

ULSTER COUNTY RESOURCE RECOVERY AGENCY

ANNUAL FINANCIAL REPORT PUBLIC AUTHORITIES LAW - SECTION 2800

2023

Operations and Accomplishments

Solid Waste and Recycling Operations

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

The Agency’s net position declined by \$120,000, from \$16.12 million at December 31, 2022 to \$16 million at December 31, 2023.

Total revenue in 2023 decreased from the previous year by \$500,000. During 2023, the Agency experienced an overall decrease in volume. In correlation, revenue decreases were driven by volume. Recycling markets were also subpar throughout the year. These decreases were marginally offset by increases in interest revenue due to a change in banking institutions and the receipt of grant funding for a loader used at our composting facility.

Total expenses in 2023 were consistent with the previous year. During 2023, the Agency realized contractual increases for transportation and disposal of MSW/C&D/Sludge, however, these increases were essentially offset by volume decreases and the correlated decrease in costs.

Overall, waste volume decreased by 6.2% from the prior year. Predicting waste volume can be very difficult from year to year, and 2022 appears to be an outlier in terms of volume received at the Agency. Notably, the extra volume in 2022 came from non-flow control related MSW. Volume like this can’t be expected every year, and the Agency has taken this into consideration for future years planning and budgeting. Municipal-related volume from the Town MRDC’s and City of Kingston were consistent with the prior year.

Total recycling/diversion volumes increased by 14.5% from the prior year. The main commodities (news, OCC, and commingle) decreased in direct correlation with municipal MSW, as most of these commodity volumes are received from municipalities. The biggest change in volume was an increase in food waste and wood chips that were received. The Agency’s biggest food waste customer brought in 54.6% more volume than

the prior year. The Agency's grinder sustained a mechanical failure in 2022, leading to increased grinding services in 2023, and thus an increase in wood chips.

Capital Activities

After a project hiatus in 2022, the Agency was able to complete its recycling education center and compost bagging operation building in 2023. A decrease in tipping fee revenues due to lower volumes and less than expected revenues from the sale of recyclables, led the Agency to a reduction of capital purchases from the prior year.

The following capital assets were purchased in 2023:

- Continued expansion of security camera inventory
- Completion of recycling education center/compost bagging operation building
- Construction of a new salt shed
- Grapple for refurbished excavator
- Hydraulic hammer attachment for mini excavator
- Used Elgin street sweeper
- Used Ford utility/maintenance pickup truck
- Used Mack ten-wheel dump truck
- New Mack roll-off truck
- New servers for both regional transfer station (Ulster and New Paltz)
- Conferencing equipment for the board room (65" monitor/camera/speakers)

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.

This program is made possible with the support of funding by the New York State Environmental Protection Fund, as administered by New York State Department of Environmental Conservation via the State's Municipal Waste Reduction and Recycling Grant Program (MWR&R).

The Recycling Outreach Team (ROT) collects program tracking metrics to help evaluate the success of these strategies, and presents the following results for 2023:

The program's direct community engagement strategies resulted in 240.25 hours of programming in 2023. These programs reached over 1488 adults and 1220 youth participants:

- 43 public speaking events (386 adults, 1,007 youth, 84.5 hours)
- 20 facility tours (65 adults, 67 youth, 27.75 hours)
- 16 tabling events (1,037 adults, 146 youth, 115 hours)

The program grew indirect outreach strategies as well:

- 4,952 newsletter subscribers received quarterly e-news
- @UCRRA social media audience grew to over 1263 followers on Facebook and 1,175 followers on Instagram.
- @UCRRA on Youtube had 37,000+ total views over 179 hours of streaming

Public Service Announcements were aired across two local radio stations, reaching over 70,000 estimated listeners. Traditional print ads and digital ads reached hundreds of thousands of local readers, according to the publisher's available metrics. First implemented in 2022 and repeated in 2023, a digital streaming OTT campaign, which ran February-March, targeted Ulster County viewers on Roku, Sling, Tubitv, Pluto tv, as well as authenticated cable subscriptions with a 30 second commercial. The campaign reached 122,000+ impressions. New in 2023, a YouTube pre-roll campaign aired in February with a 15 second version of the OTT commercial. The campaign reached 69,000 expressions.

