

Ulster County Resource Recovery Agency

Annual Comprehensive Financial Report
For The Years Ended December 31, 2022 And 2021



A Component Unit
of the County of Ulster,
Located in the Town of Ulster, New York

www.UCRRA.org



Ulster County Resource Recovery Agency

A Component Unit of the County of Ulster

Town of Ulster, NY

www.UCRRRA.org

**Annual Comprehensive Financial Report
Years Ended December 31, 2022 And 2021**

Prepared by the
Accounting Department

Timothy DeGraff, CPA
Director of Finance & Administration



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Introductory Section

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ULSTER COUNTY RESOURCE RECOVERY AGENCY

Board of Directors

Andrew Ghiorse, Chair
Margot Becker Vice Chair
Tom Kacandes, Treasurer
James Gordon, Member
Donna Egan, Member

Legal Staff

Kenneth Gilligan, Esq.



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Directors

Greg Ollivier, Executive Director
Timothy DeGraff, CPA, Director of Finance & Admin
Charles Whittaker, Director of Operations and Compliance
Angelina Brandt, Director of Sustainability

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March 24, 2023

TO THE BOARD OF DIRECTORS OF THE ULSTER COUNTY RESOURCE RECOVERY AGENCY:

This Annual Comprehensive Financial Report (ACFR) for the Ulster County Resource Recovery Agency (The Agency) containing the results of financial transactions occurring during the year ended December 31, 2022 is hereby submitted to the Agency Board and all others interested in the financial condition of the Agency. This report is published in accordance with the requirements of the State of New York (State) enabling legislation creating the Agency, Article 9, Section 2800 of the Public Authorities Law. Pursuant to those requirements, this Annual Comprehensive Financial Report of the Agency has been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). This report consists of three sections: Introductory, Financial, and Statistical. The basic financial statements included in the Financial Section have been audited by Teal, Becker & Chiamonte, CPAs, P.C.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Teal, Becker & Chiamonte, CPAs, P.C., have issued an unmodified ("clean") opinion on the Agency's financial statements for the years ended December 31, 2022 and 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

DESCRIPTION OF AUTHORITY

The Agency was formed for the purpose of developing, financing, and implementing a comprehensive countywide solid waste management program. In the mid-1980s, after new initiatives to close non-complying existing landfills were undertaken by the NYSDEC and strict requirements for the siting, construction, and operation of new disposal facilities were enacted, many communities found it beyond their financial and managerial capability to continue to dispose of waste in traditional ways. Consequently,

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many of the local municipalities in Ulster County (County) requested that the County government assume the responsibility for the solid waste management, and the Agency was created by the New York State Legislature pursuant to Chapter 936 of the Public Authorities Law approved December of 1986.

Prior to 2013, the Agency had to contract with commercial haulers to ensure that a sufficient amount of volume was coming into the Agency in order to meet its financial obligations. On December 4, 2012, the Ulster County Legislature voted on and passed a countywide flow control law and on December 18, 2012 the Ulster County Executive signed it into law. Subsequently the law was filed with the New York State Department of State (NYS DOS) on January 2, 2013 and on January 28, 2013 the Ulster County Clerk of the Legislature was officially notified by the NYS DOS that the law was filed which meant that as of said date, the law is now enforceable. The Flow Control Law mandates that all Municipal Solid Waste (MSW) generated within Ulster County must be brought to an Agency designated facility, which at present are the two Agency transfer stations. The tipping fees are set by the Agency's Board of Directors as part of the budgeting process to ensure that the corresponding fiscal year's financial obligations will be met. The major financial impacts of this law were an increase in solid waste service fees, the elimination of County subsidies, and the ability of the Agency to be self-sustaining.

Board of Directors: The Agency is governed by a five (5) member Board of Directors, four of whom are appointed by the Chairperson of the County Legislature and one is appointed by the County Legislature's minority party. All appointments are confirmed by the Legislature as a whole, for terms of three years.

Executive Director and Staff: An Executive Director, who serves at the Board's pleasure, is the Chief Executive Officer of the Agency and is responsible for implementing its policy decisions. The Executive Director's immediate staff includes the Director of Finance & Administration, Director of Operations & Compliance, Director of Sustainability, and Office Manager. A complete organizational chart of personnel appears within this introductory section.

Budgetary Information: The budget is compiled each year by Agency management and proposed to the Board of Directors by August. Based on the County's responsibility for the appointment of Agency Board Members and certain agreed upon debt related requirements, the Agency is considered a component unit of the County under the criteria established by the Governmental Accounting Standards Board (GASB). Due to this, the Board approved budget is submitted to the County Executive for review. This is followed by a public hearing process prior to the final budget approval in October by the Board of Directors.

SOLID WASTE ECONOMICS

The Agency operates two facilities that are both located within the County. With the flow control law being in effect in the County, local economic factors can have a direct effect on Agency solid waste volumes. The County has an approximate population of 180,000, and the Agency serves its residents with one regional transfer station in the northern part of the County (Town of Ulster) and one in the southern part of the County (Town of New Paltz).

The main revenue and cost driver for the Agency is volume. With a tipping fee of \$105/ton (plus a fuel surcharge), tipping fees and their corresponding revenues regularly amount to over 90% of total operating revenues. Expenditures related to volume (transportation costs, disposal costs, host community fees) regularly amount to almost 60% of total operating expenses. Fluctuations in volume can have a major

impact on the Agency's finances, but since the Agency started enforcing flow control in February 2013, MSW volume has become more consistent. Volume fluctuations tend to follow along with current economic trends, but tend to have a larger influence on Construction and Demolition (C&D) debris than MSW. Over the last five years, solid waste volume has increased at the Agency. Prior to 2021, MSW volume had consistently been around 100,000 tons, but has increased by 19.6% in the last two years as commercial volumes recovered from COVID-19. In direct correlation, C&D volume has decreased by 14.5%, or 6,000 tons over this time. Overall, increased total volume has had a positive effect on finances.

During 2019, the Agency put out bids for transportation and disposal of its solid waste, beginning in 2020. Due to market conditions, bid results came in higher than 2019 rates, and substantially higher for transportation costs. The Agency continues to realize annual increases from these contracts. When combining increases in volume and contract costs with high diesel fuel prices in 2022, the Agency's transportation and disposal expenses increased by \$1,259,336 from the prior year.

To offset continued contractual increases, the Agency will need to increase its tipping fees in the coming years.

RECYCLING ECONOMICS

The Agency operates a Materials Recovery Facility (MRF) at its Town of Ulster site. The MRF is set up to process dual-stream recycling only. Dual-stream recycling means that residents keep fiber (mixed newspapers and old corrugated cardboard ("OCC")) in separate containers, while other recyclables, such as plastic, glass, and metal are kept in another container. Single stream recycling (SSR) is the main collection practice by commercial haulers. SSR means that all of the noted recyclables above are kept in one single container. The inability to process SSR at the Agency's MRF created a large loss in revenue streams and an increase in costs as SSR has no value. As a result, the Agency stopped accepting SSR on April 1, 2019. It is estimated that only 20% of Ulster County's recycling stream comes to the Agency for processing. However, the Dual-stream material that is process is of high quality due to much lower contamination rates when compared to SSR.

With contracts in place, the Agency expects to receive the dual-stream recycling from municipalities, allowing the MRF to be on solid fiscal ground when market conditions are favorable. These contracts were renegotiated during 2020 and are in effect through 2025. Market prices in 2022 remained favorable through the summer. In the fall, market prices began to trend downward for most commodities. Prices for OCC ranged from \$145 to \$165 per ton, before reaching a low point in October of \$22 per ton. Prices for mixed newspaper ranged from \$100 to \$115 per ton, before reaching a low point in October of \$20 per ton. Plastic prices were high to start the year, but followed the same trend as fiber prices noted above. The exception to these trends was natural plastic, which was consistently between \$0.47 and \$0.64 per pound. Volume decreased in direct correlation with decreases in msw volume from municipalities. These decreases are related to the effects of people returning to work and spending less time at home. Overall, recycling revenue in 2022 was consistent with the prior year.

As the recycling industry continues to deal with challenges worldwide, the Agency's composting operation has continued to grow. Organic waste makes up approximately 22% of the waste stream. Diverting organic waste volume from the landfill has become and will continue to be a major goal of the Agency, Ulster County, and New York State. During 2022, the Agency successfully submitted and received a permit modification to increase its allowed acceptance of food waste from 2,500 tons to 5,000 tons. Agency administrative staff worked with its website vendor to develop an E-commerce website to sell one cubic

foot sized bags of compost. This new form of distribution is on schedule and will kick off in April 2023. Compost will also continue to be sold in bulk to larger volume customers.

LONG TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The Agency continues to provide the users of the solid waste and recycling systems with exceptional service through their commitment to efficiency, the environment, and fiscal responsibility. This commitment is taken into consideration on an everyday basis as we try to improve all aspects of the organization. The Agency is continuing its review of options for a long-term final disposal solution, with an eye towards 2025, when the remaining bond is paid off. With a fully approved Local Solid Waste Management Plan (LSWMP) in effect, the Agency submitted its first biennial update to the NYS DEC during 2022. Long term financial planning continues to center around increasing and improving diversion practices.

2022 was a transition year for the Agency as it searched for a new Executive Director. As the previous Executive Director, I was also doing the job of Controller. The dual responsibilities became too much to handle, and I decided to step down. The search for a new Executive Director lasted approximately six months, effectively holding up any new major initiatives as the Board of Directors wanted input from an incoming Executive Director before proceeding.

While major initiatives were put on hold, minor initiatives were still accomplished during 2022. These minor initiatives centered around repairs and maintenance at Agency facilities. Through the use of shared services with its host towns (Ulster and New Paltz), the Agency was able to complete various blacktopping and drainage projects at both sites. At our Ulster Closed Landfill, a road repair was completed in conjunction with ongoing post closure monitoring responsibilities. At the Agency's Materials Recovery Facility (MRF), we addressed a number of safety and maintenance issues by installing new LED lighting throughout the facility and hiring a dedicated MRF maintenance mechanic.

As noted previously, Agency administrative staff worked with its website designer to implement an E-commerce store. Once implemented, it would allow the Agency to sell smaller quantities of compost via one cubic foot bags. Conception, design, and troubleshooting occurred during 2022, and the store went live at the end of March 2023.

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, and several suggestions were 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.

Major initiatives in 2022 and into 2023 relate to the Local Solid Waste Management Plan, increased diversion of materials from landfills, and improved efficiencies in administrative operations. Drafted near the end of 2022 and released in the first quarter of 2023 were two Request for Proposals (RFP) and a Request for Statements of Interest (SOI). The first RFP is to consider the feasibility of a countywide landfill, as well as alternate options. The second RFP is for banking services. The SOI is to solicit new ideas and/or

technologies to divert as much material from landfills as possible. The Agency plans to initially start diverting materials through a pilot program for mattress recycling and by working with each town transfer station to review their current practices. Once reviewed, the Agency plans to recommend and assist in implementing any recommended changes. Other administrative initiatives center around a modernization concept. The Agency plans to join a cooperative purchasing group which will allow for electronic requests for quotes and proposals, archiving of related documentation, improved procurement compliance, and reaching a broader range of potential vendors. Finally, a review of current administrative procedures for accounts receivable led the staff to consider a full upgrade to its scale software. New software that is vertically integrated will allow the Agency to utilize customer portals for access to tickets, invoices, and online payments. This new software will also allow the Agency to consider enhancements to fleet management (replacement of paper documents with digital) and its accounting system.

RELEVANT FINANCIAL POLICIES

The Agency's operating budget is used to calculate the tipping fee for the ensuing year. A breakdown of major costs as they relate to the tip fee can be found within the MD&A. Since tonnages are the Agency's cost and revenue drivers, any deviation from budgeted tons will create a variance from budgeted figures. 2022 tonnages were 11% higher than budgeted amounts. This factor, combined with recycling market highs, and a prior year surplus, allowed the Agency to keep its tipping fees flat for 2022 and invest in capital infrastructure. Increases in contractual agreements, higher than normal diesel fuel prices, and general inflation led the Agency to increase its tipping fee \$5 per ton for the upcoming 2023 fiscal year.

As part of its agreement with the County, the Agency is required to fund reserves with a sufficient amount that can subsidize any shortfalls between revenues and expenses. It was mutually agreed that at least 25% of Agency expenses is an appropriate funding level for reserve accounts. The calculation period is for a twelve months ending each September 1st. The last calculation period had a requirement of \$4,434,374 in reserves. The Agency had an Operating Reserve balance of \$3,000,554 and an excess Debt Service Reserve balance of \$569,644 as of September 1, 2022. Based on these amounts, the Agency underfunded its Operating Reserve by \$864,176 for the September 1, 2022 calculation ending period. Increased volume created a surplus for the Agency, but also increased the required Operating Reserve balance. The Agency opted to use surpluses from the prior and current year to make capital investments rather than increase its Operating Reserve. Also, the Agency opted to use funds from its Operating Reserve to keep tipping fees flat for the benefit of all Ulster County residents.

AWARDS AND ACKNOWLEDGEMENTS

The Ulster County Resource Recovery Agency's annual comprehensive financial report for the year ended December 31, 2021, from which the information on page 10 has been drawn, was awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This was the fourth consecutive year that the Agency has achieved this prestigious award. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Agency, and the enthusiastic support of the Board of Directors. We wish to thank all those involved in providing the necessary data to prepare this report. The quality and timely preparation of the ACFR was also made possible by the dedicated service of Teal, Becker, and Chiamonte, CPAs, P.C., the Agency's independent auditors.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Timothy DeGraff, CPA". The signature is written in a cursive style with a large, stylized initial "T".

Timothy DeGraff, CPA
Director of Finance & Administration



Agency Board Members and Management As of December 31, 2022

Board Members

Katherine Beinkafner, Ph.D., P.G.

