



The Authority[™]
ONEIDA-HERKIMER SOLID WASTE AUTHORITY

30
YEARS OF
SERVICE

ONEIDA-HERKIMER SOLID WASTE AUTHORITY

2020 ANNUAL REPORT

TABLE OF CONTENTS

CHAIRMAN’S INTRODUCTION	1
MESSAGE FROM THE EXECUTIVE DIRECTOR.....	2
2020 OVERVIEW.....	3
BOARD OF DIRECTORS	4
AUTHORITY MISSION STATEMENT AND PERFORMANCE MEASURES	6
SOURCE-SEPARATED ORGANICS PROCESSING FACILITY/FOOD2ENERGY.....	11
ONEIDA-HERKIMER RECYCLING CENTER.....	15
Recyclables Marketed	16
Out of County Recyclables	18
RECYCLING PROGRAM	
Private Recycling Initiatives	18
Business Recycling Program	19
2020 Recycling Champion	19
PUBLIC EDUCATION & COMMUNITY OUTREACH	
Authority Website	20
Am I Recyclable? Campaign.....	22
E-Newsletter	24
RecycleOne Campaign.....	25
Authority Presentations and Tours	25
Major Events	26
GO GREEN SCHOOL RECYCLING PROGRAM	26
FOOD WASTE COMPOSTING PROGRAM	27
GREEN WASTE COMPOSTING FACILITY	28
Certified Compost.....	29
Composting Beer Hops.....	29
Wood Pallets	30
BRUSH PROCESSING FACILITY/LAND CLEARING DEBRIS FACILITIES	30
HOUSEHOLD HAZARDOUS WASTE FACILITY.....	31
Services for Select Businesses	33

TABLE OF CONTENTS - CONTINUED

Fluorescent Light Bulb Drop-Off 33

ECODROP FACILITIES 35

BULKY RIGID PLASTICS 36

TRANSFER STATIONS 37

 Western Transfer Station Renovation Project 38

 Town of Webb Transfer Station 38

ONEIDA-HERKIMER REGIONAL LANDFILL 39

 Landfill Liner System 40

 Landfill Gas Management/Gas to Energy Project 42

 2020 Flare Expansion Project 44

 Landfill Gas Management Grant 44

 Community Compensation Plan 45

 Land Management Plan 47

LEACHATE TREATMENT AND DISPOSAL 47

ASH LANDFILL 48

SOLAR ARRAY SYSTEM 49

MUNICIPAL COLLECTION PROGRAMS

 City of Utica Waste & Recyclables Collection 50

 Villages of Dolgeville, Frankfort, Herkimer, Ilion and Mohawk 50

COMPLIANCE AND ENFORCEMENT 51

PUBLIC AUTHORITIES REPORTING 51

OTHER 2020 HIGHLIGHTS

 Beneficial Use of Biosolids Draft RFP 52

 Regional Demolition Program 52

 Regional Projects 53

 New Reduced Tip Fee Program 53

FINANCIAL ACTIVITIES 54

AUTHORITY STAFF 55

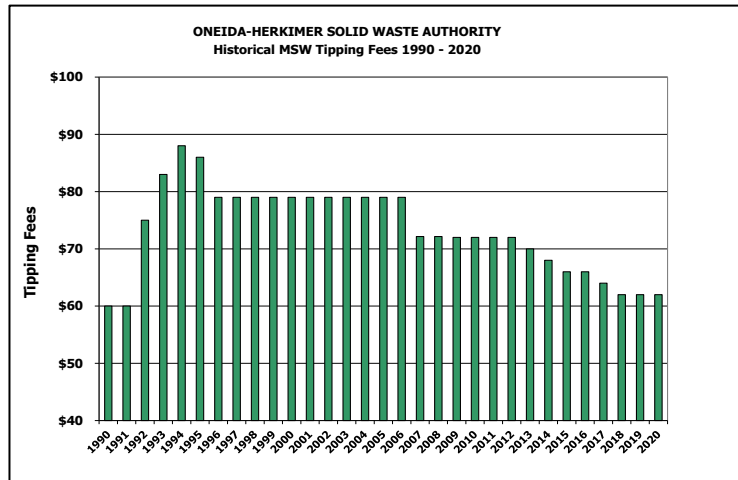
BST FINANCIAL REPORT 1-43

CHAIRMAN’S INTRODUCTION

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit this 2020 Annual Report. This year marked the 32nd anniversary since the formation of the Authority.

Similar to most business sectors, the COVID-19 pandemic presented many challenges to the solid waste industry in 2020 that no one saw coming. The Authority was able to quickly adapt and adjust operations to manage the pandemic safely and finish with another healthy financial surplus. The Authority ended 2020 with a change in net position of \$5,849,407. Although the improving local economy was halted to prevent the spread of the Coronavirus in 2020, the Authority was able to see growth in tipping fee revenues. Tipping fee revenues realized in 2020 were \$19,550,716, an increase of \$455,160 or 2.38% from 2019. The increase was primarily due to demolitions from large development projects which continued into 2020.

For 2020, the Authority was able to pay down \$2,475,000 of long-term debt. Total revenue bond debt outstanding as of December 31, 2020 was \$17,592,593. Over the past five years, the Authority has reduced long-term revenue bond debt by \$15,644,000 all while lowering its rates by 28% since 2006. The Authority is on schedule to complete the Board Designated early redemption of \$4,040,000 for the 2011 Revenue Bond issue in April 2021. This early redemption will leave one Revenue Bond issue in the amount of \$10,997,593. The Authority is on schedule to have zero debt in fiscal 2026.



For 2020, the recycling markets showed some stability and some optimistic growth after a difficult 2018 and 2019. The Authority saw an increase in recycling sales revenue of \$244,207 or 18.39% from 2019. The Authority continues to accept Oneida-Herkimer recyclables at no charge. For 2020, recycling processing revenue was up, totaling \$868,613 or 5.3% from 2019. The additional revenue realized for processing Fulton, Lewis and Oswego Counties’ recyclables, leads to an increase in revenue diversification and less future reliance on tipping fees to cover Authority expenses.

2020 marked the first full year of operation of the Authority’s Food2Energy Facility. This Facility allows us to accept bagged and packaged non-edible food waste and divert it from disposal at the Regional Landfill. The Facility produces an organic slurry which is used to generate electricity at Oneida County’s Wastewater Treatment Facility. The Facility opened and became fully operational in June 2019. In 2020, the Facility accepted and diverted 3,290.28 tons of organic food waste from the landfill. This project had a budgeted cost of \$3,400,000 and was paid with current operating revenues and grants. No borrowings were used to finance any part of this project.

I am proud of the accomplishments and hard work from the employees and my fellow colleagues on the Authority Board. While we continue to manage the region’s waste and recyclables in a safe, reliable, and efficient manner, I invite you to review this summary of our operations, and feel free to call anytime.

KENNETH A. LONG
CHAIRMAN



MESSAGE FROM THE EXECUTIVE DIRECTOR

Although 2020 was one of the most challenging years in recent history, the Oneida-Herkimer Solid Waste Authority carried out its mission, within its budget, and had another very productive year.

Despite unprecedented and difficult challenges, Authority facilities remained open, and we continued to operate efficiently while providing our region with a fully integrated, environmentally sound, cost-effective materials management system.

In the face of uncertainty and disruptions during this national emergency, our essential employees stepped up. Even with ever-changing public health and safety concerns and implementation of new protocols surrounding the coronavirus, our workers were at their worksite throughout the pandemic looking out for each other and our community. We did not miss a single day of operation.

I am very proud of our dedicated team.

The Authority's employees, along with our commercial and municipal partners, have kept our communities safer and healthier in these extraordinary times.

As we reflect on 2020, and hopefully nearing the end of the health crisis, we have learned to work smarter and safer. The Authority remains dedicated and hopeful and plans to use its new knowledge and flexibility to keep moving forward with new initiatives, while continuing to improve current operations under our Solid Waste Management Plan.

Thank you for your interest in our system and please feel free to contact me with questions or comments.

WILLIAM A. RABBIA
EXECUTIVE DIRECTOR



BOARD OF DIRECTORS

The Oneida-Herkimer Solid Waste Management Authority Board of Directors is comprised of ten members representing an outstanding combination of interests and experiences in the private and public sectors. A member of the Authority Board is deemed a public officer with “legal, fiduciary, financial and ethical responsibilities” to the Authority. Three of the members are appointed by the Legislature of Herkimer County; four appointed by the Board of Legislators of Oneida County; and three appointed by the County Executive of Oneida County.

BOARD OF DIRECTORS	BUSINESS AFFILIATION
KENNETH A. LONG, CHAIRMAN	RETIRED BUSINESS MANAGER OF THE CENTRAL VALLEY CENTRAL SCHOOL DISTRICT AND FORMER HERKIMER COUNTY LEGISLATOR
VINCENT J. BONO, VICE CHAIRMAN VICE CHAIRMAN, AUDIT COMMITTEE VICE CHAIRMAN, FINANCE COMMITTEE	PARTNER IN BONO BROTHERS LLC, PROPERTY MANAGEMENT GROUP; CHAIRMAN OF THE HERKIMER COUNTY LEGISLATURE; AND CHAIRMAN OF THE HERKIMER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
HARRY A. HERTLINE, TREASURER CHAIRMAN, AUDIT COMMITTEE CHAIRMAN, FINANCE COMMITTEE	KOREAN WAR AIR FORCE VETERAN; RETIRED GE UNIT CONTRACT MANAGER; AND FORMER MINORITY LEADER OF THE ONEIDA COUNTY BOARD OF LEGISLATORS
NEIL C. ANGELL AUDIT COMMITTEE FINANCE COMMITTEE	TOWN OF VERONA DAIRY FARMER; FORMER ONEIDA COUNTY LEGISLATOR; AND FORMER MEMBER OF THE AGRICULTURAL ECONOMIC DEVELOPMENT COMMITTEE
JAMES M. D’ONOFRIO CHAIRMAN, FOIL APPEALS COMMITTEE	PRESIDENT OF ARLOTT OFFICE PRODUCTS AND MEMBER OF THE ONEIDA COUNTY BOARD OF LEGISLATORS
JAMES A. FRANCO FOIL APPEALS COMMITTEE	RETIRED DPW SUPERINTENDENT, VILLAGE OF HERKIMER
BARBARA FREEMAN CHAIRWOMAN, GOVERNANCE COMMITTEE FOIL APPEALS COMMITTEE	RETIRED TEACHER; MEMBER, VILLAGE AND TOWN OF BOONVILLE ENVIRONMENTAL COUNCILS
NANCY A. NOVAK GOVERNANCE COMMITTEE	MANAGER, SAFETY & REGULATORY COMPLIANCE AT BONIDE PRODUCTS, INC.; MEMBER, MOHAWK VALLEY ENVIRONMENTAL INFORMATION EXCHANGE AND MOHAWK VALLEY SAFETY PROFESSIONAL CONSORTIUM; AND CO-LEADER, GIRL SCOUTS OF THE USA
RICHARD G. REDMOND	SENIOR VICE PRESIDENT OF FACILITY OPERATIONS FOR MOHAWK VALLEY GARDEN AND DECORATED RETIRED MAJOR, U.S. ARMY
JAMES WILLIAMS GOVERNANCE COMMITTEE	RETIRED FROM THE UNITED STATES POSTAL SERVICE; ARMY VIETNAM WAR VETERAN; AND MEMBER OF THE AVA TOWN PLANNING BOARD

FORMER BOARD MEMBERS	
ALFRED A. BARBATO, SR. (1995-2004)	ROBERT JULIAN (1988-1990)
LARRY BARTON (2004-2005)	MICHAEL LANE (1988-1992)
GERALD C. BRODOCK (1988-2005)	DAVID LINK (1988-1995)
R. W. BURROWS, JR. (1988-1995)	ROBERT McLAUGHLIN (1988-2009)
VINCENT CASALE (2009-2013)	CHARLES PATTERSON (1992-1995)
LOUIS CRITELLI (1992-2008)	ROBERT J. ROBERTS, III (2009 – 2018)
ALICIA DICKS (2009-2014)	DR. GUY WILCOX (1988-2004)
A. FRANK DOLAN (1988-1991)	DAVID YEATON (1997-2008)
DONALD L. GROSS (1995-2013)	

AUTHORITY BOARD COMMITTEES

AUDIT COMMITTEE

The purpose of the Authority's Audit Committee is to assure that the Authority's Board fulfills its responsibilities for the Authority's external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and provide an avenue of communication between management, the independent auditors, and the Board of Directors. Two joint Audit Committee-Finance Committee meetings were conducted via video conference in 2020.

FINANCE COMMITTEE

The Authority's Finance Committee oversees the Authority's annual budget, investments, capital plans, accounts receivable, debt and other financial matters of the Authority. There was a total of six Finance Committee meetings, including two joint Finance Committee-Audit Committee meetings, conducted via video conference in 2020.

FOIL APPEALS COMMITTEE

The Oneida-Herkimer Solid Waste Authority is a public entity and, as such, complies with New York State's Freedom of Information Law [FOIL]. Under the FOIL the public has a right to inspect and receive copies of most records retained by the Authority. In the event a request is not handled in a timely manner or where a requestor disagrees with the determination to withhold certain records, the Authority established a FOIL Appeals Committee to address and carryout the appeals process. The FOIL Appeals Committee meets on an as needed basis.

GOVERNANCE COMMITTEE

The Authority's Governance Committee was established to assist the Board by keeping it informed of current best practices in corporate Governance; reviewing corporate Governance trends for their applicability to the Oneida-Herkimer Solid Waste Management Authority; updating the Oneida-Herkimer Solid Waste Management Authority's corporate Governance principles and Governance practices; and advising those responsible for appointing directors to the Board on the skills, qualities and professional or educational experiences necessary to be effective Board members. The Governance Committee met via video conference in December 2020.

AUTHORITY MISSION STATEMENT AND PERFORMANCE MEASURES

The Oneida-Herkimer Solid Waste Management Authority is a New York public benefit corporation which was created by the State Legislature at the request of Oneida and Herkimer Counties by passage of Article 8, Title 13-FF of the New York Public Authority Law on September 1, 1988. The Authority was created to address environmental problems associated with improper solid waste disposal, to develop new facilities and programs for waste reduction and recycling, and to address the lack of long-term disposal capacity for non-recyclable waste.

With this charge and mandatory recycling laws enacted by both Counties, the Authority has developed a regional, comprehensive, integrated system of facilities to serve all the residents, businesses, industries and institutions of the two Counties. This integrated system promotes reduction, maximizes recycling, and provides safe, economical disposal for non-recyclable waste. The Authority owns and operates a Recycling Center, Household Hazardous Waste Collection Facility, Green Waste Composting Facility, Regional Landfill, three Transfer Stations, and a Source Separated Organics Processing Facility (Food2Energy Facility). Services include recycling, backyard composting, food waste diversion program, providing public education, promoting waste reduction and reuse of materials, and school “Go Green” initiatives, full-scale electronics collection, and sewage sludge management. The Authority developed the region’s first local solid waste management plan in 1991. The plan included development of the comprehensive integrated solid waste management system. The original plan has been fully implemented. The Authority developed a NYSDEC approved LSWMP to guide the region’s solid waste through 2022.

The Authority is governed by a 10-member Board of Directors, employs approximately 80 people and has an annual operating budget of approximately \$26 million.

In 2007, the Authority won a landmark case in the United States Supreme Court (*United Haulers v. Oneida-Herkimer*) establishing a national precedent for local public solid waste systems.

The Authority revenue structure is primarily a fee for service system. A system tip fee is charged for all non-recyclable waste delivered to the Authority. These fees cover the majority of expenses in the Authority budget. The Authority receives additional revenue from other sources such as investments, sale of landfill gas, sale of carbon credits, sale of recyclables and grants. The Authority receives no funding from the Counties.

PERFORMANCE MEASURES

- ✓ Implementation of Local Solid Waste Management Plan including continuous review and application of new technologies.
- ✓ Compliance with environmental, employee health and safety, and all other federal and state regulatory requirements.
- ✓ Maintenance of long-term stable rates and prudent fiscal management.
- ✓ 100% compliance with all ABO reporting requirements.
- ✓ Operating with full transparency and good governance.

MISSION STATEMENT

THE AUTHORITY'S MISSION IS THE MANAGEMENT OF THE REGION'S SOLID WASTE AND RECYCLABLE MATERIAL IN AN ENVIRONMENTALLY SOUND, COST-EFFECTIVE, EFFICIENT AND SAFE MANNER. THE AUTHORITY REMAINS COMMITTED TO MAINTAINING AND ENHANCING THE REGION'S SELF-RELIANT INTEGRATED SOLID WASTE MANAGEMENT SYSTEM WHILE PROTECTING THE HEALTH, SAFETY AND WELFARE OF THE REGION.