The Recycling Outreach Team is the area's local subject matter experts for recycling guidelines on various materials in addition to the regulated recyclables. The ROT responded to 100+ questions through its website "contact us" form, and 2,000+ questions via the Agency's Recycling Hotline, totaling an additional 118 hours of community engagement over the Hotline.

A few of the new initiatives implemented in 2023 included:

- Launch of the Agency's bagged compost initiative and e-commerce platform
- Expanded efforts to promote festival/event recycling, with the acquisition of collapsible event recycling bins piloted at the Ulster County Fairgrounds
- Master Composter – Master Recycler Volunteer Training Program, a 20 hour certification course, which allows community members to enroll in courses and become eligible for volunteer opportunities with the ROT
- Tree and Shrub Giveaway Event for Earth Day, providing free native pollinator plants to residents, made possible in partnership with the Ulster County Soil and Water Conservation District

- Municipal Recycling Drop Off Center sign project, which provided customized recycling signs for all Town Transfer Stations in the service area
- Repair Café Hudson Valley Outreach booths and displays, which featured a “Repair Recycling Habits” message to curb contamination
- YouTube pre-roll campaign aired in February and reached 69,000 impressions of local viewers
- New Stock the Fridge Game promoted methods to reduce food waste, which was displayed at several local farmers markets
- New Recycle Right sorting game promoted proper preparation of recyclables, which was administered at several local school visits
- Ongoing development of a Recycling Ranger program for schools

The Recycling Outreach Team strives to create innovative and inclusive educational programming that is not only forward-thinking in terms of waste-sustainability, but is relevant to people’s everyday lives. The educational content delivered in these programs draws from industry best practices and research based knowledge from organizations like the Solid Waste Association of North America (SWANA), the Environmental Protection Agency (EPA), the NYS Association for Reduction, Reuse, and Recycling (NYSAR3), the U.S. Composting Council (USCC), the North East Recycling Council (NERC), Cornell Cooperative Extension Association (CCE), and other reputable government organizations.

Household Hazardous Waste & Pharmaceutical Program

Hazardous wastes are substances that are toxic, flammable, chemically reactive, or corrosive. These hazardous substances should not be discarded in the trash or introduced into municipal water supplies. 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, paints and stains, cleaning chemicals, and more. The Agency’s HHW Program is made possible with the support of funding by the New York State Environmental Protection Fund, as administered by New York State Department of Environmental Conservation via the State’s Household Hazardous Waste State Assistance Grant Program.

In 2023, the Agency conducted four HHW Collection Events - in April, June, August, and October, at its two facilities in Kingston and New Paltz. One thousand and seventy six (1,076) Ulster County residents participated in this program and approximately ninety five thousand and seventy pounds (95,070 lbs.) of toxic wastes were recovered including; 33,600 lbs. latex paint, 9,850 lbs. oil paint, 17,650 lbs. flammable liquids, 10,850 lbs. pesticides, 2,290 lbs. of fluorescent lamps, 97 lbs. mercury containing devices, and other materials such as household acids, caustics, ammonia, aerosols etc. All materials collected are chemically neutralized, treated, and safely disposed in the most environmentally-responsible way possible via a third party vendor, in a manner approved by the NYS Department of Environmental Conservation. The 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.

Following the implementation of the New York State Paint Stewardship Law (enacted December 16, 2019), the Paint Care NY Program launched May 1, 2022. The Paint Care Program allowed the Agency to expand its HHW service to include nonhazardous latex paint in 2022, where it previously only allowed oil and lead based paints in the HHW program. Since then, the Agency has seen a significant increase in the amount of paint recovered from its HHW program.

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. Six 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.

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. Beginning in 2012, the Agency operates a composting program using Extended Aerated Static Pile (EASP) methods of industrial scale composting, resulting in a high quality finished compost that which the Agency sells in bulk and in 1 cubic foot bags. In 2022, the Agency celebrated it's ten year compost program anniversary and was awarded the US Composting Council's Small Scale Compost Manufacturer of the Year Award.

The Agency Composting program 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 municipally sourced wood chips to achieve the proper composting ratios, and then undergoes a 90 day process cycle using forced aeration.

In 2023, the Agency processed **5,481** tons of source separated organics. If this food waste were instead managed as municipal solid waste, it would have cost the public an estimated **\$ 602,910** in solid waste tipping fees (\$110/ton). By recycling this material onsite, the Agency reduced hauling of **157** tractor trailer transport trips to the landfill (35 tons per trip). This represents a conservation of **14,915** gallons of diesel fuel (95 gallons per trip).