Chair

Term Expires: 12/31/2022

Thomas Kacandes

Vice Chair

Term Expires: 12/31/2023

Charles Landi

Treasurer

Term Expires: 12/31/2022

Margot Becker

Member

Term Expires: 12/31/2024

James Gordon

Member

Term Expires: 12/31/2024

Agency Management

Greg Ollivier

Executive Director

Timothy DeGraff, CPA

Director of Finance & Administration

Charles Whittaker

Director of Operations & Compliance

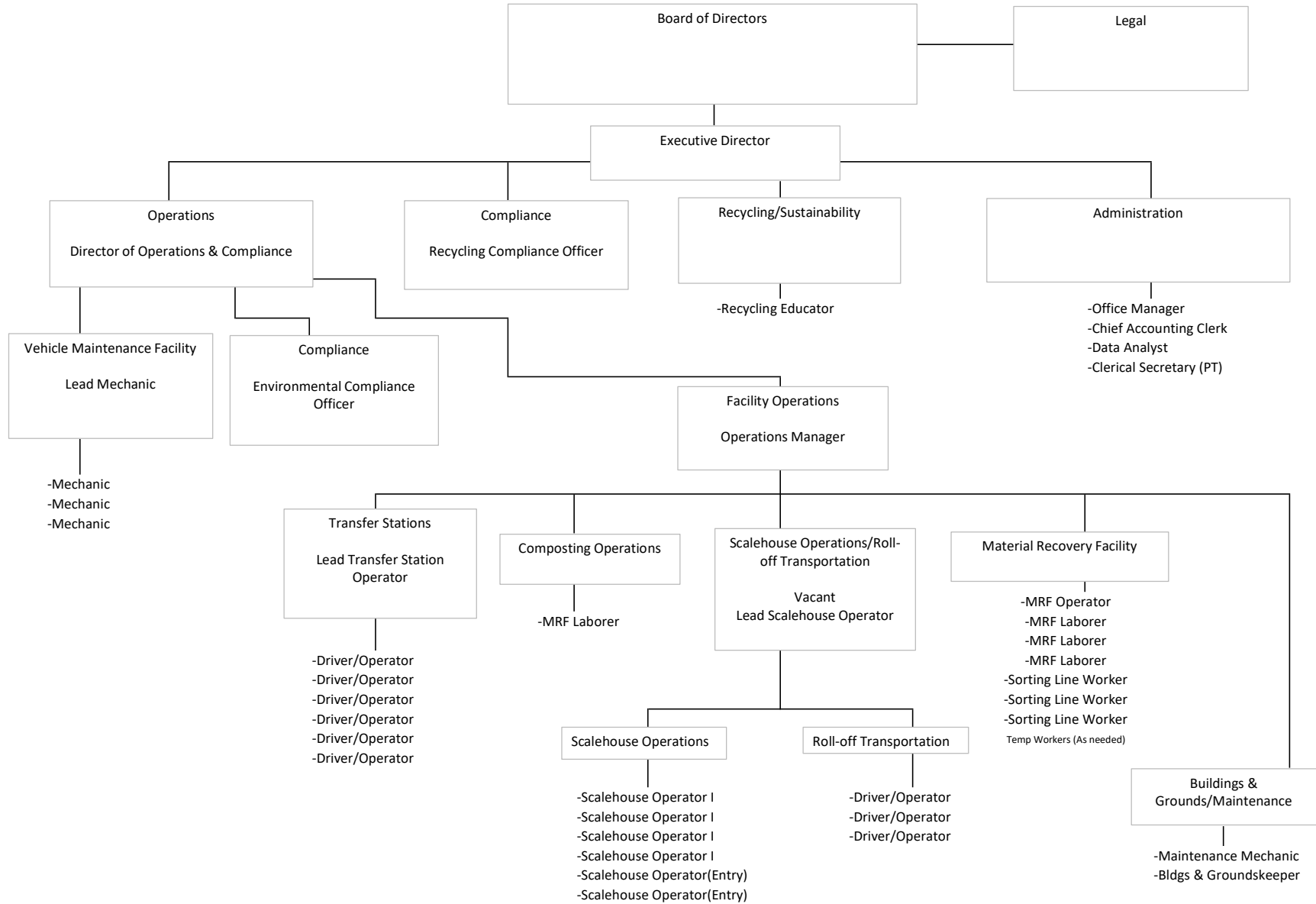
Angelina Brandt

Director of Sustainability

Kenneth Gilligan, Esq.

Agency Counsel

ULSTER COUNTY RESOURCE RECOVERY AGENCY
ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Ulster County Resource Recovery Agency
New York**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

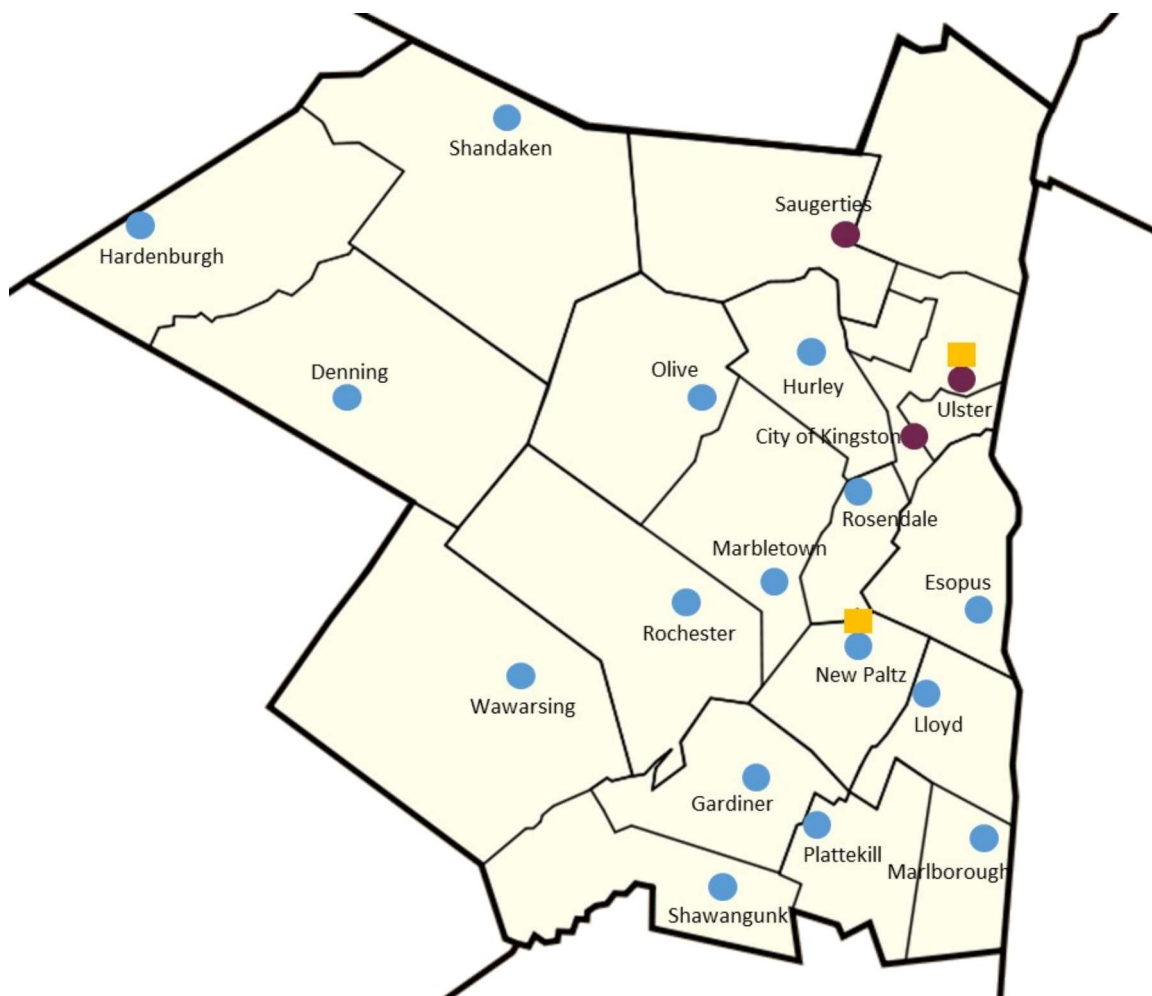
December 31, 2021

Christopher P. Morrill

Executive Director/CEO



Town Transfer Stations & UCRRA Facilities



- Municipal owned & operated facilities
- Municipal owned & operated facilities, serviced by UCRRA
- UCRRA facilities



Glossary of Terms

Closed Landfills

In 1997 the Agency took responsibility for the post-closure monitoring and maintenance of the former Ulster and New Paltz landfills, with an obligation of 30 years.

Commercial Haulers

Companies that offer curbside pick-up of household waste and recycling. Any company that picks up household waste, either from residences or businesses, in Ulster County is subject to the Flow Control Law. These haulers must have a permit with the Agency. This also includes companies that rent and transport roll-off containers. Roll-offs are commonly used to contain loads of C&D or other waste types.

Compost

An aerobic method (requiring the presence of air) of decomposing organic solid wastes. It can therefore be used to recycle organic material. The process involves decomposition of organic material into a humus-like material, known as compost, which is a good fertilizer for plants.

Construction & Demolition Debris (C&D)

All non-hazardous solid waste resulting from construction and demolition activities. C&D is not covered under The Flow Control Law.

Dual-Stream Recycling

A system in which fiber (newspaper, mixed paper, e.g., junk mail, cereal boxes, home office paper, etc.) and OCC (old corrugated cardboard) is separated into a different container from all other recyclables (food/beverage containers, aluminum/steel cans, glass bottles/jars, and certain plastics). The two material streams are picked up and placed in separate compartments on the recycling truck, and taken to a MRF where the containers go through a variety of automated sorting equipment and hand-picking before being baled or containerized and sent to market.

E-waste

Discarded electrical or electronic devices. In New York State, consumers are required to recycle electronic waste, such as computers, computer peripherals, televisions, small scale servers, and small electronic equipment, etc., in an environmentally responsible manner. The Agency offers free e-waste recycling to residents, businesses, and non-profits. Collected items are delivered to a facility that specializes in bringing materials down to the separated commodity level such as plastic, metal, and glass, which are then sent to downstream processors.

Flow Control

Flow controls are legal provisions that allow state and local governments to designate the places where municipal solid waste (MSW) is taken for disposal. On February 1, 2013, the Ulster County Flow Control Law (Local Law No. 10 of 2012) was enacted. This ensures that all MSW created in Ulster County must be disposed of at the Agency. The Flow Control Law allows all users to pay the same rate for disposal, and ended tax-payer subsidies making the Agency self-sustaining.



Glossary of Terms (continued)

Leachate

The liquid that drains or 'leaches' from a landfill. Leaching occurs when water percolates through any permeable material within the landfill. Since the Agency has an agreement to service the former Ulster and New Paltz landfills, it is responsible for hauling leachate from these sites to the City of Kingston Wastewater Treatment Plant for processing.

Materials Recovery Facility (MRF)

Specialized plant that receives, separates, and prepares recyclable materials for marketing to end-user manufacturers. Some MRF's are built to process single-stream recycling, dual-stream recycling, or both. UCRRRA operates a dual-stream only MRF.

Municipal Solid Waste (MSW)

Waste consisting of everyday items that are discarded by the public. In Ulster County, MSW is covered under the Flow Control Law.

Sewage Sludge

The residual, semi-solid material that is produced as a by-product during sewage treatment of industrial or municipal wastewater.

Single Stream Recycling (SSR)

A system in which all recyclables, including newspaper, cardboard, plastic, aluminum, junk mail, etc., are placed in a single bin. These recyclables are collected by a single truck and taken to a Materials Recovery Facility (MRF) to be sorted into various commodity streams for sale to markets, where it is processed into feedstock which can be used in the manufacturing of new products. The Agency's MRF is not able to process SSR.

Self Haulers

Companies such as contractors, landscapers, or other businesses who haul their own waste. This also applies to municipalities who are not serviced by UCRRRA and instead haul their own waste to the Agency. These businesses are not subject to the permitting portion of the Flow Control Law. However, the Agency does offer credit accounts to businesses who prefer to be billed monthly.

Town Transfer Stations (MRDC's)

Facilities owned and operated by individual towns to allow their residents to drop off household waste and recycling. In Ulster County, there are nineteen MRDC's. The Agency has an agreement with sixteen of these towns to service their transfer stations.



Financial Section

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To The Board Of Directors
Ulster County Resource Recovery Agency
Kingston, New York

Independent Auditors' Report

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ulster County Resource Recovery Agency, as of and for the year ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise Ulster County Resource Recovery Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ulster County Resource Recovery Agency, as of December 31, 2022 and 2021, 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 (GAAS) 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ulster County Resource Recovery Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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

Ulster County Resource Recovery Agency's 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, 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 Ulster County Resource Recovery Agency'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.

Auditors' 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 auditors' 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 GAAS 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 GAAS 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 Ulster County Resource Recovery Agency'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 Ulster County Resource Recovery Agency'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 and pension information on pages 18 through 33 and 56 and 57 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.

Other Information

Management is responsible for the other information included in the annual report in the introductory section on pages 1 through 13 and the statistical section on pages 61 through 78. The other information comprises the information included in the annual report/ACFR but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2023, on our consideration of Ulster County Resource Recovery Agency'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 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 Ulster County Resource Recovery Agency's internal control over financial reporting and compliance.

Teal Becker & Charanant, CPAs PC

Albany, New York
March 27, 2023



What is the Agency?

In 1986, the Ulster County Legislature obtained authorization from the State Legislature for the creation of the Ulster County Resource Recovery Agency (the "Agency"), a public benefit corporation which was formed for the purpose of developing, financing, and implementing a comprehensive Countywide solid waste management program. In the mid-1980's, after new initiatives to close non-complying existing landfills were undertaken by the NYSDEC and strict requirements for the siting, construction, and operation of new disposal facilities were enacted, many communities found it beyond their financial and managerial capability to continue to dispose of waste in traditional ways. Consequently, many of the local municipalities in Ulster County requested that the Ulster County government assume the responsibility for solid waste management, and the Agency was created by the New York State Legislature pursuant to Chapter 936 of the Public Authorities Law approved December of 1986. The Agency's organizational structure consists of a five-member Board of Directors, an Executive Director, Agency Counsel, and thirty administrative and operations personnel.

Mission Statement

To protect public health and the environment and to promote sustainable materials management practices in Ulster County by efficiently managing solid waste materials with a focus on resource conservation.



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, Tubity, 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 (HHW) **& 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.



Organics Recycling (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

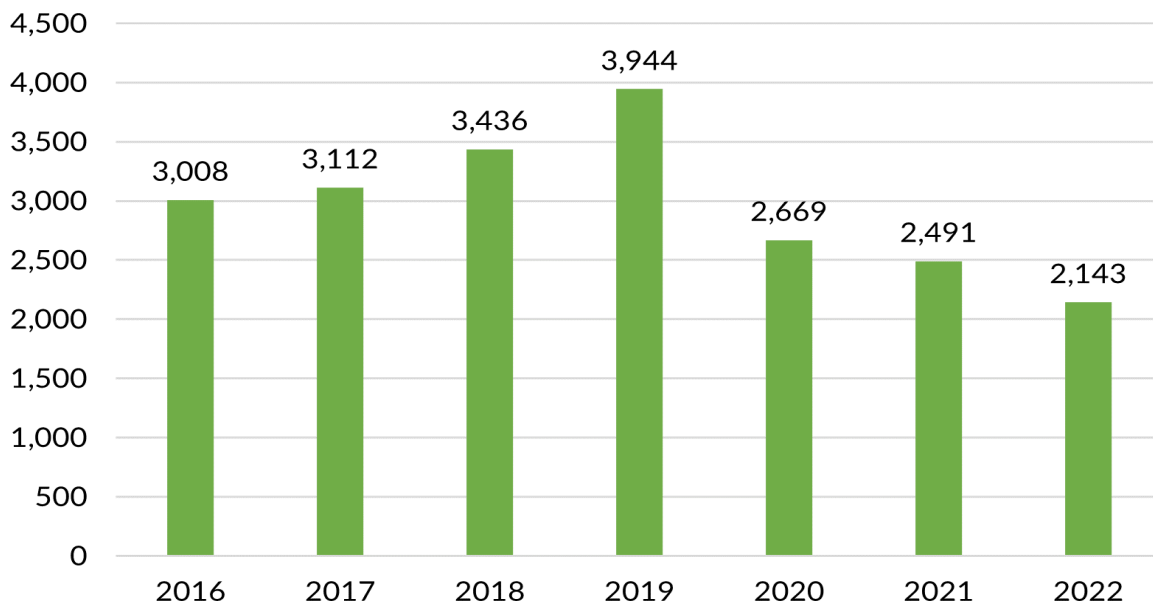
NYS consumers are required to recycle many electronic waste items, such as computers, computer peripherals, televisions, small scale servers, small electronic equipment, etc., in an environmentally responsible manner in accordance with the NYS Electronic Equipment Recycling and Reuse Act (Environmental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

Total E-Waste Program Users





Overview of the Financial Statements

Statements Of Net Position

The Statements of Net Position presents the assets, liabilities, and net position of the Agency at the end of each year. The purpose of the statements of net position is to present to the readers of the financial statements a fiscal snapshot of the Agency. From the data presented, readers of the statements of net position are able to determine the assets available to continue the operations of the Agency. They are also able to determine how much the Agency owes vendors, employees, and others. Finally, the Statements of Net Position provide a picture of the net position (assets minus liabilities and deferred outflows of resources) and their availability for use by the Agency.

