

ULSTER COUNTY RESOURCE RECOVERY AGENCY

ANNUAL FINANCIAL REPORT PUBLIC AUTHORITIES LAW - SECTION 2800

2024

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 \$1.1 million, from \$16 million at December 31, 2023 to \$14.9 million at December 31, 2024.

Total revenue in 2024 increased from the previous year by \$160,000. During 2024, the Agency experienced an overall decrease in volume, but related operating revenues increased due to an increase in the price per ton that was being charged. Recycling markets improved from the prior year and related operating revenues increased. Increases in interest revenue were offset by decreases in other nonoperating revenues.

Total operating expenses in 2024 were consistent with the previous year. During 2024, 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. Nonoperating expenses, specifically interest expense, increased by \$1 million, from \$1.2 million at December 31, 2023 to \$2.2 million at December 31, 2024. This increase was directly attributed to the interest portion of the final debt service payment that is to be made in 2025, and related accrued interest at December 31, 2024.

Overall, waste volume decreased by 1.9% from the prior year. Predicting waste volume can be very difficult from year to year, and 2024 was no different as post COVID volumes continue to trend downward. Commercial hauler and municipal volumes decreased by 2.1% and 2.7%, respectively. These decreases were within range of overall MSW volume decreases from the prior year, which was 2.2%. Business self-hauler volume decreased by 0.99% and correlated with a decrease in C&D volume of 1.2%.

Total recycling/diversion volumes decreased by 3.8% from the prior year. News, commingle and glass decreased by 2.3%, which is in direct correlation with municipal MSW, as most of these commodity volumes are received from municipalities. OCC

increased from the prior year by 1.36% due to an increase in volume received from a few private haulers. The Agency's NYS DEC permit limited the intake of food waste to 5,000 tons in 2024, but it is expected that a requested increase to 7,500 tons will also increase food waste in 2025.

Capital Activities

There were no major projects that were undertaken during 2024. Agency capital purchases addressed the replacement of heavy equipment and a transition to EV infrastructure and vehicles. Agency management and its Board of Directors also approved the purchase of EV roll-off trucks for recycling collection purposes. This will be the first known use of these types of vehicles in this region, and will support the Agency's mission of greenhouse gas emission reduction.

The following capital assets were purchased in 2024:

- Addition of a license plate reader security camera
- Installation of two EV charging panels with two charging stations per panel
- New fully EV office vehicle
- New EV/gas hybrid office vehicle
- New CAT 272D3 XPS skidsteer
- New CAT 930 wheel loader
- New CAT 320 excavator
- Construction of an online customer payment portal reached beta testing at year end with full implementation expected during 2025

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 2024:

- The program’s direct community engagement strategies resulted in **242 hours** of programming in classes, tours, and special events. These programs reached over **2,271 adults** and **1,511 youth** participants.
 - 47 public speaking events
 - 18 facility tours
 - 22 tabling events

- The program grew indirect outreach strategies as well:
 - **5,225 newsletter subscribers** received quarterly e-news
 - @UCRRA social media audience grew to **over 1,430 followers on Facebook and 1,329 followers on Instagram.**
 - @UCRRA on Youtube **had 68,330 views, 308 hours of streaming,** and 89% increase in subscribers in 2024

- Public Service Announcements were aired across two local radio stations, reaching **70,000 estimated radio listeners.** Traditional print ads and digital ads reached hundreds of thousands of local readers, according to the publisher’s available metrics.
 - First implemented in 2023, a Youtube pre-roll campaign aired in February with a 15 second advertisement. This YouTube campaign featured a short video about our online A to Z Recyclepedia. The campaign generated over **134,000 impressions** and achieved an impressive View-Rate of 69%. There were 30,376 “non skippable” views and 63,343 “skippable” views.
 - The Recycling Outreach team also implemented new strategies utilizing some paid advertising to sponsor ads on social media which has impressive results.

- 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 **2,870+ questions via the Agency’s Recycling Hotline, totaling an additional 127 hours** of education over the Hotline.

