there are current reports that Crowley’s leaders on the project have treated women in our community with disrespect and harassment, leering at women in a professional meeting and making advances towards women after hours during a work convention. People have begun to come forward, following the *Times Standard* article, to speak about this behavior. These reports, in addition to the cases against the company, warrant the Harbor District to investigate the company’s behavior in our community and to re-open the lease negotiation process. The allegations and Crowley’s behavior represent a threat to our region, to Native women and girls, and to the members of the Yurok Tribe, as we work to address the historic and present-day crisis of sex trafficking and Missing and Murdered Indigenous People (MMIP) in California and the United States.

To ensure that the District is fully informed about the MMIP crisis, it is important to alert you to the data we have. California has the fifth largest MMIP caseload, and Northern California is the epicenter for these cases. A 120-year survey of California MMIP cases found that one in five of the state’s cases are from Humboldt County. Nationally, Indigenous women go missing and are murdered at rates higher than any other ethnic group in the United States. Nearly all Indigenous women (97%) who reported experiencing violence reported a perpetrator who was not indigenous,<sup>[2]</sup> and more than 4 in 5 American Indigenous women have experienced violence in their lifetime and more than 1 in 3 in the last year. Rates of violent victimization are higher among America’s Indigenous population than for any other race, regardless of sex or gender.<sup>[1]</sup> Approximately 1 in 130 Native American children go missing each year.

The issues in our community are so severe that state and federal Government have partnered with California Tribes to address this issue through policy change. The federal, this year, [selected Humboldt County](#) as one of six sites in the entire country to hold hearings about the crisis for the Not Invisible Commission hearing. The hearings were two days of devastating testimony from our community, making it clear that we are at the epicenter of this crisis. [California Governor Newsom](#), [Representative Jared Huffman](#), and [Senator Alex Padilla](#) have also recognized the crisis in our community, passing laws and creating funding programs to address the crisis. We are the only state in the entire country to now have \$24 million dollars allocated to combatting the crisis, money that will go directly to Tribes to support MMIP prevention and response. We

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<sup>3</sup> <https://www.times-standard.com/2023/07/26/crowley-the-offshore-wind-terminal-operator-accused-of-sex-trafficking/>





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are at the beginning stages of a [sea change to address these issues](#), and we cannot go back or see these efforts undermined by harmful development practices in our region.

In fact, much of the violence against Native women, girls, and people in our region has come from and been caused by development booms associated with extractive industries like mining, logging, and dams; we refuse to allow this to happen again in our community and to our Tribal women, girls, and people. Much of this is due to the build of industrial work camps, also known as “man camps,” which are associated globally with higher rates of violence against Indigenous women at the camps and in the neighboring communities.<sup>4</sup> As a recent example, the formation of industrial work camps to facilitate extraction projects near the Fort Berthold Reservation in North Dakota, coincided with more murders, fatal accidents, sexual assaults, domestic disputes, drug busts, gun threats, and human trafficking cases than in any year before the project commenced.<sup>5</sup> And over a two-year period, the Fort Berthold Tribe’s court system saw its caseload grow by over 2,000%.

The impact on MMIP has been true of development projects on or near Tribal communities in the United States, Canada, and globally, and we are not the only entity to flag this concern. The Coastal Commission Consistency Determination staff report detailed findings and concerns related to the safety of Native Tribes and local communities on p. 118 of their report. Specifically, the staff report states that “[T]he Commission expects future wind development to not only provide benefits to the community but also in a manner that does not continue to exacerbate harm in Native American communities and any additional vulnerable populations with limited resources to address these harms.”

To be clear: MMIP and trafficking are preventable and are not at all inevitable or necessary parts of development booms. There are researched strong measures and best that can be put in place to prevent MMIP and sex trafficking during a development boom and the formation of industrial work camps, and they start with having the right developer in place.<sup>6</sup> Yet a key part of this success is having the right developer, a developer that has the right company culture that protects women, a company that is eager to partner with Tribes across the region and to develop a strong prevention plan to be documented in a Community Benefits Agreement.<sup>7</sup> The developer must be capable of putting policies and practices in place to protect Native women, girls, and people before, during, and post-development. This includes, but is not limited to, commitments to local and Tribal employment to mitigate the development of industrial work camps of

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<sup>4</sup> “Our Mandate, Our Vision, Our Mission”. National Inquiry into Missing and Murdered Indigenous Women and Girls, [Our Mandate, Our Vision, Our Mission | MMIWG \(mmiwg-ffada.ca\)](#)

<sup>5</sup> Kimberly N. Mitchell, “Man Camps, Oil Pipelines, and MMIW: How United States V. Cooley is a False Victory for Indigenous Tribes”. Vermont Journal of Environmental Law, [Man Camps, Oil Pipelines, and MMIW: How United States v. Cooley is a False Victory for Indigenous Tribes \(vermontlaw.edu\)](#)

<sup>6</sup> See Kathleen Finn, Erica Gajda, Thomas Perin, and Carla Fredericks, “Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation”. 40 Harv. J.L. & Gender 1: Colorado Law Scholarly Commons, 2017, [Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation \(colorado.edu\)](#)

<sup>7</sup> See Kathleen Finn, Erica Gajda, Thomas Perin, and Carla Fredericks, “Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation”. 40 Harv. J.L. & Gender 1: Colorado Law Scholarly Commons, 2017, [Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation \(colorado.edu\)](#)



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workers foreign to our region, and to hiring women and creating a safe workplace for them.<sup>8</sup> It means ensuring that all company vehicles are tagged and identifiable, and that all housing is reachable by emergency vehicles.<sup>9</sup> It means having extensive background checks on all employees, to the full extent permitted under law, and a commitment agreement to coordinate with and support stronger law enforcement in the region.<sup>10</sup>

In closing, we want to reiterate that, as an elected body, the Humboldt Bay Harbor District’s responsibility lies with the people, community, and environment it represents. While offshore wind port development can hugely benefit the community through jobs, an influx of money, and by fighting climate change, these potential benefits must not come at the expense of our people. Native American Tribes are a vital constituent in this community, and the safety of our women, girls, and people is paramount. And there are steps that can be taken, solutions that come from best practice research, to address and prevent these issues head-on. We have the chance in this region to do things right and we understand that the Harbor District is invested in the success of this port development project. Success, however, requires the right developer to respect the local Tribal Nations and community, and our values. It also requires a screening and selection process which guarantees MMIP prevention, sex trafficking protection, and the safety of all vulnerable people in this region. We do not believe Crowley Wind Services would meet a more rigorous selection process.

We urge the Harbor District to reconsider its exclusive right to negotiate with Crowley, to re-open the bidding process, and to utilize a framework for bidding that prioritizes the health and safety of all people in the region, especially Native women and girls who are so vulnerable. We offer our partnership and support to the Commission and hope to meet with you soon to discuss next steps.

Wok-hlew,

Joseph L. James, Chairman  
Yurok Tribe

---

<sup>8</sup> See Kathleen Finn, Erica Gajda, Thomas Perin, and Carla Fredericks, “Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation”. 40 Harv. J.L. & Gender 1: Colorado Law Scholarly Commons, 2017, [Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation \(colorado.edu\)](https://colorado.edu/law-library/scholarly-commons/works/responsible-resource-development-and-prevention-of-sex-trafficking-safeguarding-native-women-and-children-on-the-fort-berthold-reservation)

<sup>9</sup> See Kathleen Finn, Erica Gajda, Thomas Perin, and Carla Fredericks, “Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation”. 40 Harv. J.L. & Gender 1: Colorado Law Scholarly Commons, 2017, [Responsible Resource Development and Prevention of Sex Trafficking: Safeguarding Native Women and Children on the Fort Berthold Reservation \(colorado.edu\)](https://colorado.edu/law-library/scholarly-commons/works/responsible-resource-development-and-prevention-of-sex-trafficking-safeguarding-native-women-and-children-on-the-fort-berthold-reservation)

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Sales Ended



Monday, February 12

# Second Annual Missing and Murdered Indigenous Peoples (MMIP) Summit

The Yurok Tribe and Wilton Rancheria invite you to the 2nd Annual Missing and Murdered Indigenous Peoples (MMIP) Summit & Day of Action.



By **Yurok Tribe** • 67 followers

1.1k attendees hosted

67 followers

Follow

Sales Ended

## Location

 **SAFE Credit Union Convention Center, Ballroom B, 1401 K Street, Sacramento, CA, USA**  
1401 K Street Sacramento, CA 95814  
[Show map](#) 

## About this event

### **Second Annual Missing and Murdered Indigenous Peoples (MMIP) Summit**

*Hosted by: Yurok Tribe and Wilton Rancheria*

#### **Monday, February 12th**

**8:00am- 9:00am - Registration opens with a light breakfast & coffee**

**9:00am - 5:00pm - The Summit**

**The Summit** will bring together tribal leaders from across the state, MMIP survivors and victim advocates as well as state lawmakers, federal partners, law enforcement and academic researchers to identify solutions to stop the crisis. The primary goal of the Summit is to give a voice to California's missing and murdered Indigenous People and their families. For too long, Indigenous People have been invisible throughout the state. This in-person gathering will take place at the **SAFE Credit Union Convention Center on the second floor in Ballroom B. The best access point is from the North Lobby on 14th and K street.**

#### **Tuesday, February 13th**

##### **The MMIP Day of Action**

**8:30am - 3:00pm on the West Steps of the Capitol.** The Day of Action will start with a press conference at 9am on the West Steps of the Capitol. We will feature a cultural exchange involving tribes from northern, central and southern California. There will be keynote speakers, including; Tribal leaders, legislators, the families of MMIP victims and MMIP survivors. The day will end with MMIP Walk around the Capitol. Tribal Leaders are invited to State legislator meetings throughout the day.

**Sales Ended**

*Light Breakfast and coffee served*

**9 a.m. - 9:30 a.m.**

**Welcome & Prayer**

Honorable Jesus Tarango, Wilton Rancheria & Honorable Joseph L. James, Yurok Tribe

Cultural Sharing

**9:30 a.m. -10:45 a.m.**

**Sharing Stories of MMIP: Survivors, Families, and Advocates**

Moderator: Isaac Bojorquez; Panelists: Ronnie Hostler, Billee Willson, Keely Linton, Danielle Vigil-Masten & Matthew Franklin

**10:45 a.m. - 12 p.m.**

**Justice & Law Enforcement: Challenges and Policy Solutions to Address the MMIP Crisis**

Moderator: Rosemary Deck; Panelists: Yurok Chief Judge Abby Abinanti, Merri Lopez Kiefer, Yurok Chief of Police Greg O'Rourke, Yurok MMIP Investigator Julie Olivera & Humboldt County Sheriff William Honsal

**12 p.m. - 12:30 p.m.**

**Keynote Address: California Attorney General Rob Bonta**

**12:30 p.m. - 1:30 p.m.**

**Yurok Cultural Share**

**Lunch Service Pre-Ballroom B**

**Wilton Rancheria & Sacramento Sheriff's Office: MOA Signing**

**1:30 p.m. - 2:45 p.m.**

**Beyond Law Enforcement: Tribal Health, Housing, & Supporting Native Families & Children to End**

**Sales Ended**

**3 p.m. - 5 p.m.**

**Tribal Leaders & State Lawmakers Roundtable on MMIP Policy**

Facilitated by Chief Judge Christine Williams

**5 p.m. - 5:15 p.m.**

**Closing Remarks**

Assemblymember James C. Ramos

Intertribal Birdsingers

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**Sales Ended**



**INDIGENOUS EMPOWERMENT, SOLIDARITY AND JUSTICE**

**SECOND ANNUAL  
MMIP SUMMIT &**

Sales Ended

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**Beyond Law Enforcement: Tribal Health, Housing, & Supporting Native  
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Moderator: Dr. Blythe K.George; Panelists: Michelle Castagne, Sonya  
Tetnowski, Virginia Hedrick & Annalee Trujillo