2020 PERFORMANCE MEASURE REPORT

PERFORMANCE MEASURE

IMPLEMENTATION OF SOLID WASTE MANAGEMENT PLAN (LSWMP) INCLUDING CONTINUOUS REVIEW AND APPLICATION OF NEW TECHNOLOGIES FOR ALL SYSTEMS, FACILITIES AND PROCESSES:

- Completed 1st full year of operation of the Authority's Source-Separated Organics Processing Facility [Food2Energy Facility].
- Processed over 3,290 tons of organic waste from local businesses and residents,
- Supported waste reduction through NYS Product Stewardship Council.
- Completed 9th operational year of single stream Recycling Center in Utica.
- Continued to process over 42,000 tons of recyclables at Recycling Center.
- Achieved an overall recycling rate of 52% for Oneida and Herkimer Counties.
- Continued operation of the Landfill Gas (LFG) to Electricity Facility, which utilizes two generators to convert LFG (methane) to electricity. The Facility represents a joint venture by the Authority and Waste Management Renewable Energy (WMRE) to provide green energy made from landfill gas to the market.
- Installed 21 new gas collection wells at the Regional Landfill (RLF) continuing to advance the active landfill gas collection system which brings the total number of wells to 156.
- Completed design for expansion of landfill gas flare system.
- Continued to safely and economically dispose and beneficially reuse over 381,647 tons of waste at RLF.

- Continued to process over 11,600 tons of green waste and converted it into marketable compost at Utica Compost Facility.
- Continued to safely dispose of over 64,539 gallons of household hazardous waste received from over 14,368 area households at the HHW Facility.
- Recycled 583 tons of electronics and computers.
- Continued implementation of a “Go Green” School Recycling Program that assists teachers, students, and staff on the value of recycling, conservation, and environmental stewardship.
- Continued to achieve higher than projected waste densities at Regional Landfill through use of GPS technology and compaction equipment, extending the projected life of the Regional Landfill.
- Continued organics (food waste) recovery programs in schools and colleges and continued to accept spent hops from FX Matt Brewery for composting.

PERFORMANCE MEASURE

COMPLIANCE WITH ENVIRONMENTAL, EMPLOYEE HEALTH AND SAFETY AND ALL OTHER FEDERAL AND STATE REGULATORY REQUIREMENTS.

- Maintained compliance with all Facility Permits and Regulations.
- Completed all necessary actions to comply with the new 6 NYCRR Part 360 Solid Waste Management Facilities regulations that became effective November 4, 2017.
- Developed and submitted the following Annual Reports: Eastern Transfer Station (including the Source-Separated Organics Processing Facility), Western Transfer Station, Green Waste Composting Facility, Spent Hops Organics Composting Project, Waste Transporter, Recycling Center, Planning Unit Recycling Report, Regional Landfill, Webb Transfer Station, Webb Recycling Facility, two Land Clearing Debris Facilities, Brush Processing Facility, Pallet Processing Facility, Waste Oil, Household Hazardous Waste Facility and Electronic Waste Collection Site per 6NYCRR Part 360 Permits/ Registrations.
- Developed and submitted Title V Permit, Air Regulations Compliance Certifications & Emission Statements for RLF.
- Developed and submitted SPDES (stormwater management) Annual Certifications and DMRs for RLF, Utica Complex, and Western Transfer Station in Rome.
- Developed and submitted NYSDEC required Closure Post-Closure Report for Ash Landfill, Rome, NY.
- Developed and submitted NYSDEC required quarterly Environmental Monitoring Reports for the Regional Landfill, Ava, NY.
- Developed and submitted NYSDEC required State Agency Environmental Audit.
- Conducted NYSDEC required weekly inspections related to RLF SPDES permits.

- Continued annual employee health and safety training and provided regular toolbox talks to supplement safety awareness and training. All training follows New York State Public Employee Safety and Health (PESH). Annual training topics covered include: Hazard Communication, Hearing Conservation, Workplace/Sexual Harassment Prevention, Workplace Violence Protection, Spill Prevention, Lock Out Tag Out, Bloodborne Pathogens, Emergency Response, Confined Space, and Storm Water Pollution Prevention. Due to COVID-19 restrictions, 2020 in-person training was performed with smaller groups that utilized pandemic precautions and social distancing.
- Held regular Safety Committee Meetings with employee representatives from all facilities, including Administrative staff and the Executive Director. The Safety Committee allows employees and supervisory staff to discuss safety issues, operational recommendations, and provide updates on the Authority in general. Notes are compiled from each meeting. Supervisory staff addresses each issue and provides a solution and a written response attached to the meetings notes, which are posted for all employees to review. In 2020, monthly Safety Committee meetings were limited due to the pandemic.
- Conducted system-wide occupational noise exposure re-assessment.

PERFORMANCE MEASURE

MAINTENANCE OF LONG-TERM STABLE RATES AND PRUDENT FISCAL MANAGEMENT.

- Tipping fees for municipal solid waste and sludge were maintained for 2020. Tipping fees remain lower than tipping fees were in 1992.
- Finance Committee tasked Senior Management to prepare an extensive long-term financial plan that forecasts revenues, expenses, capital purchases and future tipping fees for the next five years.
- The Authority had a \$5,849,408 addition to its net asset position for 2020.
- Authority continued to make yearly deposits to a Landfill Equipment Replacement Fund.
- Authority continued to fund future landfill cell expansions with current tipping fees.
- Authority made all necessary deposits to Landfill Closure Funds as required.
- The Authority processes Oswego, Lewis and Fulton Counties' recyclables. The Authority received \$868,613 in processing fees from these agreements in 2020.
- Continued to market carbon credits generated through destruction of methane at Regional Landfill. The Authority realized \$589,694 in carbon credit revenue for 2020.
- The Authority earned \$800,084 in interest income for 2020.
- The Authority paid down \$2,475,000 in scheduled long-term debt for 2020. The Authority has reduced long-term bonded debt by \$15,644,000 over the past five years.

- Through an RFP process, the Authority extended its agreement with BST & Co. CPAs, LLP to serve as the independent auditor for the Authority's financial statements through fiscal year 2024.

PERFORMANCE MEASURE

100% COMPLIANCE WITH ALL ABO REPORTING REQUIREMENTS.

- Authority filed all necessary reports with ABO on time.
- Authority updated its website to reflect all ABO requirements.
- Authority Board of Directors authorized and approved filing of all reports with ABO office.
- All Authority Board Members and Authority Senior management have attended mandatory ABO training.
- Authority staff reviewed all ABO Policy Guidances and reviews issued during the year.
- Operating with full transparency and good governance.
- Board of Directors and Governance Committee reviewed and approved policies including procurement policy, disposition of property, ethics and whistle blower policy.
- Continued to publicly auction surplus equipment through Authority-approved Property Disposition Policy.
- Board of Directors and Governance Committee adopted Mission Statement and performance measures.
- All agendas and minutes of committee meetings were posted on the Authority's website.
- Submitted 2021 draft budget to Counties for review and comment.
- Conducted all public hearings required for adoption of budget.
- Submitted adopted budget to the Counties and State-wide officials.
- Finance Committee conducted six meetings, including two joint Finance Committee-Audit Committee meetings, during 2020 and reviewed and approved the Authority's Investment Policy.
- Finance & Audit Committees met virtually with the Authority's independent auditors to review the 2019 audit.



THE FOOD2ENERGY FACILITY AND PROGRAM IS AN ACHIEVEMENT IN WASTE MANAGEMENT AND ENERGY PRODUCTION, AS WELL AS AN EXAMPLE OF A SUCCESSFUL PARTNERSHIP BETWEEN LOCAL GOVERNMENTS AND AGENCIES.

It is a goal of the Authority to be proactive in terms of diverting waste and preserving this region we call home. Food2Energy is an example of that. In 2020, the Authority completed its first full year of operation of the Authority's Source-Separated Organics Processing Facility [Food2Energy Facility]. With Food2Energy, we are able to divert food waste, which makes up roughly 22% of the waste stream, from the Regional Landfill. In 2020, the facility accepted and processed 3,290 tons of source-separated organics waste.

SSO FEASIBILITY STUDY AND PROGRAM HISTORY

The Authority has continually evaluated options for organics diversion to find a practical and economical solution to integrate into its existing solid waste management system. Examples of source-separated organics (SSO) waste includes grocery store bakery and produce waste, institutional cafeteria and restaurant waste, and food production waste.

In 2016, engineering consultants, Barton & Loguidice, (B&L), were tasked to conduct a source-separated organics feasibility study. This project is consistent with the Authority's Local Solid Waste Management Plan (LSWMP). The LSWMP calls for continued investigation of organics collection and outlets for diverted food waste. The project is also consistent with the New York State Solid Waste Management Plan, Beyond Waste, which identifies anaerobic digestion as an available technology for organics

management with the added benefit of more efficient biogas production than landfills and the greater potential for energy recovery.

The study looked at the feasibility of processing the food waste and diverting it to OCSD's new digesters which were being constructed. The feasibility study also assessed the quantity of available organics, the type and sizing of the collection and processing equipment, including any upgrades to the Authority's Eastern Transfer Station, and any potential issues for collection and processing.

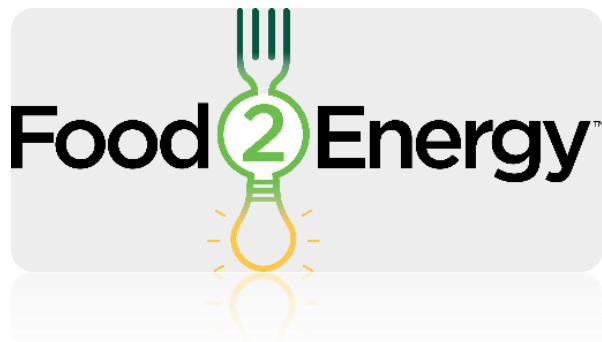
B&L determined that the separate collection and processing of commercial organics as a feedstock for the OCSD anaerobic digesters would be feasible, given the information that is currently available. On May 15, 2017, the Authority Board authorized issuance of a Request For Proposals (RFP) under 120-w of the General Municipal Law for entering into an agreement for the source separated organics processing facility. A draft RFP for design, construction and installation of a source separated organics processing facility (SSOPF) adjacent to the Authority's Eastern Transfer Station in Utica was released on May 17, 2017. One joint proposal from RRT Design and Construction (RRT) and the Authority's consulting engineer, B&L was received. An extensive evaluation of RRT's proposal, including meeting with the respondent and contracting references, was conducted by Authority staff. RRT has experience building and designing SSOPFs and also constructed the Authority's single stream processing facility. Based upon this evaluation, the Authority entered into an agreement with RRT for the design, procurement, and installation of the SSOPF.

RRT substantially completed construction of the \$3.4 million facility in June 2019. The Oneida County Sewer District (OCSD) also completed construction of anaerobic digesters directly adjacent to the Authority's Eastern Transfer Station, in 2019. The facility has been operational and is accepting organic waste from large generators, as well as voluntary disposal from smaller generators and residents.



The Authority's new organics diversion program, "Food2Energy", allows participants to deliver bagged and packaged source separated organics to the Authority's processing facility where packaging is separated from organic waste (food scraps). The recovered organic waste is turned into a slurry mixture and is discharged at the OCSD anaerobic digesters.

The organic slurry used in the anaerobic digesters will help to produce enough energy to provide 50% of OCSD's power needs.



The Food2Energy program provides an economic incentive for large generators to participate in the program through a reduced tipping fee of \$40 per ton for organics, in comparison to the current \$62 per ton tipping fee for municipal solid waste in Oneida and Herkimer Counties.

AUTHORITY RECIPIENT OF NYSAR³ AWARD FOR FOOD2ENERGY PROGRAM



In November of 2020, the Authority received a Recycling Leadership Award from the New York State Association for Reduction, Reuse and Recycling (NYSAR³). NYSAR³ annually recognizes individuals, institutions, campaigns, and programs that demonstrate commitment to enhancing and expanding waste reduction, recycling, and reuse across New York State.

The Authority was recognized by NYSAR³ with the 2020 Innovation Award for its food waste diversion program, Food2Energy. This program allows for separate processing of food scraps to divert this waste from the Regional Landfill and turn it into energy. Residents, schools, and commercial businesses are encouraged to deliver bagged, packaged or palletized food waste to the Authority's Source Separated Organics Processing Facility in Utica. The recovered material is then de-packaged and emulsified into a slurry and is delivered to the OCSD's anaerobic digestion system, allowing for the collection of methane gas that is turned into electricity. Food2Energy conserves landfill airspace, reduces greenhouse gas emissions, reduces disposal costs for source separated organics by \$22 per ton and increases the energy production generated in the anaerobic digesters by providing a comingled feedstock to the OCSD's independent collection and anaerobic digestion of biosolids. Currently, the OCSD is getting 25-30% of its energy needs met by the biogas generated from the anaerobic digesters.

The Authority was honored at a virtual award ceremony on November 19, 2020 during the NYSAR³ Annual Recycling Conference.

FOOD2ENERGY PROGRAM ASSISTANCE

The Authority assists with program implementation and offers a variety of helpful resources to large waste generators and businesses interested in joining the effort. Approximately ten large food processors, grocery stores, and manufacturers consistently participate in the Food2Energy program. Additionally, pilot programs have been conducted at all five colleges in the Oneida-Herkimer region, with one college adopting the program permanently. Over 100 residents regularly take advantage of the Authority's Food2Energy drop-off location at the Utica EcoDrop.

The following local businesses participated in the Food2Energy program in 2020:

- Adirondack Bank Center/72 Tavern & Grill
- Chobani
- CNY Green Bucket Project
- Compassion Coalition/Your Bargain Grocer
- Hamilton College
- Babe's
- FX Matt Brewery
- McCraith Beverages
- HP Hood
- Dino's Sausage Co.
- Food Bank of CNY
- Hannaford
- Price Chopper
- Walmart

ACCEPTED MATERIALS	NOT ACCEPTED
All meat & fish (including bones)	No waste containing antibacterial chemicals
All fruits & vegetables	No municipal solid waste
Cereals & grains	No non-food related industrial wastes
Bakery waste, including dry goods like flour	No leaf and yard debris
Restaurant food scraps	No waste with >5% contamination
Cafeteria food scraps, plate scrapings	No clean recyclables (i.e. paper, plastic, metal, glass)
Dairy products	No plastic film intended for recycling
Expired food	No foil-backed or plastic-backed paper
Liquids like milk, soda or beer	No juice or soy milk type boxes with foil liner
Pet food	No cooking oil
Packaged food waste	No diapers
Food processor byproducts	
Coffee filters	
Greasy pizza boxes and paper bags	
Paper cups and plates	
Paper ice cream containers (metal rim is OK)	
Paper napkins, tissues and paper towels	
Paper takeout boxes and containers	

In addition to the economic and environmental benefits, Food2Energy provides our region with the infrastructure to be ahead of the curve when it comes to an organics mandate. In April 2019, New York State passed legislation requiring large generators of organics waste (producing at least two tons per week) to divert the material from regional landfills through waste reduction, donation, or delivery to a certified anaerobic digestion or composting facility (if such facilities are within 25 miles of the generator). The new mandate will take effect January 1, 2022.



THE ONEIDA-HERKIMER SYSTEM IS REGARDED AS ONE OF THE MOST COMPREHENSIVE
RECYCLING PROGRAMS IN THE COUNTRY

The Oneida-Herkimer Recycling Center opened in 1991 and was characterized locally as marking the beginning of a new era in environmental management in Central New York. In addition to all the households in the region, over 400 businesses and industries use the facility directly.

When the Recycling Center was built in 1991, the dual stream sorting and processing technology that was implemented was considered state of the art. The Recycling Center effectively and consistently processed, without interruption, recyclable material for over 29 years. Since opening, the Recycling Center has successfully served the two Counties and processed over 1,067,351 tons of recyclables. The 2020 overall recycling rate for Oneida and Herkimer Counties is 52%.

The Authority currently operates a cutting-edge single stream processing system. The single stream processing system was constructed in 2011 and operation began in January 2012. This took the place of the Authority's previous dual stream processing system.

The single stream processing system utilizes mechanical star screens and optical sorting technology to sort recyclable material by size and type. This advanced technology is able to perform efficiently with high throughput.