Another highly successful year, 2024 marked the second year of our bagged compost sales, the launch of new advertising strategies, an official declaration of Compost Awareness Week from Ulster County, the expansion of class offerings, executing a grant

for the Ulster County Tiffin Project, new collaborations with Climate Smart Task Force members, and the continuation of innovative programming like the Tree & Shrub Give-A-Way, Compost Bin & Rain Barrel Sale, Festival Bin Rentals, and other exciting projects. Some results from these programs include:

- The Annual Tree and Shrub Giveaway Event was held on Earth Day, providing free native pollinator plants to **100+ residents**, made possible in partnership with the Ulster County Soil and Water Conservation District.
- **100 customers** participated in the Agency's Annual Compost Bin & Rain Barrel Sale event in May, during International Compost Awareness Week. Approximately 49 compost bins, 41 rain barrels, 15 misc. tools were sold by the partner Vendor Brand Builders LLC.
- Ulster County Executive Jen Metzger declared the first week of May is officially Compost Awareness Week in Ulster County and presented a declaration to Agency compost operations staff.
- The Master Composter – Master Recycler Volunteer Training Program continued as a 20 hour certification course, which allows community members to enroll in courses and become eligible for volunteer opportunities with the ROT. **Eight (8)** adults completed the training in June, bringing our total MCR cohort to 15 volunteers. Volunteers collectively contributed to **105 service hours** in 2024.
- The Agency received a \$20,000 award via the NYS Pollution Prevention Institute's Community Grants Program. The Ulster County Tiffin Project aimed to increase community awareness about the impact of waste reduction and reuse. The project addressed pollution prevention by providing residents with FREE reusable, stainless steel Tiffin containers that eliminate their single-use, disposable counterparts. **Over 87 hours at 17 events and classes, 725 Tiffins were distributed!**

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 (HHW) 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 2024, 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 thirty three (1,033) residents** participated in this program and approximately **eighty eight thousand, one hundred and seventy five pounds (88,175 lbs.) of toxic wastes were recovered** including; 24,300 lbs. latex paint, 8,900lbs. oil paint, 17,900 lbs. flammable liquids, 11,400 lbs. pesticides, 3,210 lbs. of fluorescent lamps, 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.

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. 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.

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. 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 2024, the Agency processed **5,000 tons (11 million pounds)** of source separated organics. If this food waste were instead managed as municipal solid waste, it would have cost the public an estimated **\$ 575,000** in solid waste tipping fees (\$115/ton). By recycling this material onsite, the Agency reduced hauling of 142 tractor trailer transport trips to the landfill (35 tons per trip). This represents a conservation of 13,490 gallons of diesel fuel (95 gallons per trip).

The Agency also processed **985 tons of brush, and 1,254 tons of woodchips and 312 tons of clean wood** through it's composting operation in 2024. 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 2024, the Agency **sold 4,020 tons of bulk compost**. The Agency launched its bagged compost operation in April of 2023, 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 **2,014 bags of finished compost were purchased via 308 orders/transactions by 65 returning customers and 151 new customers!**

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. Following the program season end in November, the Agency held two special collection events following holidays to accommodate residents. 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, **two thousand one hundred and sixteen (2,116) drop offs occurred** in 2024, including 2092 residents, 10 non-profit organizations, and 4 businesses. According to the vendor ERI, the Agency collected **218,364 lbs. of electronic devices** in 2024, including over 51,000 lbs. of computer peripherals, over 45,000 lbs. of televisions, 110,000+ 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 Ulster, and the Village of Saugerties.

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	\$15,792,006
1951 Frank Sottile Blvd	\$ 3,404,255

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 daily. During 2024, the Agency added several new procedures that have improved its overall internal control structure: 1) The Agency implemented a positive pay banking service to its cash disbursement procedures. Positive pay is a fraud prevention tool that helps the Agency, and its financial institution detect and prevent fraudulent checks by matching the details of issued checks against a list provided by the Agency. 2) Agency staff implemented a new internal audit procedure to test the accuracy

and effectiveness of its solid waste intake procedures. With the use of our security cameras, staff routinely select random vehicles that enter our site and document their activities from beginning to end. This observation process is utilized to ensure that the corresponding ticket is accurate and that all charges were applied. We have not noted any discrepancies in transaction since this procedure has been implemented, and any inquiries that arise are properly documented and investigated. 3) Management has delegated more of their routine (daily/weekly/monthly) accounting procedures to staff, which has allowed for better segregation of duties via the preparation and review process. 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, 2024. 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