

ULSTER COUNTY RESOURCE RECOVERY AGENCY

ANNUAL FINANCIAL REPORT PUBLIC AUTHORITIES LAW - SECTION 2800

2022

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 \$400,000, from \$15.7 million at December 31, 2021 to \$16.1 million at December 31, 2022.

Total revenue in 2022 increased from the previous year by \$1.1 million. During 2022, the Agency experienced an overall increase in volume. In correlation, revenue increases were driven by volume.

Total expenses in 2022 increased from the previous year by \$2.5 million. During 2022, the Agency realized contractual increases for transportation and disposal of MSW/C&D/Sludge. The noted contractual rate increases and volume increases were the main contributors to the increase in expenditures.

Overall, waste volume increased by 2.7% 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 recovery from the public health crisis due to COVID-19 continued to impact the makeup of waste. Commercial hauler volume increased as people returned to work and school. This led to a decrease in volume of municipal MSW, which is made up of residential waste. Business self-haulers and related C&D volume appeared to have stabilized in 2022 as previously expected.

Total recycling/diversion volumes were comparable to the prior year. The main commodities (news, OCC, and commingle) decreased in direct correlation with municipal MSW, as a majority of these commodities is received from municipalities. The biggest change in volume was an increase in food waste that was received. Food waste volumes can be affected by a number of variables, including customer route changes and cheaper disposal alternatives outside the County. The Agency’s biggest customer brought in consistent volume throughout 2022, which created an increase of 28%.

Capital Activities

Construction related projects were put on hiatus during 2022 as the Board of Directors searched for a new Executive Director prior to any work being done. Projects on hiatus included the recycling education center and compost bagging operation building. In the absence of construction projects, the Agency procured new heavy equipment and upgraded its IT and security camera infrastructure.

The following capital assets were purchased in 2022:

- Security camera infrastructure upgrades
- Additional security cameras installed
- Scale deck for New Paltz scale
- Additional and new lighting at Materials Recovery Facility
- New CAT mini excavator
- Installation of a storage pallet racking system at Vehicle Maintenance Facility
- (15) New 40 yard open top roll off containers
- New CAT 950M wheel loader
- New CAT 272D3 skidsteer
- Complete refurbishing of CAT 320CL excavator
- Installation of Two-Factor authentication software

Communications & Public Outreach

Ulster County Recycles is a county-wide outreach education and community engagement program administered by UCRRA's Recycling Outreach Team. The Agency proudly fosters environmental literacy in the communities we serve, believing that educating the public about recycling, composting, and waste reduction has incredible social, environmental, and economic impacts. By promoting literacy in these areas, UCRRA strives to help build resilient communities that engage youth and citizens to demonstrate concern for the environment, so residents and community leaders can act on the environmental challenges of the future.

UCRRA offers free programs and resources for residents, businesses, schools, landlords, and other facilities in Ulster County. The ROT collects program tracking data to help evaluate the success of these strategies and presents the following results for 2022:

- The Recycling Outreach team completed **101.75** hours of direct community programming in 2022 that included: **25 classes/public speaking engagements, 26 facility tours, 9 tabling events, 7 interviews, 3 site visits to improve recycling practices, and 2 community installations at local libraries. These programs reached approximately 868 adult participants and 328 youth participants.**
- The program grew indirect outreach strategies as well; **4,474 newsletter subscribers** received quarterly e-news. @UCRRA social media audience grew to **1,168 followers on Facebook and 1,010 followers on Instagram, and a combined reach of over**

19,500 impressions on social media platforms. @UCRRA on Youtube grew to **23 subscribers and the channel had 2,739 total views over 26.4 hours of streaming.**

- Monthly Public Service Announcements for UCRRA Services were aired across two local radio stations (reaching over **70,000 estimated listeners**) and print advertising reached an estimated **45,000+ local readers**. In Feb-March a digital streaming OTT campaign targeting Ulster County viewers on Roku, Sling, Tubitv, Pluto tv, as well as authenticated cable subscriptions reached **136,191 impressions**.
- The Recycling Outreach Team received **56 requests for media kits** that were sent by mail to various community partners and facilities, and they **distributed an additional 764 kits** at programs tours and events.
- The team responded to **120 questions** through its website contact us form, **1,628 questions** through the Recycling Hotline, totaling **130 hours** of community engagement over the phone.

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, paints and stains, cleaning chemicals, and more.

New York State Paint Stewardship Law was enacted December 16, 2019, and the Paint Care NY Program launched May 1, 2022. It is now even more convenient to recycle paint in New York State.

