

ULSTER COUNTY RESOURCE RECOVERY AGENCY

ANNUAL FINANCIAL REPORT PUBLIC AUTHORITIES LAW - SECTION 2800

2021

Operations and Accomplishments

Solid Waste and Recycling Operations

The Ulster County Resource Recovery Agency (“UCRRA”) continues its commitment to find ways to decrease expenses; increase revenues and to make operations more efficient while striving to provide quality solid waste management and recycling services.

The Agency’s net position improved by \$1.8 million, from \$13.9 million at December 31, 2020 to \$15.7 million at December 31, 2021.

Total revenue in 2021 increased from the previous year by \$2.02 million. During 2021, the Agency experienced an overall increase in volume and dramatic increases in recycling markets. In correlation, revenue increases were driven by volume and recycling market improvements.

Total expenses in 2021 increased from the previous year by \$1.3 million. During 2021, the Agency realized contractual increases for transportation and disposal of MSW/C&D/Sludge. A majority of these increases were directly attributed to an increase in volume.

Overall, waste volume increased by 6.5% from the prior year. Predicting waste volume can be very difficult from year to year, but the implementation of Flow Control has allowed for less unpredictability. The public health crisis due to COVID-19 continued to impact the makeup of waste. Commercial hauler volume was up due to businesses reopening. Business self-haulers and related C&D volume was up due to several assumed factors related to the public health crisis, with remodeling by current and new home owners as the leading cause. This was a continuing trend from 2020. It can be expected that volume will return to pre-pandemic levels in 2022.

Recycling/Diversion volumes as a whole decreased from the prior year. The main commodities (news, OCC, and commingle) were consistent with 2020. The biggest change in volume was a decrease in food waste that was received. Food waste volumes can be affected by a number of variables, included customer route changes and cheaper disposal alternatives outside the County. The Agency’s biggest customer pulled volume at the beginning of the year, leading to a 27% decrease in food waste from 2020 to 2021.

Capital Activities

The Agency completed its expansion of its compost operation in preparation of new laws being implemented by Ulster County and New York State in the area of organics diversion. Construction continues on a new recycling education center and compost bagging operation. Construction was delayed as the Agency needed approvals from NYS DEC for its permit renewal and related modifications. The following capital assets were purchased in 2021:

- Completion of concrete padding for expansion of composting operation
- New leachate tanker trailer
- New entrance gate located closer to the main road
- Installation of 36' X 36' building that will house the recycling education center and compost bagging operation
- Installation of gutters on the new recycling ed/compost bagging building and the Materials Recovery Facility
- New 550 gallon diesel fuel tank installed inside the vehicle maintenance facility for equipment fueling
- Installation of secondary containment monitors at the pump house for fire safety
- Installation of scale weight scoreboards at the New Paltz scale for better customer service/communication

Communications & Public Outreach

Despite the continued challenges of the COVID-19 public health crisis in 2021, the UCRRA Recycling Outreach Team remained adaptable and adjusted program offerings to continue outreach and educational initiatives. Many programs were held virtually through WEBEX teleconferencing systems. The team incorporated new social media strategies and other video content online. Additional safety protocols were in place, and the team continued to focus on updating the Agency's print media resources, adding many resources in Spanish, and acquiring new teaching tools for future educational programs.

- The UCRRA Recycling Outreach team completed **50.5 hours** of direct community engagement programming in 2021: including **19 public speaking events/workshops, 18 facility tours of UCRRA recycling and organics recovery facilities, 1 special event (UCRRA Spring Compost Bin & Rain Barrel Sale) and 3 site visits to improve local recycling programs.**
- The program's direct efforts (tours, classes) reached **576 adult participants and 138 youth participants** with its initiatives.
- The Recycling Outreach Team grew indirect outreach program opportunities; **3,751 newsletter subscribers** received quarterly e-news about recycling, composting, waste reduction and other communications about UCRRA services like household hazardous waste events and the UCRRA electronics recycling program. UCRRA social media audience grew to **964 followers on Facebook and 855 followers on Instagram and 16 subscribers on Youtube.**

- Monthly Public Service Announcements and promotions for UCRRA Services were aired across four local and regional radio stations (reaching **over 2,006,400 estimated listeners**) and monthly print advertising reached an estimated **62,000+ local readers** (Sunday Freeman, Ulster Publishing Circulation, and The Kingston Matter Digest)
- UCRRA utilized the Recycle Right NY Campaign (a program of NYSDEC to reduce recycling contamination) on social media and in other advertisements. The outreach materials feature a different item of interest each month, with customizable text and graphics for public use.
- The Recycling Outreach Team responded to an estimated **350+ phone calls** on the Recycling Hotline, and estimated over **150+ emails just** through the Contact Us Form on the UCRRA website along. New program tracking efforts will be put into place in 2022 to further record program impact metrics.

Household Hazardous Waste & Pharmaceutical Program

Hazardous wastes are substances that are toxic, flammable, chemically reactive, or corrosive. These hazardous substances should not be discarded in the trash or introduced into municipal water supplies by being poured down drains. The Agency offers HHW Collection Events as a safe, convenient, and free way for Ulster County households to dispose of hazardous materials such as: fluorescent lightbulbs, rechargeable batteries, oil based paints and stains, cleaning chemicals, and much more.