**3 p.m. - 5 p.m.**

**Tribal Leaders & State Lawmakers Roundtable on MMIP Policy**  
Facilitated by Chief Judge Christine Williams

**5 p.m.- 5:15 p.m.**

**Closing Remarks**

Assemblymember James C. Ramos  
Intertribal Birdsingers



**2ND ANNUAL**

# **MISSING & MURDERED INDIGENOUS PEOPLE WEEK**

**STATE CAPITOL | APRIL 30 - MAY 2**

## **TUESDAY, APRIL 30**

### *Tribal Leaders Reception*

**Location:** Residence Inn  
15th and L streets | Downtown Sacramento  
**When:** 5:30 p.m.

## **WEDNESDAY, MAY 1**

### *Press Conference*

**Location:** State Capitol West Steps  
**When:** 8:45 - 9:30 a.m.

### *Budget Sub 6 Committee Public Safety*

**Location:** Capitol Room 437  
**When:** 10 a.m. - 12 p.m.

### *Candlelight Vigil*

**Location:** State Capitol West Steps  
**When:** 6 p.m.

## **THURSDAY, MAY 2**

### *Floor Ceremony - ACR 133*

**Location:** Assembly Floor  
**When:** 9:30 a.m.



**ACR-133 Missing and Murdered Indigenous People Awareness Month.** (2023-2024)

SHARE THIS:



REVISED MAY 02, 2024

AMENDED IN ASSEMBLY APRIL 04, 2024

CALIFORNIA LEGISLATURE— 2023–2024 REGULAR SESSION

**ASSEMBLY  
RESOLUTION**

**CONCURRENT**

**NO. 133**

**Introduced by Assembly Member Ramos**

*(Coauthors: Assembly Members Addis, Aguiar-Curry, Alanis, Alvarez, Arambula, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Juan Carrillo, Wendy Carrillo, Cervantes, Chen, Connolly, Davies, Dixon, Essayli, Mike Fong, Vince Fong, Friedman, Gabriel, Gallagher, Garcia, Gipson, Grayson, Haney, Hart, Holden, Hoover, Irwin, Jackson, Jones-Sawyer, Kalra, Lackey, Lee, Lowenthal, Maienschein, McCarty, McKinnor, Muratsuchi, Stephanie Nguyen, Ortega, Pacheco, Papan, Jim Patterson, Joe Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Rendon, Reyes, Luz Rivas, Rodriguez, Blanca Rubio, Sanchez, Santiago, Schiavo, Soria, Ta, Ting, Valencia, Villapudua, Waldron, Wallis, Ward, Weber, Wicks, Wilson, Wood, and Zbur)*

**January 24, 2024**

Relative to Missing and Murdered Indigenous People Awareness Month.

**LEGISLATIVE COUNSEL'S DIGEST**

ACR 133, as amended, Ramos. Missing and Murdered Indigenous People Awareness Month.

This measure would designate the month of May 2024 as Missing and Murdered Indigenous People Awareness Month in [California](#). *California and urge the Governor to declare a state of emergency due to the crisis of missing and murdered indigenous people.*

Fiscal Committee: no

WHEREAS, In 2016, 5,712 missing and murdered indigenous cases were reported to the National Crime Information Center; and

WHEREAS, According to the federal Centers for Disease Control and Prevention, homicide is the third leading cause of death for indigenous women between [the ages of 15 and 24](#); *15 and 24 years of age*; and

Page 58 of 124

WHEREAS, According to a study entitled "Violence Against American Indian and Alaska Native Women and the Criminal Justice Response: What is Known," conducted on behalf of the United States Department of Justice, in some tribal communities, indigenous women face murder rates 10 times higher than the national average. No such study exists for urban areas; and

WHEREAS, Little data exists on the epidemic of missing and murdered indigenous people, and data that is available is incomplete and inadequate; and

WHEREAS, The data that does exist on this issue focuses primarily on indigenous women living on reservations, despite approximately 75 percent of native people living in urban cities; and

WHEREAS, According to the first report conducted by the Urban Indian Health Institute in 2018 on missing and murdered indigenous women in urban cities:

(1) In 27 percent of the missing and murdered indigenous women cases, the victims were 18 years of age or younger.

(2) The average age for missing and murdered indigenous women was 29.

(3) California has the sixth highest death rate of indigenous women in urban cities; and

WHEREAS, According to the most recent census data, California has the largest population of American Indians, more than any other state in the country; and

WHEREAS, In 2022, Governor Newsom signed into law ~~AB~~ *Assembly Bill* 1314, the Feather Alert, which is a preventative measure that will be utilized to ~~reunify~~ *return* missing and endangered indigenous ~~person~~ *people* to their homes; and

WHEREAS, In 2023, Governor Newsom signed into law ~~AB~~ *Assembly Bill* 44 which requires the Department of Justice to grant access to the California Law Enforcement Telecommunications System to the law enforcement agency or tribal court of a qualified federally recognized Indian tribe, thus facilitating the exchange and dissemination of information between law enforcement agencies in the state; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature hereby designates the month of May 2024 as California's Missing and Murdered Indigenous People Awareness Month; and be it further

RESOLVED, *That the Legislature urges the Governor to declare a state of emergency due to the crisis of missing and murdered indigenous people as was done by the Yurok Tribe on December 17, 2021; and be it further*

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the author for appropriate distribution.

REVISIONS:

Heading—Line 2.



For more information contact  
[rchavez@yuroktribe.nsn.us](mailto:rchavez@yuroktribe.nsn.us)

# **WALK FOR MMIP AWARENESS DAY 2024**

***JOIN THE  
TO' KEE SKUY' SOO NEY-WO-CHEK'  
PROJECT'S COMMUNITY WALK IN  
RECOGNITION OF MISSING AND  
MURDERED INDIGENOUS PEOPLE'S  
AWARENESS DAY***



## **MAY 6, 2024**

Registration starts at 10:00 AM at the Wharfinger Building. Walk begins at 11:00 AM from the Wharfinger Building, proceed to the Veterans Circle on the Pier, then releasing of flowers. Reception to Immediately follow at the Wharfinger Building.

**Location:**  
**Wharfinger  
Building  
1 Marina Way  
Eureka, CA 95501**

**Time:**  
**10:00AM-3:00PM**

**LUNCH, T-SHIRTS,  
RAFFLES AND  
COMMUNITY WELLNESS  
PROVIDED**

## COMMISSIONERS

1<sup>st</sup> Division

Aaron Newman

2<sup>nd</sup> Division

Greg Dale

3<sup>rd</sup> Division

Stephen Kullmann

4<sup>th</sup> Division

Craig Benson

5<sup>th</sup> Division

Patrick Higgins

**Humboldt Bay**  
**Harbor, Recreation and Conservation District**  
 (707)443-0801  
 P.O. Box 1030  
 Eureka, California 95502-1030



**STAFF REPORT**  
**HARBOR DISTRICT MEETING**  
**May 9, 2024**

**TO:** Honorable Board President and Harbor District Board Members

**FROM:** Rob Holmlund, Development Director

**DATE:** January 3, 2024

**TITLE:** Receive Report Regarding a Concept for a Future District Program Regarding the Removal of Abandoned Creosote Piles Throughout Humboldt Bay

---

**STAFF RECOMMENDATION:** Staff recommends the Board: Receive a report regarding a concept for a future District Program regarding the removal of abandoned creosote piles throughout Humboldt Bay.

**SUMMARY:** District staff estimates that there are approximately 5,000 abandoned creosote-soaked wood piles throughout Humboldt Bay. Staff recommends a five-step process to remove all abandoned piles in the Bay.

**DISCUSSION:** District staff estimates that there are approximately 5,000 abandoned creosote-soaked wood piles throughout Humboldt Bay. Creosote wood preservative (various polycyclic aromatic hydrocarbons) has been shown to be highly toxic to marine organisms, especially developing embryos. Water quality improvement leads to multiple benefits for various habitat types. The presence of abandoned creosote-soaked wood piles is common in other ports along the west coast. Washington State has adopted a State-wide program to eliminate such piles from Puget Sound and other harbors throughout the State. A coalition of governments in San Francisco Bay has done the same. Inspired by those programs, the Harbor District could establish a multi-party alliance to adopt a "Program to Eliminate Abandoned Creosote Piles in Humboldt Bay."

District staff recommends implementation of the following steps over the next 24 months:

1. **COMPLETE: Step 1:** Create a preliminary map of all abandoned creosote piles in Humboldt Bay.
2. **Step 2:** Seek interns and/or CPH capstone courses to advance this concept further with minimal expense and staff time. Interns could:
  - a. Compile precedent from projects that have utilized pile removal as mitigation. Identify realistic paths forward for using pile removal as mitigation for future projects.
  - b. Refine preliminary mapping.
    - i. Map each pile/cluster.

- ii. Classify piles by category.
    - iii. Identify ownership and responsibility.
  - c. Clarify the risks and benefits of removal of creosote piles.
  - d. Synthesize Best Management Practices (BMPs) from removal programs implemented by other jurisdictions.
  - e. Other.
- 3. **Step 3:** Seek partners to help establish and implement a Bay-wide program. Potential partners include Tribal governments, Humboldt Water Keeper, EPIC, Cal Poly Humboldt, various cities, Humboldt County, individual regulatory agencies, the Environmental Protection Agency (EPA), and others.
- 4. **Step 4:** When/where applicable, advocate for pile removal to serve as mitigation for various development projects occurring within Humboldt Bay.
- 5. **Step 5:** Seek grants for:
  - a. Mapping, analyses, and studies.
  - b. Restoration activities that can include pile removal.
  - c. Other.
- 6. **Step 6:** Initiate removal projects as feasible and in accordance with the above steps.

COMMISSIONERS  
 1<sup>st</sup> Division  
 Aaron Newman  
 2<sup>nd</sup> Division  
 Greg Dale  
 3<sup>rd</sup> Division  
 Stephen Kullmann  
 4<sup>th</sup> Division  
 Craig Benson  
 5<sup>th</sup> Division  
 Patrick Higgins

**Humboldt Bay**  
**Harbor, Recreation and Conservation District**  
 (707) 443-0801  
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**STAFF REPORT - HARBOR DISTRICT MEETING**

**May 9, 2024**

**TO:** Honorable Board President and Harbor District Board Members

**FROM:** Chris Mikkelsen, Executive Director

**DATE:** May 1, 2024

**TITLE: Budget Goals for Redwood Marine Terminal I, Redwood Marine Terminal II, and the Shelter Cove Boat Launch**

**STAFF RECOMMENDATION:** Staff recommends the Board receive a report on the proposed capital expense projects for the 2024-2025 fiscal year for Redwood Marine Terminal I, Redwood Martine Terminal II and the Shelter Boat Launch.

**SUMMARY:** Beginning at the April 11<sup>th</sup> meeting, staff will present the Capital expense projects under consideration for the 2024-2025 fiscal year and the projected costs of each. These items do not include the recurring maintenance and operations costs, which will be presented in the final draft budget brought to the commission for approval in June.

**DISCUSSION:** Staff recommends using the following schedule to review goals, revenue, and expenditures by programmatic activity. These series of meetings would double as strategy sessions, which would be used by the Board, Executive Director, and District Staff to get a clear understanding of where each activity is financially and what we can reasonably accomplish within our financial means. Staff will work with the Budget Subcommittee to prepare the budget and bring the complete budget to the Board for approval.