Condensed Statements Of Net Position

	2022	2021	2020
Assets:			
Current assets	\$11,052,550	\$11,569,482	\$10,775,684
Non-Current assets	<u>12,061,751</u>	<u>11,434,134</u>	<u>11,834,818</u>
Total assets:	<u>23,114,301</u>	<u>23,003,616</u>	<u>22,610,502</u>
Deferred outflows of resources	<u>1,275,665</u>	<u>1,698,237</u>	<u>1,361,335</u>
Liabilities:			
Current liabilities	2,989,137	2,994,181	3,025,331
Non-Current liabilities	<u>3,112,825</u>	<u>3,807,095</u>	<u>6,904,781</u>
Total liabilities:	<u>6,101,962</u>	<u>6,801,276</u>	<u>9,930,112</u>
Deferred inflows of resources	<u>2,160,533</u>	<u>2,169,127</u>	<u>126,320</u>
Net position:			
Net investment in capital assets	8,971,604	8,271,854	7,958,167
Unrestricted	3,397,105	3,941,633	2,579,787
Restricted	<u>3,758,762</u>	<u>3,517,963</u>	<u>3,377,451</u>
Total Net Position:	<u>\$16,127,471</u>	<u>\$15,731,450</u>	<u>\$13,915,405</u>



Capital Activities

2022

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

2021

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



Capital Activities (continued)

- 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

For additional information about the Agency's capital activities, see "Note 4 – Capital Assets" in the Notes to Financial Statements.

Long Term Debt Activities

The Agency issued no debt during 2022 and 2021.

The Agency's 2002 Refunding Bond payments became interest heavy beginning in 2019, resulting in a substantial increase in interest expense. Over the past four years, average interest expense is \$1,081,081, or \$397,665 per year higher than it was in 2018.

For additional information about the Agency's capital activities, see "Note 7 – Long Term Debt" in the Notes to Financial Statements.



**Statements of Revenues, Expenses,
and Changes in Net Position**

Changes in total net position as presented on the Statements of Net Position are based on the activity presented in the Statements of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenue earned by the Agency, both operating and non-operating, and the expenses incurred by the Agency, operating and non-operating, and any other revenue, expenses, gains and losses earned or incurred by the Agency.

Generally speaking, operating revenue is received for providing goods and services to the various private customers and municipalities that use the Agency's facilities. Operating expenses are those expenses paid to

**Condensed Statements of Revenues, Expenses,
and Changes in Net Position**

	2022	2021	2020
Operating Revenue:			
Solid Waste Service Fees	\$18,591,710	\$17,097,941	\$15,874,337
Other Operating Revenue	<u>1,224,429</u>	<u>1,648,853</u>	<u>736,187</u>
	19,816,139	18,746,794	16,610,524
Non-Operating Revenue:			
Investment Income	152,185	133,880	170,340
Grant Revenue	180,180	193,901	272,666
Gain on Disposal of Assets	<u>32,496</u>	<u>1,500</u>	<u>6,212</u>
	<u>364,861</u>	<u>329,281</u>	<u>449,218</u>
Total revenue:	<u>20,181,000</u>	<u>19,076,075</u>	<u>17,059,742</u>
Operating Expenses:			
Cost of Sales and Services	13,353,135	11,340,194	10,021,995
Other Operating Expenses	<u>5,314,651</u>	<u>4,814,004</u>	<u>4,896,394</u>
	18,667,786	16,154,198	14,918,389
Non-Operating Expenses:			
Interest Expense	<u>1,117,193</u>	<u>1,105,832</u>	<u>1,061,112</u>
Total expenses:	<u>19,784,979</u>	<u>17,260,030</u>	<u>15,979,501</u>
Increase in net position	396,021	1,816,045	1,080,241
Net position:			
Beginning of year	<u>15,731,450</u>	<u>13,915,405</u>	<u>12,835,164</u>
End of year	<u>\$16,127,471</u>	<u>\$15,731,450</u>	<u>\$13,915,405</u>



Statements of Revenues, Expenses, and Changes in Net Position (continued)

2022

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.

2021

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.



Statements of Cash Flows

The final statement presented by the Agency is the statements of cash flows. The statements of cash flows present detailed information about the cash activities of the Agency during the year. The first section of the statements of cash flows deals with operating cash flows and shows the net cash provided by the operating activities of the Agency. The second section reflects the cash flows from grant activities. The third section reflects the cash flows from capital and related financing activities and shows capital construction and capital asset acquisition/disposal. The fourth section reflects cash flows from interest earned on investments.

Net cash decreased from 2021 to 2022 mainly due to the purchase of capital assets. Capital asset investments were almost twice as much as in 2022 as they were in 2021. An increase of \$500,000.

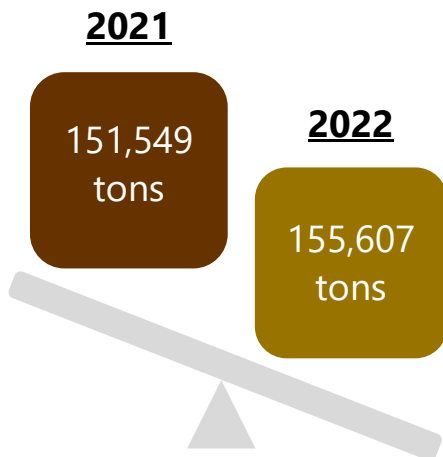
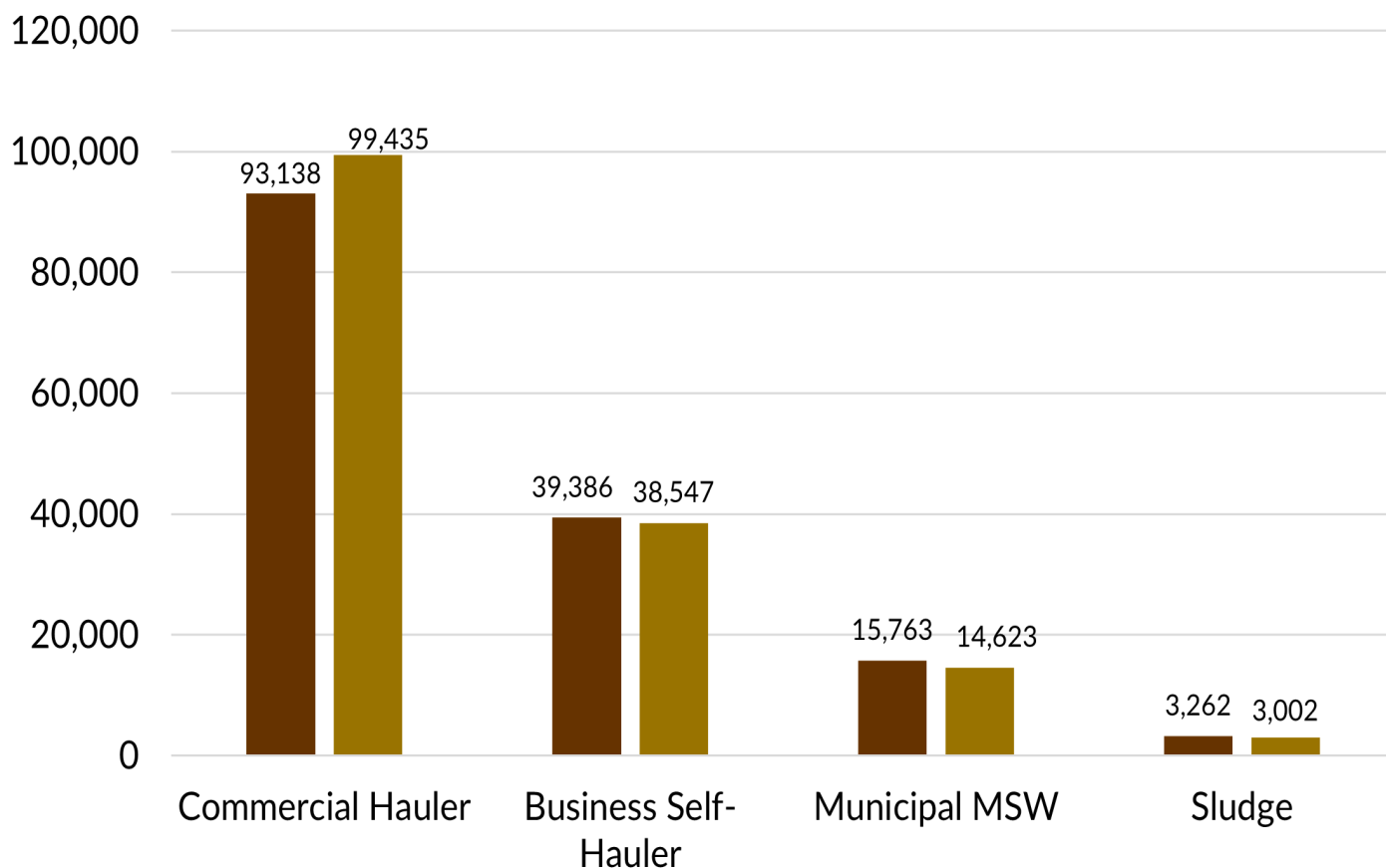
Net cash increased from 2020 to 2021 mainly due to grant income from prior year's actually being received in 2021. An increase of more than \$400,000.

Condensed Statements of Cash Flows

	2022	2021	2020
Net cash provided by operating activities	\$2,347,797	\$2,419,588	\$2,809,852
Net cash provided by noncapital financing activities	100,161	425,199	36,131
Net cash used in capital and related financing activities	(2,764,919)	(2,309,285)	(4,495,395)
Net cash provided by investing activities	<u>148,557</u>	<u>133,719</u>	<u>171,240</u>
Net increase (decrease) in cash and equivalents	(168,404)	669,221	(1,478,172)
Cash and equivalents at beginning of year	<u>6,616,707</u>	<u>5,947,486</u>	<u>7,425,658</u>
Cash And Equivalents At End Of Year	<u>\$6,448,303</u>	<u>\$6,616,707</u>	<u>\$5,947,486</u>



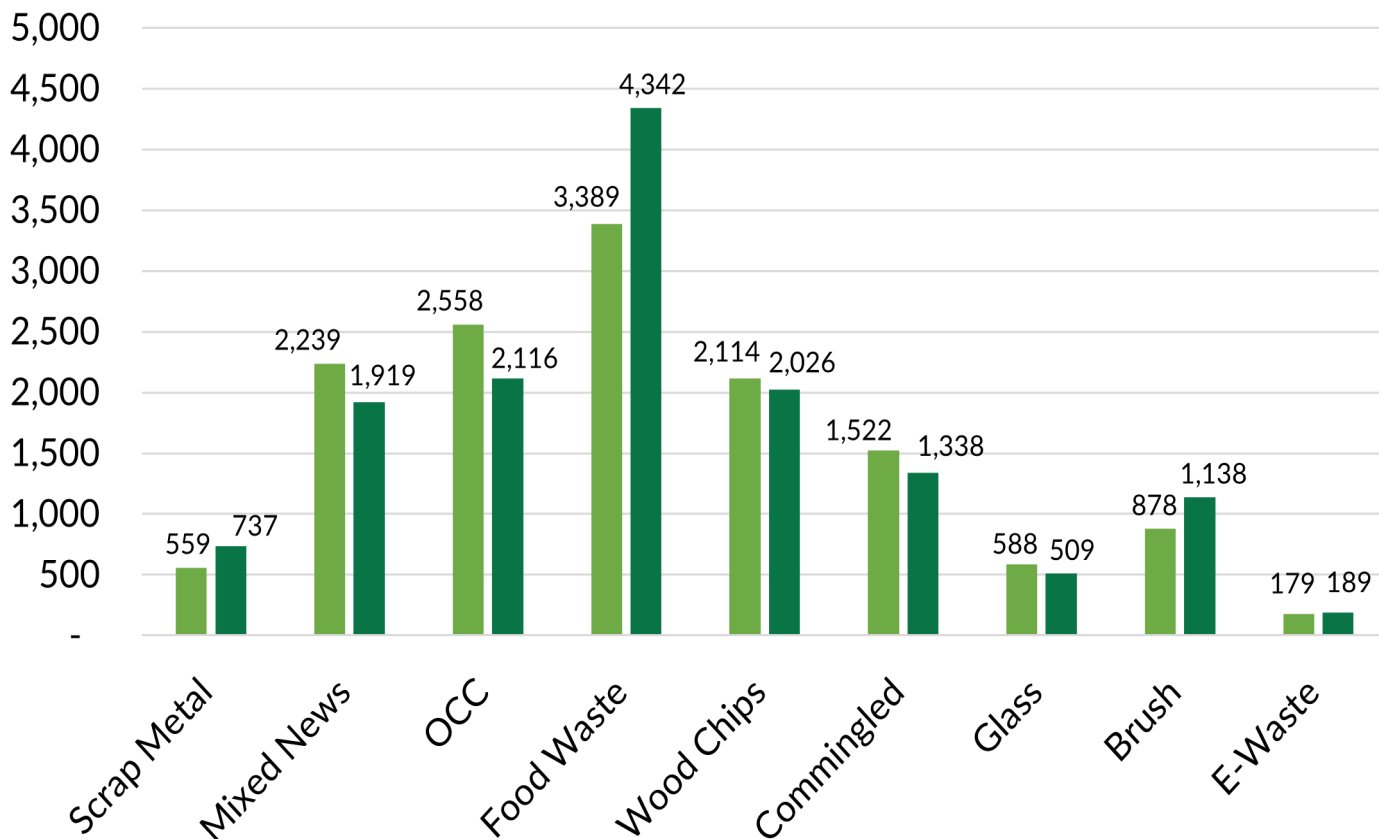
Solid Waste



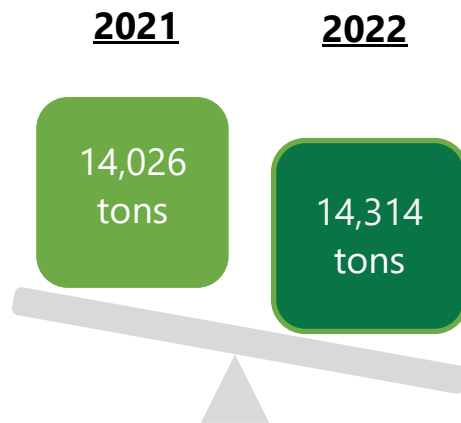
Overall, waste volume increased by 2.7% from the prior year. Predicting waste volume can be very difficult from year to year, but the implementation of Flow Control has allowed for less unpredictability. The recovery from the public health crisis due to COVID-19 continued to impact the makeup of waste. 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.