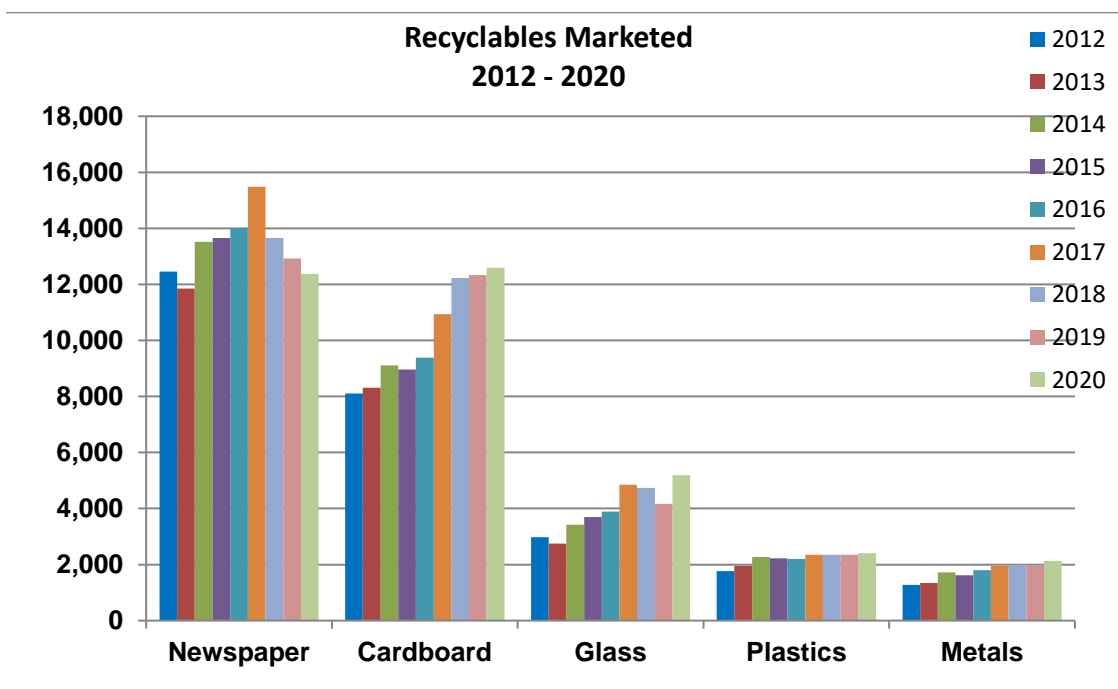
The single stream processing system provides added convenience to both residents and businesses. Recycling was made easier—all recyclables can be mixed together. Collection of recyclables was made more efficient; mixed recyclables can now be compacted, saving fuel, mileage and labor costs, plus decreasing truck emissions.



Once sorted, the Authority directly markets recyclables. The Authority has business relationships with 33 local and interstate buyers for these materials.

In 2020, the Authority processed and marketed over \$1,571,951 worth of recyclables.

Since 2018, global recycling markets were affected by China’s, “National Sword Policy” and market pricing hit an all-time low. The Oneida-Herkimer system is designed to be the market of last resort and we are still able to properly sort and recycle materials when markets are low. This is facilitated through the Authority’s integrated system tipping fees which subsidize recycling, when necessary.



2020 RECYCLABLES MARKETED		
	MATERIAL	TONS
MIXED RECYCLABLES DELIVERED	Mixed Paper	6,059
	Mixed Containers/Rigid Plastics	122
	Mixed Recyclables [Single Stream]	36,006
	TOTAL RECYCLABLES DELIVERED	42,187
PAPER MARKETED	Newspaper/Magazines/Boxboard	12,374
	Corrugated Cardboard/Kraft Bags	12,592
	Mixed Office Paper/Junk Mail	66
	Gable Top Containers/Juice Boxes	73
	Other Paper/Hard Cover Books	21
	TOTAL PAPER MARKETED	25,126
PLASTICS MARKETED	PET Colored Plastic (#1)	893
	HDPE Natural Plastic (#2)	489
	HDPE Colored Plastic (#2)	455
	Mixed Plastics (#3-#7)	370
	Mixed Rigid Plastics	204
	TOTAL PLASTICS MARKETED	2,411
GLASS MARKETED	Glass Aggregate (Mixed)	5,196
	TOTAL GLASS MARKETED	5,196
METALS MARKETED	Ferrous (Tin) Cans	1,295
	Mixed Aluminum	169
	Light Metal White Goods	121
	Scrap	549
	TOTAL METALS MARKETED	2,134
TOTAL RECYCLABLES MARKETED		34,867

OUT OF COUNTY RECYCLABLES

Since investing in its state-of-the-art single stream processing facility to process recyclables from Oneida and Herkimer Counties, the Authority has proven it has excess capacity which will allow more recyclables to be processed. Under its enabling legislation, the Authority is authorized to process out-of-region recyclables.

The Authority has had an intergovernmental agreement for the processing and marketing of recyclables from Oswego County since 2013. The Authority's operating experience with Oswego demonstrated the ability to continue to accept additional tonnage, without increasing fixed costs. In September 2018, the Authority extended its contract with Oswego County for an additional five years, through December 2023.

Since December 2015, the Authority has had an intergovernmental agreement for the processing and marketing of recyclables from Lewis County. In December 2020, the Authority approved a new two-year contract with Lewis County.

In November 2016, the Authority approved a new five-year contract with Fulton County for the processing and marketing of recyclables.

In 2020, the Recycling Center processed 12,063.57 tons of recyclables from outside the Oneida-Herkimer region. Tipping fees are collected for this material to cover the recycling processing costs, providing the Authority with additional revenue to offset operational expenses.

PRIVATE RECYCLING INITIATIVES

On an annual basis, the Authority requests information on private recycling efforts from businesses, industries, and institutions in the two Counties to represent the recycling rate for the region more accurately. A survey form was sent to more than 300 commercial/industrial businesses to gather more precise private recycling information.

Materials that are being privately recycled include more than the "common" household recyclables. Examples include such items as pallets, paper mill sludge, food waste, plastic film and fabrics. The combined public and private recycling rate for 2020 is 52%. This recycling rate proves the commitment that industries, businesses, and residents have for recycling and reuse.

BUSINESS RECYCLING PROGRAM



The Authority continues to promote its Business Recycling Program which assists businesses, industries, schools, and other commercial establishments by providing information on starting and maintaining a recycling program as well as decreasing the volume of waste produced by businesses.

Through a waste assessment/audit, the Authority evaluates current solid waste and recycling practices; identifies waste generation points; assesses individual workspaces and waste produced to document participation and compliance rates; and determines potential opportunities for increasing recyclable material recovery. This service is provided free of charge. As part of the Business Recycling Program, the Authority also offers a voluntary RecycleOne Business Certification program which recognizes businesses and industries for taking steps to reduce solid waste, increase recycling and save energy.

Smith Packing Company (Utica) achieved Business Certification in 2020. To date, 40 businesses have received Business Certification.



2020 RECYCLING CHAMPION PROGRAM

In recognition of America Recycles Day, the Authority annually recognizes an individual, institution or local business that has taken initiatives to reduce their solid waste stream through recycling and proper disposal.

The Resource Center for Independent Living, Inc. (RCIL) was the recipient of the Authority's 2020 Recycling Champion Award. RCIL is the largest independent living center in New York State. RCIL



employees advocate for the rights of people with disabilities, teach essential skills for independent living, aid those seeking employment and help enroll people in social service programs.

RCIL continuously prioritizes waste reduction, recycling, and reuse initiatives at their business locations. Additionally, in 2007, RCIL's Dorothy Smith Center location installed a geothermal unit, which has provided for 100% of the facility's energy demand since its installation. In October of 2019, RCIL also received the Authority's RecycleOne Business Certification. In accordance with state social distancing guidelines, the Authority was unable to present the 2020 Recycling Champion Award to RCIL in-person, however, RCIL was honored virtually at the Authority's December Board meeting.

AUTHORITY WEBSITE

For comprehensive information on the Oneida-Herkimer Solid Waste Authority, we invite you to visit our website at: WWW.OHSWA.ORG.



The Authority's website provides accurate and updated information about all Authority facilities, including its Recycling Center, Transfer Stations, Green Waste Composting Facility, Source Separated Organics Processing Facility, Solar Panel Array, Regional Landfill and the Utica and Rome EcoDrops.

The website was designed to help users access recycling and solid waste information in a quick and efficient manner. It highlights the Authority's curbside and drop-off recycling services, as well as its special programs.

- HOUSEHOLD HAZARDOUS WASTE DISPOSAL
- RECYCLEONE BUSINESS CERTIFICATION
- SCHOOL RECYCLING & 'GREEN TEAMS'
- ELECTRONICS RECYCLING
- COMPOSTING
- FOOD2ENERGY

The website offers its “**Am I Recyclable**” and “**Find a Hauler**” tools and special announcements directly on its homepage. With the user-friendly layout, resources such as Authority brochures, municipal flyers and guidelines and other Authority documents are easily accessible to users.

INCLUDED ON OUR WEBSITE

- ✓ Comprehensive information about all Authority services and programs.
- ✓ Icon system under search tool.
- ✓ “**Am I Recyclable?**” quick finder that highlights the top 12 items that are improperly recycled or disposed of and includes a Mobile Web App which can be viewed by visiting **www.AmIRecyclable.com**.
- ✓ “**How Do I Recycle or Dispose of**” search tool that allows users to type in hundreds of items to learn how to properly recycle or dispose of a particular item.
- ✓ “**Find a Hauler**” tool that allows residents in Oneida and Herkimer Counties to type in their zip code to view a list of waste haulers that service their location.
- ✓ User-friendly set-up with categorized information valuable to residents, businesses, haulers and schools.
- ✓ Online invoice payment service.
- ✓ Video series, including FAQ videos available for viewing.
- ✓ Mobile-friendly format allows optimal user experience from multiple devices (i.e., smart phones, tablets, laptops, desktops).
- ✓ Timely information highlighted under “**News**”.
- ✓ Website users can “**Contact Us**” with questions via an electronic submission.
- ✓ Pop-up to subscribe to E-Newsletter.

AM I RECYCLABLE? CAMPAIGN

In 2020, the Authority continued its educational campaign and mobile web app, “Am I Recyclable?”. The goal of the campaign was to target contamination in the recycling stream. Through social media marketing, the campaign helped educate and encourage audiences to engage in the recycling conversation.

In 2020, the Authority continued to utilize social media marketing through Facebook and Instagram to promote the “Am I Recyclable?” campaign.

The “Am I Recyclable?” tool is a Mobile Web App which is a scaled down version of the “How Do I Recycle or Dispose Of”



search tool on the ohswa.org website. This mobile web app includes a “Quick Finder” which highlights the top 12 items (batteries, clothing, electronics, garden hoses, medical waste, paint cans, plastic bags, plastic, propane, scrap metal, string lights and Styrofoam) that are improperly recycled or disposed. The mobile web app can be viewed by visiting www.AmIRecyclable.com.

AM I RECYCLABLE?

Oneida Herkimer Solid Waste Authority
Sponsored · 🌱


It's easy to leave your bulky plastics laying around the house, but did you know there's a way to properly dispose of them? Don't let your bulky plastics build up, click here to see what you should do with your plastics! 🌱

<p>Backyard Toys?</p> <p>OHSWA 🌱 Learn More</p>	<p>Baskets & Trash Cans?</p> <p>OHSWA 🌱 Learn More</p>	<p>Storage Containers?</p> <p>OHSWA 🌱 Learn More</p>
--	---	---

AM I RECYCLABLE?

Oneida-Herkimer Solid Waste Authority
Sponsored · 🌐

Smartphones, computers, speakers – oh my! 📱 Our houses are FULL of little gadgets that blink, click, and beep at us. But what do you do when they finally meet their end? Click here to see what common electronics are recyclable! ♻️



Kitchen & Office Items?
Recycle Your Electronics ♻️ [Learn More](#)

GPS Device & Computer Tools?
Am I Recyclable? ♻️ [Learn More](#)

Smartphones & Stereos?
OHSWA ♻️ [Learn More](#)


AmIRecyclable.com?

AM I RECYCLABLE?

Oneida-Herkimer Solid Waste Authority
Sponsored · 🌐

If you've been looking forward to summer ☀️ as much as we have, then we know you've been enjoying the water whenever you can! 💧

Some of our favorite summer toys are not always recyclable! ♻️ Pool floats, life-jackets, pool liners – click below to find out how to properly dispose of your summer items. 🏊



Life Jacket & Floaties?
Am I Recyclable? ♻️ [Learn More](#)

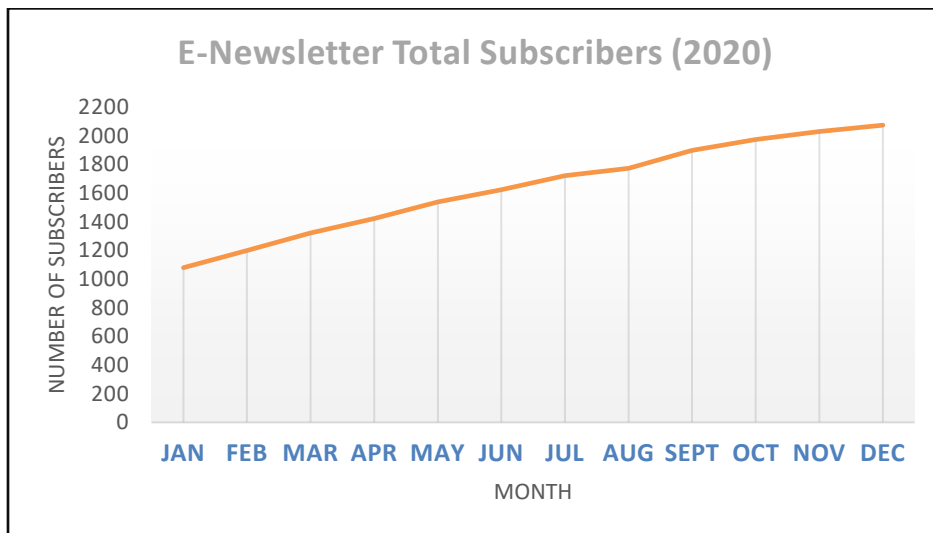
Garden Hose? 🌞
Consider Reuse Where... [Learn More](#)

Pool Liners? 💧
OHSWA ♻️ [Learn More](#)

AmIRecyclable.com?

SUBSCRIBE TO OUR E-NEWSLETTER

As part of the Authority's recycling education and outreach efforts, the Authority launched an e-newsletter through a website called "Constant Contact" in March of 2019. This newsletter focuses on providing accurate and helpful recycling information to subscribers, as well as reporting on Authority news and events. Between January and December of 2020, a total of 27 e-newsletters were sent out. Topics covered included battery and electronic waste recycling, composting, food waste recycling, plastic film recycling, Authority news and holiday centered messages such as the Fourth of July, Halloween, and New Year's Eve. The following graph shows the growth of the newsletter during 2020, amounting in a growth rate of 107% since 2019. As of December 31, 2020, the newsletter has over 2,075 subscribers.



The Newsletter features images designed to give readers quick, easy to understand answers to common recycling questions. Subscribers can reply to the newsletter to ask additional questions or seek clarification on proper disposal of items featured in the message, providing a convenient way for readers to engage with the Authority. The newsletter frequently directs people to the Authority's website and the "Am I Recyclable?" search tool, increasing our website traffic.



RECYCLEONE CAMPAIGN

The Authority maintains an excellent recycling rate. The overall recycling rate for 2020 in Oneida and Herkimer Counties is 52%. However, frequent, and consistent communication from the Authority is necessary to remind residents of recycling guidelines.



To keep residents informed of the Authority's single stream recycling program, dubbed **RecycleOne – One and Done**, the Authority continued its public education campaign throughout 2020. The Authority invested resources into

direct public education through radio, tv, web and print media. The RecycleOne campaign communicates to residents that recycling is easier and more convenient than ever. While direct outreach was scaled back this year due to the pandemic, the Authority continued to provide informational posters, recycling reminders and RecycleOne bin decals to haulers and municipalities to further get the message directly to residents.



AUTHORITY PRESENTATIONS & TOURS

Authority staff maintains a strong commitment of outreach to the public through presentations on a wide range of Authority activities and issues including information on waste reduction, reuse of materials, recycling, landfill operations, backyard composting, anaerobic digestion/food waste diversion, sludge management and services provided at Authority facilities.