<b>Date</b>	<b>Meeting Type</b>	<b>Purpose</b>
April 11	Regular	A) Review Preliminary Budget with Preliminary Goals, Income, and Expenditures: 1. Woodley Island Marina 2. Fields Landing Boat Yard 3. Dredging
May 9	Regular	A) Preliminary Goals, Income, and Expenditures: 1. Redwood Marine Terminal I 2. Redwood Marine Terminal II 3. Shelter Cove
June 13	Regular	A) Preliminary Goals, Income, and Expenditures: 1. Port Operations 2. Conservation and Recreation Programs 3. Administrative Services 4. General Operating and Staffing 5. Follow up discussion from previous budget meeting topics B) Adopt Preliminary Budget
July 11	Regular	Budget Adoption and Transmission to the Board of Supervisors



COMMISSIONERS  
1<sup>st</sup> Division  
Aaron Newman  
2<sup>nd</sup> Division  
Greg Dale  
3<sup>rd</sup> Division  
Stephen Kullmann  
4<sup>th</sup> Division  
Craig Benson  
5<sup>th</sup> Division  
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Eureka, California 95502-1030

**STAFF REPORT – HARBOR DISTRICT MEETING**  
**May 9, 2024**

**TO:** Honorable Board President and Harbor District Board Members

**FROM:** Mindy Hiley, Director of Administrative Services

**DATE:** April 22, 2024

**TITLE:** **Accept the Audit Report for the 2022-2023 Fiscal Year**

---

**RECOMMENDATION:** Staff recommends the Board: Accept the Audit Report for the 2022-2023 Fiscal Year.

**BACKGROUND:** Independent auditors report prepared by Harshwal & Company LLP for the fiscal year ending June 30<sup>th</sup>, 2023. See page 25 of the Audit for detailed information on restricted cash balances for the Dredge Surcharge and the Float Replacement Surcharge.

**DISCUSSION:** The District is pleased to report that there were no findings or issues of concern found during the audit. Staff would like to encourage the Commissioners and members of the public to review the notes starting on page 19 of the Audited Financial Statements and Independent Auditor’s Report, as they are an integral part of the financial statement.

**ATTACHMENTS:**

- A. 2022-2023 Audited Financial Statements



HUMBOLDT BAY HARBOR, RECREATION AND  
CONSERVATION DISTRICT  
AUDITED FINANCIAL STATEMENT  
AND  
INDEPENDENT AUDITOR'S REPORT  
JUNE 30, 2023



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
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**JUNE 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Humboldt Bay Harbor, Recreation and Conservation District  
Eureka, California

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the business-type activities of Humboldt Bay Harbor, Recreation and Conservation District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State of California Controller's Office and state regulations governing special districts; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 12, the schedule of proportionate share of the net OPEB liability, schedule of the District's proportionate share of the net pension liability, and schedule of pension contributions on pages 39 through 41, budgetary comparison information 42 - 45, to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Harshwal & Company LLP*

San Diego, California  
February 27, 2024

# HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED JUNE 30, 2023

This section of Humboldt Bay Harbor, Recreation and Conservation District (the "District")'s annual financial report represents our discussion and analysis of the District's financial activities for the year ended June 30, 2023. Please read it in conjunction with the Independent Auditor's Report and the District's basic financial statements.

#### **FINANCIAL HIGHLIGHTS**

- The District's operating revenues decreased by \$1,792,936, or 39.4 percent.
- The District's operating expenses increased by \$404,839, or 11.3 percent.
- General revenues from taxes, interest, and investments accounted for \$1,828,300 in revenues or 31.1 percent of all revenues.
- The District had total expenditures of \$5,446,221, and total revenue of \$5,883,441. The resulting increase in net position of \$437,220 includes net government grant expenditures of \$47,297, and depreciation expense in the amount of \$475,620.
- Notes payable debt has increased \$4,956,316 from the prior fiscal year due to proceeds from Series 2023 Installment Sale Obligations.

#### **USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise two components: the government-wide financial statements and the notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

The basic financial statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.

The financial statements also include notes that provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents a section of required supplementary information that further explains and supports the information in the financial statements.

#### **REPORTING THE DISTRICT AS A WHOLE**

The District as a whole is reported in the government-wide financial statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position reports all of the current year's revenues and expenses regardless of when cash is received or paid. These statements report the District's net position and how they have changed. The District's financial health or position (net position) can be measured by the difference between the District's assets and liabilities.

Increases or decreases in the net position of the District over time are indicators of whether its financial position is improving or deteriorating, respectively. Additional non-financial factors such as the condition of buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**REPORTING THE DISTRICT'S MOST SIGNIFICANT FUNDS**

The District's financial statements provide detailed information about the District's one proprietary fund.

***Enterprise Fund:***

Because a large portion of the District's revenues are obtained from various charges to customers, all of the District's activities are accounted for in an enterprise fund, which is a proprietary fund type. Enterprise funds provide both long and short-term financial information.

**ANALYSIS OF THE DISTRICT AS A WHOLE**

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's activities:

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Table 1  
Comparative Statement of Net Position**

	2023	2022 (As restated)	Change
<b>Assets</b>			
Cash & cash equivalents	\$ 5,914,502	\$ 3,869,046	\$ 2,045,456
Receivables, net	796,891	956,395	(159,504)
Other assets	36,164	32,089	4,075
New market loan receivable	5,849,375	5,849,375	-
Lease receivable	3,679,190	3,470,176	209,014
Capital assets	<u>12,910,238</u>	<u>10,345,400</u>	<u>2,564,838</u>
Total assets	<u>29,186,360</u>	<u>24,522,481</u>	<u>4,663,879</u>
<b>Deferred outflows of resources</b>			
Deferred outflows of resources - pension	689,470	281,188	408,282
Deferred outflows of resources - OPEB	4,388	842	3,546
Deferred outflows of resources - bond refunding	<u>8,671</u>	<u>11,523</u>	<u>(2,852)</u>
Total deferred outflows of resources	<u>702,529</u>	<u>293,553</u>	<u>408,976</u>
Total assets and deferred outflows of resources	<u>29,888,889</u>	<u>24,816,034</u>	<u>5,072,855</u>
<b>Liabilities</b>			
Payables and other liabilities	603,921	845,045	(241,124)
Unearned income	3,645,059	3,968,038	(322,979)
Notes payable, current portion	173,717	327,959	(154,242)
Other long-term liabilities	1,577,786	764,495	813,291
Long-term portion of notes payable	<u>7,809,640</u>	<u>2,699,082</u>	<u>5,110,558</u>
Total liabilities	<u>13,810,123</u>	<u>8,604,619</u>	<u>5,205,504</u>
<b>Deferred inflows of resources</b>			
Deferred inflows of resources - pension	115,823	590,149	(474,326)
Deferred inflows of resources - OPEB	3,223	29,113	(25,890)
Deferred inflows of resources - Cal Trans Spartina	1,148,932	1,313,052	(164,120)
Deferred inflows of resources - lease	<u>3,545,298</u>	<u>3,450,831</u>	<u>94,467</u>
Total deferred inflows of resources	<u>4,813,276</u>	<u>5,383,145</u>	<u>(569,869)</u>
<b>Net position</b>			
Net investment in capital assets	9,225,775	9,404,912	(179,137)
Restricted	1,887,090	1,610,309	276,781
Unrestricted	<u>152,625</u>	<u>(186,951)</u>	<u>339,576</u>
Total net position	<u>11,265,490</u>	<u>10,828,270</u>	<u>437,220</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 29,888,889</u>	<u>\$ 24,816,034</u>	<u>\$ 5,072,855</u>

Total net position of the District increased by 4.0 percent, or \$437,220 as of June 30, 2023.



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**Table 2**

**Comparative Statement of Revenues, Expenses, and Changes in Net Position**

	2023	2022 (As restated)	Change
<b>Operating Revenues</b>			
Rents and leases	\$ 1,534,307	\$ 3,483,225	\$ (1,948,918)
Slip rentals	932,767	819,353	113,414
Harbor improvement surcharge	164,223	140,939	23,284
Other revenue	128,098	108,814	19,284
Total operating revenues	<u>2,759,395</u>	<u>4,552,331</u>	<u>(1,792,936)</u>
<b>Operating Expenses</b>			
Salaries, wages and benefits	1,532,755	1,277,174	255,581
Depreciation	475,620	658,136	(182,516)
Repairs and maintenance	248,166	251,344	(3,178)
Professional and outside services	446,885	206,973	239,912
Redwood terminal 2 expenses	224,444	227,843	(3,399)
Utilities	439,286	451,435	(12,149)
Other operating expenses	626,943	516,355	110,588
Total operating expenses	<u>3,994,099</u>	<u>3,589,260</u>	<u>404,839</u>
Operating income (loss)	<u>(1,234,704)</u>	<u>963,071</u>	<u>(2,197,775)</u>
<b>Nonoperating Revenues (Expenses)</b>			
General property taxes	1,381,655	1,244,693	136,962
Investment income (loss)	446,645	342,775	103,870
Grants income	1,253,663	155,363	1,098,300
Other non operating income	42,083	3,735	38,348
Grant expenses	(1,300,960)	(930)	(1,300,030)
Interest expenses	(138,365)	(162,388)	24,023
Other nonoperating expenses	(12,797)	(8,239)	(4,558)
Total nonoperating revenues (expenses)	<u>1,671,924</u>	<u>1,575,009</u>	<u>96,915</u>
Change in net position	<u>\$ 437,220</u>	<u>\$ 2,538,080</u>	<u>\$ (2,100,860)</u>

Operating revenues decreased \$1,792,936 over the prior year, and operating expenses increased \$404,839. The significant decrease in operating revenue was due to decrease in rent revenue of \$1,948,918. The increase in operating expenses was due to increase in salaries and payroll related cost as well increase in expenses of professional and outside services.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**NET POSITION OF THE DISTRICT'S ENTERPRISE FUND**

Table 3 presents the net position of the District's one fund, the Enterprise Fund, and an analysis of significant changes in the fund's net position.

**Table 3  
Changes in Year-End Net Position**

	2023	2022 (As restated)	Change	% Change
Net Position, June 30,	\$11,265,490	\$ 10,828,270	\$ 437,220	4.04 %

The 4.04 percent increase is due to a trans-pacific fiber optic cable landing fee and increase in other upland lease.

Table 4 presents a summary of enterprise fund revenues for the year ended June 30, 2023, and the amounts and percentages of increases and decreases of revenues in relation to the prior year.

**Table 4  
Summary of Revenues**

	2022-23	Percent of Total	2022 (As restated)	Change
Revenues:				
Rents and leases	\$ 1,534,307	26.08 %	\$ 3,483,225	\$ (1,948,918)
Slip rentals	932,767	15.85 %	819,353	113,414
Harbor improvement surcharge	164,223	2.79 %	140,939	23,284
Other operating income	128,098	2.18 %	108,814	19,284
General property taxes	1,381,655	23.48 %	1,244,693	136,962
Interest Income	446,645	7.59 %	342,775	103,870
Grant and other nonoperating income	1,295,746	22.02 %	159,098	1,098,300
Total revenues	\$ 5,883,441	100.00 %	\$ 6,298,897	\$ (453,804)

Rents and leases decreased due to a 2022/23 trans-pacific fiber optic *cable landing fee*. Slip rentals increased due to continued recovery from impacts of the Covid-19 pandemic. Harbor Improvement Surcharge revenue increased due to an increase in shipping in 21/22. Interest income increased due to the implementation of GASB 87, *Leases*, and the resulting reclassification of a portion of lease payments from lease payments from lease revenue to interest revenue. Grant revenue varies from year to year based on available grant funding.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

Table 5 presents the variance between the District's budget and the actual results for the fiscal year. The District had no budget modifications during the year, so the final budget and the adopted budget were identical.