PaintCare is funded by a fee (referred to as the PaintCare fee) which is applied to the purchase price of new paint sold in each state that has passed a paint stewardship law. The fee is paid to PaintCare by paint manufacturers and is then added to the wholesale and retail purchase price of paint, passing the cost of managing leftover paint to everyone who buys and uses it. The fee funds all aspects of the paint stewardship program. This includes paint collection, transportation, recycling, public outreach, and program administration.

The Paint Care Program may lower the cost of the HHW service overtime, as the cost of paint and architectural coatings collected at events is now covered in full by the Paint Care program. The Agency expanded its HHW service to include latex paint in addition to its collection of oil and lead based paints. Four other paint recycling drop off locations are now available throughout the County and there is no charge for dropping off paint at a PaintCare drop-off site.

In 2022, the Agency conducted four HHW Collection Events - in April, June, August, and October, at its two facilities in Kingston and New Paltz. Nine hundred and seventy seven (977) Ulster County residents participated in this program and approximately 92,421 lbs. of toxic wastes were recovered including; 52,650 lbs. paint, 15,350 lbs. flammable liquids 13, 250 lbs. pesticides, 8,645 lbs. of acids, caustics, ammonia, and aerosols, 3,835 lbs. of fluorescent lamps, 35 lbs. mercury containing devices, 195 lbs. PCB containing material and other materials.

Our vendor, Clean Harbors, is North America's leading provider of environmental and industrial services. Clean Harbors provides collection, packaging, transportation, recycling, treatment, and disposal services at over 100 company-owned recycling, incineration, landfill, wastewater, or other treatment facilities. All materials collected are chemically neutralized, treated, and safely disposed in the most environmentally-responsible way possible.

Composting Program

Organic materials (such as food and yard waste) make up a significant portion of the municipal solid waste stream and can be recycled by composting. The Agency operates one of only 2 municipally-operated Extended Aerated Static Pile (EASP) composting facilities in NY State. In 2022, the Agency celebrated its ten year compost program anniversary and was awarded the US Composting Council's Small Scale Compost Manufacturer of the Year Award.

The Agency accepts source-separated organics, (food waste, food scraps) from commercial entities (such as restaurants, grocery stores, food processors, schools, or other institutional waste generators) at a cost 80.5% lower than the cost to dispose of trash. The food scraps are blended with wood chips, added to a forced aeration composting system, and undergoes a 90 day process cycle. The end product is a finished compost which the Agency sells in bulk.

The Agency processed **4,320** tons of source separated organics in 2022. If this food waste were instead managed as municipal solid waste, it would have cost the public an estimated **\$453,600** in solid waste tipping fees. By composting this material, the Agency **reduced hauling of 132** tractor trailer transport trips to the landfill (35 tons per vehicle). This represents a conservation of **12,540 gallons** of diesel fuel. The Agency also processed 1,138 tons of yard waste and 2,025 tons of woodchips through its composting operation.

The Agency produced **4,685 tons of compost and sold 2,708** tons of compost in 2022. Compost is as a valuable soil amendment that can be used to grow trees and shrubs, fruit/vegetable/flower gardens, lawn and turfgrass, or can be used in other landscaping and stormwater management applications. 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 in accordance with the Compost Sales Policy

approved by the Agency's Board of Directors.

UCRRA is 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 2022, the Agency accepted electronic items for free, every Saturday from April through November, 8:00 AM - 2:00 PM outside of the Main Office. Additionally, the Agency also practices waste diversion of any electronics that are tipped for disposal at the transfer stations.

All electronics are consolidated and exported to Electronics Recyclers International (ERI) in Holliston, MA and Plainfield, IN. The Agency's electronics recycling program has been very successful. In 2022, UCRRA collected we recycled **188 tons** of electronic devices, including **2,336 units of televisions and 2,879 units of computers** as well as various other office equipment and small electronic devices.

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 99.07% 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	\$15,043,195
1951 Frank Sottile Blvd	\$ 2,909,091

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 2022, the Agency continued to work with its internal auditors to review and, if applicable, implement stronger internal controls and best practices. The two areas of concentration were recycling commodities and payroll. No recommendations were suggested for payroll procedures, as internal controls were deemed strong. There were several suggestions made to improve tracking and documentation of recycling commodities. Our internal auditors recommended inventory counts at the end of each day, allowing the Agency to document exactly how much material was available for sale. This also allowed the Agency to assign a value to the recycling commodities available for sale at the end of each month and the end of the year. Working with a new Operations Manager, the administrative staff now receives and reviews documentation for each load sold that includes the buyer, the price agreed to, and any other potential buyers and quoted prices. This engagement will continue into the 2023 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, 2022. 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
Director of Finance & Administration