On average, the Authority staff provides about 150 such presentations every year at area schools, colleges, businesses, civic groups, and other organizations. The 2020 coronavirus pandemic led to cancellation or postponement of many of these public education events. Authority staff was able to offer some virtual facility tours and presentations throughout 2020, as well as a few limited in-person tours. The Authority looks forward to resuming in-person tours and presentations when these are again possible. Virtual tours and presentations are available by contacting the Authority office at (315) 733-1224 or WWW.OHSPA.ORG.

MAJOR EVENTS

Authority staff annually assists with recycling at more than 20 major local events, including, but not limited to, the Bavarian Festival, Boilermaker Road Race, CNY Farm Progress Show, Clinton Farmer's Market, FX Matt Brewing Company's Saranac Thursdays and the MVCC Relay for Life. Due to the pandemic, most of these events were canceled in 2020. The Authority will resume assisting with recycling at future events as soon as guidelines permit.

GO GREEN SCHOOL RECYCLING PROGRAM

The Authority continues its efforts to improve recycling in schools throughout our region and is dedicated to working with the schools in Oneida and Herkimer Counties to develop, support and maintain recycling programs in each school through a **Go Green** initiative.

The Go Green School Recycling Program provides educational tools, resources, promotional materials, technical information, recommendations, program training and recycling and waste evaluations to the schools. Authority staff typically averages 100 presentations annually to area schools through school assemblies, classroom visits and tours of the Oneida-Herkimer Recycling Center. Although this number was much less in 2020 as many presentations were postponed or cancelled due to the COVID-19 pandemic, virtual presentations and tours replaced in-person presentations.

A School Recycling Program Guide assists teachers and educates students on the value and long-term benefits of recycling, conservation and environmental stewardship. Promotional posters, banners, decals, Green Team vests, recycling containers and an interactive website are used in the program.

The Go Green School Recycling Program provides educational tools, resources, promotional materials, technical information, recommendations, program training and recycling and waste evaluations to the schools.

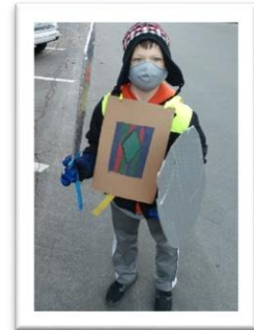


Owen D. Young Green Team

“GREEN” HALLOWEEN COSTUME CONTEST

In October 2020, the Authority sponsored its second annual recycled costume contest to encourage residents to be environmentally conscious on Halloween. The contest was open to all children through age 16 that reside in Oneida or Herkimer County. The initiative focuses on reuse and recycling to divert waste from our Regional Landfill and to conserve natural resources and energy. Costume submissions were divided into three categories: ages 0-6, ages 7-11 and ages 12-16.

The Authority received five entries to the contest. Each of the three winners pictured below were awarded a \$25 Amazon gift card.



FOOD WASTE COMPOSTING PROGRAM

The Authority’s Go Green School Recycling Program is committed to taking recycling to the next level. In combination with our overall school recycling program, the Authority designed a food/green waste composting program for the schools of Oneida and Herkimer Counties. In doing so, the Authority is prepared to aid and facilitate local schools with composting initiatives.

The Authority assisted the following schools/facilities in developing and facilitating a plan for separation and removal of food waste in their cafeteria.

- Poland Central School District
- New York Mills School District
- Holland Patent Middle School
- Sauquoit Valley Elementary School
- Camden Elementary School
- Central Valley Academy
- Frankfort-Schuyler High School
- Adirondack Middle/High School
- Harts Hill Elementary School
- Staley Upper Elementary School
- Denti Elementary School
- Gansevoort Elementary School
- John Joy Elementary School
- Barringer Road Elementary School
- Westmoreland Middle School
- McConnellsville Elementary School
- Mohawk Valley Community College (Rome)
- Mohawk Valley Community College (Utica)
- Munson Williams Proctor Art Institute
- United Cerebral Palsy of Utica
- United Cerebral Palsy of Rome
- United Cerebral Palsy of Chadwicks
- Utica Zoo



The Authority's Green Waste Composting Facility is in its 27th year of operation. This regional facility serves area residents, municipalities, private haulers, businesses, institutions, and landscapers. About two-thirds of the population of Oneida-Herkimer Counties utilizes the site.

Composting organic material is just as important as glass, plastic, metal, and paper recycling. All

these efforts help reduce our reliance on landfills.

In 2020, the Facility received over 11,635 tons of green waste (grass, leaves, brush, etc.).

The Authority continues to provide local municipalities, residents, and businesses with an environmentally sound destination for green waste.

Green waste is ground, placed in windrows, and turned as needed to facilitate natural decomposition, all in compliance with New York State regulatory requirements. The end-product of these efforts is compost.



In addition to dropping off yard waste/green waste, residents may purchase Authority compost at both EcoDrop facilities. The compost is made from yard waste only and makes a great soil amendment for gardens and landscape applications. The Authority's compost can be purchased in convenient 45-pound bags, or in bulk.

In 2020, 9,592 bags of compost were sold. This very successful program is in direct response to the requests of local residents wanting a more convenient way to get compost.

Approximately 40 local businesses and municipalities regularly purchase bulk compost from the Authority. In 2020, the Authority sold over 9,300 cubic yards of bulk compost.





US Composting Council
Seal of Testing Assurance

The Authority has produced and marketed over 110,250 yards of high-quality bulk municipal yard waste compost since 1997. In September 2013, the Authority's compost was certified by the U.S. Composting Council under its Seal of Testing Assurance Program (USCC STA), which is the only compost testing and labeling program in the country. USCC STA certification

supports and documents that all Oneida-Herkimer Solid Waste Authority yard waste compost has been rigorously tested by third party laboratories to ensure that it meets all state and federal environmental requirements.

The compost testing requirements include chemical, physical, and biological compost tests. It also includes EPA testing for health and safety standards (pathogens and metals). The USCC STA certification allows the Authority's compost to be utilized in large volumes for grass seeding and turf maintenance by professional users such as the New York State Department of Transportation, New York State Thruway, landscape architects, landscapers, soil suppliers and others.

The Authority's finished compost is made entirely from processed brush, leaves and grass clippings, fully cured and screened to one-half inch. Through this certification, the Authority can promise that residents and businesses are purchasing consistent, high-quality compost that is guaranteed to provide maximum benefits.

Authority yard waste compost is available in bulk, or convenient 1.2 cubic feet bags that can be purchased at both EcoDrop facilities and at various landscape supply centers throughout the two-County area. To date, more than 193,000 bags of compost have been sold.

COMPOSTING BEER HOPS



The FX Matt Brewing Company of Utica completed a "Green" project in 2014 to reduce the amount of material being sent to the landfill for disposal. FX Matt installed a bio digester that processes the brewery's wastewater to produce methane gas that will in turn power a generator to provide up to 50% of the electrical needs of the brewery. The brewery wastewater contains large amounts of compostable hops and grain from the production of beer.

After the wastewater passes through the bio digester, the remaining hops and grain material is de-watered and delivered to the Authority's Green Waste Composting Facility for composting.

The hops and grain material are mixed with wood chips and non-cured compost and placed in a separate compost windrow for decomposition. The hops and grain compost is kept separate from the municipal yard waste compost and utilized for special compost projects.

In 2014, the Authority began composting spent hops and grain from the Brewing Company. In 2020, over 68 tons of spent hops and grain material was delivered to the Authority for composting.

WOOD PALLETS



To assist local industries, clean wood pallets are accepted at the Authority's Green Waste Composting Facility at a reduced fee. Pallets are ground into chips and shipped to market for use as animal bedding.

In 2020, more than 670 tons of pallets were processed at the site.

BRUSH PROCESSING FACILITY/LAND CLEARING DEBRIS FACILITIES

To better serve the residents of western Oneida County, the Authority operates a State-Registered Compost/Brush Processing Facility adjacent to the Western Transfer Station in Rome. In 2020, 605 tons of green waste were delivered to the site.

Stumps, oversized tree limbs and root balls along with compost tailings are disposed of at the Authority's State Registered Land Clearing Debris Facility located in Rome. This facility received 40 tons in 2020.

The Authority also operates a Land Clearing Debris Facility in Utica. In 2020, that facility received over 1,500 tons of material.



HOUSEHOLD HAZARDOUS WASTE FACILITY



The Oneida-Herkimer Household Hazardous Waste Collection (HHW) Facility opened for its 28th season in 2020. This year, due to the COVID-19 pandemic, the HHW Facility opened in June instead of its usual April 1st date and continued operations through September 30, 2020. There is no charge for residents to drop off HHW.

This facility is one of the first permanent facilities in the northeast to recycle paint and to accept a full range of household hazardous waste (HHW). This facility serves Oneida and Herkimer Counties' residents and select businesses.

HHW products can be harmful to the environment if improperly disposed into the waste stream. Items such as paints, cleaners and fertilizers are accepted at the HHW Facility, allowing residents to properly dispose of these hazardous substances. The Authority has a specially designed HHW collection facility for receiving, sorting, packaging and storing household hazardous waste material.



To further accommodate the volume of residential HHW, in 2018 the Authority designed, procured, and installed an HHW storage building at the Utica EcoDrop. Like the existing storage sheds, the storage building was engineered to collect hazardous, flammable and potentially dangerous substances delivered to the Utica EcoDrop by Oneida-Herkimer residents.

By effectively doubling the previous storage capacity, this structure allows the Authority to serve the residents disposal needs, safely and securely.

In 2020, 64,539 gallons of hazardous waste were collected at the Authority's HHW facility and shipped for disposal.

Other materials collected included motor oil, anti-freeze, oil filters, automobile batteries, fluorescent lamps, and electronics, which continue to be accepted at the facility year-round. Residents are also allowed to drop-off motor oil and antifreeze year-round at the Rome EcoDrop.

WHAT TYPES OF HHW ARE ACCEPTED?

THIS FACILITY GIVES YOU THE OPPORTUNITY TO DISPOSE OF MANY UNUSED, UNWANTED OR OUTDATED PRODUCTS. THE FOLLOWING ARE ACCEPTABLE MATERIALS.

SEASONALLY ACCEPTED HHW

CHEMISTRY SETS
CLEANING SOLVENTS & DEGREASERS
DRAIN CLEANERS
FERTILIZERS
FURNITURE STRIPPER
GLUES/SEALANTS
HERBICIDES
INSECTICIDES
PESTICIDES
KEROSENE
OIL BASED & LATEX PAINTS
OVEN CLEANERS
PAINT THINNERS
PHOTOGRAPHIC CHEMICALS
POLISHES
POOL CHEMICALS
RUST PREVENTATIVES/REMOVERS
UNUSABLE GASOLINE
WOOD PRESERVATIVES

ACCEPTED YEAR-ROUND

E-WASTE [ELECTRONICS & COMPUTER EQUIPMENT]: TV SETS, VCRS, FAX MACHINES, COMPUTERS, MONITORS, PRINTERS, TONER, INK CARTRIDGES AND OTHER ELECTRONICS

ANTIFREEZE
AUTOMOBILE & MOTORCYCLE BATTERIES
EMPTY PROPANE CYLINDERS (UNDER 100 LBS.)
FIRE EXTINGUISHERS
FLUORESCENT LIGHT BULBS
MOTOR OIL & OIL FILTERS
RECHARGEABLE BATTERIES
SHARPS
COOKING OIL & GREASE FROM DEEP FRYERS

SERVICES FOR SELECT BUSINESSES

Conditionally-exempt small quantity generators (CESQG) [small businesses] and universal waste generators are allowed to drop-off waste after obtaining approval from the Authority.

In 2020, 72 conditionally-exempt small quantity generators and universal waste generators took advantage of this program, resulting in substantial savings for these generators. Under this program, small businesses are charged a fee for disposal costs.

The program allows residents, institutions and businesses to deliver computer and electronic equipment to the Authority for recycling and proper disposal. The Authority accepts electronics (E-waste) from businesses, individuals and other generators year-round. After the Authority accepts electronic waste, it is sent to a registered electronics dismantler that separates the electronics into various raw materials such as plastic, glass, steel, copper, lead, gold and aluminum for recycling or reuse. These materials are used as feedstock in the manufacturing of new products.

In 2020, 583 tons of computers and electronic equipment were accepted for recycling and proper disposal, including computers monitors, CPUs, keyboards, computer components, televisions, video equipment, CD/DVD players, desktop copiers, fax machines, microwaves, electronic games, printers, toner cartridges, cellular phones, battery chargers, calculators, answering machines and other electronics. It is estimated that over 50,000 individual items were recycled.

The program also manages material such as lead solder, silver, mercury switches, batteries and other components present in almost all electronics. Through the program, these materials are properly processed to recover not only heavy metals, but high value material, such as gold and silver along with more common metals and plastics.

Residents can bring computers and electronic equipment year-round for recycling at no charge. Businesses are required to set up an appointment with the Authority prior to delivery and may be charged for costs associated with recycling.

FLUORESCENT LIGHT BULB DROP-OFF

Fluorescent light bulbs, including compact fluorescent bulbs (CFLs) contain mercury and should be disposed of in an environmentally safe manner, not thrown in the trash or garbage. To assist residents with proper and safe disposal of bulbs containing mercury, the Authority expanded the CFL drop-off capability for residents. Over 19 tons of light bulbs were collected in 2020.

In addition to the Authority's Household Hazardous Waste Facility, residents may also bring CFLs to Jay-K Lumber (New Hartford), Marcy Town Offices, City of Sherrill DPW, City of Little Falls DPW, Ace Hardware Company (Rome) and the Boonville Municipal Commission.

2020 HOUSEHOLD HAZARDOUS WASTE	
MATERIAL	QUANTITY
PAINTS	
Recyclable Paint	22,308 Gallons
Non-Recyclable Paint & Solvents	11,660 Gallons
Paint Sludge & Sealers	2,530 Gallons
Resins & Adhesives	4,488 Gallons
CHEMICALS	
Pesticides & Chemicals	9,558 Gallons
Aerosol Waste	3,168 Gallons
Cleaning Solutions & Waxes	385 Gallons
MOTOR OIL & ANTIFREEZE	
Motor Oil	8,085 Gallons
Oil Filters	385 Gallons
Anti-Freeze	900 Gallons
BATTERIES	
Automobile Batteries	5.63 Tons
Recyclable Batteries	14.55 Tons
BULBS	
Fluorescent Lamps	19.06 Tons (239,538 Linear Feet)
Miscellaneous Bulbs	7,185 Bulbs
MISCELLANEOUS WASTE	
Cooking Oil & Grease	1,072 Gallons
Propane Tanks & Fire Extinguishers	9,100 Tanks
E-WASTE	
Recycled Electronic Waste	583 Tons
Computer Monitors (CRTs)	1,068 Units
Computer Components (CPUs)	3,154 Units
Televisions	11,147 Units



In order to provide as many environmentally sound recycling and disposal options for residents of Oneida and Herkimer Counties, the Authority has two facilities: EcoDrop Utica and EcoDrop Rome. These facilities were designed to work jointly with a wide range of public and private waste collection systems by providing convenient disposal options for special or one-time waste, while also providing an option for residents who may not be able to subscribe to a specific collection system.

The EcoDrops are located at the Authority's Utica and Rome facilities and are open six days a week, Monday through Saturday. Fees have been established for dropping off solid waste. Currently there are no fees for residents dropping off recyclables, green waste, used oil filters, antifreeze, rechargeable and automobile batteries, electronics, fluorescent bulbs, propane tanks, clothing and textiles, hardcover books, cooking oil and bulky rigid plastics.

BROCHURES AND RECYCLING DECALS

Both EcoDrop facilities, as well as the Authority's Main Office, have copies of all informational brochures and posters. Recycling decals are available at the Main Office.



HOUSEHOLD HAZARDOUS WASTE

Household hazardous waste (i.e., paints, chemicals) is accepted at EcoDrop Utica only during the months of April through September at no charge to residents.

YARD WASTE/GREEN WASTE

Residents may deliver green waste and purchase bagged or bulk compost at both EcoDrop Facilities.

CLOTHING DROP BOXES

St. Pauly Textile, Inc. clothing drop boxes are also located at both EcoDrop facilities, free of charge. In 2020, 14 tons of material was received.