Recycling/Diversion



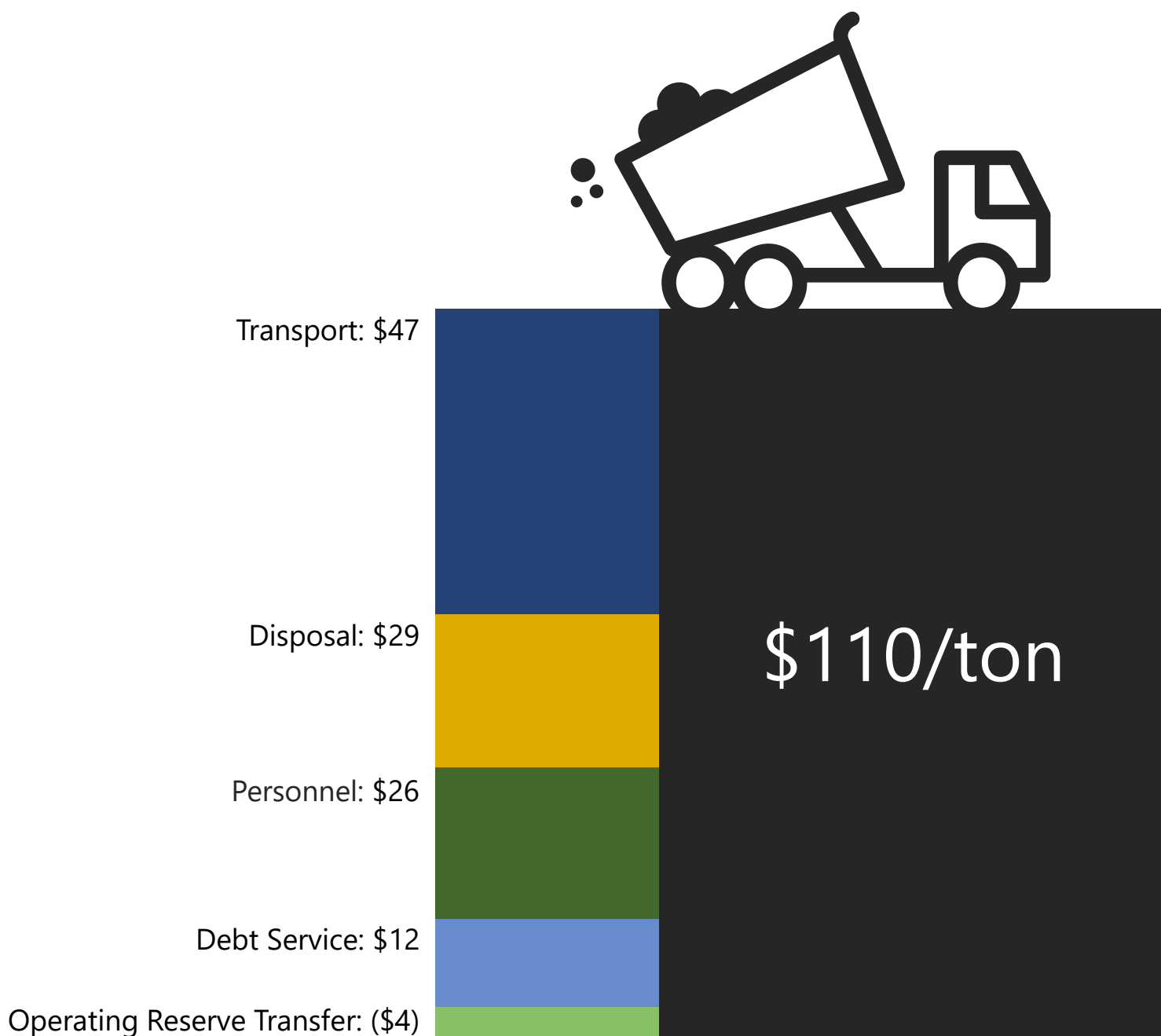
Total recycling/diversion volumes were comparable to the prior year. The main commodities (news, OCC, and commingle) decreased in direct correlation with municipal MSW, as a majority of these commodities is received from municipalities. The biggest change in volume was an increase in food waste that 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%.





How We Calculate Our Tipping Fee

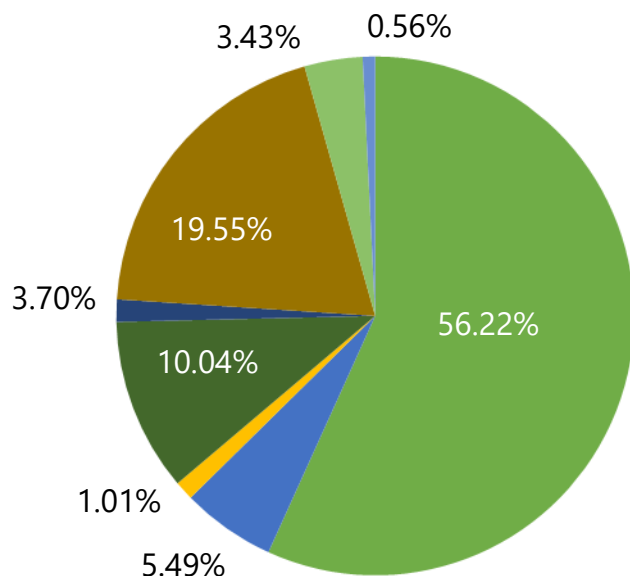
The Agency calculates its annual tipping fee rate/ton with the expectation to, at minimum, break even. The following chart breaks down the 2023 approved tipping fee rate with relation to its major cost categories. Contractual increases for transportation, disposal, and personnel costs were offset by a budgeted transfer from the Agency's Reserve Funds. This assisted the Agency with approving a budget with a lower increase (\$5/ton) than initially calculated (\$10/ton).



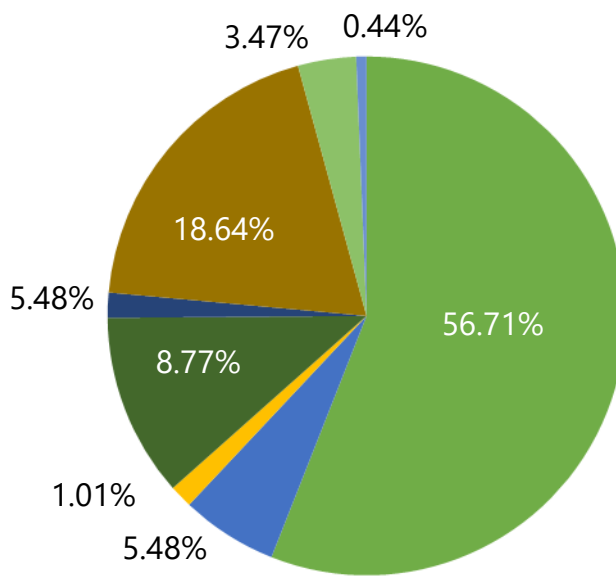


Budget

2022



2023



- | | | |
|---|--|--|
| <p>1 Transportation/Disposal</p> <p>2 Facility Operations</p> <p>3 Closed Landfill Maintenance</p> | <p>4 Personnel Expenses</p> <p>5 Capital Outlay</p> <p>6 Debt Service</p> | <p>7 Administration Expenses</p> <p>8 Recycling/Composting</p> |
|---|--|--|

The Agency's budget is highly contingent on volume received at the Agency's two regional transfer stations. Over 84% of Agency costs are tied to contractual agreements and debt service, making the budgeting of these items less susceptible to high variances with the actual results when volume is consistent. The implementation of Flow Control has allowed for consistent volume and more precise budgeting. However, the Agency continued to outperform its budget, creating a surplus that allowed the Agency to invest in Capital Assets. Volume is expected to stabilize in the short term, and contractual transportation/disposal cost increases will also increase tipping fees to help offset these known increased costs over the remaining years of these contracts.



Additional Information

The report is compiled for the use of the Agency's Governing Board, management, appropriate officials of the County of Ulster and State of New York, and members of the public interested in the Agency's affairs. Questions with regard to this financial report or requests for additional information may be addressed to the Director of Finance and Administration, Ulster County Resource Recovery Agency, P.O. Box 6219, 999 Flatbush Road, Kingston, New York 12402.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Statements Of Net Position
For The Years Ended December 31

Assets	2022	2021
Current assets:		
Unrestricted assets:		
Cash and equivalents	\$ 5,232,490	\$ 5,641,693
Receivables, net of allowance of \$22,287 and \$37,645, respectively	1,528,028	1,989,050
Due from related party	-	-
Grants receivable	85,256	5,237
Accrued interest	42,369	38,741
Prepaid expense	342,184	340,342
Compost and Commodity inventory	63,461	36,456
Total Unrestricted Assets	7,293,788	8,051,519
Restricted Assets:		
Cash and equivalents	1,215,813	975,014
Investments	2,542,949	2,542,949
Total Restricted Assets	3,758,762	3,517,963
Total Current assets:	11,052,550	11,569,482
Non-Current assets		
Net pension asset - proportionate share - Employees Retirement System	596,933	-
Capital assets, net	11,464,818	11,434,134
Total Non-Current assets	12,061,751	11,434,134
Total Assets	23,114,301	23,003,616
Deferred outflows of resources		
Pension	1,275,665	1,698,237
Total Deferred Outflows Of Resources	\$ 1,275,665	\$ 1,698,237
Liabilities		
Current liabilities:		
Accounts payable	\$ 624,701	\$ 662,012
Accrued interest	774,581	778,322
Host community benefits payable	19,943	21,832
Customer advances	-	13,900
Other payables	127,903	91,401
Current installments of long-term debt	628,129	669,066
Current portion of landfill post closure care costs	249,548	217,798
Compensated absences	564,332	539,850
Total current liabilities	2,989,137	2,994,181
Non-Current liabilities:		
Long-term debt, excluding current installments	1,865,085	2,493,214
Landfill post closure care costs, excluding current portion	1,247,740	1,306,788
Net pension liability - proportionate share - Employees Retirement System	-	7,093
Total Non-Current liabilities:	3,112,825	3,807,095
Total Liabilities	\$ 6,101,962	\$ 6,801,276
Deferred inflows of resources:		
Inventory for sale	\$ 63,461	\$ 36,456
Pension	2,097,072	2,132,671
Total Deferred Inflows Of Resources	\$ 2,160,533	\$ 2,169,127
Net position:		
Net investment in capital assets	\$ 8,971,604	\$ 8,271,854
Restricted for:		
Debt repayment	3,177,083	2,942,187
Landfill Post Closure	581,679	575,776
Unrestricted	3,397,105	3,941,633
Total Net Position	\$ 16,127,471	\$ 15,731,450

The accompanying notes are an integral part of these financial statements

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Statements Of Revenues, Expenses And Changes In Net Position
For The Years Ended December 31

	2022	2021
Operating revenue:		
Charges for sales and services:		
Sales of recyclable materials	\$ 1,151,783	\$ 1,179,331
Solid waste service fees	18,591,710	17,097,941
Other revenue	72,646	49,730
Landfill post closure care costs	-	419,792
Total operating revenue	19,816,139	18,746,794
Operating expenses:		
Costs of sales and services	13,353,135	11,340,194
Salaries and wages	2,429,044	2,146,505
Administration	823,768	778,617
Depreciation	976,731	921,469
Benefits	862,858	967,413
Landfill post closure care costs	222,250	-
Total operating expenses	18,667,786	16,154,198
Operating income	1,148,353	2,592,596
Nonoperating revenue (expenses):		
Investment income	152,185	133,880
Gain on disposal of assets	32,496	1,500
Grant revenue	180,180	193,901
Interest expense	(1,117,193)	(1,105,832)
Total nonoperating revenue (expenses)	(752,332)	(776,551)
Increase in net position	396,021	1,816,045
Beginning of year	15,731,450	13,915,405
End Of Year	\$ 16,127,471	\$ 15,731,450

The accompanying notes are an integral part of these financial statements

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Statements Of Cash Flows
For The Years Ended December 31

	2022	2021
Cash flows from operating activities:		
Receipts from services	\$ 20,263,261	\$ 18,434,108
Payments to suppliers	(14,445,554)	(12,672,197)
Payments to employees	(3,469,910)	(3,342,323)
	2,347,797	2,419,588
Cash flows from noncapital financing activities:		
Grant income	100,161	425,199
Net cash provided by noncapital financing activities	100,161	425,199
Cash flows from capital and related financing activities:		
Purchases of capital assets	(1,008,644)	(520,785)
Proceeds from disposal of assets	33,725	1,500
Principal paid on long-term debt	(669,066)	(714,371)
Interest paid on long-term obligations	(1,120,934)	(1,075,629)
Net cash used in capital and related financing activities	(2,764,919)	(2,309,285)
Cash flows from investing activities - investment income received, net	148,557	133,719
Net increase (decrease) in cash and cash equivalents	(168,404)	669,221
Cash, cash equivalents and restricted cash at beginning of year	6,616,707	5,947,486
Cash, Cash Equivalents And Restricted Cash At End Of Year	\$ 6,448,303	\$ 6,616,707
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,148,353	\$ 2,592,596
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	976,731	921,469
Pension expense	(217,053)	(174,055)
Changes in:		
Receivables, net	461,022	(319,686)
Prepaid expenses	(1,842)	428
Accounts payable and other payables	(2,698)	101,805
Customer advances	(13,900)	7,000
Compensated absences	24,482	(72,379)
Landfill post closure care costs	(27,298)	(637,590)
Net Cash Provided By Operating Activities	\$ 2,347,797	\$ 2,419,588

The accompanying notes are an integral part of these financial statements

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements

December 31, 2022 And 2021

(1) Organization

The Ulster County Resource Recovery Agency (the Agency), a Public Benefit Corporation, was established on December 31, 1986, for the purpose of establishing a solid waste management plan, and to develop, finance, construct, and operate facilities and projects to implement the plan in the County of Ulster, New York (the County). On December 14, 1992, the Agency began landfill operations under its interim "landfill consolidation plan" at the Town of New Paltz landfill. In February 1993 and May 1993, commencement of landfill operations under this plan began at the towns of Ulster and Lloyd, respectively. All three landfill operations were closed as of December 31, 1996. As of January 1, 1997, the Agency started transporting solid waste to other counties.

(2) Summary Of Significant Accounting Policies

(a) Financial Reporting Entity

The Agency is governed by Article 13-g of the Public Authorities Law (Act) and other laws of the State of New York, as indicated in such Act. The governing body is referred to herein as the "Board of Directors." The scope of activities included within the accompanying financial statements are those transactions which comprise Agency operations, and are governed by, or significantly influenced by, the Board of Directors.

The Agency meets the criteria set forth in generally accepted accounting principles as promulgated by the Government Accounting Standards Board (GASB) for inclusion as a component unit within the County's basic financial statements based on the County's responsibility for the appointment of the Agency's board members, and their approval of certain debt issuances. As such, the Agency is included in the County's basic financial statements. The accompanying financial statements present the financial position and the changes in net position and cash flows of the Agency only.

The accompanying basic financial statements of the Agency have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(2) Summary Of Significant Accounting Policies (Continued)

(a) Financial Reporting Entity, Continued

The Agency reports as a special purpose government engaged in business-type activities, as defined by GASB Statement No. 34. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The basic financial statements of the Agency consist of statements of net position, statements of revenues, expenses, and changes in net position that distinguishes between operating and non-operating revenue and expenses, and statements of cash flows, using the direct method of presenting cash flows from operations. The business type activity presentation includes all of the Agency's funds.

The Agency's policy for defining operating activities in the statements of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as non-operating activities in accordance with GASB Statement No. 34. These non-operating activities include the Agency's operating revenues from net investment income, grant revenue, interest expenses and gains from the disposal of assets.

GASB Statement No. 34 requires that resources be classified for accounting and financial reporting purposes into the following three net asset categories:

- Net investment in capital assets - Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets. See unrestricted below.
- Restricted - Net position with constraints placed on their use either by (1) external groups such as creditors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted - All other categories of net position. Included in unrestricted net position are amounts not available for other purposes. The liability for debt is shown as a reduction of unrestricted since it was not possible to distinguish the amount that is related to capital assets.

(b) Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(2) Summary Of Significant Accounting Policies (Continued)

(c) Budgetary Policies

The budget policies are as follows:

- Agency administration compiles a proposed budget for approval by the Board of Directors by August of each year for the ensuing year consistent with accounting principles generally accepted in the United States of America.
- The budget is then submitted to the County Executive for review. This is followed by a public hearing process. Finally, the budget is adopted in October of each year by the Board of Directors.

(d) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparing these financial statements include those assumed in calculating the landfill post closure care cost liability, certain assumptions related to the actuarial determined pension asset and liability and deferred inflows and outflows of resources. Accordingly, actual results could differ from those estimates.

(e) Cash, Cash Equivalents, and Investments

For financial statement purposes, the Agency considers all highly liquid investments with maturities of three months or less to be cash equivalents. Certain cash balances are maintained in trustee bank accounts for the purposes of landfill post closure care costs only, therefore, these accounts have been deemed restricted cash. Due to debt service reserve requirements, varying amounts of cash equivalents may need to be restricted throughout the year.

(f) Receivables and Allowance for Doubtful Accounts

Receivables are stated at the amount management estimates will be collected on outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable accounts receivable.