**Table 5**  
**Final Budget versus Actual Results**

	Original & Final Budget	Actual	Variance
<b>Operating Revenues</b>			
Rents and leases	\$ 1,733,975	\$ 1,534,307	\$ (199,668)
Slip rentals	610,000	697,651	87,651
Dredging and float replacement surcharge	215,000	235,116	20,116
Harbor improvement surcharge	215,000	164,223	(50,777)
Other revenue	15,440	128,098	112,658
Total operating revenues	<u>2,789,415</u>	<u>2,759,395</u>	<u>(30,020)</u>
<b>Operating Expenses</b>			
Salaries, wages and benefits	1,599,065	1,532,755	66,310
Depreciation	-	475,620	(475,620)
Dredging	-	675	(675)
Professional and outside services	206,000	446,885	(240,885)
Redwood terminal 2 expenses	339,246	224,444	114,802
Repairs and maintenance	273,065	248,166	24,899
Utilities	459,050	439,286	19,764
Other operating expenses	412,025	626,268	(214,243)
Total operating expenses	<u>3,288,451</u>	<u>3,994,099</u>	<u>(705,648)</u>
Operating income (loss)	(499,036)	(1,234,704)	(735,668)
<b>Nonoperating Revenue (Expense)</b>			
General property taxes	1,200,000	1,381,655	181,655
Investment income (loss)	172,800	446,645	273,845
Grants and other income	2,904,797	1,295,746	(1,609,051)
Grant expenses	(2,754,982)	(1,300,960)	1,454,022
Interest expenses	(144,400)	(138,365)	6,035
Other nonoperating expenses	(200,000)	(12,797)	187,203
Total nonoperating revenues (expenses)	<u>1,178,215</u>	<u>1,671,924</u>	<u>493,709</u>
Change in net position	<u>\$ 679,179</u>	<u>\$ 437,220</u>	<u>\$ (241,959)</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Final Budget versus Actual Results**

The favorable variance of \$66,310 in salaries, wages and benefits was due to changes in the District's portion of the State-wide PERS liability and a decrease in the District's liability for other post-employment benefits. The unfavorable variance of \$475,620 in depreciation was due to the District's policy of the budgeting for actual capital outlay for the year rather than depreciation expenses. The unfavorable variance of \$675 in dredging expense is due to the capitalization of dredging expenditures. The unfavorable variance of \$19,764 in utilities is due to higher than anticipated utility expenses. The favorable variance of \$273,845 in investment income is due to the implementation of GASB 87, *Leases*, and the resulting reporting of a portion of lease payments as interest income rather than lease income. The unfavorable variance of \$1,609,051 in grant revenue and the favorable balance of \$1,454,022 in grant expenses is due to changes in available and expended grants. The favorable variance of \$187,203 in other nonoperating expenses is due to the District's policy of including the principal portion of debt service payments in the budget, and the inclusion of reserve additions and withdrawals in the budget.

**Capital Assets**

The District's total capital assets, net of accumulated depreciation, as of June 30, 2023 was \$12,910,238. The total increase in net capital assets from the prior year was 24.8 percent. This increase was due to capital acquisitions during the current year. Capital asset balances as of June 30, 2023 and 2022 were as follows:

**Table 6  
Comparative Schedule of Capital Assets**

	2023	2022	Change
Land, building and improvement	\$ 26,260,652	\$ 23,217,801	\$ 3,042,851
Automotive equipment	95,639	95,639	-
Office and operating equipment	3,977,194	3,977,194	-
Dredging costs	1,566,367	1,534,660	31,707
Marina restaurant work-in-progress	-	34,100	(34,100)
Subtotals	31,899,852	28,859,394	3,040,458
Less: accumulated depreciation	(18,989,614)	(18,513,994)	(475,620)
Capital assets, net	<u>\$ 12,910,238</u>	<u>\$ 10,345,400</u>	<u>\$ 2,564,838</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**Debt Administration**

The District incurred new long-term debt in 2023 to cover dredging of the Marina and a property acquisition to support the Heavy Lift Marine Terminal. The increase in net pension liability was a result of an increase in the District's share of the State-wide CalPERS net pension liability. The District is required to report its proportionate share of that liability in its financial statements. The decrease in other post-employment benefits was due to changes in staff eligible for other post-employment benefits. The ending balances for debts and other long-term liabilities, as of June 30, 2023 and 2022 are presented below in Table 7.

**Table 7  
Debt and Other Long-Term Liabilities**

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Notes Payable:			
Refunding Bonds Series 2014	\$ 1,621,350	\$ 1,968,657	\$ (347,307)
Compass BBVA Bank Loan	908,007	1,058,384	(150,377)
Sale installment note payable	<u>5,454,000</u>	<u>-</u>	<u>5,454,000</u>
Total notes payable	<u>7,983,357</u>	<u>3,027,041</u>	<u>4,956,316</u>
Other Long-Term Liabilities:			
OPEB	169,351	186,792	(17,441)
Net pension liability	<u>1,408,435</u>	<u>577,703</u>	<u>830,732</u>
Total debt and other long-term liabilities	<u>\$ 9,561,143</u>	<u>\$ 3,791,536</u>	<u>\$ 5,769,607</u>

**ECONOMIC FACTORS**

The District's efforts to improve economic conditions include the acquisition and environmental clean-up of the Freshwater Tissue/Redwood Terminal 2 property beginning in 2013/14 and continuing into 2020/21. Redwood Terminal 2 had significant deferred maintenance to buildings and utilities which needed to be addressed in order to attract new tenants to the facility. The District obtained funding through the New Market Tax Credit program which resulted in an estimated \$5 million in renovation and improvements to the site. Revenues from tenants at the Redwood Terminal 2 property has increased to over \$500,000 from new tenant leases.

The District is in the planning and permitting phase of a Heavy Marine Lift Terminal in Humboldt Bay to support the offshore wind industry. This project has been the recipient of multiple grant awards totaling over a half billion dollars with the goal of bringing jobs and industry to Humboldt County. The District is also actively marketing cruise lines and other shippers to make Humboldt Bay a port of call, and is helping the oyster industry expand through the District's pre-permitting project.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023**

**REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Humboldt Bay Harbor, Recreation and Conservation District  
P.O. Box 1030  
Eureka, California 95502

## BASIC FINANCIAL STATEMENTS

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**JUNE 30, 2023**

**ASSETS AND DEFERRED OUTFLOWS OF RESOURCES**

CURRENT ASSETS:

Cash & cash equivalents	\$ 4,027,412
Restricted cash & cash equivalents	1,887,090
Accounts receivable, net	796,891
Interest receivable	12,620
Prepaid insurance	23,544
Lease receivable	<u>445,738</u>
Total current assets	<u>7,193,295</u>

NONCURRENT ASSETS:

Nondepreciable capital assets	9,016,928
Depreciable capital assets, net	3,893,310
Note receivable	5,849,375
Lease receivable, net of current portion	<u>3,233,452</u>
Total noncurrent assets	<u>21,993,065</u>
Total assets	<u>29,186,360</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - pension	689,470
Deferred outflows of resources - OPEB	4,388
Deferred outflows of resources - bond refunding	<u>8,671</u>
Total deferred outflows of resources	<u>702,529</u>
Total assets and deferred outflows of resources	<u>29,888,889</u>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION**

CURRENT LIABILITIES:

Accounts payable	307,106
Accrued wages, payroll taxes & benefit	34,940
Unearned income	163,450
Accrued vacation payable	68,683
Customer deposits payable	193,192
Notes payable	<u>173,717</u>
Total current liabilities	<u>\$ 941,088</u>

Continued..

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



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**JUNE 30, 2023**

**LIABILITIES - CONT'D**

NONCURRENT LIABILITIES:

Net OPEB liabilities	\$ 169,351
Unearned income	3,481,609
Net pension liabilities	1,408,435
Notes payable, net of current portion	<u>7,809,640</u>
Total noncurrent liabilities	<u>12,869,035</u>
Total liabilities	<u>13,810,123</u>

**DEFERRED INFLOWS OF RESOURCES**

Deferred inflows of resources - OPEB	3,223
Deferred inflows of resources - Pension	115,823
Deferred inflows of resources - Lease	3,545,298
Deferred inflows of resources - Cal Trans Spartina	<u>1,148,932</u>
Total deferred inflows of resources	<u>4,813,276</u>
Total liabilities and deferred inflows of resources	<u>18,623,399</u>

**NET POSITION**

Net investment in capital assets	9,225,775
Restricted	1,887,090
Unrestricted	<u>152,625</u>
Total net position	<u>11,265,490</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 29,888,889</u>

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

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**- PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**OPERATING REVENUES**

Sales & permits	\$ 15,501
Slip rentals	932,767
Rents and leases	1,534,307
Harbor improvement surcharge	164,223
Other revenue	<u>112,597</u>
Total operating revenues	<u>2,759,395</u>

**OPERATING EXPENSES**

Payroll & related cost	1,532,755
Commissioner's fees	30,900
Accounting & auditing	51,930
Advertising & promotion	2,648
Automobile expenses	32,908
Bad debt	111,761
Communications	30,936
Conference & meetings	24,171
Depreciation	475,620
Dues & subscriptions	61,492
Elections & property tax administration fee	79,154
Insurance	123,708
Rent and lease	1,256
Legal & other professional fees	263,434
Office expenses	53,860
Operating supplies	19,842
Outside service	183,451
Redwood terminal 2 expenses	224,444
Repairs, maintenance & small tools	248,166
Utilities	439,286
Dredging expense	675
Other operating expenses	<u>1,702</u>
Total operating expenses	<u>3,994,099</u>

Operating income (loss)	\$ <u>(1,234,704)</u>
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Continued..

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**- PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>NONOPERATING REVENUES (EXPENSES)</b>	
General property taxes	\$ 1,381,655
Investment income (loss)	446,645
Governmental grant	1,253,663
Other nonoperating incomes	42,083
Grant expenses	(1,300,960)
Interest expenses	(138,365)
Other nonoperating expenses	<u>(12,797)</u>
Total nonoperating revenues (expenses)	<u>1,671,924</u>
Change in net position	<u>437,220</u>
Net position, beginning	10,104,746
<i>Restatement</i>	<u>723,524</u>
Net position, beginning, <i>as restated</i>	<u>10,828,270</u>
Net position, ending	<u><u>\$ 11,265,490</u></u>

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

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	\$ 2,402,278
Payments to suppliers	(2,152,362)
Payments to employees	<u>(1,607,849)</u>
Net cash provided (used) by operating activities	<u>(1,357,933)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Taxes for general operations	1,381,655
Receipt of grant & contract funds from other governments	1,253,663
Expenditures of grant funds	(1,300,960)
Payments for other nonoperating costs	(12,797)
Other nonoperating receipts	<u>42,083</u>
Net cash provided (used) by noncapital financing activities	<u>1,363,644</u>

**CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES**

Payments to acquire, construct & improve capital assets	(3,074,558)
Proceeds from sale of capital asset	34,100
Principal payments on notes payable & bonds	(497,684)
Proceeds from issue of series 2023 installment sale obligations	5,454,000
Interest paid	(207,571)
Lease proceeds	<u>157,921</u>
Net cash provided (used) by capital & related financing activities	<u>1,866,208</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>173,537</u>
Net cash provided (used) by investing activities	<u>173,537</u>

Increase (decrease) in cash & cash equivalents	2,045,456
Cash & cash equivalents, beginning	<u>3,869,046</u>
Cash & cash equivalents, ending	<u><u>\$ 5,914,502</u></u>

**FINANCIAL STATEMENT PRESENTATION RECONCILIATION**

Cash & cash equivalents	\$ 4,027,412
Restricted cash & cash equivalents	<u>1,887,090</u>
Cash & cash equivalents, ending	<u><u>\$ 5,914,502</u></u>

Continued..

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**RECONCILIATION OF OPERATING INCOME (LOSS) TO  
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ (1,234,704)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Bad debts	111,761
Depreciation	475,620
Changes in assets & liabilities:	
Accounts receivable, excluding bad debts	47,743
Prepaid expenses	(3,435)
Accounts payable - related to operating activities	(163,203)
Customer deposits payable	(29,522)
Accrued liabilities	23,659
Pension and OPEB liability and deferred outflows and inflows of resources	(262,873)
Unearned income	<u>(322,979)</u>
Net cash provided (used) by operating activities	<u><u>\$ (1,357,933)</u></u>

**NONCASH CAPITAL & RELATED FINANCING ACTIVITIES**

Amortization of ground lease	\$ 424,391
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The accompanying notes are an integral part of these financial statements.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of Humboldt Bay Harbor, Recreation and Conservation District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to the government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

This summary of significant accounting policies of the District is presented to assist in understanding the financial statements. The financial statements and notes are representations of management, who is responsible for their integrity and objectivity. These accounting policies have been consistently applied in the preparation of financial statements.