BULKY RIGID PLASTICS RECYCLING

In 2013, the Authority began recycling bulky rigid plastics. Bulky rigid plastics are hard plastic items (not film or flexible plastic). Examples of bulky rigid plastics accepted include plastic beverage crates (i.e., milk/soda/beverage crates), clean and empty plastic drums, totes, garbage cans, plastic cat litter containers, plastic buckets/pails, plastic toys, plastic tools and gun cases, plastic plant propagation trays and



flowerpots, plastic pallets, plastic shelving, plastic laundry baskets, plastic lawn furniture, plastic pet carriers, plastic recycling bins and carts and large plastic water jugs (1-5 gallon).

NON-ACCEPTABLE PLASTIC ITEMS: Plastic bags, plastic film (i.e., stretch film and other flexible packaging), Styrofoam, plastic appliances, vinyl siding, water hoses, toys with circuit boards or battery packs, pool chemical containers, driveway sealant containers, paint cans and motor oil containers.

Bulky rigid plastic items cannot be mixed with other plastic recyclables and cannot be set-out with regular curbside recyclables. However, residents who want to recycle bulky rigid plastic items that cannot be recycled through the curbside recycling program can deliver them to the Authority's Utica and Rome EcoDrop locations during regular business hours, free of charge.

In 2020, the Authority collected 122 tons of bulky rigid plastics for recycling.

AUTHORITY TRANSFER STATIONS

The Authority owns and operates two transfer stations, the Eastern Transfer Station in Utica and the Western Transfer Station in Rome. These facilities receive municipal solid waste, industrial/commercial waste, and construction and demolition debris from Oneida and Herkimer Counties only. The transfer stations provide the means to efficiently receive, inspect, and aggregate waste for transport to the Authority's Regional Landfill.

Inspection at the transfer stations provides a means to ensure the public's exposure to environmental liability is controlled. At each transfer station, waste is inspected to first ensure that no dangerous or hazardous materials are received. If they are, actions are taken immediately for safe and legal disposition. Inspections are also utilized to verify compliance with state and local recycling laws.

To ensure compliance with regulations, all industries are inventoried, and special waste is profiled, reviewed and approved prior to disposal. Authority staff visits manufacturers in Oneida and Herkimer Counties on a continuous basis to provide free assistance to these businesses regarding recycling, reduction and solid waste disposal.

Waste from both the Eastern and Western Transfer Stations is hauled to the Authority's Regional Landfill by the contracted hauler, Fred Burrows Trucking, LLC of Whitesboro.

The Authority's transfer stations receive waste from individual collection trucks. At the transfer stations, waste is loaded in high-capacity walking floor transfer trailers for transport to the landfill.

There is ample equipment so that peak traffic times can be avoided and there are no shortfalls during high waste generation periods. A fleet of 41 trailers is committed to the task of transporting this waste. The Authority continues to provide a GPS system for each of the contractor's tractors, to allow for real time tracking/compliance, speed and fuel use.

AUTHORITY TRANSFER STATIONS 2020 DISPOSAL DATA		TONS
	MATERIAL	
EASTERN TRANSFER STATION	Municipal Solid Waste	119,103
	Construction & Demolition Debris	38,474
	TOTAL EASTERN TRANSFER STATION	157,577
WESTERN TRANSFER STATION	Municipal Solid Waste	49,758
	Construction & Demolition Debris	16,614
	TOTAL WESTERN TRANSFER STATION	66,372

WESTERN TRANSFER STATION RENOVATION PROJECT

The Authority owns and operates the Western Transfer Station (WTS) in Rome which receives municipal solid waste, industrial/commercial waste and construction and demolition debris from primarily western Oneida County. The continual and future use of the current WTS required renovation of the building structure, systems, and employee work areas and in 2019, the Authority Board approved moving forward with this capital project.

The Authority solicited bids in November 2019 for the renovation project and in December 2019 contracts were awarded. The general construction contract includes the removal and replacement of roof and siding panels along with interior demolition and construction of the existing office, breakroom and locker areas and was awarded to Beebe Construction Services (Utica, NY). The electrical contract work, which includes new high bay lighting, interior lighting, outlets and network fixtures, was awarded to Oneida Electrical Contractors (Utica, NY). The mechanical and plumbing contracts consist of a new HVAC system and new bathroom facilities and both contracts were awarded to H.R. Brandeles Corp. (Whitesboro, NY).

Construction began in March 2020 and due to COVID-19 restrictions, the project was completed in December 2020. The total cost of the renovation project was \$1,277,730.

TOWN OF WEBB TRANSFER STATION



The Authority designed and constructed a transfer station in the Town of Webb. The Webb Transfer Station is designed to process approximately 2,500 tons per year of municipal solid waste and recyclables. The Town operates the facility and transports the collected materials. The facility, which opened in June 1994, provides solid waste services for the northern portion of Herkimer County.

Waste from the facility is transferred by the Town to the Authority's Regional Landfill for disposal. The Town's recyclables are delivered to the Authority's Recycling Center. Bulk metals are marketed to local scrap metal dealers. In 2020, the Town of Webb Transfer Station delivered 2,333 tons of municipal solid waste and 587 tons of recyclables to Authority facilities.



The Regional Landfill is an important part of the environmental infrastructure that serves Oneida and Herkimer Counties, and a pivotal part of the system operated by the Authority. The landfill provides all waste generators with the highest level of environmental security thereby guarding against significant liability for the long-term. The landfill site was selected because of highly favorable hydrogeologic conditions.

The Authority operates the newest landfill in New York State, the Oneida-Herkimer Regional Landfill, which serves a combined population of approximately 300,000. Initial construction of the landfill was phased over three years with multiple contracts being awarded following competitive bidding. Construction was completed in 2006.

The Regional Landfill opened on October 24, 2006. The landfill is permitted to accept only non-hazardous waste generated within Oneida and Herkimer Counties. The landfill's approved design capacity is 1,000 tons per day. The landfill permit authorizes development of a total of 19 landfill cells covering a 150-acre footprint.

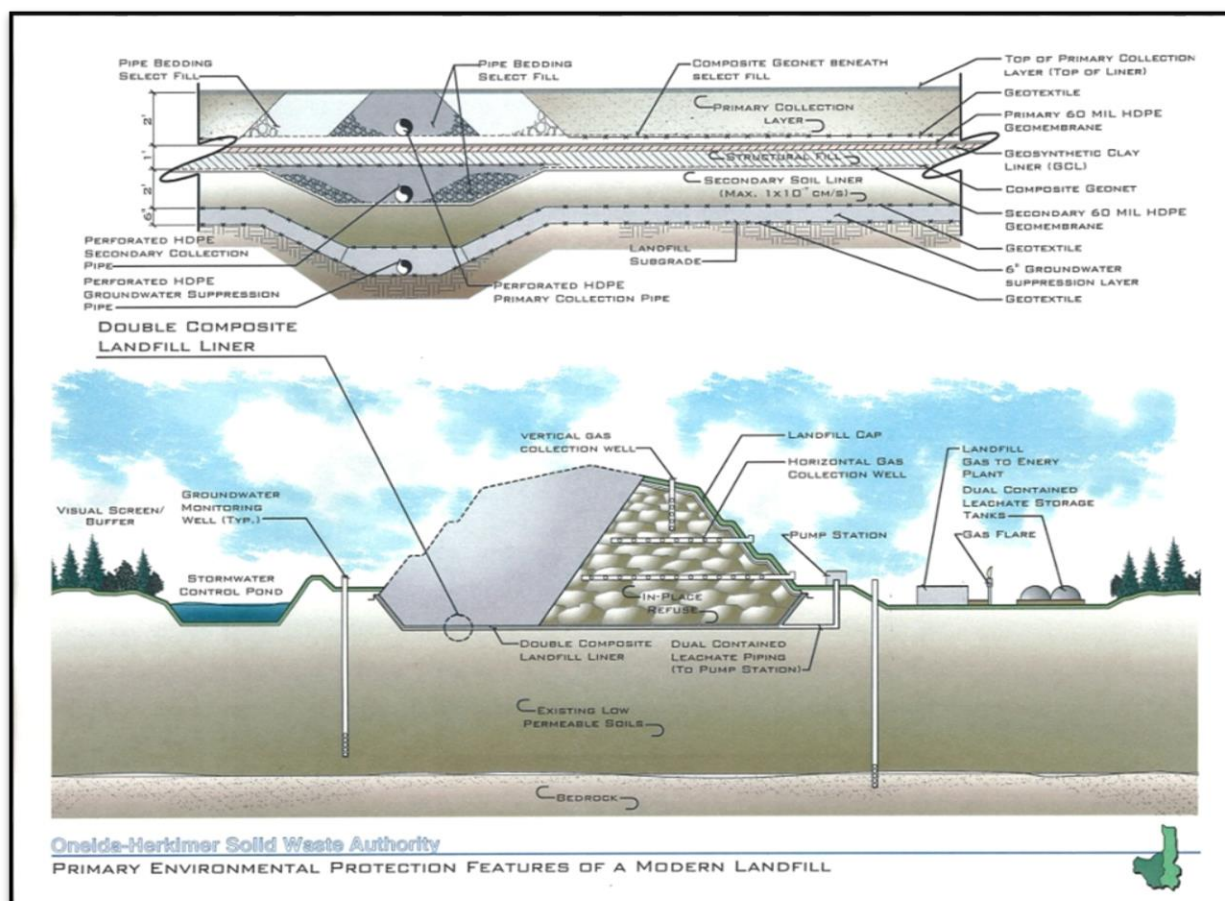


INITIAL CONSTRUCTION INCLUDED THE FOLLOWING WORK:

- Approximately 23.6 acres of double composite landfill liner
- Leachate manholes and associated piping and accessories
- Two 1.3 million gallon leachate storage tanks and secondary containment liner
- Surface water drainage system
- Sediment control and stormwater detention basins system (25 acres)
- Mitigation wetlands (6.25 acres)
- Access and perimeter road completion
- 12,000 sq. ft. maintenance/office building
- Leachate pump house
- Leachate load-out building
- 9-bay cold storage building
- Fuel island
- Sand barn
- Miscellaneous site work and other related items

Construction included the core of the landfill's design, a multi-layer liner system which is based on the latest in engineering technology. Referred to as a dual composite liner system, the entire bottom of the landfill area is protected by multiple layers of clay, composite materials, and synthetic liners (12 in all).

STATE-OF-THE ART LANDFILL LINER SYSTEM



The landfill facility employs the best available engineering systems to protect the environment. Additionally, the landfill provides a cost-effective and financially stable means of disposal, representing a reduction in disposal costs when compared to exportation of waste.

The liner system is designed to collect any liquid which comes into contact with waste (leachate) and direct that liquid into collection pipes embedded in the liner system which convey the leachate into the leachate storage tanks until it is loaded into tanker trucks for treatment at off-site wastewater treatment facilities.

As a further precaution, monitoring wells placed around the landfill area allow for continuous testing of groundwater to ensure no leakage has occurred.

Authority surveys have shown that landfill air space is being consumed at a rate less than original engineer estimates. The lower consumption is a result of higher compaction efficiency than estimated. The Authority's use of Global Positioning Systems (GPS) to aid operation in compaction has contributed to higher compaction and more efficient use of landfill space.



The Authority constructs landfill cells on a regular basis, depending on existing cell usage and fill progression projections. The Authority has constructed six cells, and in 2020 started the construction of a seventh cell [Cell 4]. Projections for the fill progression at the Landfill were provided to the Authority by the Authority's consulting engineers, Barton & LoGuidice (B&L). B&L completed design for the Cell 4 liner system and sealed bids for Cell

4 construction were solicited in compliance with General Municipal Law. A pre-bid meeting was held with prospective bidders and on March 6, 2020 five bids were received and each was evaluated for compliance with the specifications for the project. The bid price in the total amount of \$5,643,000, submitted by Kubricky Construction Corp., Queensbury, NY, was determined to be an acceptable low bid. Kubricky was awarded the bid and construction began in the spring of 2020. The project is scheduled to be completed in the fall of 2021.

New York State Regulations and the Permit require that the Regional Landfill be closed in a phased manner. The location and construction of the phased closure of the facility were elements of the plans prepared and submitted to the NYSDEC during the Authority’s comprehensive landfill siting process, which included review of compliance with all the requirements of the New York State Environmental Quality Review Act (SEQRA).

When areas of the landfill are filled to grade and have had sufficient time to allow for settling of waste, the areas are closed. Closure involves installing geotextiles and geonets to existing landfill cover soil, infilling with an additional capping soil liner and finalizing the site work with topsoil and seeding. This process prevents additional stormwater from entering the system and increases the collection capability of the landfill gas system.

In 2019, the Authority’s consulting engineer, Barton & Loguidice, completed the design for the Regional Landfill Stage 1 closure construction and a request for bids was issued on February 16, 2019. On March 8, 2019, five bids were received by the Authority and each bid was evaluated for compliance with the specifications for the project. The bid price of \$1,495,000 by Adhan Piping Company was determined to be an acceptable low bid. Adhan started work on the Stage 1 closure in 2019 and completed the project in 2020.

REGIONAL LANDFILL MATERIALS MANAGEMENT DATA FOR 2020	
Municipal Solid Waste (Non-Recyclable Waste)	176,596
Construction & Demolition Debris (C&D)	77,339
Direct Haul - Industrial Waste	4,308
Direct Haul - Asbestos Waste	24,045
Direct Haul Sludge	23,965
Alternative Operating Cover (AOC)	68,720
TOTAL	374,973

LANDFILL GAS MANAGEMENT/GAS TO ENERGY PROJECT

In 2008, the Authority Board of Directors authorized a study to determine the most beneficial utilization of collected landfill gas. Engineer estimates predicted that in 2011, there would be an adequate volume of landfill gas produced to begin energy recovery.

Initially, it was estimated that one generator could be installed which would produce about 1.6 megawatts of power, or enough to provide about 2,100 average homes with power.

Over the next 20 years of operations, the number of generator sets is projected to grow to 7 with a total facility power output of 11.2 megawatts, capable of powering over 8,500 homes. The heating needs of the landfill facility will also be met.

The release of methane from landfills is a contributor to greenhouse gas generation. The Authority's Landfill Gas to Electricity project represents a significant commitment by the Authority to dramatically reduce our carbon footprint by capturing methane from our landfill and converting it to green energy. This project is a win-win for the environment, the Authority and energy consumers.



In 2010, the Authority implemented active landfill gas collection and control through the use of a blower skid and flare. The active landfill gas collection system collects the gas through a network of wells and pipes located in the landfill cells. This collection system puts the landfill under negative pressure pulling gas to the generator and flare, thereby avoiding emissions to the atmosphere.

In order to beneficially utilize the gas, the Authority entered into a contract (via the NYS 120-w procurement process) with Waste Management Renewable Energy (WMRE) to build and operate a landfill gas to electricity facility. The WMRE facility currently features two internal combustion engines that are fueled with landfill gas and thereby generate electricity.

The Municipal Commission of Boonville is also a key participant in this project, primarily through the electrical interconnect and transmission infrastructure aspects on the project.

In the future, there will also be substantial excess heat produced in the electricity generation process that can be recovered. Heat recovery is often an attractive feature in establishing aquaculture, horticultural or agricultural industries.

This project began generating electricity in early 2012 with one engine. The facility expanded in 2013 with the installation of one additional engine.

With the second engine, the facility now generates enough renewable energy to power more than 3,300 homes each year. In 2020, the Authority installed 10 new vertical and 11 new horizontal gas collection wells at the Regional Landfill (RLF) continuing to advance the active landfill gas collection system which brings the total number of vertical wells to 114 and horizontal wells to 42.

2020 FLARE EXPANSION PROJECT



During 2020, a flare expansion project was approved and with the assistance of Barton & Loguidice, plans were developed by John Zink to supply an additional flare stack and skid. The new flare will have the capability of collecting and destroying up to 3,000 cfm of landfill gas. The additional flare will run in conjunction with the two existing 1,200 cfm flares.

The addition of the new flare skid required the original flare building be expanded. An area 18 x 38 ft. was added to the front and an area 10 x 38 ft. was added to the rear. The overall dimension of the flare building is now 46 x 38 ft. (1,748 sq. ft.). The front portion of the building will house the larger flare skid and associated electrical items, while the rear of the building will serve as a compressor room and provide additional storage.

LANDFILL GAS MANAGEMENT GRANT

On July 1, 2020, the Authority submitted a Landfill Gas Management Grant application for the period 2010-2014. The grant would award the Authority for costs associated with collecting and managing gas generated at the Regional Landfill. These costs include such items as engineering construction, materials and supplies, equipment force accounts and labor force accounts. Total costs for the grant period are \$2,049,270. The grant award would be 50% of the total cost.