In 2021, the Agency conducted four HHW Collection Events - in April, June, August, and October, at its two facilities in Kingston and New Paltz. Eight hundred and seventy one (871) Ulster County residents participated in this program and approximately 55,075 lbs. of toxic wastes were recovered for safe disposal by vendor, Clean Harbors. Key metrics include; 3891 lbs. hazardous aerosols, 11850 lbs. flammable liquids, 4886 lbs. pesticides (solids), 7089 lbs. pesticides (liquid), 20,141 lbs. paint, 40 lbs. mercury devices, 2,046 lbs. fluorescent lighting, 80 lbs. used motor oil, 3814 lbs. Misc. Acids & Bases, and much more.

Composting Program

The Agency operates one of only 2 municipally-operated Extended Aerated Static Pile (EASP) composting facilities in NY State. The Agency accepts organics, including food waste and compostable products from commercial entities (local schools, restaurants, grocery stores, etc.) at a cost 80.5% lower than the cost to dispose of trash. The end product is a finished compost which the Agency sells in bulk as a valuable soil amendment.

The Agency processed **3,383.36** tons of source separated organics in 2021. If this food waste were instead managed as municipal solid waste, it would have cost the public an estimated \$355,252.80 in solid waste tipping fees. By composting this material, the Agency removed 99.66 tractor trailer transport vehicles off the road (35 tons per vehicle) that would have traveled to Seneca Meadows Landfill for disposal. This represents a conservation of 9,500 gallons of diesel fuel, preventing 96.71 tons of carbon dioxide from

long-hauling alone.

The Agency produced **1707.54** tons of compost in 2021. Compost is sold in bulk, screened to 1/8 inch and is unblended. UCRRA's Grow Ulster Green Compost is sold to the general public, to landscapers, farmers, and hobby gardeners for use growing vegetables, flowers, trees/shrubs, turf, and more. As a proud partner of the US Composting Council's certified STA Compost Program, the Agency's compost bears the Seal of Testing Assurance. Compost is sampled quarterly and tested at a certified agronomy laboratory in Delaware. Compost Technical Data Sheets are available online at www.ucrra.org.

Electronics Recycling

NYS consumers are required to recycle many electronic waste items, such as computers, computer peripherals, televisions, small scale servers, small electronic equipment, etc., in an environmentally responsible manner in accordance with the NYS Electronic Equipment Recycling and Reuse Act (Environmental Conservation Law, Article 27, Title 26).

In 2020, the Agency began accepting electronic items for free, on Saturdays only from 8:00am-2:00pm outside of the Main Office, though the program was temporarily on pause until the spring due to the public health crisis, it eventually resumed as a seasonal program that runs April through November. Additionally, the Agency also practices waste diversion of any electronics that were tipped for disposal at the transfer stations. All electronics are consolidated and exported to Electronics Recyclers International (ERI) in Holliston, MA, Plainfield, IN, and Lincoln Park, NJ.

The Agency's electronics recycling program has been very successful. In 2021, UCRRA collected **179 tons** of electronic waste. Using the EPA's WARM model, this is **the greenhouse gas equivalency of 141.54 tons of avoided CO2**.

The electronics recycling program is open to residents (regardless of Ulster County residency status), businesses (<50 employees) local government entities, and non profit organizations (<75 employees). Residents represented 99.28% of the total E-Waste program users.

Real Property

The following property is owned by UCRRA as of the end date of this report:

<u>Property</u>	<u>Fair Market Value</u>
999 Flatbush Road	\$12,064,523
1951 Frank Sottile Blvd	\$ 2,519,685

Internal Control Assessment

UCRRA management has a good understanding of the need for internal controls and the existing control structure at the Agency. Opportunities to strengthen controls are taken into consideration on a daily basis. During 2021, low supply of incoming food waste led to a low supply of saleable compost. As a result, Agency management discovered some operational inefficiencies with the process, and set out to make improvements. The Agency engaged an independent CPA firm to provide internal audit services. The audit plan involved an evaluation of its composting operation and other areas that management felt needed a formal review. Prior to year-end, the first internal audit report was released. Recommendations relating to compost operations were implemented to improve documentation and tracking of material throughout the entire process. The other area of review was for ABO compliance, and recommendations for improved documentation have been implemented as well. This engagement will continue throughout the 2022 fiscal year. There were no other major changes to internal controls and overall, the Agency's internal control system is evaluated as very strong.

This statement certifies that management has documented and assessed the internal control structure and procedures of the Ulster County Resource Recovery Agency for the year ending December 31, 2021. The Agency has strongly relied on the reporting of its internal auditors, both past and present, for noted documentation and assessment. This assessment found the Agency's internal controls to be adequate, and to the extent that deficiencies were identified, the Agency has developed corrective action plans to reduce any corresponding risk.

Timothy DeGraff, CPA
Executive Director/Controller