The Agency also processed 1,149 tons of brush, and 3,630 tons of woodchips through it's composting operation in 2023. In a separate area of the site, the Agency is permitted to compost animal mortalities (roadkill deer) in a similar manner and uses the resulting compost material on site for landscaping purposes.

In 2023, the Agency **sold 4,268** tons of bulk compost. The Agency launched its bagged compost operation in April, providing customers with an opportunity to access smaller quantities of compost. The Agency worked with its website developer to launch an e-commerce platform to manage compost sales efficiently. Approximately 1,162 bags of compost were purchased via 191 customer transactions.

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 computer peripherals, televisions, etc., in an environmentally responsible manner in accordance with the NYS Electronic Equipment Recycling and Reuse Act (Environmental Conservation Law, Article 27, Title 26). The Agency operates a free electronics recycling program that is open to residents (regardless of Ulster County residency status), businesses (<50 employees) local government entities, and non profit organizations (<75 employees). The program is open every Saturday from April through November, from 8:00 AM - 2:00 PM outside of the Main Office. Additionally, the Agency practices waste diversion of covered electronic devices if incidental to trash loads at both the Agency transfer stations, achieved through inspection practices. All electronics are consolidated and exported to vendor Electronics Recyclers International (ERI) in Holliston, MA.

The Agency's electronics recycling program has been very successful. According to the Agency's tracking procedures, one thousand seven hundred and sixty one (1,761) drop offs occurred in 2023. According to the vendor ERI, the Agency collected 272,437 lbs. of electronic devices in 2023, including over 68,000 lbs. of computer peripherals, over 67,000 lbs. of televisions, 130,926 lbs. of small electronic equipment as well as various other electronic devices. Inclusive of these metrics is consumer drop off of electronics at participating towns; Town of Esopus, Town of New Paltz, Town of Ulster, and the Village of Saugerties.

Per the advisement of the former Executive Director, residents were allowed to drop off electronic devices during the week in 2023, in addition to the attended service on Saturdays. The adjustment was intended to accommodate the few residents who could not participate on Saturdays, but weekday drop offs lead to various issues. By the end of 2023, an analysis of metrics collected weekly throughout the year showed that the

weekday drop-off initiative did not increase overall participation in the program. Following the program season end in November, the Agency held two special collection events following the December and January holiday weekends to accommodate residents. These two events saw an increase in participants of almost four times the average of a regular Saturday drop-off.

Real Property

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

<u>Property</u>	<u>Fair Market Value</u>
999 Flatbush Road	\$15,589,977
1951 Frank Sottile Blvd	\$ 3,200,000

Internal Control Assessment

UCRRA management has a good understanding of the need for internal controls and the existing control structure at the Agency. Opportunities to strengthen controls are taken into consideration on a daily basis. During 2023, the Agency moved a scalehouse operator to an administrative position in the main office. This employee's working knowledge of daily operations in the field allowed us to implement an additional more thorough review of daily work. This employee reviews the details of all tickets from the previous day, noting any mistakes and recommending appropriate edits. The allows for a more effective process and a more efficient end of month and year reporting process. The Agency operates its own fuel depot and issues fuel cards for each piece of equipment and vehicle. This year new fuel cards were purchased and were color coded to help improve identification and limit the risk of movement between equipment/vehicles. In previous years, internal pricing within the fuel management software was only updated monthly. In 2023, not only were prices adjusted with each delivery (weekly), but edits were made to any transactions that occurred between delivery of fuel and the receipt of invoices. This allowed for more accurate reporting throughout the month and smaller adjustments of inventory at month end. There were no other major changes to internal controls and overall, the Agency's internal control system is evaluated as very strong.

This statement certifies that management has documented and assessed the internal control structure and procedures of the Ulster County Resource Recovery Agency for the year ending December 31, 2023. The Agency has strongly relied on the reporting of its internal and external auditors, both past and present, for noted documentation and assessment. This assessment found the Agency's internal controls to be adequate, and to the extent that deficiencies were identified, the Agency has developed corrective action plans to reduce any corresponding risk.

Timothy DeGraff, CPA
Director of Finance & Administration