The Authority held numerous public hearings at the start of the landfill siting process in 1991 to gain input on the idea of providing a community compensation agreement for the community where the landfill would be located. Based upon this input, the Authority made a commitment to provide such a community compensation agreement. Agreements were subsequently negotiated with the Town of Ava and the Town and Village of Boonville, where the landfill is located.

In 2007, the Authority and Village of Boonville entered into a written agreement in which the Authority made a commitment to assist the Village in developing a possible bypass at the Village's option. In June 2015, the Village of Boonville voted against a bypass. In lieu of a bypass, the Authority and Village sought to make mutually beneficial modifications to the Agreement to improve transportation through the Village at the intersection of State Route 294 and 46. In December 2015, the Authority and Village approved an Amendment to the Agreement which provided for Authority funding of certain improvements at the intersection. This project will allow the public and the Authority to more safely utilize the intersection and will benefit the Village and the Erwin Library and Institute. The Authority and Board of Trustees of the Erwin Library and Institute also entered into an Agreement regarding the intersection project. The project included demolition of the former Dollar General Store, owned by the Library. This project was completed in 2016.

In April 2016, the Authority solicited bids, in compliance with General Municipal Law Section 103, for the furnishing of all labor and material necessary for the Erwin Library Parking Lot Construction. The scope of work included reconstructing the northwest quadrant of the NYS Routes 294 & 46 intersection, reconstructing the Erwin Library site parking lot, installation of new drainage structures and associate pipes, adjustment of existing drainage structures, concrete sidewalk and curb improvements, installation of streetscape elements, installation of a handicap ramp, and overall landscape improvements. On May 9, 2016, the contract, in the amount of \$254,361.70, was awarded to Central Paving, Inc. of Frankfort, NY. Central Paving began construction in July 2016 and the project was successfully completed in August 2016.

KEY PROVISIONS OF THE TOWN OF AVA AGREEMENT

- Annual payment to the Town of \$340,000.
- Continuation of equipment loan and free trash disposal (2 clean-ups) by the Authority to the Town valued at \$20,000 per year.
- Annual payment of \$25,000 toward emergency services.
- Regular reporting by the Authority to the Town on environmental monitoring.
- The payments by the Authority will be made annually and increase over the 25-year term bringing the total value of the agreement to over \$9 million.

- As provided under New York State law, and as done for other jurisdictions when the Authority owns property, the Authority also makes payments in lieu of taxes to the Town of Ava and Oneida County for the real property taxes. The payments by the Authority exceed the payments by prior property owners. Therefore, the Town and County have seen no loss of tax revenue due to the landfill.
- The Authority also makes annual payments to the Adirondack Central School District.

KEY PROVISIONS OF THE TOWN & VILLAGE OF BOONVILLE AGREEMENTS

- Annual payment by the Authority to the Village of \$45,000 and \$50,000 to the Town.
- One-time \$10,000 contribution for emergency services.
- Authority will provide for transportation of waste and recyclables from the Boonville Transfer Station with no disposal charge for the first 600 tons of refuse each year.
- Authority will provide for transportation and disposal of wastewater treatment sludge from the Village's wastewater treatment plant.
- The Authority paid for all expenses associated with improving the State Route 294/46 intersection. This included a parking lot and improvements to the Library and Dodge Pratt Northam property. Upon completion of the improvements to the intersection, the Authority provided the Village with a one-time payment of \$400,000 to be utilized by the Village toward additional improvement projects determined by the Village.
- Regular reporting by the Authority to both the Village and the Town on environmental monitoring and transportation.
- First option to purchase power from the Authority landfill gas to energy project is granted to the Boonville Municipal Power Commission.

LAND MANAGEMENT PLAN

In 2008, the Authority developed a long-term management plan for property owned adjacent to the landfill site. The Authority owns over 1,200 acres at the site. A total of 986 acres were acquired for use as landfill buffer.

The landfill buffer area features a large beaver pond wetland complex, portions of Moose Creek, forested uplands, and high-quality forested wetlands. This area has been put aside and preserved by the Authority as a natural area used by an extensive list of wildlife including river otters, brook trout, many species of waterfowl and birds of prey, including bald and golden eagles.

One parcel acquired contained approximately 66,000 fir and spruce seedlings planted for Christmas trees and wreath making. Each year the Authority plants over 300 saplings on its property.

A plan was developed to provide for the utilization of the Christmas trees and for the implementation of sound forestry practices on the property. The plan allows community groups, solicited through a public process, to manage Christmas tree plots and use for fundraising opportunities. The Plan also includes working with the County Forester to manage the remaining forested lands.

LEACHATE TREATMENT & DISPOSAL

The Authority has approval for disposal and treatment of landfill leachate with the City of Rome Wastewater Treatment Plant and the Oneida County Water Pollution Control Facility.

In 2020, a total of 23,004,792 gallons of leachate from the Authority's Regional Landfill were shipped for treatment.

ASH LANDFILL

Throughout 2020, the Authority continued the routine maintenance, monitoring, and testing of the Authority's Ash Landfill (ALF) located on Tannery Road, Rome. This landfill was closed and capped in 1997 in compliance with NYSDEC Part 360 regulations.

The ALF is fully lined with both primary and secondary leachate collection systems.



Leachate is pumped to the City of Rome Water Pollution Control Facility for treatment.

Monitoring and testing of the ALF are performed as part of the 30-year post-closure requirements of the NYSDEC approved Closure and Environmental Monitoring Plan. This landfill has a fully funded reserve that will cover the post-closure costs for a 30-year period.

SOLAR ARRAY SYSTEM



Beginning in 2014, the Authority entered into a solar power purchase agreement with SolarCity Corporation [Tesla] of San Mateo, CA. The Agreement authorized construction of a ground-mounted solar array system on roughly 8 acres of Authority property adjacent to the Authority's Western Transfer Station in Rome, NY. Construction was completed in 2016 and the system began operating in July 2017.

The array will generate approximately 1.1 megawatts annually of renewable energy. This is enough energy to offset the Authority's combined electricity needs at its Rome and Utica facilities, including the Authority's single stream Recycling Center.

In 2020, 1,212,276 kWh of power was generated. To date, the solar array has produced enough renewable energy to power approximately 483 homes.

SOLAR ARRAY SYSTEM

Megawatts Annually of Renewable Energy

- Equivalent # of Homes Powered, Annually: 483
- Equivalent # of Homes Powered, 20-Year Term: 2,380
- Total Pounds CO₂ Avoided, 20-Year Term: 34 Million
- Equivalent # of Trees Saved, 20-Year Term: 400,000

CITY OF UTICA WASTE & RECYCLABLES COLLECTION

Since 1996, the Authority has overseen the solid waste and recyclable collection services for the City of Utica, including the sale of "blue bags". Residents in the City of Utica utilize a City "blue bag" for all items that cannot be recycled and are not considered a bulk item.

Each single-family home is allowed to set out a maximum of ten City blue bags each week, one cubic yard of trash (bundled or containerized), one bulk item (i.e., refrigerator, mattress, couch), two car tires and an unlimited quantity of recyclables.

CITY OF UTICA 2020 DISPOSAL DATA	
MATERIAL	TONNAGE
Municipal Solid Waste	18,951
Recyclables	4,379
Tires	230
Green Waste	6,115

The Authority also provides public information and enforcement of the City Code requirements for solid waste. During 2020, the Authority's solid waste inspectors wrote 29 Notices of Violation for solid waste and/or green waste that was illegally or improperly set-out within the City of Utica.

VILLAGES OF DOLGEVILLE, FRANKFORT, HERKIMER, ILION AND MOHAWK

In 2020, the Authority continued to assist the Villages of Dolgeville, Frankfort, Herkimer, Ilion and Mohawk with their waste collection programs. The Authority and the Villages entered into separate agreements for the coordination of solid waste, recyclables, bulk items, electronics and green waste collection programs. Collection for these five municipalities is currently subcontracted to a private hauler.

The Authority coordinates the distribution of designated garbage bags to approved retail outlets, and the distribution of garbage carts to interested homeowners of each Village. Recycling carts, provided by the contracted hauler, aid in the efficiency of recyclables' collection throughout the Villages.

Each Village is managed separately, but similar to the City of Utica system, including separate accounting for each municipality.

COMPLIANCE AND ENFORCEMENT

Authority staff continues to work with local and state law enforcement agencies on illegal dumping, burning, burying, scavenging of recyclables, and non-compliance with the mandatory recycling laws.

Numerous investigations were conducted with letters of enforcement and education written to hauling companies and individuals that violated County law.

PUBLIC AUTHORITIES REPORTING

The Oneida-Herkimer Solid Waste Management Authority is a public benefit corporation and is subject to the provisions of the Public Authorities Accountability Act (PAAA). The Authority annually complies with the PAAA by submitting its Budget Report, Annual Report, Procurement Report, Investment Report and Certified Financial Audit to the Authority Budget Office (ABO) and Office of State Comptroller (OSC) through the Public Authority Reporting Information System (PARIS), a comprehensive on-line reporting system.

The Oneida-Herkimer Solid Waste Authority prides itself on accountability and transparency. In this effort, the Authority holds regular public meetings and has developed a website that is continuously updated with information about its operations and financial activities. For comprehensive information on the Oneida-Herkimer Solid Waste Management Authority, we invite you to visit our website at: WWW.OHSWA.ORG.

BENEFICIAL USE OF BIOSOLIDS DRAFT RFP

On October 14, 2020, the Authority released a Draft RFP for biosolids produced by treatment plants in the region. An identified milestone from the Authority's state-approved Local Solid Waste Management Plan was to "initiate biosolids recovery study". The Authority has consistently evaluated different components of the waste stream for new methods of recovery or re-use. The RFP will be the primary component of the study.

Some of the region's wastewater treatment plants divert biosolids currently through composting or land applications. The RFP will solicit proposals for beneficial use of biosolids produced by Oneida County and the Rome wastewater treatment plants, two of the largest wastewater treatments plants currently sending biosolids to the Regional Landfill. The RFP specifically targets firms with experience and existing facilities and permits for beneficial re-use practices such as land spreading, fertilization production, or other proven technologies using a chemical process or high heat to transform the biosolids.

The deadline for comments on the Draft RFP was December 14, 2020. The Authority will issue a Final RFP in January 2021.

REGIONAL DEMOLITION PROGRAM

The Authority has worked with local governments for over 30 years, recognizing the significant cost of demolishing abandoned, dilapidated structures. In 2007, the Authority started a program to help local governments with their efforts to clean up these deteriorating structures. For the 14th year, the Authority has offered municipalities assistance through its regional demolition program. Under the program, the Authority makes available a demolition crew (including equipment) to demolish abandoned structures owned by a municipality. The demolition crew is made up of Authority employees. The program is limited to the four winter months (December through March) when waste volumes are the lowest. The Authority does not charge for the demolition crew or the equipment. Costs to the municipality are for the transportation and disposal of the demolition debris which must be landfilled.

The participating municipality is asked to assist with dust suppression as needed, securing and fencing site, disconnecting and capping utilities, and completing backfill. In deciding which structures to demolish, the Authority considers the condition, location, and coordination of the required equipment.

In 2020, the Authority assisted the City of Little Falls, Greater Mohawk Valley Landbank, in a demolition project. Since its inception, 19 municipalities have participated, and 30 structures have been demolished through this program.

REGIONAL PROJECTS

In 2020, the Oneida-Herkimer region experienced three major projects that generated an unusually high amount of waste, primarily construction and demolition debris, asbestos waste, and contaminated soil. These projects were the demolition of many buildings and associated construction of the new MVHS hospital in Utica, Rome Cable demolition in Rome, and Nexus Center site development in Utica. The total waste amounts for these projects totaled 47,588 tons or 16% of all waste disposed of at the Regional Landfill this year, including municipal solid waste. This waste was accepted within the Authority's current permit limits.

NEW REDUCED TIP FEE PROGRAM

In 2020, the Authority introduced a new program to assist local municipalities and Oneida-Herkimer Counties when disaster occurs with reduced tipping fees for disposal of disaster debris, and/or to assist Industrial Development Agency and Developers related to Brownfield clean-up/Industrial Development Agency Projects.

In December 2020, the Authority Board of Directors adopted a policy for the reduced tip fee programs that includes an application procedure; eligibility requirements; and process to establish rate structure and tonnage limits for such programs.

The Authority's 2021 adopted budget includes both a natural disaster debris tipping fee and a Brownfield clean-up/IDA project tipping fee at rates of \$42 per ton. Both programs must be approved through an application process.

FINANCIAL ACTIVITIES

The 2020 financial audit continues to reflect the strong operating results of the Authority. The Authority had a \$5,849,407 addition to its net position for 2020. This was the result of several factors including:

- The Authority's tipping fee revenues exceeded budget by \$4,319,126. The Authority exceeded budgeted tonnage expectations for asbestos, source separated organics, soil/cover, sludge, municipal solid waste, and C&D material.
- The Authority earned \$1,571,951 in recyclables' sales during 2020, which was \$244,207 more than 2019.
- The Authority sold landfill gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$324,304 in revenue.
- The Authority sold carbon credits resulting in \$589,694 of revenue during 2020.
- In 2020, the Authority processed recyclables for Fulton, Lewis, and Oswego Counties. The Authority earned \$868,613 in processing fees.
- The Authority earned \$800,084 in interest income for 2020.
- Overall operating expenses decreased by 3.89% over 2019.
- Interest expense decreased by \$73,753 from 2019, resulting from the defeasance of the Authority's 2007 bond issue in 2017 and scheduled debt payments for 2020.
- Total revenue bond debt declined by \$2,475,000, or 14.07%, from 2019.
- The Authority also funded reserves for landfill equipment in the amount of \$550,000 for 2020 and for the extension of the landfill liner in the amount of \$1,550,000.
- The Authority, once again, fully funded its closure and post-closure funds for the Ash Landfill and Regional Landfill.
- Through an RFP process, the Authority extended its agreement with BST & Co. CPAs, LLP to serve as the independent auditor for the Authority's financial statements through fiscal year 2024.

The attached financial audit gives a detailed picture of the Authority's financial position.

ADMINISTRATIVE OFFICE

1600 GENESEE STREET, UTICA, NY 13502

TELEPHONE: (315)733-1224

WEB SITE: WWW.OHSWA.ORG

EASTERN TRANSFER STATION & RECYCLING CENTER

80 LELAND AVENUE EXT., UTICA, NY 13502

REGIONAL LANDFILL

7044 STATE ROUTE 294, BOONVILLE, NY 13309

WESTERN TRANSFER STATION

575 PERIMETER RD., ROME, NY 13441

STAFF

WILLIAM A. RABBIA, EXECUTIVE DIRECTOR

EMILY ALBRIGHT, DIRECTOR OF RECYCLING

JOSEPH ARTESSA, CPA, COMPTROLLER

JAMES V. BIAMONTE, ENVIRONMENTAL COORDINATOR/CONTRACT OFFICER

DANIEL BOWMAN, RECYCLING CENTER PLANT MANAGER

SAMANTHA BROWN, RECYCLING COORDINATOR

AMY DASKIEWICH, ACCOUNT CLERK

JUSTIN FITCH, ENVIRONMENTAL COMPLIANCE COORDINATOR

ADELE A. GUARNO, SECRETARY TO THE EXECUTIVE DIRECTOR (RETIRED 12/20)

STEPHEN HOUPPERT, LANDFILL GAS TECHNICIAN

PAT LISANDRELLI, PRINCIPAL ACCOUNTING SUPERVISOR

JAYNE MORGAN, SR. WEIGH SCALE OPERATOR

DEBORAH O'CONNOR, CITY OF UTICA COORDINATOR (RETIRED 1/21)

JOSHUA OLBRYNS, LANDFILL OPERATIONS MANAGER

ANDREW OPPERMAN, PE, SOLID WASTE ENGINEER

WILLIAM SCHRADER, SUPERINTENDENT OF WASTE COLLECTION

BETH SCOONES, ACCOUNT CLERK

RACHEL STIEHL, SR. ACCOUNT CLERK/CITY OF UTICA COORDINATOR

JAMIE TUTTLE, RECYCLING EDUCATOR

JODI M. TUTTLE, BOARD SECRETARY/HR COORDINATOR



Financial Report

December 31, 2020 and 2019

**Oneida-Herkimer
Solid Waste Management Authority**

Financial Report

December 31, 2020 and 2019

CONTENTS

	Page
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-13
Financial Statements	
Statements of Net Position	14
Statements of Revenues, Expenses, and Changes in Net Position	15
Statements of Cash Flows	16
Notes to Financial Statements	17-38
Required Supplementary Information	
Schedule of Proportionate Share of the Net Pension Liability	39
Schedule of Local Government Pension Contributions	40
Schedule of Other Postemployment Benefits Liability	41
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	42-43



Independent Auditor's Report

Board of Directors
Oneida-Herkimer Solid Waste Management Authority
Utica, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Oneida-Herkimer Solid Waste Management Authority (Authority), a component unit of the County of Oneida, New York, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 to 13, and the schedules of proportionate share of the net pension liability on page 39, local government pension contributions on page 40, and other postemployment benefits liability on page 41 be presented to supplement the basic financial statements. Such information, 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 audits 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

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The introduction and statistical information included within management's discussion and analysis are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2021, on our consideration of the Authority'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 the Authority's 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 the Authority's internal control over financial reporting and compliance.