(g) Capital Assets

Capital assets are stated at cost, or in the case of donated capital assets, acquisition value. The Agency's policy is to capitalize equipment which has a cost in excess of \$1,000 and has a useful life of at least three years. Building renovations/additions, machinery and equipment, computers, software, vehicles, trailers, furniture and fixtures, and infrastructure with a unit cost of greater than \$1,000, are capitalized. Agency capital assets, with the exception of land, are depreciated on a straight-line basis over their useful lives. The estimated lives by general classification are as follows:

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(2) Summary of Significant Accounting Policies (Continued)

(g) Capital Assets, Continued

	<u>Years</u>
Buildings	5 - 50
Machinery and Equipment	5 - 20
Trailers	8
Computers	5
Software	3
Vehicles	8
Furniture and Fixtures	10
Infrastructure	20

(h) Interfund Transfers

During the course of operations, the Agency has minimal transactions between funds, including expenditures and transfers of revenues to provide services, construct assets, and repay debt. This interfund activity has no effect on the basic financial statements as a whole, and therefore, was eliminated from the entity wide financial statements.

(i) Net Position

Restricted/Unrestricted Resources - Portions of net position are segregated for future use; and are, therefore, not available for current appropriation or expenditure. If an expense is incurred for purposes for which both restricted and unrestricted assets are available, the policy is to follow the Board of Directors' resolution when deciding which assets to use.

(j) Deferred Outflows and Inflows of Resources

In addition to assets, the Statements of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency has four items that qualify for reporting in this category. First, is related to pension reported in the Statements of Net Position. This represents the effect of the net change in the Agency's proportion of the collective net pension asset or liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension system not included in pension expense. Second, is differences between the expected and actual experience of System members. Third, the Agency's contributions to the pension system (ERS Systems) subsequent to the measurement date, and last, changes in plan assumptions.

In addition to liabilities, the Statements of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as inflow of resources (revenue) until that time. The Agency has five items that qualify for reporting in this category.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(2) Summary of Significant Accounting Policies (Continued)

First, is related to pension reported in the Statements of Net Position. This represents the effect of the net change in the Agency's proportion of the collective net pension asset or liability and difference during the measurement period between the Agency's contributions and its proportion share of total contributions to the pension system not included in pension expense. Second, is differences between the expected and actual experience of System members. Third, the net difference between projected and actual investment earnings on pension plan investments. Fourth, the changes in plan assumptions, and last, inventory available for sale.

(k) Advertising Costs

Advertising costs are expensed as incurred.

(l) Reclassifications

Certain reclassifications, when applicable, are made to the prior year financial statement presentation to correspond to the current year's format. Reclassifications, when made, have no effect on total net position or operating income.

(m) Future Changes in Accounting Standards

The Agency will evaluate future pronouncements and the impact the pronouncements may have on its financial statements and will implement them as applicable and when material.

(n) Subsequent Events

The Agency has evaluated events after December 31, 2022, and through March 27, 2023, which is the date the financial statements were available to be issued, and determined that any events or transactions occurring during this period that would require recognition or disclosure are properly addressed in these financial statements.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes to Financial Statements, Continued

December 31, 2022 And 2021

(3) Cash Equivalents and Investments

The Agency's investment policies are governed by New York State statutes and the Agency's investment policy was adopted August 6, 1993. Cash equivalents and investments at year-end were either fully insured by the Federal Deposit Insurance Corporation (FDIC) and/or are collateralized with U.S. government obligations held in the Agency's custodial bank in the Agency's name. Coverage was 102% or more of the balances on deposit at December 31, 2022 and December 31, 2021. Investments consist primarily of guaranteed investment contracts (GIC's) purchased directly by the Agency.

At December 31, 2022, the Agency's cash equivalents and investment balances were as follows:

	Unrestricted	Restricted	Total
Cash and equivalents	\$5,232,490	\$1,215,813	\$6,448,303
Investments	-	2,542,949	2,542,949
Total	\$5,232,490	\$3,758,762	\$8,991,252

At December 31, 2021, the Agency's cash equivalents and investment balances were as follows:

	Unrestricted	Restricted	Total
Cash and equivalents	\$5,641,693	\$975,014	\$6,616,707
Investments	-	2,542,949	2,542,949
Total	\$5,641,693	\$3,517,963	\$9,159,656

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(4) Capital Assets

Capital assets activity for the years ended December 31 were as follows:

	Total			Total			Total
	12/31/20	Additions	Deletions	12/31/21	Additions	Deletions	12/31/22
Capital Assets that are not depreciated:							
Land	\$1,238,172	\$-	\$-	\$1,238,172	\$-	\$-	\$1,238,172
Construction in progress	355,858	29,739	(320,582)	65,015	21,220	-	86,235
Total	1,594,030	29,739	(320,582)	1,303,187	21,220	-	1,324,407
Capital Assets that are depreciated:							
Buildings	11,398,766	727,856	-	12,126,622	49,200	-	12,175,822
Machinery and equipment	5,153,274	-	(32,387)	5,120,887	934,179	(191,683)	5,863,383
Trailers	731,695	76,397	-	808,092	-	-	808,092
Computers and software	103,452	-	-	103,452	4,045	(18,907)	88,590
Vehicles	2,267,707	-	-	2,267,707	-	(179,511)	2,088,196
Furniture and fixtures	56,357	-	-	56,357	-	(12,209)	44,148
Infrastructure	123,549	7,375	-	130,924	-	-	130,924
Subtotal	19,834,800	811,628	(32,387)	20,614,041	987,424	(402,310)	21,199,155
Less accumulated depreciation:							
Buildings	4,409,195	324,366	-	4,733,561	330,742	-	5,064,303
Machinery and equipment	3,033,927	394,870	(32,387)	3,396,410	453,370	(191,683)	3,658,097
Trailers	551,408	40,132	-	591,540	34,291	-	625,831
Computers and software	81,039	6,821	-	87,860	6,927	(18,907)	75,880
Vehicles	1,462,439	144,648	-	1,607,087	141,195	(179,511)	1,568,771
Furniture and fixtures	37,115	4,271	-	41,386	3,661	(10,980)	34,067
Infrastructure	18,889	6,361	-	25,250	6,545	-	31,795
Subtotal	9,594,012	921,469	(32,387)	10,483,094	976,731	(401,081)	11,058,744
Total depreciable capital assets, net	10,240,788	(109,841)	-	10,130,947	10,693	(1,229)	10,140,411
Total Capital Assets, Net	\$11,834,818	\$(80,102)	\$(320,582)	\$11,434,134	\$31,913	\$(1,229)	\$11,464,818

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(5) Deferred Outflow and Deferred Inflow of Resources

As of December 31, 2022, the Agency had deferred outflows of resources amounting to \$1,275,665, and deferred inflows of resources amounting to \$2,097,072 related to the NYS Employees' Retirement System. See Note (6). The Agency also had deferred inflows of resources amounting to \$63,461 related to inventory for sale.

(6) Retirement Plan

(a) Plan Description and Benefits Provided

The Agency is a participant in the New York State and Local Retirement System (the System). Employees had the option to buy past service credits with the retirement system at no cost to the Agency. This is a cost sharing multiple public employer cost-sharing retirement system. The System provides retirement benefits as well as death and disability benefits. Obligations of employers and employees to contribute benefits to employees are governed by the New York State Retirement and Social Security Law (NYSRSSL). As set forth in the NYSRSSL, the Comptroller of the State of New York (Comptroller) serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for the custody and control of their funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement Systems, 110 State Street, Albany, New York 12244.

The System is noncontributory except for employees who joined after July 27, 1976 and prior to January 1, 2010, who have less than ten years of service or membership, are required to contribute 3% of their salary throughout their active membership. Employees who joined on or after January 1, 2010 and before April 1, 2012 are required to contribute 3.5% throughout their active membership. Those joining on or after April 1, 2012 are required to contribute between 3% and 6%, dependent upon their salary, for their entire working career. Under the authority of the NYSRSSL, the Comptroller annually certifies the actuarially determined rates used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. Employer contribution rates ranged from 8.2% to 18.2% of salaries for the years ended December 31, 2022 and 2021. Contributions for the current year and two preceding years were greater than or equal to 100% of the contributions required, and were as follows:

2022	\$211,089
2021	294,617
2020	265,272

Participating employers are required to make payments on a current basis, while amortizing existing unpaid amounts relating to the fiscal years when the local employer opts to participate in the program.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(6) Retirement Plan (Continued)

(b) Pension Assets/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022 and 2021, the Agency reported an asset of \$596,933 and a liability of \$7,093, respectively, for its proportionate share of the net pension asset/liability. The net pension asset/liability was measured as of March 31, 2022 and 2021 and the total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on a projection of the Agency's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At March 31, 2022 and 2021, the Agency's proportion was 0.0073023 and 0.0071229 percent, respectively.

For the years ended December 31, 2022 and 2021, the Agency recognized pension expense of \$14,521 and \$113,263, respectively. At December 31, 2022, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Resources		
Differences between expected and actual experience	\$45,207	\$58,636
Changes of assumptions	996,215	16,810
Net difference between projected and actual earnings on Plan investments	-	1,954,707
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	23,154	66,919
Agency's contributions subsequent to the measurement date	211,089	-
Total	\$1,275,665	\$2,097,072

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(6) Retirement Plan (Continued)

(b) Pension Assets/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, Continued

	2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Resources		
Differences between expected and actual experience	\$86,619	\$-
Changes of assumptions	1,304,092	24,596
Net difference between projected and actual earnings on Plan investments	-	2,037,399
Changes in proportion and differences between the Agency's contributions and proportionate share of contributions	12,909	70,676
Agency's contributions subsequent to the measurement date	294,617	-
Total	\$1,698,237	\$2,132,671

Agency contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:

2023	(\$172,499)
2024	(234,860)
2025	(515,015)
2026	(110,123)

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(6) Retirement Plan (Continued)

(c) Actuarial Assumptions

The total pension liability as of the measurement date was determined by using an actuarial valuation as of April 1, 2021, with updated procedures used to roll forward the total pension liability to March 31, 2022. The actuarial valuation used the following actuarial assumptions.

Significant actuarial assumptions used in the April 1, 2021 valuation were as follows:

Inflation	2.7%
Salary scale	4.4% in ERS
Investment rate of return including inflation	5.9% compounded annually, net of investment expenses
Cost of living adjustments	1.4% annually
Decrement	Developed from the Plan's 2020 experience study of the period April 1, 2015 through March 31, 2020
Mortality improvement	Society of Actuaries Sale MP-2020

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return
Domestic equity	32%	3.30%
International equity	15	5.85
Private equity	10	6.50
Real estate	9	5.00
Opportunistic/ARS portfolio	3	4.10
Credit	4	3.78
Real assets	3	5.58
Fixed Income	23	0.00
Cash	1	-1.00
	<u>100%</u>	

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(6) Retirement Plan (Continued)

(d) Discount Rate

The discount rate used to calculate the total pension liability was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System'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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(e) Sensitivity of the Proportionate Share of the Net Pension Asset/(Liability) to the Discount Rate Assumption

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 5.9%, as well as what the Agency's proportionate share of the net pension asset/(liability) would be if it were calculated using a discount rate 1-percentage point lower (4.9%) or 1-percentage point higher (6.9%) than the current rate:

	1% Decrease (4.9%)	Current Assumption (5.9%)	1% Increase (6.9%)
Employer's proportionate share of the net pension asset/(liability)	\$(1,536,500)	\$596,933	\$2,381,448

(f) Pension Plan Fiduciary Net Position

The components of the current-year net pension asset/(liability) of the employers as of March 31, 2022 were as follows:

	(Dollars in Millions)
	Employees
	Retirement System
Employers' total pension liability	\$(223,875)
Plan net position	232,049
Employers' net pension asset/(liability)	\$8,174
Ratio of plan net position to the Employers' total pension asset/(liability)	103.65%

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(7) Long-Term Debt

Long-term debt at December 31, 2022 and 2021 consists of the following:

(a) Long-Term Debt

Serial bonds, term bonds, capital appreciation bonds, and long-term notes - The Agency borrows money in order to acquire or construct assets or to pay for landfill closure costs. This enables the cost of these capital assets to be borne by the present and future users, who will benefit from the capital assets. The assets of the Agency have been pledged as security for the outstanding debt.

(b) Changes

The changes in the Agency's indebtedness during the years ended December 31 are summarized as follows:

<u>Business-Type Activities</u>	2022				
	Balances	Additions	Deductions	Balances December 31	Due Within One Year
Capital appreciation bonds	\$3,162,280	\$-	\$(669,066)	\$2,493,214	\$628,129
Total	\$3,162,280	\$-	\$(669,066)	\$2,493,214	\$628,129

<u>Business-Type Activities</u>	2021				
	Balances	Additions	Deductions	Balances December 31	Due Within One Year
Capital appreciation bonds	\$3,876,651	\$-	\$(714,371)	\$3,162,280	\$669,066
Total	\$3,876,651	\$-	\$(714,371)	\$3,162,280	\$669,066

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes to Financial Statements, Continued

December 31, 2022 And 2021

(7) Long-Term Debt (Continued)

The Agency does not have any unused lines of credit.

(c) Maturity

The following is a summary of maturity of indebtedness as of December 31, 2022:

Description of issue	Issue date	Final maturity	Interest rate	Outstanding at 12/31/22
Capital appreciation bonds	12/18/2002	03/01/2025	4.96 - 5.29%	<u>\$2,493,214</u>
Total Long-Term Debt, Net				<u><u>\$2,493,214</u></u>

The maturities of these issues as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	\$628,129	\$1,161,871	\$1,790,000
2024	593,904	1,196,096	1,790,000
2025	1,271,181	2,773,819	4,045,000
	<u>\$2,493,214</u>	<u>\$5,131,786</u>	<u>\$7,625,000</u>

Interest on long-term debt for the year ended December 31, 2022 was composed of:

Interest paid	\$1,120,934
Less: interest accrued in the prior year	(778,322)
Plus: interest accrued in the current year	<u>774,581</u>
Total Expense	<u><u>\$1,117,193</u></u>

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(8) Customer Advances

As of December 31, 2022 and 2021, the Agency had advances amounting to \$-0- and \$13,900, respectively.

The December 31, 2021 balance consists of payments received from customers in 2021 for their 2022 permits. The issuances of these permits began in February 2013 and were issued as part of the new countywide flow-control law. In subsequent periods, when the Agency has legal claim to resources, the liability for unearned revenue is removed and revenue is recognized.

(9) Unrestricted Net Position

The Agency's unrestricted net position as of December 31 consists of the following:

	<u>2022</u>	<u>2021</u>
General unrestricted	\$5,476,072	\$6,041,995
Landfill post-closure care costs	(2,078,967)	(2,100,362)
	<u>\$3,397,105</u>	<u>\$3,941,633</u>

(10) Compensated Absences

Employees of the Agency are entitled to reimbursement of unused sick and vacation time at the time of retirement or other termination of service. The Agency's policy is to accrue the cost of compensated absences as earned and vested by the Agency's employees. This amount is included as a payable in the accompanying statements of net position in the amount of \$564,332 and \$539,850 as of December 31, 2022 and 2021, respectively.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(11) Contingencies

Contingencies at December 31, 2022 consist of the following:

(a) Risk Financing and Related Insurance

The Agency maintains insurance policies with commercial insurers. The Agency's deductible for environmental liability insurance is \$100,000. Other deductibles for various policies range from \$1,000 to \$10,000 for each event.