**A. Reporting Entity**

The accompanying financial statements include all organizations, activities, and functions that comprise the District. The District has no oversight responsibility over any other governmental unit and is not included in any other governmental "reporting entity" as defined in GASB pronouncements. The District is governed by a five-member Board of Commissioners from the five supervisorial districts in Humboldt County.

**B. Nature of Activities**

The District is a special district created in 1970 by the State of California. The District was formed for the development of Humboldt County's harbors and ports, for the promotion of commerce, navigation, fisheries, and recreation thereon, as well as the protection of the County's natural resources.

**C. Basis of Presentation**

The financial statements required by *GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by *GASB Statement No. 63*, include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

The District utilizes an enterprise fund, which is a proprietary fund type. Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Enterprise funds account for goods or services that are provided to outside parties. The District has elected to use the reporting model for special-purpose governments engaged only in business-type activities. In accordance with the business-type activities reporting model, the District prepares its statement of cash flows using the direct method.

**D. Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured. Basis of accounting refers to the timing of the recognition of revenues and expenditures in the accounts and their reporting in the financial statements. Proprietary fund types are accounted for on an economic resources measurement focus using the accrual basis of accounting in which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the principal ongoing operations. The principal operating revenues of the District are charges to customers for rents and tidelands leases and harbor improvement surcharges. Operating expenses include the cost of maintaining the marina and tidelands, general and administrative expenses, and depreciation of capital assets.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

**D. Measurement Focus/Basis of Accounting - Cont'd**

All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Other government grants represent non-operating revenues received from other agencies related to harbor projects, including Spartina eradication, homeland security, port access, aquaponics expansion and other initiatives. Other nonoperating income includes the portion of the PG&E funding (see Note 10) that has been recognized. Grant expenses primarily represent nonoperating expenses related to the other government grants nonoperating revenues.

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, then unrestricted resources as they are needed.

**E. Budget and Budgetary Accounting**

The Board of Commissioners adopts a budget annually to be effective July 1st of the ensuing fiscal year. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgetary data for expenses, as revised, are presented in the accompanying supplementary information.

**F. Allowance for Doubtful Accounts**

The District evaluates the collectability of receivables in order to determine the allowance for doubtful accounts. As of June 30, 2023, the District recorded an allowance for doubtful accounts of \$543,656. Based on historical experience, the District does not expect additional amounts to become uncollectable, however if they are, they will be charged to operations as a bad debt expense. The impact of any bad debt expense recorded in the future is expected to be immaterial to the financial statements.

**G. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents are considered to be all cash on hand, demand deposits, and pooled cash and investments. The pooled cash and investments consists of cash pooled with the Humboldt County Treasurer's Investment Pool and is used as a demand deposit account.

The District follows the authority governing investments for municipal governments set forth in the California Government Code, Sections 53601 through 53659. The County Treasurer's Investment Pool is administered by the County of Humboldt Treasurer's Office and conforms to the California Government Code. The County's portfolio normally consists of U.S. Treasury issues, U.S. Agency agreements, banker's acceptances, and the State of California Local Agency Investment Fund. All cash invested by the County in demand deposit accounts is collateralized to 110 percent with approved U.S. Government securities, such as Treasury Bills and other U.S. Treasury issues.

The fair value of the District's investments in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasury for the entire County Treasury portfolio.

**H. Capital Assets**

The capitalization threshold for all capital assets is \$2,000. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Assets that individually may be below threshold amounts are capitalized if collectively they are above the threshold amount.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

**H. Capital Assets - Cont'd**

Depreciation of all exhaustible capital assets is charged as an expense against operations, with accumulated depreciation reflected in the statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

<u>Assets class</u>	<u>Useful life</u>
Equipment	3 - 10 Years
Dredging projects	10 Years
Buildings and improvements	20 - 40 Years

**I. Estimates**

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

**J. Net Position**

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

- *Net investment in capital assets* consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- *Restricted net position* is considered restricted, if its use is constrained to a particular purpose. Restrictions are imposed by creditors, grantors, contributors, laws, or regulations.
- *Unrestricted net position* consists of all other net positions that do not meet the definition of “net investment in capital assets” or “restricted net position” and is available for general use by the District.

**K. Property Taxes**

The lien date for secured property taxes is March 1st of each year. Taxes are levied as of July 1st on all secured real property and are due and payable November 1st and February 1st of the following fiscal year. Humboldt County is responsible for assessing, collecting, and distributing property taxes in accordance with enabling legislation.

Since the passage of California Proposition 13, beginning with fiscal year 1978-79, taxes are based either on a 1% rate applied to the 1975-76 assessed value of the property, or on 1% of the sales price of the property on sales transactions and construction which occur after the 1975-76 assessment. Assessed values on properties (exclusive of increases related to sales transactions and improvements) can rise at a maximum of 2% per year. The amount collected by the County is distributed in accordance with State law to the various public agencies. Therefore, the District does not levy a specific tax rate but receives a share of the property tax revenue based on State formula.



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

**K. Property Taxes - Cont'd**

During fiscal year 1993-94, an alternate method of property tax allocation (the "Teeter Plan") was adopted by the County. Under this Plan, the County's auditor/controller distributes 100 percent of current secured taxes billed to taxing entities during the current year, whether collected or not. The District recognizes property tax revenues on the accrual basis of accounting.

**L. Postemployment Benefits other than Pensions**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's Plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

**M. Pensions**

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

**N. Leases**

**Lessee**

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

**N. Leases - Cont'd**

**Lessor**

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**O. Compensated Absences**

All vested vacation is recognized as an expense and as a liability at the anniversary date of hire during the year ended June 30, 2023. The liability for compensated absences is reported as accrued vacation payable. Additionally, 50% of accrued sick hours over 240 is vested and reported as accrued sick leave payable. The accrued vacation payable and accrued sick leave payable are payable from unrestricted current assets.

**P. Current Accounting Pronouncements**

The GASB has issued several accounting pronouncements, which are effective for the District during the year.

**Implementation of GASB Statement No. 91**

As of July 1, 2022, the District adopted GASB Statement No. 91, Conduit Debt Obligations. The objective of this Statement is to better meet the information needs of financial statement users by enhancing the comparability and consistency of conduit debt obligation reporting and reporting of related transactions and other events by state and local government issuers. The implementation of this standard eliminates the option for issuers of conduit debt to recognize a liability for this debt on their financial statements. In addition, it requires issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations. As a result, there is no material effect of the implementation of this standard on the beginning net position.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONT'D**

**P. Current Accounting Pronouncements - Cont'd**

**Implementation of GASB Statement No. 94**

As of July 1, 2022, the District adopted GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)*. The implementation of this standard establishes standards of accounting and financial reporting for PPPs and APAs. The standard requires recognition of an asset, receivable, and deferred inflow of resources. {to be modified depending on the structure of the arrangement}. There was no significant effect on the District's financial statements as a result of the implementation of the standard.

As of July 1, 2022, the District adopted GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPP) and Availability Payment Arrangements (APA)*. The implementation of this standard establishes standards of accounting and financial reporting for PPPs and APAs. The standard requires recognition of a right-to-use asset-intangible asset and a corresponding, liability {to be modified depending on the structure of the arrangement}. There was no significant effect on the District's financial statements as a result of the implementation of the standard.

**Implementation of GASB Statement No. 96**

As of July 1, 2022, the District adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset - an intangible asset - and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. There was no significant effect on the District's financial statements as a result of the implementation of the standard.

GASB Statement No. 99, Omnibus 2022 (lease, PPPs, and SBITAs)

GASB Statement No. 99, Omnibus 2022 (financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53)

**New Accounting Pronouncements**

GASB Statement No. 100, Accounting Changes and Error Corrections - an Amendment of GASBs No. 64

GASB Statement No. 101, Compensated Absences

The District had no reportable impacts for the fiscal year 2023.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 - CASH AND CASH EQUIVALENTS**

The cash and cash equivalents at June 30, 2023 were classified in the accompanying financial statements as follows:

Cash & cash equivalents	\$ 4,027,412
Restricted cash & cash equivalents	<u>1,887,090</u>
Total cash and cash equivalents	<u>\$ 5,914,502</u>

Restricted cash and cash equivalents activity for the year ended June 30, 2023 was as follows:

	<u>Marina Dredging Surcharge</u>	<u>Float Replacement Surcharge</u>	<u>Total</u>
Unexpended cash from marina dredging and float replacement surcharges, June 30, 2022	\$ 1,058,838	\$ 551,471	\$ 1,610,309
Collections during the year	235,115	74,094	309,209
Less: amount spent during the year	<u>(32,381)</u>	<u>(47)</u>	<u>(32,428)</u>
Unexpended cash from marina dredging and float replacement surcharges, June 30, 2023	<u>\$ 1,261,572</u>	<u>\$ 625,518</u>	<u>1,887,090</u>
Restricted cash, June 30, 2023			<u>\$ 1,887,090</u>

Total cash and cash equivalents at June 30, 2023, consisted of the following:

Cash on hand	\$ 1,280
Deposits held with financial institutions	4,751,474
Deposits held with the County Treasurer's Investment Pool	<u>1,161,748</u>
Total cash and cash equivalents	<u>\$ 5,914,502</u>

The District may invest in any obligations, bonds, or securities in accordance with Section 53601 of the California Government Code, provided that the investment is in compliance with any debt covenant.

Fair value of Deposits held with the County Treasurer's Investment Pool as of June 30, 2023 was \$1,118,832.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that in the event of a failure by a financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that financial institutions secure cash deposits made by state or local governments by pledging securities as collateral. The fair value of the pledged securities must equal at least 110% of the amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The District may waive collateral requirements for cash deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 - CASH AND CASH EQUIVALENTS - CONT'D**

**Custodial Credit Risk - Cont'd**

The District has not waived the collateralization requirement. The District had deposits with bank balances totaling \$4,758,655 as of June 30, 2023. The District had an uninsured balance of \$4,478,464, held with bank as of June 30, 2023.

The custodial credit risk for the County Treasurer's Investment Pool is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of government investment pools.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District does not have a specific policy which relates to interest rate risk.

**Credit risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization; however, the external investment pool with the County Treasury is not rated.

**NOTE 3 - CAPITAL ASSETS**

Changes in capital assets during the year ended June 30, 2023, were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Nondepreciable capital assets:</b>				
Land	\$ 5,758,850	\$ 3,042,851	\$ -	\$ 8,801,701
Dredging costs (old harbor)	215,227	-	-	215,227
Capital work-in-progress (Marina)	<u>34,100</u>	<u>-</u>	<u>34,100</u>	<u>-</u>
<b>Total nondepreciable capital assets</b>	<u>6,008,177</u>	<u>3,042,851</u>	<u>34,100</u>	<u>9,016,928</u>
<b>Depreciable capital assets :</b>				
Building and improvement	17,458,951	-	-	17,458,951
Automotive equipment	95,639	-	-	95,639
Office and operating equipment	3,977,194	-	-	3,977,194
Dredging costs	<u>1,319,433</u>	<u>31,707</u>	<u>-</u>	<u>1,351,140</u>
<b>Total depreciable capital assets</b>	<u>22,851,217</u>	<u>31,707</u>	<u>-</u>	<u>22,882,924</u>
<b>Less: Accumulated depreciation</b>	<u>(18,513,994)</u>	<u>(475,620)</u>	<u>-</u>	<u>(18,989,614)</u>
<b>Depreciable capital assets, net</b>	<u>4,337,223</u>	<u>(443,913)</u>	<u>-</u>	<u>3,893,310</u>
<b>Total capital assets, net</b>	<u>\$ 10,345,400</u>	<u>\$ 2,598,938</u>	<u>\$ 34,100</u>	<u>\$ 12,910,238</u>

Total depreciation expense charged to operations for the year ended June 30, 2023 was \$475,620.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4 - NOTES PAYABLE**

The following is a schedule of the changes in notes payable for the fiscal year ended June 30, 2023:

	Beginning Balance	Additions	Deletion	Ending Balance	Classification	
					Current Portion	Long-Term Portion
Series 2014 Refunding Bonds	\$ 1,968,657	\$ -	\$ (347,307)	\$ 1,621,350	\$ 120,548	\$ 1,500,802
Compass BBVA Bank Loan	1,058,384	-	(150,377)	908,007	53,169	854,838
Series 2023 Installment Sale Obligations	-	5,454,000	-	5,454,000	-	5,454,000
Total	<u>\$ 3,027,041</u>	<u>\$ 5,454,000</u>	<u>\$ (497,684)</u>	<u>\$ 7,983,357</u>	<u>\$ 173,717</u>	<u>\$ 7,809,640</u>

**Refunding of Debt:**

On December 22, 2014, the District issued \$3,333,674 in revenue bonds with an interest rate of 4.1 percent, to refund \$2,180,000 of outstanding 2004 revenue bonds with an average interest rate of 5.417 percent and \$1,241,382 of notes payable to the California Department of Boating and Waterways with an interest rate of 4.5 percent. The bonds are secured by net revenues of the District. The District used \$217,702 of proceeds from the debt service reserve fund on the 2004 revenue bonds to fund the refunding issuance costs and reduce the balance borrowed on the 2014 refunding bonds.