BST+Co.CPAs, LLP

Albany, New York
February 24, 2021



Management's Discussion and Analysis December 31, 2020 and 2019

Introduction

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit this 2020 Annual Financial Report developed in compliance with accounting standards generally accepted in the United States of America. This year marked the 32nd anniversary since the formation of the Authority.

Similar to most business sectors, the COVID-19 pandemic presented many challenges to the solid waste industry in 2020 that no one saw coming. The Authority was able to quickly adapt and adjust operations to manage the pandemic safely and finish with another healthy financial surplus. The Authority ended 2020 with a change in net position of \$5,849,407. Although the improving local economy was halted to prevent the spread of the Coronavirus in 2020, the Authority was able to see a growth in tipping fee revenues. Tipping fee revenues realized in 2020 were \$19,550,716, an increase of \$455,160 or 2.38% from 2019. The increase was primarily due to demolitions from large development projects which continued into 2020.

For 2020, the Authority was able to pay down \$2,475,000 of long-term debt. Total revenue bond debt outstanding as of December 31, 2020 was \$17,592,593. Over the past five years, the Authority has reduced long-term revenue bond debt by \$15,644,000 all while lowering its rates by 28% since 2006. The Authority is on schedule to complete the Board Designated early redemption of \$4,040,000 for the 2011 Revenue Bond issue in April 2021. This early redemption will leave one Revenue Bond issue in the amount of \$10,997,593. The Authority is on schedule to have zero debt in fiscal 2026.

For 2020, the recycling markets showed some stability and some optimistic growth after a difficult 2018 and 2019. The Authority saw an increase in recycling sales revenue of \$244,207 or 18.39% from 2019. The Authority continues to accept Oneida-Herkimer recyclables at no charge. For 2020, recycling processing revenue was up, totaling \$868,613 or 5.3% from 2019. The additional revenue realized for processing Fulton, Lewis and Oswego Counties' recyclables, leads to an increase in revenue diversification and less future reliance on tipping fees to cover Authority expenses.

2020 marked the first full year of operation of the Authority's Food2Energy Facility. This Facility allows us to accept bagged and packaged non-edible food waste and divert it from disposal at the Regional Landfill. The Facility produces an organic slurry which is used to generate electricity at Oneida County's Wastewater Treatment Facility. The Facility opened and became fully operational in June 2019. In 2020, the Facility accepted and diverted 3,290.28 tons of organic food waste from the landfill. This project had a budgeted cost of \$3,400,000 and was paid with current operating revenues and grants. No borrowings were used to finance any part of this project.

I am proud of the accomplishments and hard work from the employees and my fellow colleagues on the Authority Board. While we continue to manage the region's waste and recyclables in a safe, reliable and efficient manner, I invite you to review this summary of our operations, and feel free to call anytime.



Kenneth A. Long
Chairman

BOARD OF DIRECTORS

Kenneth A. Long
Chairman

Harry A. Hertline
Treasurer

James M. D'Onofrio

James A. Franco

Barbara Freeman

Nancy A. Novak

Richard G. Redmond

James M. Williams

William A. Rabbia
Executive Director

Jodi M. Tuttle
Authority Board Secretary

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Authority Profile

The Oneida-Herkimer Solid Waste Management Authority was created by the State Legislature at the request of the two Counties by passage of Article 8, Title 13-FF of the New York Public Authority Law on September 1, 1988. The Authority is authorized to provide waste management services and to develop appropriate solid waste management facilities for the benefit of Oneida and Herkimer Counties.

The Authority has developed a comprehensive, integrated system of facilities to serve all the residents, businesses, industries, and institutions of Oneida and Herkimer Counties.

The Authority's 2020 budget was \$25.38 million and covered expenses for disposal of waste, recycling, household hazardous waste, composting, public education, administration, collection of waste, and recyclables in the City of Utica and Villages of Ilion, Frankfort, Herkimer, Mohawk, and Dolgeville, capital purchases, operations, maintenance, and debt service. The Authority currently owns nine operational solid waste management facilities and one closed facility. These facilities are as follows: an administration facility, a recycling center, three solid waste transfer stations, a green waste composting facility, a land clearing debris facility, a household hazardous waste facility, and a regional landfill; and a closed ash landfill.

The Authority's revenue structure is primarily a fee for service system. A system tip fee is charged for all non-recyclable waste delivered to the Authority to cover the majority of expenses in the Authority budget. The Authority receives the remaining revenue from other sources, such as investments, sale of recyclables, grants, sale of carbon credits, sale of landfill gas, and other user fees. The Authority receives no funds from the Counties.

2020 BOARD OF DIRECTORS	BUSINESS AFFILIATION
Kenneth A. Long, Chairman	Retired Business Manager of the Central Valley Central School District and former Herkimer County Legislator
Vincent J. Bono, Vice Chairman Vice Chairman, Audit Committee Vice Chairman, Finance Committee	Partner in Bono Brothers LLC, Property Management Group; Chairman of the Herkimer County Legislature; and Chairman of the Herkimer County Industrial Development Agency
Harry A. Hertline, Treasurer Chairman, Audit Committee Chairman, Finance Committee	Korean War Air Force Veteran; Retired GE Unit Contract Manager; and former Minority Leader of the Oneida County Board of Legislators
Neil C. Angell Audit Committee Finance Committee	Town of Verona Dairy Farmer; former Oneida County Legislator; and former Member of the Agricultural Economic Development Committee
James M. D'Onofrio Chairman, FOIL Appeals Committee	President of Arlott Office Products and Member of the Oneida County Board of Legislators

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2020 and 2019

2020 BOARD OF DIRECTORS	BUSINESS AFFILIATION
James A. Franco FOIL Appeals Committee	Retired DPW Superintendent, Village of Herkimer
Barbara Freeman Chairwoman, Governance Committee FOIL Appeals Committee	Retired Teacher; Member, Village and Town of Boonville Environmental Councils
Nancy A. Novak Governance Committee	Manager, Safety & Regulatory Compliance at Bonide Products, Inc.; Member, Mohawk Valley Environmental Information Exchange and Mohawk Valley Safety Professional Consortium; and Co- Leader, Girl Scouts of the USA
Richard G. Redmond	Senior Vice President of Facility Operations for Mohawk Valley Garden and Decorated Retired Major, U.S. Army
James Williams Governance Committee	Retired from the United States Postal Service; Army Vietnam War Veteran; and Member of the Ava Town Planning Board

Responsibility and Controls

The Authority has prepared and is responsible for the financial statements and related information included in this report. A system of internal accounting controls is maintained to provide reasonable assurance that assets are safeguarded and that the books and records reflect only authorized transactions. Limitations exist in any system of internal controls. However, based on recognition that the cost of the system should not exceed its benefits, management believes its system of internal accounting controls maintains an appropriate cost/benefit relationship.

The Authority's system of internal accounting controls is evaluated on an ongoing basis by the Authority's financial staff. Independent external auditors also consider certain elements of the internal control system in order to determine their auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purposes of expressing an opinion on internal control over financial reporting.

The Finance Committee of the Authority Board of Directors is composed of three members of the Board who are not employees and who provide a broad overview of management's financial reporting and control functions. This Committee meets regularly with management to discuss financial issues.

The Audit Committee of the Authority Board of Directors is composed of three members of the Board who are not employees and who have responsibilities, including the hiring of the independent auditor, the compensation to be paid to the auditing firm, and to meet with the independent auditor regarding the Authority's annual audit.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Audit Assurance

Since the Authority has been established, we have received an unmodified opinion with each annual independent audit commonly referred to as a clean opinion. The current unmodified opinion from our auditors, BST & Co. CPAs, LLP, is included in this report.

Financial Highlights

This section of the report presents management's discussion and analysis of the Authority's financial position as of December 31, 2020 and 2019, and other significant pertinent financial information.

The 2020 financial report continues to reflect the strong operating results of the Authority. The Authority has increased its net position by \$5.85 million and \$5.50 million for the years ended December 31, 2020 and 2019, respectively. This was the result of several factors including:

- Overall expenses decreased \$972,498 or 3.96% in comparison to 2019.
- The Authority's tipping fee revenues exceeded budget by \$4,319,126. The Authority exceeded budget expectations for asbestos, source separated organics, soil/cover, sludge, municipal solid waste, and C&D material.
- The Authority earned \$1,571,951 in recycling sales during 2020, which was \$244,207 more than 2019.
- The Authority sold Landfill Gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$324,304 in revenue.
- The Authority sold carbon credits resulting in \$589,694 of revenue during 2020.
- In 2020, the Authority processed recyclables for Oswego, Lewis, and Fulton Counties. The Authority earned \$868,613 in processing fees.
- Operating expenses decreased \$898,745 or 3.74% in comparison to 2019, mainly due to a decrease in fuel expense and leachate disposal.
- Interest expense decreased by \$73,753 from 2019, resulting from scheduled debt principal payments.
- The Authority also funded reserves for landfill equipment in the amount of \$550,000 for 2020 and for the extension of the landfill liner in the amount of \$1,550,000.
- The Authority, once again, fully funded its closure and post-closure funds for the Ash Landfill and Regional Landfill.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Financial Analysis

The statements of net position and statements of revenues, expenses, and changes in net position and other selected information provide information to management for analysis and planning. These two statements report the Authority's net position and changes in net position.

**Table A-1
Condensed Statements of Net Position**

	December 31,				
	2020	2020 vs. 2019	2019	2019 vs. 2018	2018
ASSETS AND DEFERRED OUTFLOWS					
Current assets	\$ 40,682,557	8.15%	\$ 37,617,753	9.30%	\$ 34,417,090
Restricted assets	10,775,218	0.94%	10,674,907	2.83%	10,380,855
Capital assets, net	<u>47,277,755</u>	3.21%	<u>45,808,283</u>	0.72%	<u>45,481,239</u>
Total assets	98,735,530		94,100,943		90,279,184
Deferred outflows	<u>3,236,520</u>	177.38%	<u>1,166,801</u>	-37.99%	<u>1,881,632</u>
Total assets and deferred outflows	<u>\$ 101,972,050</u>		<u>\$ 95,267,744</u>		<u>\$ 92,160,816</u>
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION					
Current liabilities	\$ 5,131,191	13.70%	\$ 4,513,032	15.92%	\$ 3,893,118
Long-term liabilities	<u>25,175,469</u>	0.76%	<u>24,984,493</u>	-7.59%	<u>27,037,712</u>
Total liabilities	<u>30,306,660</u>	2.74%	<u>29,497,525</u>	-4.63%	<u>30,930,830</u>
Deferred inflows	<u>1,589,790</u>	2.96%	<u>1,544,026</u>	-38.55%	<u>2,512,504</u>
Net investment in capital assets	36,232,425		32,251,509		29,372,807
Net position, restricted	1,380,923		1,303,336		1,134,983
Net position, unrestricted	<u>32,462,252</u>		<u>30,671,348</u>		<u>28,209,692</u>
Total net position	<u>70,075,600</u>	9.11%	<u>64,226,193</u>	9.38%	<u>58,717,482</u>
Total liabilities, deferred inflows, and net position	<u>\$ 101,972,050</u>	7.04%	<u>\$ 95,267,744</u>	3.37%	<u>\$ 92,160,816</u>

Total assets have increased \$8.5 million since 2018, and long-term liabilities have decreased approximately 6.9% during the same period principally due to early redemption of the 2007 bond issue and scheduled payments on the Authority's long-term bonds.

Total net position has grown \$11.4 million since the end of 2018 as a result of favorable operations of the Landfill, consistent waste tonnage, diversification of revenues and a tight control over Authority expenses.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Financial Analysis - Continued

**Table A-2
Condensed Statements of Revenues, Expenses, and
Changes in Net Position**

	Years Ended December 31,				
	2020	2020 vs. 2019	2019	2019 vs. 2018	2018
Operating revenue	\$ 28,567,702	4.26%	\$ 27,399,819	5.51%	\$ 25,968,834
Nonoperating revenue	891,188	-66.88%	2,690,873	104.15%	1,318,073
Total revenues	<u>29,458,890</u>	-2.10%	<u>30,090,692</u>	10.28%	<u>27,286,907</u>
Depreciation expense	4,494,626	5.99%	4,240,443	19.53%	3,547,652
Other operating expense	18,616,233	-5.83%	19,769,161	11.68%	17,702,334
Nonoperating expense	498,624	-12.89%	572,377	-11.86%	649,365
Total expenses	<u>23,609,483</u>	-3.96%	<u>24,581,981</u>	12.25%	<u>21,899,351</u>
Change in net position	5,849,407	6.18%	5,508,711	2.25%	5,387,556
NET POSITION, beginning of year	<u>64,226,193</u>	9.38%	<u>58,717,482</u>	10.10%	<u>53,329,926</u>
NET POSITION, end of year	<u>\$ 70,075,600</u>		<u>\$ 64,226,193</u>		<u>\$ 58,717,482</u>

The Authority's overall revenues increased 8% or \$2,171,983 from 2018. The Authority's overall expenses increased 8% or \$1,710,132 from 2018.

Budgetary Highlights

The Authority Board of Directors adopts an annual operating budget and a five-year capital plan after thorough review by the Audit and Finance Committee of the Authority Board and a public hearing. Management periodically reviews the budget and informs the Board and Finance Committee if it becomes apparent that the budget as adopted is not in line with actual revenue and expenditures. Variations from the budget are dealt with through budget transfers or amendments. Transfer amounts under \$5,000 are approved by the Treasurer of the Board. Those in excess of \$5,000 are approved by resolution of the full Board.