(b) Landfill Closure and Post-Closure Care Costs

New York State and Federal laws required the Agency to place a final cover on its landfill sites when it stopped accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The Agency is currently in the post-closure phase at each of the landfills. The post-closure period goes throughout the year 2028. In 2022 and 2021, the annual post-closure monitoring and maintenance cost for both landfills was \$249,548 and \$217,798, respectively. In 2010, a study was initiated to analyze the projected costs. Current projections prepared by the Agency, of annual post-closure monitoring and maintenance costs for the two remaining landfills, are \$249,548 for each of the remaining 6 years as follows:

	Ulster landfill	New Paltz landfill	Total
Environmental monitoring	\$6,275	\$5,125	\$11,400
Leachate disposal	99,945	99,259	199,204
Facility maintenance	31,289	7,655	38,944
Total Annual Cost	\$137,509	\$112,039	\$249,548

The liability for landfill post-closure care costs at December 31, 2022 consists of the following:

Total annual cost	\$249,548
Remaining years	6
Total liability	1,497,288
Less current portion	(249,548)
Landfill post-closure care costs, excluding current portion	\$1,247,740

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(11) Contingencies (Continued)

(c) Litigation

In the normal course of business, it is not uncommon for the Agency to incur litigation surrounding certain events. There are outstanding lawsuits involving amounts that have been filed against the Agency. Based on the facts presently known, management and in-house legal counsel do not expect these matters to have a material adverse effect on the Agency's financial condition or results of operations.

(12) Concentrations of Credit Risk

The Agency has a credit risk with respect to receivables, due to its concentration of customers within a single industry and the possible effect of economic factors in a single geographic area.

(13) Grant Revenue

The Agency received grant revenue from four different sources for programs as follows:

(a) Municipal Waste Reduction and Recycling Program

This program is funded by the New York State Department of Environmental Conservation's Environmental Protection Fund. In accordance with Ulster County's Mandatory Source Separation and Recycling Law, the Agency continues to develop its programs with regards to waste reduction and recycling education. Grant revenue received represents a 50% reimbursements of Agency disbursements with regards to operating this program. The Agency received \$119,974 and \$48,406 for this program during the years ended December 31, 2022 and 2021, respectively.

(b) Food Scraps Reduction and Home Composting Education Project

This project is funded by the New York State Department of Environmental Conservation's P21 Grant Program. In accordance with Ulster County's Food Waste Prevention and Recovery Act, and New York State's Food Donation and Food Scrap Recycling Law, the Agency continues to develop its programs with regards to food waste reduction and home composting education. Grant revenue received represents a 50% reimbursement of Agency disbursements with regards to operating this program. The Agency received \$-0- and \$5,237 for this program during the years ended December 31, 2022 and December 31, 2021, respectively.

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Notes To Financial Statements, Continued

December 31, 2022 And 2021

(13) Grant Revenue (Continued)

(c) Zero Waste Seminar Project

This project is funded by the New York State Department of Environmental Conservation's P21 Grant Program. This is a county-wide campaign for the public to receive a high level of instruction on waste reduction and reuse as a pollution prevention strategy. Grant revenue received represents a 50% reimbursement of Agency disbursements with regards to operating this program. The Agency received \$-0- and \$17,873 for this program during the years ended December 31, 2022 and 2021, respectively.

(d) Household Hazardous Waste State Assistance Program

The Agency received grant revenue from Household Hazardous Waste State Assistance Program. This program is funded by the New York State Department of Environmental Conservation's Environmental Protection Fund. The Agency administers household hazardous waste events several times per year. This collection provides a safe disposal alternative for electronics, hazardous pesticides, solvents, and other household chemicals to the residents of Ulster County. Grant revenue received represents a 50% reimbursement of Agency disbursements with regards to operating these events. The Agency received \$60,206 and \$122,385 for this program during the years ended December 31, 2022 and 2021, respectively.

(14) Grants Receivable

Grants Receivable relate to grant reimbursements for 2022 expenditures that were received after December 31, 2022. Expenditures were reimbursed for the Municipal Waste Reduction and Recycling Program and the Household Hazardous Waste State Assistance Program in the amount of \$25,050 and \$60,206, respectively.



Required Supplementary Information (Other than MD&A)

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Schedule Of Ulster County Resource Recovery Agency's (UCRRA) Contributions
December 31, 2022 And 2021

NYSLRS Pension Plan
Last 10 Fiscal Years

	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
Contractually required contribution	\$211,089	\$294,617	\$265,272	\$249,347	\$245,094	\$238,269	\$242,378	\$288,993
Contributions in relation to the contractually required contribution	\$211,089	\$294,617	\$265,272	\$249,347	\$245,094	\$238,369	\$242,378	\$288,993
Contribution Deficiency (Excess)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Covered payroll	\$2,284,885	\$2,165,766	\$1,979,456	\$1,797,803	\$1,690,027	\$1,631,674	\$1,548,826	\$1,609,956
Contributions as a percentage of covered payroll	9.24%	13.60%	13.40%	13.87%	14.50%	14.60%	15.65%	17.95%

Note: 2015 was the initial implementation year.

*The amounts presented for the fiscal year were determined as of December 31.

See paragraph on supplementary schedules included in independent auditors' report

ULSTER COUNTY RESOURCE RECOVERY AGENCY

Schedule Of Ulster County Resource Recovery Agency's (UCRRA) Proportionate Share of the Net Pension Liability December 31, 2022 And 2021

NYSLRS Pension Plan
Last 10 Fiscal Years

	2022*	2021*	2020*	2019*	2018*	2017*	2016*	2015*
Proportion percentage of net pension liability	0.0073023%	0.0071233%	0.0069885%	0.0072483%	0.0072122%	0.0074789%	0.0080119%	0.0079561%
Proportion amount of net pension asset/(liability)	\$596,933	\$(7,093)	\$(1,850,597)	\$(513,562)	\$(232,770)	\$(702,730)	\$(1,285,934)	\$(268,777)
Covered payroll	\$1,983,871	\$1,857,709	\$1,814,628	\$1,710,627	\$1,656,723	\$1,530,091	\$1,553,441	\$1,512,837
UCRRA's proportionate share of the net pension asset/(liability) as a percentage of its covered payroll	300.89%	(0.38%)	(101.98%)	(30.02%)	(14.05%)	(45.93%)	(82.78%)	(17.77%)
Pension liability	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	90.69%	97.95%

Note: 2015 was the initial implementation year

*The amounts determined for the fiscal year were determined as of the measurement date March 31.

See paragraph on supplementary schedules included in independent auditors' report



**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 Directors
Ulster County Resource Recovery Agency

Independent Auditors' Report

We have audited, 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, the financial statements of Ulster County Resource Recovery Agency, a Component Unit of the County of Ulster (the Agency), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated March 27, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing 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 Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 Agency'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 may exist that have not been identified. We did not identify any significant deficiencies or material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency'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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Teal Becker & Charamonte, CPAs PC

Albany, New York
March 27, 2023



**Independent Auditors' Report on Compliance
With Laws and Regulations Related to
Investment Guidelines for Public Authorities**

To The Board Of Directors
Ulster County Resource Recovery Agency

We have audited, 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, the financial statements of the Ulster County Resource Recovery Agency, a Component Unit of the County of Ulster (the Agency), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Ulster County Resource Recovery Agency's basic financial statements, and have issued our report thereon dated March 27, 2023.

In connection with our audits, nothing came to our attention that caused us to believe that the Agency failed to comply with the Ulster County Resource Recovery Agency's Investment Guidelines, and the New York State (NYS) Comptroller's Investment Guidelines and Section 2925 of the NYS Public Authorities Law (collectively, the Investment Guidelines), which is the responsibility of the Agency's management, insofar as they relate to the financial accounting knowledge of noncompliance with such Investment Guidelines. However, our audits were not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Ulster County Resource Recovery Agency's noncompliance with the Investment Guidelines, insofar as they related to accounting matters.

This report is intended solely for the information and use of the Board of Directors, management, and the New York State Comptroller's Office and is not intended to be and should not be used by anyone other than those specified parties.

Albany, New York
March 27, 2023



Statistical Section

This part of the Agency’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Agency’s overall financial health.

Contents	Page
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<u>Financial Trends</u>	63-66
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These schedules contain trend information to help the reader understand how the Agency’s financial performance and well-being have changed over time.

<u>Revenue Capacity</u>	68
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These schedules contain information to help the reader assess the Agency's most significant local revenue source, the municipal solid waste.

<u>Debt Capacity</u>	70-71
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These schedules present information to help the reader assess the affordability of outstanding debt and the Agency’s ability to issue additional debt in the future.

<u>Demographic and Economic Information</u>	73-74
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the Agency’s financial activities take place.

<u>Operating Information</u>	76-78
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These schedules contain service and infrastructure data to help the reader understand how the information in the Agency’s financial report relates to the services the Agency provides and the activities it performs.



Financial Trends



Changes in Net Position

	2022	2021	2020	2019
Revenues				
Sales of recyclable materials	\$1,151,783	\$1,179,331	\$678,513	\$419,018
Solid waste service fees	18,591,710	17,097,941	15,874,337	15,380,778
County, net service fees	-	-	-	-
Other revenue	72,646	49,730	57,674	74,447
Landfill post closure care costs	-	419,792	-	-
	19,816,139	18,746,794	16,610,524	15,874,243
Other Revenues				
Investment income	152,185	133,880	170,340	173,223
Gain on disposal of assets	32,496	1,500	6,212	28,274
Grant revenue	180,180	193,901	272,666	87,991
	364,861	329,281	449,218	289,488
Total Revenues	20,181,000	19,076,075	17,059,742	16,163,731
Expenses				
Costs of sales and services	13,353,135	11,340,194	10,021,995	8,687,452
Salaries and wages	2,429,044	2,146,505	1,935,941	1,913,476
Administration	823,768	778,617	701,139	726,070
Depreciation	976,731	921,469	798,887	640,512
Benefits	862,858	967,413	1,375,089	1,053,730
Landfill post closure care costs	222,250	-	85,338	112,540
	18,667,786	16,154,198	14,918,389	13,133,780
Other Expenses				
Interest expense	1,117,193	1,105,832	1,061,112	1,040,185
Loss on disposal of assets	-	-	-	-
	1,117,193	1,105,832	1,061,112	1,040,185
Total Expenses	19,784,979	17,260,030	15,979,501	14,173,965
Increase in Net Position	396,021	1,816,045	1,080,241	1,989,766
Net Position at Year End Composed of:				
Net investments in capital assets	8,971,604	8,271,854	7,958,167	5,285,114
Restricted	3,758,762	3,517,963	3,377,451	3,281,649
Unrestricted (deficit)	3,397,105	3,941,633	2,579,787	4,268,401
	\$16,127,471	\$15,731,450	\$13,915,405	\$12,835,164



Changes in Net Position (continued)

2018	2017	2016	2015 ***	2014	2013
\$616,538	\$842,399	\$447,314	\$343,459	\$646,276	\$845,121
15,299,711	14,368,753	13,524,706	13,583,309	13,401,107	12,755,202
-	-	-	-	-	-
68,661	78,730	44,558	67,716	80,103	86,757
-	-	-	-	-	-
15,984,910	15,289,882	14,016,578	13,994,484	14,127,486	13,687,080
142,482	131,285	122,356	117,179	115,450	115,968
5,373	13,520	105,698	56,279	-	21,900
45,558	40,813	286,067	38,889	128,939	37,212
193,413	185,618	514,121	212,347	244,389	175,080
16,178,323	15,475,500	14,530,699	14,206,831	14,371,875	13,862,160
8,747,896	7,729,966	7,106,444	6,903,327	7,859,478	7,905,082
1,799,432	1,719,900	1,681,879	1,643,282	1,618,265	1,572,149
636,721	654,073	658,275	561,122	586,425	671,947
632,143	612,373	574,882	520,321	552,000	643,759
998,435	1,046,782	1,111,651	500,912	885,781	897,717
688,908	161,844	(178,295)	(205,842)	(738,960)	1,236,784
13,503,535	11,924,938	10,954,836	9,923,122	10,762,989	12,927,438
683,416	182,257	254,982	325,398	405,909	413,657
-	-	-	-	7,882	-
683,416	182,257	254,982	325,398	413,791	413,657
14,186,951	12,107,195	11,209,818	10,248,520	11,176,780	13,341,095
1,991,372	3,368,305	3,320,881	3,958,311	3,195,095	521,065
4,300,910	1,328,863	(654,430)	(3,130,238)	(5,034,159)	(7,191,400)
3,204,801	3,742,549	3,566,904	3,491,921	3,322,759	3,277,203
3,339,687	3,782,614	2,573,247	1,803,157	277,455	(714,843)
\$10,845,398	\$8,854,026	\$5,485,721	\$2,164,840	\$(1,433,945)	\$(4,629,040)

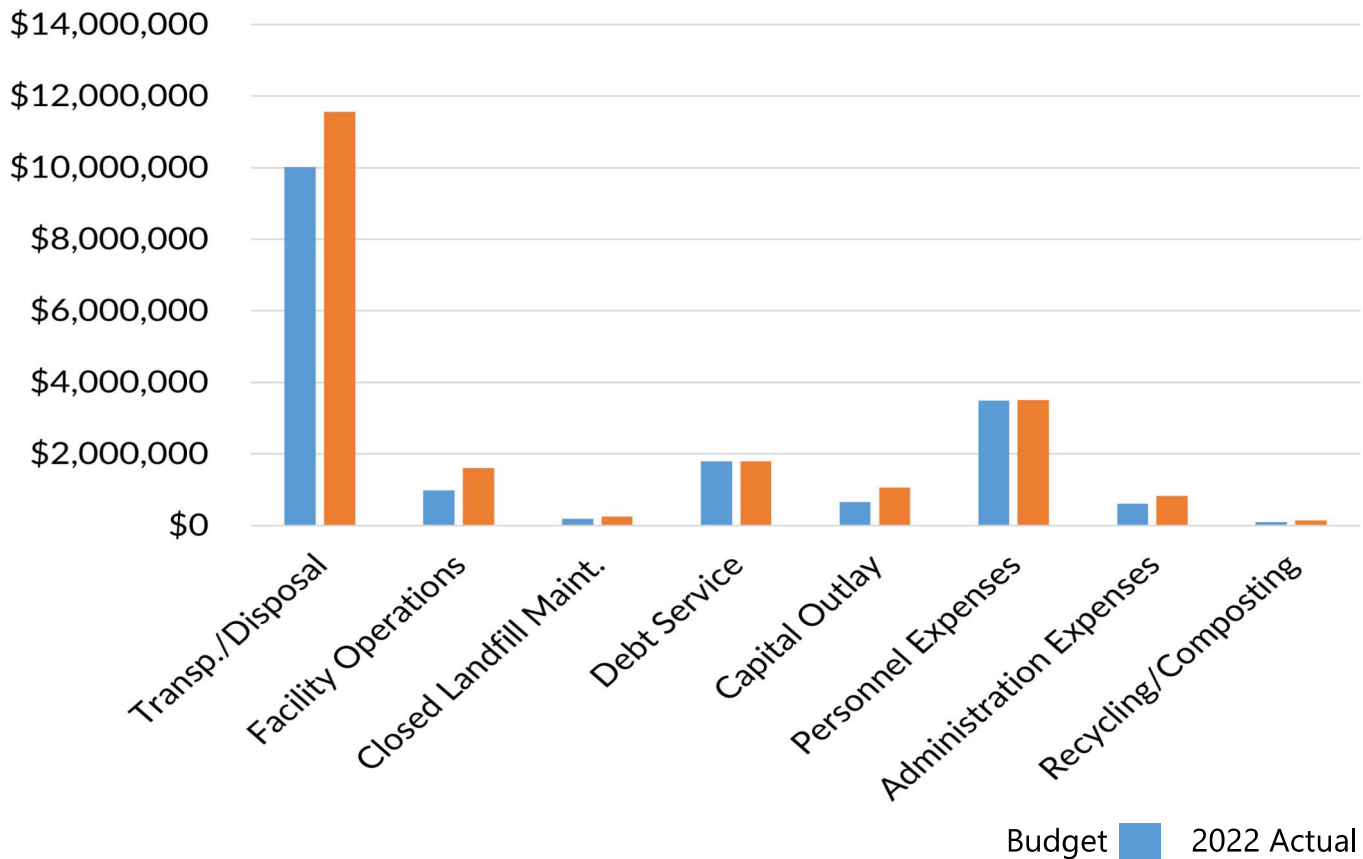
***Includes restatement of beginning balance due to change in accounting principal prior period adjustment