The District used \$43,600 of the proceeds from the refund to pay a call premium on the refunding. The call premium is recorded as a deferred outflow of resources and amortized as interest expense over the 15-year term of the bonds.

The annual requirements to amortize the outstanding bonds payable, as of June 30, 2023 was as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 120,548	\$ 33,238	\$ 153,786
2025	248,560	59,011	307,571
2026	258,855	48,716	307,571
2027	269,577	37,994	307,571
2028	280,743	26,828	307,571
2029 - 2030	443,067	18,289	461,356
Total	<u>\$ 1,621,350</u>	<u>\$ 224,076</u>	<u>\$ 1,845,426</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 4 - NOTES PAYABLE - CONT'D**

**Compass BBVA Bank Loan:**

On March 8, 2016, the District borrowed \$1,560,000 from Compass BBVA Bank, at a 5.99% annual interest rate. Payments of principal and interest are due semi-annually with the first payment due July 1, 2016. The loan matures on July 1, 2030. In conjunction with this loan, the District entered into an installment sale agreement and pledged all net revenues as collateral with Compass BBVA Bank for the payment of this obligation.

As of June 30, 2023, future debt service related to this loan was as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 53,169	\$ 27,199	\$ 80,368
2025	111,163	49,574	160,737
2026	117,921	42,815	160,736
2027	125,091	35,646	160,737
2028	132,696	28,041	160,737
2029	367,967	33,726	401,693
Total	<u>\$ 908,007</u>	<u>\$ 217,001</u>	<u>\$ 1,125,008</u>

**Series 2023 Installment Sale Obligations**

The District has entered into an agreement, represented by this Promissory Note, pursuant to the 2023 Installment Sale Agreement dated May 01, 2023. The agreement is executed and delivered by the District with Signature Public Funding Corp., a New York corporation and non-bank affiliate of Flagstar Bank.

The District promises to pay the total borrowed amount of \$5,454,000 and Interest is calculated at the rate of 4.25% from the Closing Date May 25, 2023, or from the most recent 2023 obligation payment date to which interest has been paid or duly provided. Interest will be payable semiannually on each obligation payment date until the borrowed amount of \$5,454,000 is paid in full.

As of June 30, 2023, future debt service related to this loan was as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ -	\$ 139,721	\$ 139,721
2025	246,000	226,568	472,568
2026	280,000	215,390	495,390
2027	292,000	203,235	495,235
2028	304,000	190,570	494,570
2029 - 2033	1,727,000	743,177	2,470,177
2034 - 2038	2,124,000	335,411	2,459,411
2039	481,000	10,221	491,221
Total	<u>\$ 5,454,000</u>	<u>\$ 2,064,293</u>	<u>\$ 7,518,293</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 - LEASE RECEIVABLES**

The District entered into various Lease Agreement with lease terms ranging from 1 to 29 years. At June 30, 2023, the receivable balance was \$3,679,190. The annual discount rate is 7 percent and monthly lease payments range from \$48 to \$9,429. Deferred inflow of resources was \$3,545,298 and revenue recognized was \$350,505.

Minimum lease payments receivable are as follows:

Year Ending June 30	Principal	Interest	Total
2024	\$ 445,738	\$ 245,126	\$ 690,864
2025	436,104	214,426	650,530
2026	397,644	185,337	582,981
2027	356,020	158,968	514,988
2028	261,645	137,196	398,841
2029-2033	743,212	507,687	1,250,899
2034-2038	369,258	298,788	668,046
2039-2043	420,689	170,581	591,270
2044-2048	227,183	32,842	260,025
2049-2050	21,697	2,304	24,001
Total	<u>\$ 3,679,190</u>	<u>\$ 1,953,255</u>	<u>\$ 5,632,445</u>

**NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS**

***A. Plan Description***

The District has established the Humboldt Bay Harbor, Recreation, and Conservation District Retiree Healthcare Plan (HC Plan), a single-employer plan. The HC Plan provides healthcare insurance for eligible retirees and their spouses. The District pays 100% of the health insurance premiums for retired employees with a minimum of ten years of service and who have reached a minimum of fifty-five years of age up until age sixty-five. The District pays 50% of the health insurance premiums for the retiree spouse who must enroll in Medicare, if eligible. Any employee hired after December 1, 2011, will not be eligible for retiree health insurance. The HC Plan has not established or accumulated any assets in a trust. A separate financial report is not prepared for the HC Plan.

**Employees Covered**

As of June 30, 2023, actuarial valuation, the following current and former employees were covered by the benefit terms under the HC Plan:

Active employees	1
Inactive employees or beneficiaries currently receiving benefits	2
Inactive employees entitled to, but not yet receiving benefits	<u>0</u>
Total	<u><u>3</u></u>



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS - CONT'D**

**B. Contributions**

The HC Plan and its contribution requirements are established by agreements with the applicable employee bargaining units and may be amended by agreements between the District and the bargaining units. The annual contribution is based on the current insurance premiums due for the participating retirees. For the fiscal year ended June 30, 2023, the District's cash contributions were \$33,459, and there was no estimated implied subsidy, resulting in total payments of \$33,459. No trust has been created for the purpose of prefunding obligations for past services.

**C. Funding Policy**

The District funds post-employment health benefits on a pay-as-you-go basis. For the fiscal year ended June 30, 2023, the District's contributions for post-employment health benefit costs were \$37,184.

**D. Annual OPEB Cost and Net OPEB Obligation**

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

**E. Actuarial Methods and Assumptions:**

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

Actuarial Cost Method	Entry-age actuarial cost method
Discount Rate	3.65%
Inflation	2.5%
Salary Increases	2.75% per annum, in aggregate
Investment Rate of Return	3.65% net of expenses
Mortality Rate	Derived using 2021 CalPERS Active Mortality for Miscellaneous Employees tables
Pre-Retirement Turnover	Derived using 2021 CalPERS Turnover for Miscellaneous Employees tables
Healthcare Trend Rate	4.00%

There were no plan assets as of June 30, 2023.

**F. Discount Rate**

The discount rate estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets for funded plans. The rate used for a funded plan is the real rate of return expected for plan assets plus the long term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20-year General Obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates. The discount rate used in the valuation was 3.65%.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS - CONT'D**

**G. Information Related to Assumptions and Other Inputs**

Following is the table, the assumptions are based upon.

Mortality	<p>2021 CalPERS Mortality for Miscellaneous and Schools Employees</p> <p>The mortality assumptions are based on the 2021 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables.</p> <p>2021 CalPERS Retiree Mortality for All Employees</p> <p>The mortality assumptions are based on the 2021 CalPERS Retiree Mortality for All Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables.</p>
Retirement	<p>2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees</p> <p>The retirement assumptions are based on the 2021 CalPERS 2.0%@55 Rates for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.</p>
Turnover	<p>2021 CalPERS Turnover for Miscellaneous Employees</p> <p>The turnover assumptions are based on the 2021 CalPERS Turnover for Miscellaneous Employees table created by CalPERS. CalPERS periodically studies the experience for participating agencies and establishes tables that are appropriate for each pool.</p>

For other assumptions, actual plan provisions and plan data were used.

The alternative measurement method was not used in this valuation.

**H. Changes in Net OPEB Liability**

Changes in Net OPEB liability as of June 30, 2023 was as follows:

Net OPEB liability - beginning of year	\$	186,792
Service cost		2,890
Interest on total OPEB liability		6,071
Employer contribution as Benefit Payments		(33,459)
Experience (Gains)/Losses		8,046
Changes in assumptions		(989)
Net changes during 2022-23		(17,441)
Net OPEB liability - end of year	\$	169,351

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 - OTHER POSTEMPLOYMENT BENEFITS - CONT'D**

**I. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

Sensitivity of the Net OPEB liability to changes in the discount rate. The following presents the Net OPEB liability, as well as what the Net OPEB liability would be, if it was calculated using a discount rate (3.65 percent) that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current discount rate:

	Discount Rate 1% Lower	Valuation Discount Rate	Discount Rate 1% Higher
Net OPEB liability	\$ 173,061	\$ 169,351	\$ 165,633

**J. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

Sensitivity of the Net OPEB liability to changes in the healthcare cost trend rates. The following presents the Net OPEB liability, as well as what the Net OPEB liability would be if it were calculated using healthcare cost trend rates (4.00 percent) that are 1-percentage-point lower (3.00 percent) or 1-percentage-point higher (5.00 percent) than the current healthcare cost trend rates:

	Trend 1% Lower	Valuation Trend	Trend 1% Higher
Net OPEB liability	\$ 163,555	\$ 169,351	\$ 175,551

**K. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the District recognized OPEB expense/(income) of \$(13,418).

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ (3,223)
Difference between expected and actual experience	4,388	-
Total	\$ 4,388	\$ (3,223)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30	Deferred Outflow/ (Inflows) of Resources
2024	\$ 524
2025	641
Total	\$ 1,165

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 - PENSION PLAN**

**A. Plan Description**

The Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (the Plan) is administered by the California Public Employees' Retirement System (CalPERS). The plan consists of a miscellaneous risk pool and a risk safety pool, which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The District does not have any rate plans in the safety risk pool.

**B. Benefits Provided**

The Plan provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members and PEPRA Safety members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. PEPRA Miscellaneous members with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after five years of service. The death benefit is the Basic Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2023 are summarized as follows:

<u>Employer rate plan</u>	<u>Miscellaneous Prior to January 01, 2013</u>	<u>PEPRA Misc. on or after January 01, 2013</u>
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years' service	5 years' service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	52
Required employee contribution rates	7%	7.25%
Required employer contribution rates	10.32%	7.47%

**C. Contribution**

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

The District's contributions to Miscellaneous Risk Pool plan for the year ended June 30, 2023, was \$173,016.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 - PENSION PLAN - CONT'D**

**D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2023, the District reported net pension liability of \$1,408,435 for its proportionate share of net pension liability of the Miscellaneous Risk Pool.