Budget vs. Actual Expenses

	2022 Budget	2022 Actual	Variance	2021 Budget	2021 Actual	Variance
Transportation/Disposal	\$10,017,432	\$11,561,118	\$(1,543,686)	\$9,402,355	\$10,271,269	\$(868,914)
Facility Operations	980,251	1,601,989	(621,738)	972,717	1,076,033	(103,316)
Closed Landfill Maintenance	179,285	249,548	(70,263)	197,000	212,052	(15,052)
Debt Service	1,790,000	1,790,000	-	1,790,000	1,790,000	-
Capital Outlay	660,000	1,064,973	(404,973)	230,000	498,450	(268,450)
Personnel Expenses	3,484,430	3,508,955	(24,525)	3,242,625	3,287,977	(45,352)
Administration Expenses	610,474	818,010	(207,536)	602,734	708,993	(106,259)
Recycling/Composting	100,000	139,546	(39,456)	129,300	90,594	38,706

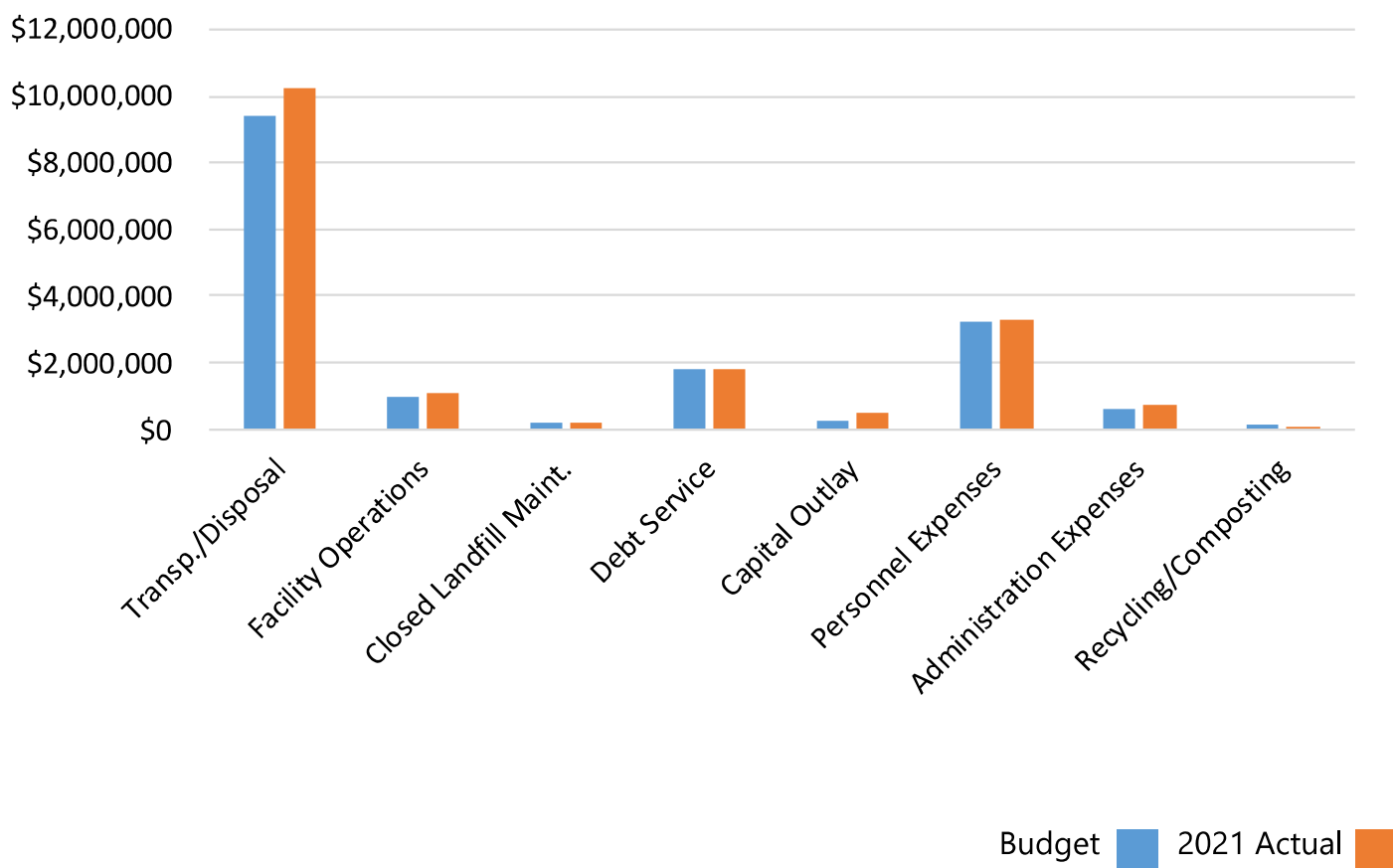
2022 Expenses





Budget vs. Actual Expenses (continued)

2021 Expenses



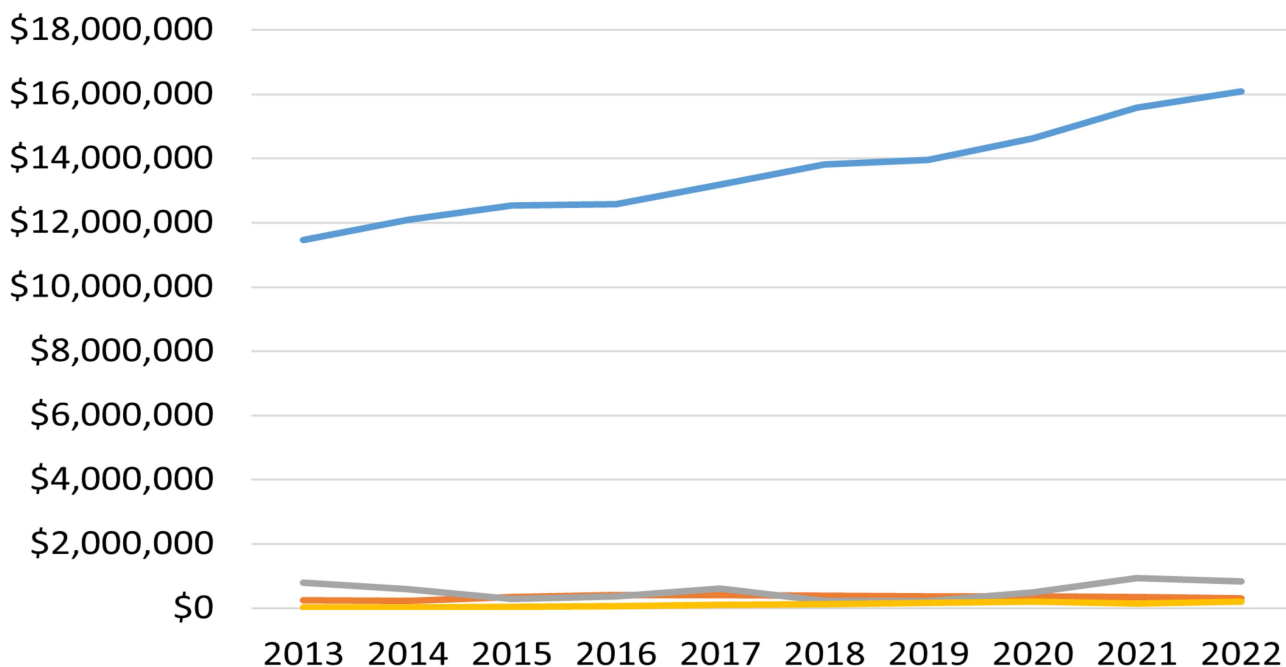
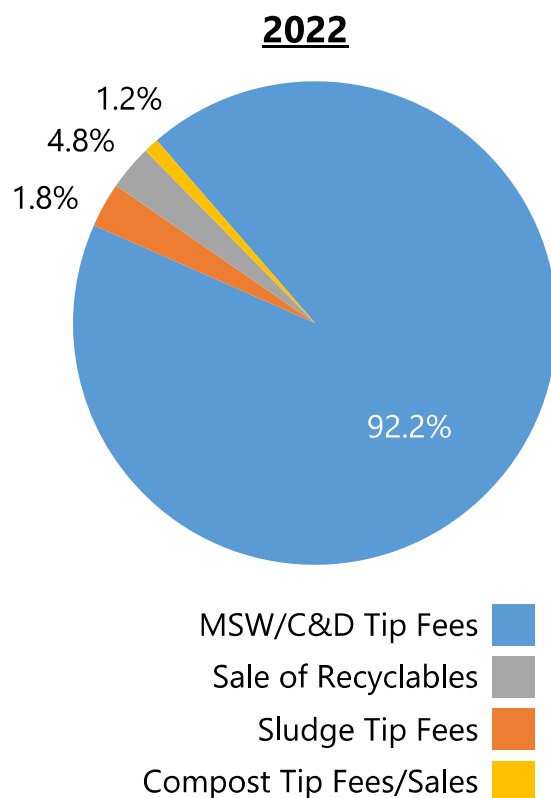


Revenue Capacity



Revenues by Source

	MSW/C&D Tip Fees	Sludge Tip Fees	Sale of Recyclables	Compost Tip Fees/Sales
2022	\$16,089,657	\$315,248	\$836,975	\$213,704
2021	15,583,275	342,532	934,639	154,321
2020	14,623,835	369,153	480,211	204,135
2019	13,957,315	374,180	234,141	161,231
2018	13,817,254	379,652	217,692	130,336
2017	13,178,205	409,460	604,841	102,856
2016	12,581,355	409,909	371,673	61,741
2015	12,526,726	344,938	282,568	42,500
2014	12,082,491	235,235	600,216	27,292
2013	11,453,508	252,098	798,012	26,054





Debt Capacity



Ratios of Debt Service to Total Expense

Fiscal Year	Principal	Interest	Total Debt Service	Total Expense	Ratio of Debt Service To Total Expense	Total Customers	Debt Service Per Customer
2022	\$669,066	\$1,120,934	\$1,790,000	\$19,784,979	9.05%	85,537	\$20.93
2021	714,371	1,075,629	1,790,000	17,260,030	10.37%	86,363	20.73
2020	761,538	1,028,462	1,790,000	15,979,501	11.20%	83,419	21.46
2019	810,566	979,434	1,790,000	14,173,965	12.63%	74,582	24.00
2018	1,850,000	46,550	1,896,550	13,498,043	14.05%	71,356	26.58
2017	2,130,000	129,360	2,259,360	11,945,351	18.91%	67,605	33.42
2016	2,130,000	202,178	2,332,178	11,388,113	20.48%	64,576	36.12
2015	2,070,000	270,543	2,340,543	10,454,362	22.39%	60,556	38.65
2014	2,455,000	339,522	2,794,522	11,915,740	23.45%	55,398	50.44
2013	2,425,000	415,752	2,840,752	12,104,311	23.47%	54,061	52.55



Ratios of Outstanding Debt

	2022	2021	2020	2019	2018
Outstanding debt by type					
2012 Refunding Bonds	-	-	-	-	-
2002 Refunding Bonds	\$2,493,215	\$3,162,281	\$3,876,652	\$4,638,190	\$5,448,756
1998 EFC Loan	-	-	-	-	-
1999 EFC Loan	-	-	-	-	-
2000 EFC Loan	-	-	-	-	-
1999 Landfill Cap Loan	-	-	-	-	-
2006 Revenue Bonds	-	-	-	-	-
Subtotal					
Unamortized Premium	-	-	-	-	-
Total Outstanding Debt and Premiums	2,493,215	3,162,281	3,876,652	4,638,190	5,448,756
Total Customers	85,537	86,363	83,419	74,582	71,356
Debt Service Per Customer	\$29.15	\$36.62	\$46.47	\$62.19	\$76.36

	2017	2016	2015	2014	2013
Outstanding debt by type					
2012 Refunding Bonds	\$1,340,000	\$2,640,000	\$3,900,000	\$5,120,000	\$6,305,000
2002 Refunding Bonds	5,788,756	6,113,756	6,418,756	6,713,756	6,998,756
1998 EFC Loan	-	-	75,000	150,000	225,000
1999 EFC Loan	-	205,000	405,000	600,000	790,000
2000 EFC Loan	-	140,000	275,000	410,000	540,000
1999 Landfill Cap Loan	-	-	-	-	450,000
2006 Revenue Bonds	720,000	880,000	-	-	-
Subtotal					
Unamortized Premium	15,610	46,840	78,070	109,300	140,530
Total Outstanding Debt and Premiums	7,864,366	10,025,596	12,186,826	14,288,056	16,774,286
Total Customers	67,605	64,576	60,556	55,398	54,061
Debt Service Per Customer	\$116.33	\$155.25	\$201.25	\$257.92	\$310.28



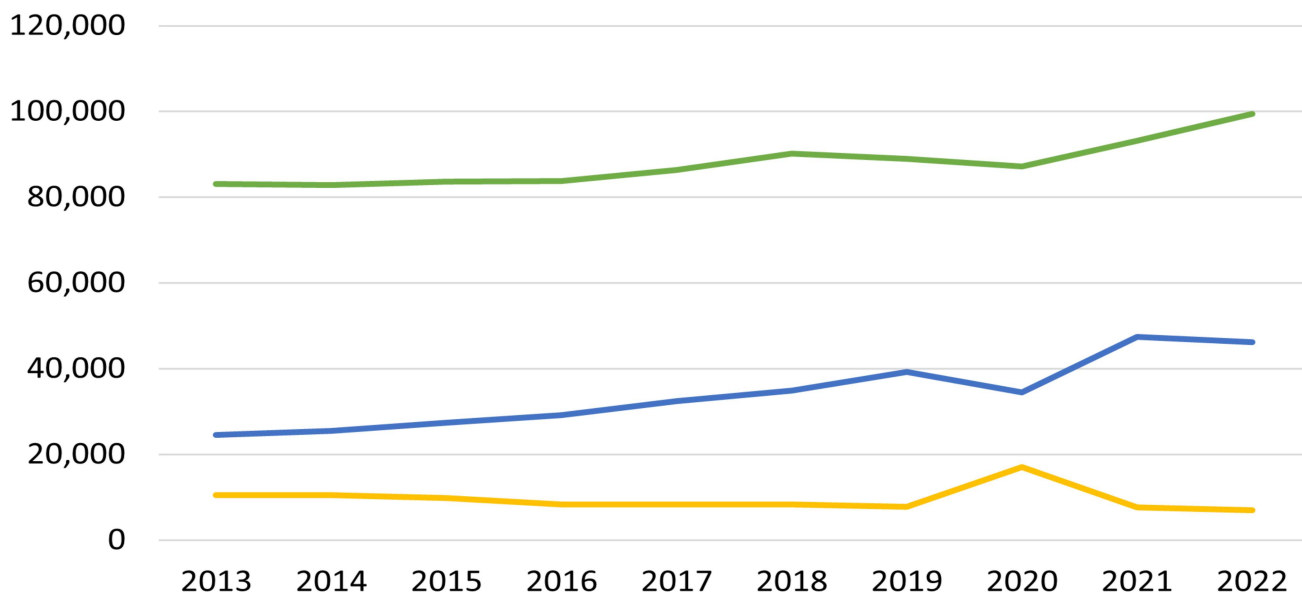
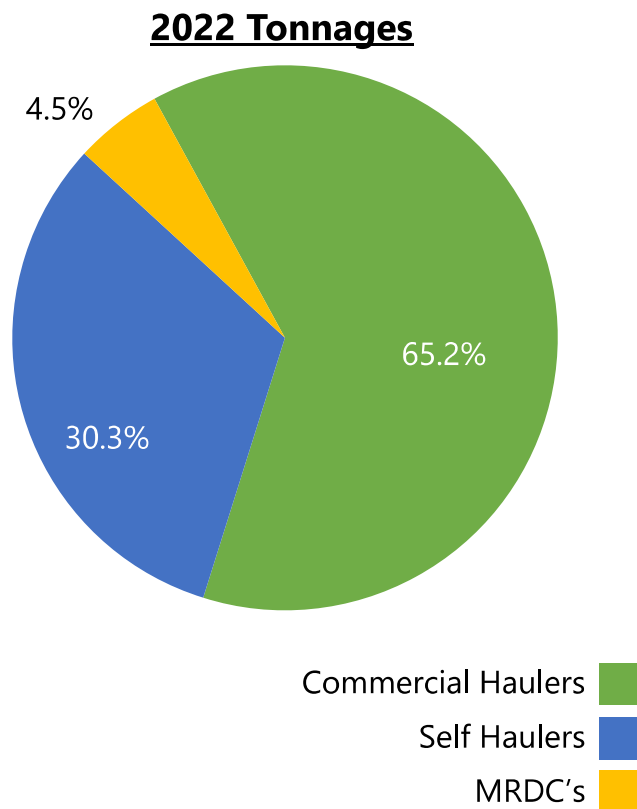
Demographic and Economic Information



MSW/C&D Tonnages by Source

	Commercial Haulers	Self Haulers	MRDC's
2022	99,435	46,233	6,937
2021	93,138	47,418	7,731
2020	87,170	42,865	8,713
2019	89,004	39,194	7,828
2018	90,158	34,897	8,294
2017	86,362	32,491	8,343
2016	83,847	29,216	8,305
2015	83,651	27,403	9,813
2014	82,852	25,558	10,471
2013	83,099	24,519	10,525

All units in tons



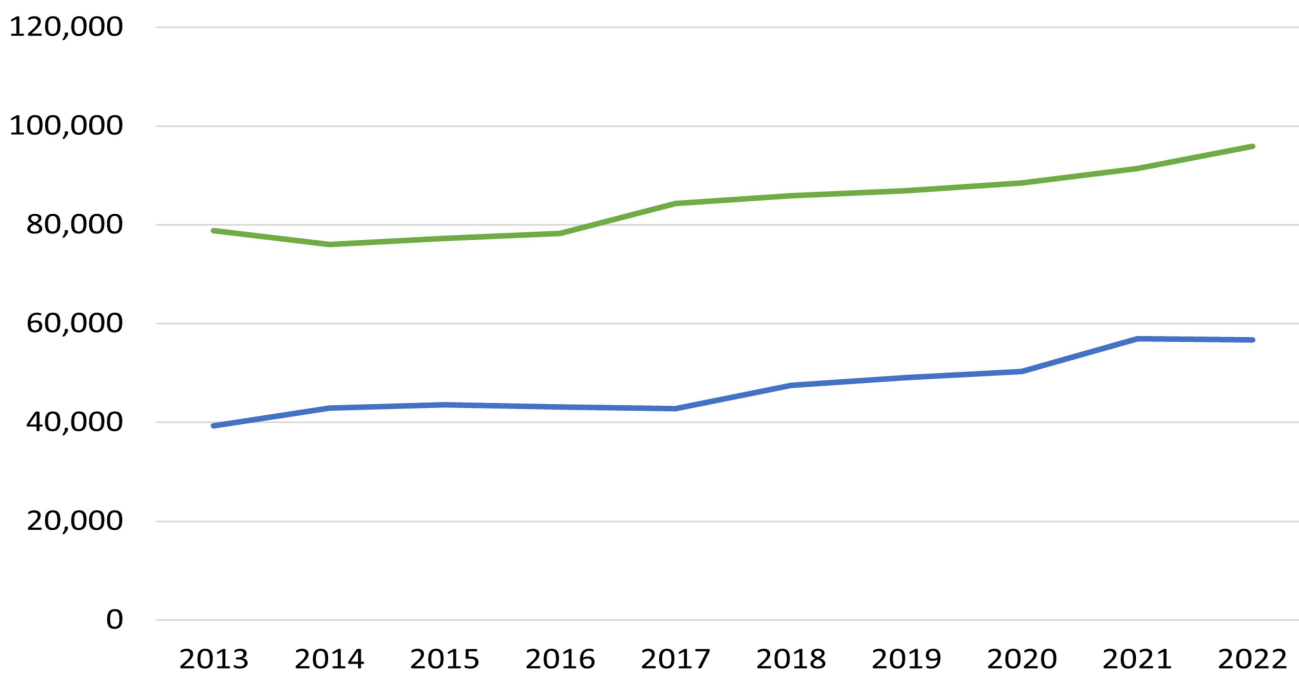
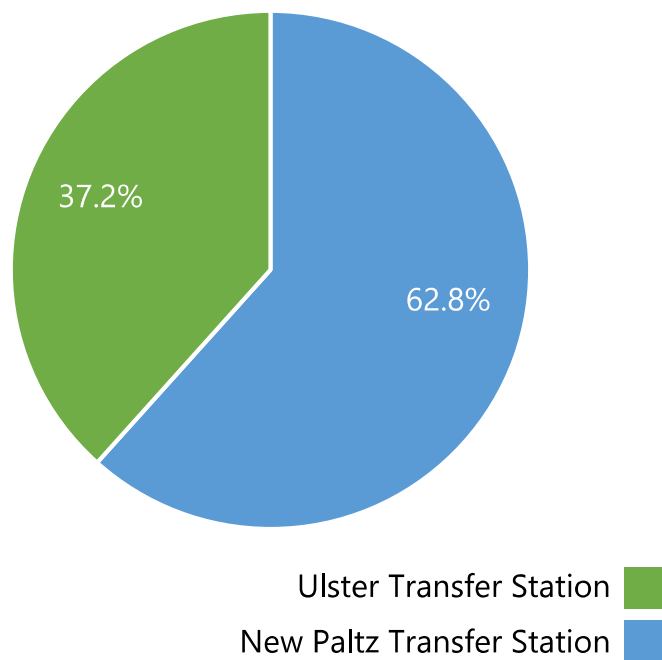


MSW/C&D Tonnages by Facility

	Ulster Transfer Station	New Paltz Transfer Station
2022	95,856	56,749
2021	91,400	56,887
2020	88,468	50,280
2019	86,937	49,089
2018	85,873	47,476
2017	84,370	42,826
2016	78,215	43,152
2015	77,272	43,596
2014	75,984	42,914
2013	78,813	39,326

All units in tons

2022 Tonnages





Operating Information

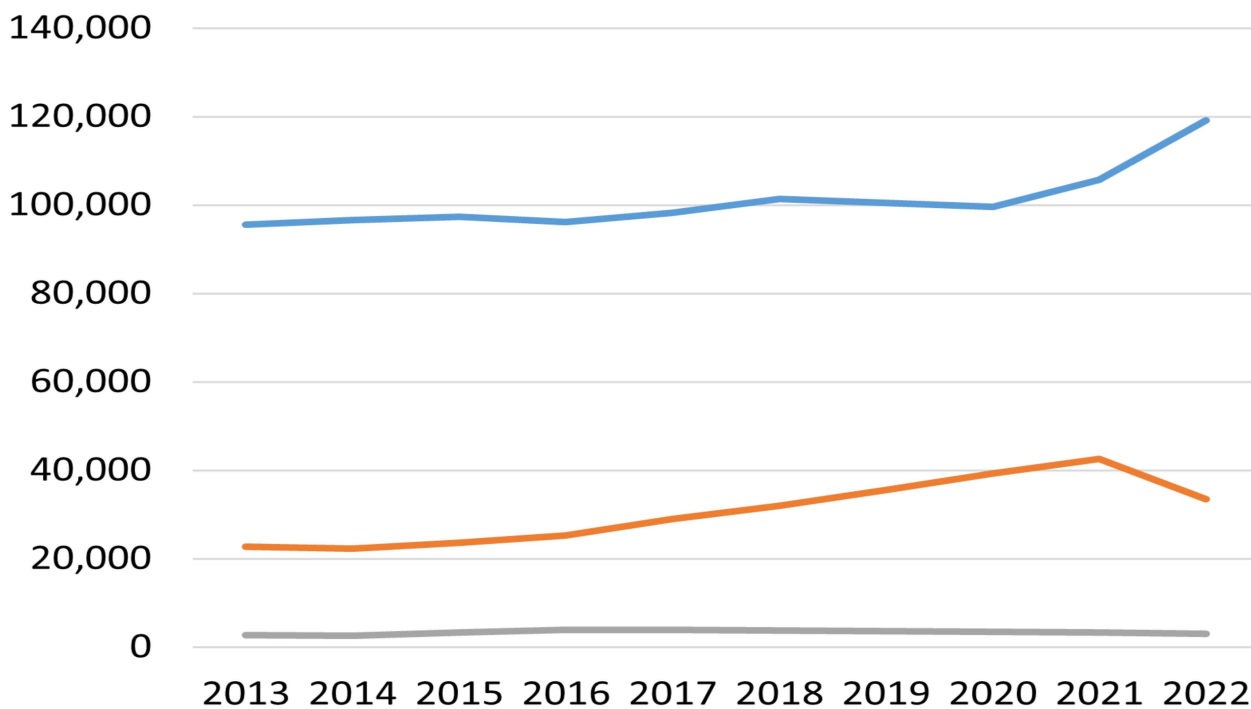
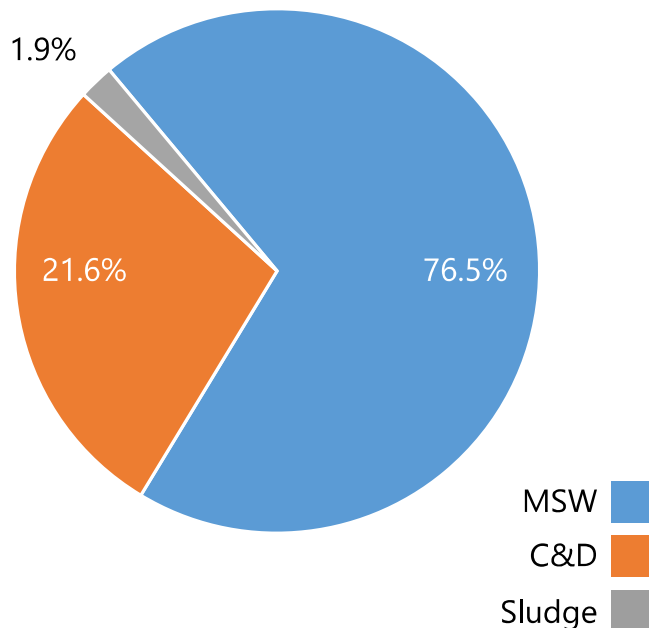


Solid Waste Tonnages by Category

	MSW	C&D	Sewage Sludge	Total
2022	119,069	33,536	3,002	155,607
2021	105,684	42,604	3,263	151,551
2020	99,524	39,224	3,520	142,268
2019	100,462	35,564	3,633	139,659
2018	101,379	31,970	3,686	137,035
2017	98,265	28,931	3,975	131,171
2016	96,098	25,269	3,979	125,346
2015	97,306	23,563	3,350	124,219
2014	96,544	22,337	2,644	121,525
2013	95,486	22,654	2,654	120,794

All units in tons

2022 Tonnages





MRF Cost Center Analysis

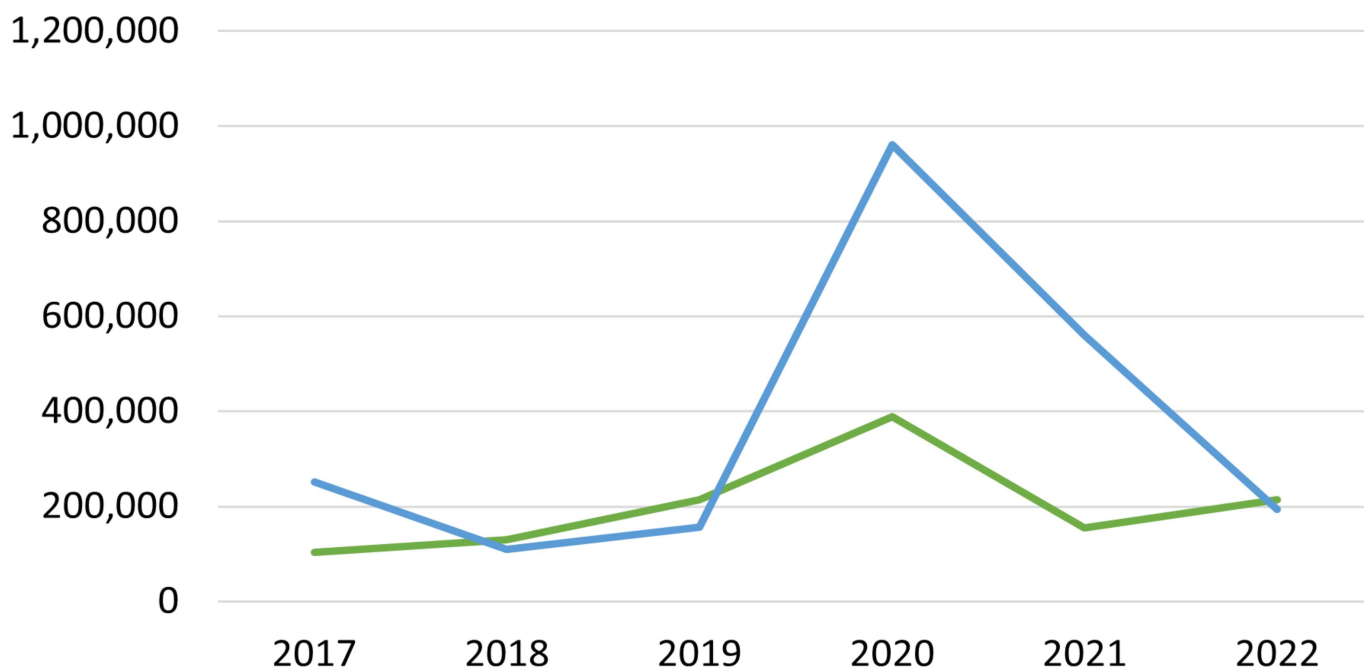
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Recycling Service Fees	\$5,317	\$-	\$-	\$-	\$151,576	\$286,245	\$51,305	\$-	\$-	\$-
Sales of Processed Recyclables							185,981	383,678	824,613	681,440
Total Revenues	760,097	571,279	263,147	351,853	716,807	451,087	237,286	383,678	824,613	681,440
Transportation/Disposal Costs*	898	180	154	340	888	378,278	94,928	66,831	61,006	89,455
Personnel Expenses	328,238	305,629	294,366	309,841	312,544	349,848	346,556	459,477	471,221	555,620
Operating Costs	121,104	122,756	110,464	78,729	96,263	111,262	91,938	104,968	95,007	208,049
Total Expenses	450,240	428,565	404,984	388,910	409,695	839,388	533,422	631,276	627,234	853,124
Excess (Deficit) Revenue Over Expenses	309,857	142,714	(141,837)	(37,057)	307,112	(388,301)	(296,136)	(247,598)	197,379	(171,684)

*MRF residual costs not tracked prior to 2018



Compost Cost Center Analysis

	2017	2018	2019	2020	2021	2022
Tipping Fees	\$73,978	\$88,838	\$109,655	\$123,550	\$102,801	\$131,960
Compost Sales	28,878	41,496	51,576	80,585	51,520	81,747
Grant Revenues	-	-	52,442	184,558	-	-
Total Revenues	102,856	130,334	213,673	388,693	154,321	217,707
Personnel Expenses	34,485	52,651	55,920	128,238	106,258	84,929
Operating Costs	11,565	51,112	48,673	21,308	47,064	108,726
Capital Outlay	204,880	6,130	52,442	811,533	406,983	-
Total Expenses	250,930	109,893	157,035	961,079	560,305	193,655
Excess (Deficit) Revenue Over	(148,074)	20,441	56,638	(572,386)	(405,984)	20,052



■ Total Revenues
■ Total Expenses