The District's proportionate share of the net pension liability as of June 30, 2023 and June 30, 2022 for Miscellaneous Risk Pool was as follows:

Proportion - June 30, 2022	0.030420 %
Proportion - June 30, 2023	<u>0.030100 %</u>
Change - increase/(decrease)	<u>(0.000320)%</u>

For the year ended June 30, 2023, the District recognized pension expense of \$121,142. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 28,284	\$ (18,943)
Change in assumptions	144,324	-
Differences between projected and actual investment earnings	257,988	-
Change in employer's proportion	85,858	-
Differences between employer's contributions and proportionate share of contributions	-	(96,880)
Contributions subsequent to measurement date	<u>173,016</u>	<u>-</u>
Total	<u>\$ 689,470</u>	<u>\$ (115,823)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30</u>	<u>Deferred Outflow/ (Inflows) of Resources</u>
2024	\$ 101,108
2025	90,140
2026	51,588
2027	<u>157,795</u>
Total	<u>\$ 400,631</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 - PENSION PLAN - CONT'D**

**E. Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

Total pension liability for the June 30, 2022 measurement period was determined by an actuarial valuation as of June 30, 2021, with update procedures used to roll forward the total pension liability to June 30, 2022. The total pension liability was based on the following assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table*	Derived using CalPERS' Membership Data for all Funds
Post-retirement Benefit Increases	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies,

\*The mortality table used was developed based on CalPERS-specific data. The rates incorporate generational mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the society of actuaries.

**F. Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**G. Long-term Expected Rate of Return**

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long term projected portfolio return.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 7 - PENSION PLAN - CONT'D**

**G. Long-term Expected Rate of Return - Cont'd**

The expected real rates of return by asset class are as follows:

Asset Class*	Assumed Asset Allocation	Real Return Years 1 - 10*,**
Global equity- cap weighted	30.00 %	4.45 %
Global equity- noncap weighted	12.00	3.84
Private equity	13.00	7.28
Treasury	5.00	0.27
Mortgage- backed securities	5.00	0.50
Investment grade corporates	10.00	1.56
High yield	5.00	2.27
Emerging market debt	5.00	2.48
Private debt	5.00	3.57
Real assets	15.00	3.21
Leverage	(5.00)	(0.59)

\*An expected inflation of 2.30% used for this period.

\*\*Figures are based on the 2021-22 Asset Liability Management study.

**H. Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the District's proportionate share of the net pension liability of the Miscellaneous Risk Pool as of the measurement date, calculated using the discount rate, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate Less 1% (5.90%)	Current Discount (6.90%)	Discount Rate plus 1% (7.90%)
Net pension liability (asset)	\$ 2,207,859	\$ 1,408,435	\$ 750,707

**I. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

Additional financial and actuarial information required for GASB Statement No. 68 disclosures is located in CalPERS' ACFR for the fiscal year ended June 30, 2022, and the CalPERS' GASB 68 Accounting Valuation Report for the public agency cost-sharing multiple-employer defined benefit pension plan, which can be found on CalPERS' website at <https://www.calpers.ca.gov/docs/forms-publications/gasb-68>.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8 - RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial coverage covering each of those risks of loss. There have been no significant reductions in insurance coverage from the prior year. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this coverage in any of the past three years.

**NOTE 9 - NEW MARKET TAX CREDIT TRANSACTION**

The District is a sponsor of New Markets Tax Credits (NMTC) to support redevelopment in distressed communities. The New Markets Tax Credit Program (NMTC Program) was established by Congress in 2000 to spur new or increased investments in operating businesses and real estate projects located in low-income communities.

The District, in collaboration with Chase Bank (Bank), entered into various agreements to provide for the completion of the Humboldt Bay Eco-Industrial Park project, consisting of renovations and improvements to property in Samoa, Humboldt County, California.

As part of the NMTC Program transaction, a new independent entity, Humboldt Bay Development Association, Inc. (HBDA) a not-for-profit organization, was formed to participate under the Federal NMTC guidelines and to complete the project improvements. Also, pursuant to NMTC Program requirements, several financial intermediaries were established to finance the project. HBDA's construction costs are projected to be approximately \$5.20 million.

As required under the NMTC agreements with these entities, the District loaned the Chase NMTC Samoa Investment Fund, LLC \$5,849,375 and within the NMTC structure invested \$398,057 in cash to the transaction. Within the structure of the NMTC transaction, this \$398,057 cash investment was offset by a \$565,000 reimbursement from HBDA for project costs incurred by the District prior to the NMTC closing, and the funds to provide the loan to Chase NMTC Samoa Investment Fund, LLC were obtained through proceeds in the amount of \$3,906,000 for a long-term ground lease of the Samoa property to HBDA and from a \$1,560,000 loan obtained from Compass BBVA Bank.

The District's leveraged loan receivable from Chase NMTC Samoa Investment Fund, LLC bears interest of 2.7481% and is receivable in quarterly interest-only payments from June 10, 2016 through March 10, 2023; thereafter principal and interest payments are due until March 10, 2046. As of June 30, 2023, the balance of the loan receivable was \$5,849,375.

The District recorded the ground lease as unearned revenue in the liabilities section of its balance sheet, and will recognize operating income over the course of the lease. The District recognized \$45,069 of operating revenue during the year ended June 30, 2023, for a remaining balance of unearned income for an amount of as of \$3,481,609 as long-term deferred income as of June 30, 2023.

To fund HBDA's initial cost of the ground lease and the remaining project costs to be incurred by HBDA, within the NMTC structure New Markets Community Capital XVII, LLC and CNMC SUT-CDE 69, LLC loaned HBDA funds totaling \$8,680,000. In addition, the District and HBDA signed lease agreements under which the District is leasing-back the Samoa, California property from HBDA for the District's operations related to that asset.



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 9 - NEW MARKET TAX CREDIT TRANSACTION - CONT'D**

As of June 30, 2023, unearned income consisted of:

Unearned lease income (outfall pipe, tidelands, slip rentals and warehouse)	\$ <u>163,450</u>
Total unearned income - current	<u>163,450</u>
Unearned HBDA ground lease income - long-term	<u>3,481,609</u>
Total unearned income	<u><u>\$ 3,645,059</u></u>

The ground lease is scheduled to be terminated and closed out during the fiscal year 2023-2024. The proceeds from this termination will be applied against note receivable and to enhance the value of capital assets held by the District.

**NOTE 10 - RESTATEMENT**

For the fiscal year ending June 30, 2023, the District determined that \$723,524 of PG&E's unearned income met grant conditions previously and should have been recognized as revenue in the prior year. As a result, the financial statements for the year ended June 30, 2022, were restated to reflect this adjustment.

A description, and the effect of the changes, is as follows:

Net position previously reported, June 30, 2022	\$ 10,104,746
Unearned income for PG&E	<u>723,524</u>
Net position, as restated, June 30, 2022	<u><u>\$ 10,828,270</u></u>

**NOTE 11 - COMMITMENTS AND CONTINGENCIES**

**PG&E Agreement**

During 2014, Pacific Gas and Electric (PG&E) paid the District \$2.0 million for the specific purpose of procuring dredging equipment, financing initial start-up and training of the District personnel, and reuse or disposal of dredged material. As part of the agreement, the District has committed to perform a one-time dredging of certain real property owned by PG&E and located near King Salmon known as Fisherman's Channel. The District assumes responsibility for the dredging activities and repair work of Fisherman's Channel, and upon completion of these contract terms, the District will obtain ownership of the Fisherman's Channel. As of June 30, 2023, there is no PG&E funding.

**NOTE 12 - SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 27, 2024, the date at which the financial statements were available to be issued and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

## REQUIRED SUPPLEMENTARY INFORMATION

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**LAST TEN YEARS\***

Measurement Period, June 30	2023	2022	2021	2020	2019	2018
Service cost	\$ 2,890	\$ 3,392	\$ 4,715	\$ 3,771	\$ 20,986	\$ 19,877
Interest on total OPEB liability	6,071	4,454	6,905	7,841	19,794	21,313
Employer contribution as benefit payments	(33,459)	(32,364)	(55,906)	(75,367)	(83,586)	(80,371)
Experience gains/losses	8,046	-	(80,755)	(5,321)	(118,069)	-
Changes in assumptions	<u>(989)</u>	<u>(9,400)</u>	<u>2,952</u>	<u>16,988</u>	<u>3,564</u>	<u>-</u>
Net change in net OPEB liability	(17,441)	(33,918)	(122,089)	(52,088)	(157,311)	(39,181)
Net OPEB liability - beginning of year	<u>186,792</u>	<u>220,710</u>	<u>342,799</u>	<u>394,887</u>	<u>552,198</u>	<u>591,379</u>
Net OPEB liability - end of year	<u>\$ 169,351</u>	<u>\$ 186,792</u>	<u>\$ 220,710</u>	<u>\$ 342,799</u>	<u>\$ 394,887</u>	<u>\$ 552,198</u>
Covered employee payroll	\$ 6,565	\$ 41,913	\$ 47,351	\$ 60,367	\$ 276,928	\$ 376,937
Net OPEB liability as a percentage of covered employee payroll	2,579.60 %	445.67 %	466.11 %	567.86 %	142.60 %	146.50 %

**NOTES TO SCHEDULE**

1. The District's retiree healthcare plan had no assets accumulated in a trust that meets the criteria in Governmental Accounting Standards Board Statement no. 75, paragraph 4.
2. Changes in assumptions - Discount rate changed from 3.54% to 3.65%.
3. There are no statutorily or contractually established contribution requirements.

\* Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN YEARS\***

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Plan's Proportion of the Net Pension Liability/(Asset)	0.030100 %	0.030425 %	0.027280 %	0.010080 %	0.009570 %	0.009500 %	0.009023 %	0.007965 %	0.008534 %
Plan's Proportionate Share of the Net Pension Liability /(Asset)	\$ 1,408,435	\$ 577,703	\$ 1,150,835	\$ 1,033,203	\$ 921,868	\$ 941,780	\$ 780,795	\$ 546,685	\$ 531,034
Plan's Covered-Employee Payroll	\$ 832,988	\$ 788,024	\$ 764,169	\$ 764,169	\$ 889,228	\$ 794,364	\$ 863,258	\$ 871,775	\$ 730,490
Plan's Proportionate Share of the Net Pension Liability/(Asset) as Percentage of Covered-Employee Payroll	169.08 %	73.31 %	150.60 %	135.21 %	103.67 %	118.56 %	90.45 %	62.71 %	72.70 %
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	75.98 %	89.43 %	77.39 %	79.58 %	78.81 %	77.50 %	80.01 %	83.38 %	83.19 %

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM**  
**LAST TEN YEARS\***

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially Determined Contributions	\$ 173,016	\$ 150,868	\$ 136,505	\$ 55,338	\$ 54,414	\$ 53,870	\$ 83,233	\$ 75,091	\$ 68,939
Actual Contributions During the Measurement Period	<u>(173,016)</u>	<u>(150,868)</u>	<u>(136,505)</u>	<u>(55,338)</u>	<u>(54,414)</u>	<u>(53,870)</u>	<u>(83,233)</u>	<u>(75,091)</u>	<u>(68,939)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 832,988	\$ 788,024	\$ 764,169	\$ 764,169	\$ 889,228	\$ 794,364	\$ 863,258	\$ 871,775	\$ 730,490
Contributions as a Percentage of Covered Employee Payroll	20.77 %	19.15 %	17.86 %	7.24 %	6.12 %	6.78 %	9.64 %	8.61 %	9.44 %

\* Historical information is required only for measurement periods for which GASB 68 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**BUDGET TO ACTUAL - MARINA**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Marina		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>OPERATING REVENUES</b>			
Sales & permits	\$ 5,800	\$ 6,010	\$ 210
Rents and concessions	228,700	221,874	(6,826)
Slip rentals	810,000	900,845	90,845
Utility charges	51,700	79,862	28,162
Other revenues	-	7,646	7,646
	<u>1,096,200</u>	<u>1,216,237</u>	<u>120,037</u>
Total operating revenues			
<b>OPERATING EXPENSES</b>			
Salaries and wages	397,415	498,484	(101,069)
Payroll benefits	234,534	178,026	56,508
Advertising & promotion	1,000	1,105	(105)
Bad debt	1,500	56,565	(55,065)
Communications	2,660	25	2,635
Conference & meetings	7,500	875	6,625
Insurance	40,400	35,779	4,621
Automotive expenses	1,100	-	1,100
Office expenses	850	376	474
Operating supplies	2,000	-	2,000
Outside service	2,500	2,734	(234)
Legal & other professional fees	-	6,089	(6,089)
Repairs and maintenance	72,950	97,289	(24,339)
Utilities	204,800	207,817	(3,017)
Capital Outlay	85,000	-	85,000
Other operating expense	-	1,607	(1,607)
Depreciation	-	204,294	(204,294)
	<u>1,054,209</u>	<u>1,291,065</u>	<u>(236,856)</u>
Total Operating Expenses			
Operating income (loss)	<u>\$ 41,991</u>	<u>\$ (74,828)</u>	<u>\$ (116,819)</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**BUDGET TO ACTUAL - MARINA**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Marina		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>NONOPERATING REVENUES:</b>			
Investment income	\$ -	\$ 12,666	\$ 12,666
Total nonoperating revenues	<u>-</u>	<u>12,666</u>	<u>12,666</u>
<b>NONOPERATING EXPENSES:</b>			
Interest expenses	31,000	27,069	3,931
Total nonoperating expenses	<u>31,000</u>	<u>27,069</u>	<u>3,931</u>
Net nonoperating revenues and expenses	<u>(31,000)</u>	<u>(14,403)</u>	<u>16,597</u>
Change in net position	<u>\$ 10,991</u>	<u>\$ (89,231)</u>	<u>\$ (100,222)</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**BUDGET TO ACTUAL - GENERAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>OPERATING REVENUES</b>			
Sales & permits	\$ -	\$ 9,491	\$ 9,491
Slip rentals	15,000	31,922	16,922
Rents and concessions	71,175	(96,594)	(167,769)
Rents - tideland leases	431,600	350,505	(81,095)
Rents - redwood terminal 2	856,200	1,035,165	178,965
Fields landing fees and rents	34,000	20,868	(13,132)
Harbor improvement surcharge	215,000	164,223	(50,777)
Utility charges	60,600	(5,535)	(66,135)
Pilotage services	-	2,489	2,489
Other revenues	9,640	30,624	20,984
Total operating revenues	<u>1,693,215</u>	<u>1,543,158</u>	<u>(150,057)</u>
<b>OPERATING EXPENSES:</b>			
Payroll and related cost	641,453	536,232	105,221
Commissioner's fees	25,200	30,900	(5,700)
Payroll benefits	325,663	320,013	5,650
Advertising and promotion	2,150	1,543	607
Bad debt	-	55,196	(55,196)
Communications	31,600	30,911	689
Conference & meetings	17,350	23,296	(5,946)
Dues & subscriptions	50,700	61,492	(10,792)
Elections & property tax administration fees	59,000	79,154	(20,154)
Insurance	60,215	87,929	(27,714)
Automotive expenses	19,035	32,908	(13,873)
Office expenses	25,665	53,484	(27,819)
Operating supplies	7,500	19,842	(12,342)
Outside services	66,900	180,717	(113,817)
Accounting fees	40,000	51,930	(11,930)
Repairs and maintenance	200,115	150,877	49,238
Utilities	254,250	231,469	22,781
Rent and leases	4,300	1,256	3,044
Redwood terminal 2 expenses	339,246	224,444	114,802
Dredging expense	-	675	(675)
Legal and other professional expenses	136,600	257,345	(120,745)
Depreciation	-	271,326	(271,326)
Capital outlay	115,000	-	115,000
Other operating expenses	12,300	95	12,205
Total operating expenses	<u>2,434,242</u>	<u>2,703,034</u>	<u>(268,792)</u>
Operating income (loss)	<u>\$ (741,027)</u>	<u>\$ (1,159,876)</u>	<u>\$ (418,849)</u>



**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**BUDGET TO ACTUAL - GENERAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General		Variance Favorable (Unfavorable)
	Budget	Actual	
<b>NONOPERATING REVENUES</b>			
Investment income	\$ 172,800	\$ 433,979	\$ 261,179
General property taxes	1,200,000	1,381,655	181,655
Federal revenues	-	-	-
Other government grants	2,904,797	1,253,663	(1,651,134)
Other nonoperating incomes	-	42,083	42,083
Total nonoperating revenues	<u>4,277,597</u>	<u>3,111,380</u>	<u>(1,166,217)</u>
<b>NONOPERATING EXPENSES</b>			
Interest expenses	113,400	111,296	2,104
Grant expenses	2,754,982	1,300,960	1,454,022
Capital Expenditure	-	-	-
Other nonoperating expenses	-	12,797	(12,797)
Total nonoperating expenses	<u>2,868,382</u>	<u>1,425,053</u>	<u>1,443,329</u>
Net nonoperating revenues and expenses	<u>1,409,215</u>	<u>1,686,327</u>	<u>277,112</u>
Change in net position	<u>\$ 668,188</u>	<u>\$ 526,451</u>	<u>\$ (141,737)</u>

## SUPPLEMENTARY INFORMATION

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**UNRESTRICTED AND TIDELANDS TRUST**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Unrestricted</u>	<u>Tidelands Trust</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Sales & permits	\$ 7,601	\$ 7,900	\$ 15,501
Slip rentals & dredging/float replacement	13,164	919,603	932,767
Utility charges	32,351	74,327	106,678
Rents and concessions	1,129,915	51,398	1,181,313
Rents - tideland leases	-	350,505	350,505
Late fees and interest on past due accounts	(2,389)	8,290	5,901
Harbor improvement surcharge	-	164,223	164,223
Pilotage services	-	2,489	2,489
Other revenue	18	-	18
	<u>1,180,660</u>	<u>1,578,735</u>	<u>2,759,395</u>
Total operating revenues			
<b>OPERATING EXPENSES</b>			
Salaries and wages	583,417	451,299	1,034,716
Commissioner's fees	21,630	9,270	30,900
Payroll benefits	325,401	172,638	498,039
Advertising & promotion	996	1,652	2,648
Bad debt	-	111,761	111,761
Communications	25,152	5,784	30,936
Conference & meetings	15,311	8,860	24,171
Dues & subscriptions	41,988	19,504	61,492
County elections fees and property taxes	64,756	14,398	79,154
Insurance	107,155	16,553	123,708
Automotive expenses	23,298	9,610	32,908
Office expenses	45,307	8,553	53,860
Operating supplies	15,399	4,443	19,842
Outside services	128,158	55,293	183,451
Legal & professional fees	199,180	64,254	263,434
Accounting fees	37,041	14,889	51,930
Rents and leases	1,256	-	1,256
Repairs and maintenance	157,204	90,962	248,166
Utilities	317,894	121,392	439,286
Dredging expense	-	675	675
Redwood terminal 2 expenses	224,444	-	224,444
Other Expenses	1,702	-	1,702
Depreciation	139,489	336,131	475,620
	<u>2,476,178</u>	<u>1,517,921</u>	<u>3,994,099</u>
Total operating expenses			
Operating income (loss)	<u>\$ (1,295,518)</u>	<u>\$ 60,814</u>	<u>\$ (1,234,704)</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**UNRESTRICTED AND TIDELANDS TRUST**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Unrestricted	Tidelands Trust	Total
<b>NONOPERATING REVENUES</b>			
Investment income	\$ 322,875	\$ 123,770	\$ 446,645
General property taxes	1,381,655	-	1,381,655
Other government grants	81,427	1,172,236	1,253,663
Other nonoperating incomes	35,000	7,083	42,083
	1,820,957	1,303,089	3,124,046
<b>NONOPERATING EXPENSES</b>			
Interest expenses	61,274	77,091	138,365
Grant expenses	165,758	1,135,202	1,300,960
Other nonoperating expenses	7,522	5,275	12,797
Total nonoperating expenses	234,554	1,217,568	1,452,122
Net nonoperating revenues and expenses	1,586,403	85,521	1,671,924
Change in net position	290,885	146,335	437,220
Net position, beginning	11,788,373	(1,683,627)	10,104,746
<i>Restatement</i>	-	723,524	723,524
Net position, beginning, <i>as restated</i>	11,788,373	(960,103)	10,828,270
Net position, ending	\$ 12,079,258	\$ (813,768)	\$ 11,265,490

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**MARINA AND GENERAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Marina	General	Total
<b>OPERATING REVENUES</b>			
Sales & permits	\$ 6,010	\$ 9,491	\$ 15,501
Rents and concessions	221,874	(96,594)	125,280
Slip rentals	900,845	31,922	932,767
Rents - tideland leases	-	350,505	350,505
Pilotage services	-	2,489	2,489
Rents - redwood terminal 2	-	1,035,165	1,035,165
Fields landing fees and rents	-	20,868	20,868
Harbor improvement surcharge	-	164,223	164,223
Utility charges	79,862	(5,535)	74,327
Other revenue	7,646	30,624	38,270
	<u>1,216,237</u>	<u>1,543,158</u>	<u>2,759,395</u>
<b>OPERATING EXPENSES</b>			
Salary and wages	498,484	536,232	1,034,716
Commissioner's fees	-	30,900	30,900
Payroll benefits	178,026	320,013	498,039
Advertising & promotion	1,105	1,543	2,648
Bad debts	56,565	55,196	111,761
Communications	25	30,911	30,936
Conference & meetings	875	23,296	24,171
Dues & subscriptions	-	61,492	61,492
Elections & property tax administration fees	-	79,154	79,154
Insurance	35,779	87,929	123,708
Automotive Expenses	-	32,908	32,908
Office expenses	376	53,484	53,860
Operating supplies	-	19,842	19,842
Outside services	2,734	180,717	183,451
Accounting fees	-	51,930	51,930
Rent and leases	-	1,256	1,256
Legal & other professional fees	6,089	257,345	263,434
Repairs and maintenance	97,289	150,877	248,166
Utilities	207,817	231,469	439,286
Redwood terminal 2 expenses	-	224,444	224,444
Dredging expense	-	675	675
Other operating expenses	1,607	95	1,702
Depreciation	204,294	271,326	475,620
	<u>1,291,065</u>	<u>2,703,034</u>	<u>3,994,099</u>
<b>Operating income (loss)</b>	<u>\$ (74,828)</u>	<u>\$ (1,159,876)</u>	<u>\$ (1,234,704)</u>

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT**  
**STATEMENT OF REVENUES AND EXPENSES -**  
**MARINA AND GENERAL**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Marina</u>	<u>General</u>	<u>Total</u>
<b>NONOPERATING REVENUES</b>			
Investment income	\$ 12,666	\$ 433,979	\$ 446,645
General property taxes	-	1,381,655	1,381,655
Other government grants	-	1,253,663	1,253,663
Other nonoperating incomes	<u>-</u>	<u>42,083</u>	<u>42,083</u>
Total nonoperating revenues	<u>12,666</u>	<u>3,111,380</u>	<u>3,124,046</u>
<b>NONOPERATING EXPENSES</b>			
Interest expenses	27,069	111,296	138,365
Grant expenses	-	1,300,960	1,300,960
Other nonoperating expenses	<u>-</u>	<u>12,797</u>	<u>12,797</u>
Total nonoperating expenses	<u>27,069</u>	<u>1,425,053</u>	<u>1,452,122</u>
Net nonoperating revenues and expenses	<u>(14,403)</u>	<u>1,686,327</u>	<u>1,671,924</u>
Change in net position	<u>\$ (89,231)</u>	<u>\$ 526,451</u>	<u>\$ 437,220</u>

## COMPLIANCE SECTION

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

To the Board of Commissioners  
Humboldt Bay Harbor, Recreation and Conservation District  
Eureka, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Humboldt Bay Harbor, Recreation and Conservation District (the "District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 27, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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



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

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Harshwal & Company LLP*

San Diego, California  
February 27, 2024

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2023**

**SECTION I - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness?	None reported
• Noncompliance material to financial statements noted?	No

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2023**

**SECTION II - FINANCIAL STATEMENTS FINDINGS**

There are no findings in the current year to report.

**HUMBOLDT BAY HARBOR, RECREATION AND CONSERVATION DISTRICT  
STATUS OF PRIOR YEAR'S FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2023**

There were no findings reported in the prior year.