The 2020 and 2019 budgets are compared to actual results in Table A-3.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2020 and 2019

Budgetary Highlights - Continued

**Table A-3
Condensed Statement of Revenues, Expenses,
and Changes in Net Position vs. Budget**

	Year Ended December 31, 2020		
	Actual	Amended Budget	\$ Change
Operating revenue	\$ 28,567,702	\$ 22,372,805	\$ 6,194,897
Nonoperating revenue	891,188	933,300	(42,112)
Total revenues	<u>29,458,890</u>	<u>23,306,105</u>	<u>6,152,785</u>
Operating expenses			
Salaries, wages and benefits	7,402,386	7,281,780	120,606
Contractual services	7,114,572	6,750,308	364,264
Materials and supplies	1,037,367	1,437,250	(399,883)
Utilities	274,764	301,050	(26,286)
Repairs and maintenance	240,501	217,020	23,481
Host community benefits	730,008	724,000	6,008
Leachate disposal	568,630	-	568,630
Insurance	210,509	215,328	(4,819)
Other rental	71,065	68,550	2,515
Depreciation	4,494,626	-	4,494,626
Change in post-closure accrual estimate	107,232	-	107,232
Debt service	-	3,053,880	(3,053,880)
Capital Projects	-	281,000	(281,000)
Reserves	-	2,100,000	(2,100,000)
Contingency	-	203,749	(203,749)
Bad debts	216,955	216,066	889
Other operating expense	642,244	456,124	186,120
Nonoperating expense - interest	498,624	-	498,624
Total expenses	<u>23,609,483</u>	<u>23,306,105</u>	<u>303,378</u>
Change in net position	<u>\$ 5,849,407</u>	<u>\$ -</u>	<u>\$ 5,849,407</u>

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2020 and 2019

Budgetary Highlights - Continued

**Table A-3
Condensed Statement of Revenues, Expenses,
and Changes in Net Position vs. Budget**

	Year Ended December 31, 2019		
	Actual	Amended Budget	\$ Change
Operating revenue	\$ 27,399,819	\$ 23,183,893	\$ 4,215,926
Nonoperating revenue	2,690,873	519,360	2,171,513
Total revenues	<u>30,090,692</u>	<u>23,703,253</u>	<u>6,387,439</u>
Operating expenses			
Salaries, wages and benefits	6,482,478	7,152,417	(669,939)
Contractual services	7,055,793	6,523,577	532,216
Materials and supplies	1,329,428	1,374,925	(45,497)
Utilities	286,845	316,600	(29,755)
Repairs and maintenance	257,386	208,900	48,486
Host community benefits	731,237	718,000	13,237
Leachate disposal	733,306	552,500	180,806
Insurance	194,491	192,291	2,200
Other rental	67,941	68,756	(815)
Depreciation	4,240,443	-	4,240,443
Change in post-closure accrual estimate	1,736,226	-	1,736,226
Debt service	-	2,979,597	(2,979,597)
Capital Projects	-	483,000	(483,000)
Reserves	-	2,000,000	(2,000,000)
Contingency	-	401,148	(401,148)
Bad debts	216,060	198,000	18,060
Other operating expense	677,970	533,542	144,428
Nonoperating expenses	<u>572,377</u>	<u>-</u>	<u>572,377</u>
Total expenses	<u>24,581,981</u>	<u>23,703,253</u>	<u>878,728</u>
Change in net position	<u>\$ 5,508,711</u>	<u>\$ -</u>	<u>\$ 5,508,711</u>

Oneida-Herkimer Solid Waste Management Authority

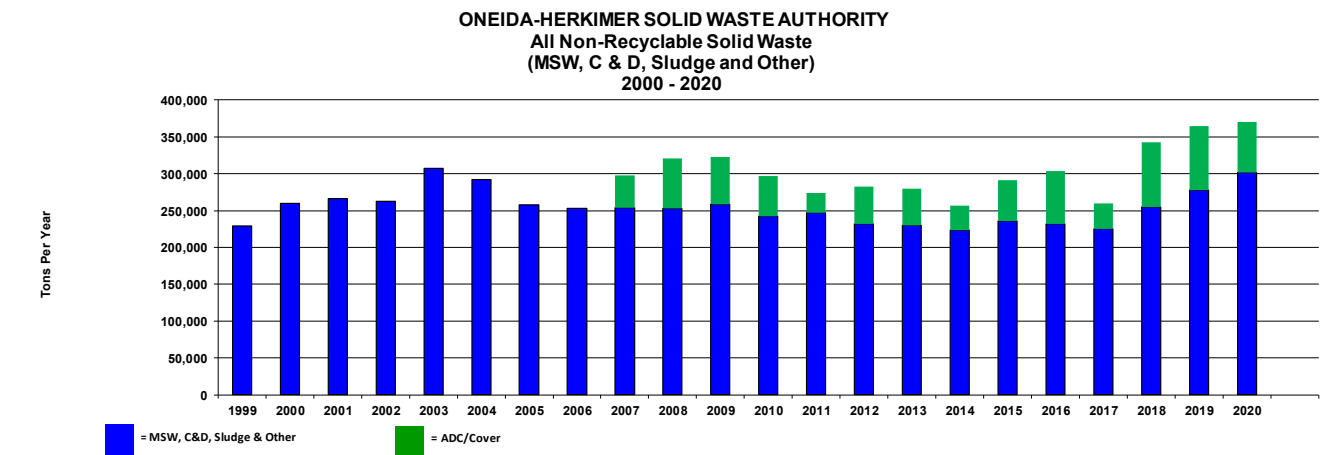
Management's Discussion and Analysis December 31, 2020 and 2019

Budgetary Highlights - Continued

To make an accurate comparison of actual expenditures to budget, the items discussed above, as well as principal payments on outstanding bonds, depreciation and amortization, and acquisition of capital assets, need to be adjusted to allow for comparison with the 2020 and 2019 amended budgets. These adjustments are as follows:

	Year Ended December 31,	
	2020	2019
Change in net position	\$ 5,849,407	\$ 5,508,711
Deduct: scheduled principal payments made on bonds	(2,475,000)	(2,395,000)
Add: depreciation expense	4,494,626	4,240,443
Deduct: acquisition of capital assets	(5,967,772)	(4,570,868)
Budget surplus	\$ 1,901,261	\$ 2,783,286

General Trends and Significant Events



Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Flow Control

United Haulers Assoc. Inc., et al. v. Oneida-Herkimer Solid Waste Management Authority, et al. - 95-CV-0516, U.S. Dist. Ct., N.D.N.Y., Mordue, J.

In 1995, the Authority and the Counties of Oneida and Herkimer were sued by six local waste hauling firms. They alleged, among other things, that the laws which require them to use specific facilities are in violation of the Commerce Clause of the U.S. Constitution. The laws are legislative acts of each of the Counties. Pursuant to certain Agreements made in May 1989 and December 1989 between the Authority and the Counties, the Authority is charged with the disposal of solid waste and recyclables in the Counties and with the administration of an integrated system of waste management in accordance with New York State law. The Local Laws operate to ensure the continuity of the integrated system.

During 2007, the case was finally and definitively decided.

The Oneida and Herkimer Counties Solid Waste Management Laws were upheld by the United States Supreme Court in a Decision issued April 30, 2007. The Decision written by Chief Justice John Roberts validates the integrated solid waste management system owned and operated by the Oneida-Herkimer Solid Waste Management Authority.

The Court recognized that local communities are entitled to develop the kinds of facilities and programs that meet their unique needs, and those local communities can set up a fee structure that encourages waste reduction, recycling, and detoxification.

Capital Assets

At the end of 2020 and 2019, the Authority had \$47.3 million and \$45.8 million, respectively, invested in capital assets as indicated in Table A-4.

**Table A-4
Capital Assets**

	December 31,				
	2020	2020 vs. 2019	2019	2019 vs. 2018	2018
Land	\$ 3,393,056	0.00%	\$ 3,393,056	3.74%	\$ 3,270,675
Land improvements	49,246,106	0.66%	48,922,952	11.02%	44,067,658
Building and improvements	27,665,633	7.27%	25,790,776	12.16%	22,995,207
Machinery and equipment	12,191,029	2.56%	11,886,793	13.87%	10,438,945
Vehicles	9,885,291	-0.02%	9,886,831	6.49%	9,284,173
Office equipment	361,508	3.34%	349,813	6.68%	327,919
	<u>102,742,623</u>	2.51%	<u>100,230,221</u>	10.89%	<u>90,384,577</u>
Less accumulated depreciation and amortization	<u>58,221,498</u>	6.84%	<u>54,492,879</u>	7.87%	<u>50,518,004</u>
Capital assets in service, net	44,521,125	-2.66%	45,737,342	14.73%	39,866,573
Construction work in progress	<u>2,756,630</u>		<u>70,941</u>		<u>5,614,666</u>
Total capital assets, net	<u>\$ 47,277,755</u>	3.21%	<u>\$ 45,808,283</u>	0.72%	<u>\$ 45,481,239</u>

The Authority adopted a five-year capital plan with the passage of its annual budget. The five-year plan forecasts spending on capital projects between \$2,196,000 and \$6,531,200 per year. The funds for capital projects are covered by the system tipping fees and reserves.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2020 and 2019

Debt Administration

The Authority had \$17,592,593 and \$20,067,593 in outstanding Revenue Bonds at December 31, 2020 and 2019, respectively. Although Oneida and Herkimer Counties guarantee debt service payments in the event that the Authority defaults, the Authority is contractually obligated to set its rates to cover 100% of debt service and operating expenses. Since its inception, the Authority has always raised sufficient revenue to cover operating expenditures, capital purchases, and debt service payments. Because the United States Supreme Court affirmed the County laws and validated the Authority's system, and because the Authority has fostered an extensive working relationship with generators and haulers, and because the Authority has significantly diversified its operations, management is confident that revenues will continue to be sufficient to maintain the integrated solid waste system without assistance from either County. The Authority has never made a request of the Counties for a subsidy.

Final Comments

The preceding report summarizes the financial activity for the Authority during 2020 and 2019. The management and staff of the Authority are happy to answer any other questions that may arise after reviewing this report. We can be reached as follows:

Phone: (315)733-1224

7:30 AM - 5:00 PM

Website: www.ohswa.org

Management Staff

William A. Rabbia, Executive Director

Joseph M. Artessa, Comptroller

James V. Biamonte, Environmental Coordinator

Pasquale A. Lisandrelli, Principal Accounting Supervisor

Andrew J. Opperman, Solid Waste Engineer

Oneida-Herkimer Solid Waste Management Authority

Statements of Net Position

	December 31,	
	2020	2019
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 13,543,869	\$ 5,455,810
Investments	23,512,136	27,462,239
Receivables		
Trade, net	2,784,069	3,954,109
Accrued interest	301,463	308,006
Prepaid expenses and other assets	541,020	437,589
Total current assets	40,682,557	37,617,753
RESTRICTED ASSETS		
Cash and cash equivalents	3,378,267	2,812,872
Investments	7,370,654	7,827,469
Accrued interest receivable	26,297	34,566
Total restricted assets	10,775,218	10,674,907
NON-CURRENT ASSETS		
Capital assets, net	47,277,755	45,808,283
DEFERRED OUTFLOWS		
	3,236,520	1,166,801
	\$ 101,972,050	\$ 95,267,744
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
CURRENT LIABILITIES		
Current installments of revenue bonds	\$ 2,555,000	\$ 2,475,000
Accounts payable and accrued liabilities	2,482,713	1,916,878
Accrued interest payable	93,478	121,154
Total current liabilities	5,131,191	4,513,032
LONG-TERM LIABILITIES		
Revenue bonds, less current installments	15,037,593	17,592,593
Premium on revenue bonds, net	13,725	20,304
Accrued closure and post-closure costs	3,948,722	3,955,863
Net pension liability	3,797,385	1,028,066
Accrued postemployment benefits	2,378,044	\$ 2,387,667
Total long-term liabilities	25,175,469	24,984,493
Total liabilities	30,306,660	29,497,525
DEFERRED INFLOWS		
	1,589,790	1,544,026
NET POSITION		
Net investment in capital assets	36,232,425	32,251,509
Restricted	1,380,923	1,303,336
Unrestricted	32,462,252	30,671,348
Total net position	70,075,600	64,226,193
	\$ 101,972,050	\$ 95,267,744

See accompanying Notes to Financial Statements.

**Oneida-Herkimer
Solid Waste Management Authority**

Statements of Revenues, Expenses, and Changes In Net Position

	Years Ended December 31,	
	2020	2019
OPERATING REVENUES		
Tipping fees, net	\$ 19,550,716	\$ 19,095,556
Solid waste service charge, City of Utica	2,272,782	2,277,358
Refuse bag sales	2,663,551	2,401,552
Toter revenues	851,854	774,331
Recyclable sales	1,571,951	1,327,744
Carbon credit sales	589,694	474,965
Landfill gas sales	324,304	322,253
Miscellaneous	742,850	726,060
	28,567,702	27,399,819
OPERATING EXPENSES		
Salaries, wages and benefits	7,402,386	6,482,478
Contractual services	7,114,572	7,055,793
Materials and supplies	1,037,367	1,329,428
Utilities	274,764	286,845
Repairs and maintenance	240,501	257,386
Host community benefits	730,008	731,237
Leachate disposal	568,630	733,306
Insurance	210,509	194,491
Other rental	71,065	67,941
Depreciation	4,494,626	4,240,443
Change in post-closure accrual estimate	107,232	1,736,226
Other	859,199	894,030
	23,110,859	24,009,604
Operating income	5,456,843	3,390,215
NONOPERATING REVENUES (EXPENSES)		
Interest income	800,084	1,029,765
Interest expense	(498,624)	(572,377)
Operating grants	91,104	1,661,108
	392,564	2,118,496
Change in net position	5,849,407	5,508,711
NET POSITION, <i>beginning of year</i>	64,226,193	58,717,482
NET POSITION, <i>end of year</i>	\$ 70,075,600	\$ 64,226,193

See accompanying Notes to Financial Statements.

Oneida-Herkimer Solid Waste Management Authority

Statements of Cash Flows

	Years Ended December 31,	
	2020	2019
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Received from customers	\$ 29,637,749	\$ 25,814,111
Paid to suppliers and vendors	(10,758,584)	(12,577,708)
Paid to employees, including benefits	(6,666,645)	(5,351,171)
	12,212,520	7,885,232
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of revenue bond principal	(2,475,000)	(2,395,000)
Interest paid	(532,879)	(588,598)
Proceeds from sale of capital assets	103,667	54,616
Acquisition of capital assets	(5,967,772)	(4,570,868)
Operating grants and other revenues	91,104	1,463,914
	(8,780,880)	(6,035,936)
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Interest received	814,896	862,352
Proceeds from sale of investments	13,523,734	18,343,641
Purchase of investments	(9,116,816)	(21,812,831)
	5,221,814	(2,606,838)
Net increase (decrease) in cash and cash equivalents	8,653,454	(757,542)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	8,268,682	9,026,224
CASH AND CASH EQUIVALENTS, <i>end of year</i>	\$ 16,922,136	\$ 8,268,682
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	\$ 5,456,843	\$ 3,390,215
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	4,494,626	4,240,443
Provision for bad debts	216,955	216,060
Gain on disposal of capital assets	(99,993)	(51,235)
Change in assets and liabilities		
Receivables	953,085	(565,995)
Prepaid expenses and other assets	(103,431)	(68,525)
Deferred outflows	(2,069,719)	714,831
Accounts payable and accrued liabilities	565,835	548,398
Deferred inflows	45,764	(968,478)
Accrued closure and post-closure costs	(7,141)	13,042
Net pension liability	2,769,319	566,219
Accrued postemployment benefits	(9,623)	(149,743)
	12,212,520	7,885,232

See accompanying Notes to Financial Statements.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies

a. *Nature of Business*

The Oneida-Herkimer Solid Waste Management Authority, a component unit of Oneida County, New York (Authority), was created September 1, 1988, as a public benefit corporation under New York State Public Authorities Law §2049, by the New York State Legislature with powers to construct, operate, and maintain solid waste management facilities for the benefit of Oneida and Herkimer Counties (the Counties).

The Authority owns and operates nine facilities, the Western Transfer Station (WTS), the Eastern Transfer Station (ETS), Materials Recovery Facility (MRF), Green Waste Compost Site (GWC), Household Hazardous Waste Facility (HHW), the Webb Transfer Station, Regional Landfill Facility (RLF), the Land Clearing Debris Facility, Administration Building, and owns one closed facility, the Ash Landfill (ALF) (closed during 1998).

b. *Basis of Accounting and Presentation of Financial Statements*

The Authority's financial statements are prepared using the accrual basis in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

All activities of the Authority are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are: (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The accounting and financial reporting treatment applied to the Authority is determined by its measurement focus. The transactions of the Authority are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows, and liabilities and deferred inflows associated with the operations are included on the statements of net position.

Net position is classified as follows:

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation reduced by the net outstanding debt balances.
- *Restricted net position* has externally placed constraints on use.
- *Unrestricted net position* consists of assets and deferred outflows and liabilities and deferred inflows that do not meet the definition of "restricted net position" or "net investment in capital assets."

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

b. Basis of Accounting and Presentation of Financial Statements - Continued

Revenues are recognized when earned, and expenses are recognized when incurred. The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the disposal of solid waste. The principal operating revenues of the Authority are charges to customers for user services. Tipping fees are presented net of disposal fees incurred by the Authority in relation to the waste brought to the Authority's facilities. Disposal fees totaled \$1,697,323 and \$1,521,389 for the years ended December 31, 2020 and 2019, respectively. Operating expenses include the cost of personnel and contractual services, materials and supplies, utilities, change in post-closure accrual estimate, administrative expenses, depreciation on capital assets and other costs related to solid waste administration. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

c. Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

d. Fair Value Measurement

The Authority reports certain assets at fair value, which is defined as the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date.

e. Cash and Cash Equivalents

Cash and cash equivalents consist of cash deposits in banks and other short-term investments, whether unrestricted or restricted, with a maturity of three months or less from the date of purchase. Short-term investments consist of money market funds with underlying investments in obligations of the U.S. government and repurchase agreements.

Statutes authorize the Authority to maintain deposits with financial institutions and to invest in certificates of deposit, obligations of New York State, the United States Government, and its agencies, and repurchase agreements collateralized by U.S. obligations.

Cash deposits with financial institutions are either covered by the Federal Deposit Insurance Corporation (FDIC) or collateralized by securities held by the pledging bank's trust department in the Authority's name, or U.S. Government and/or federal agency securities held by the Trustee. Cash equivalents in money market funds and investments are held in the Authority's name by their custodian and, therefore, not subject to custodial risk.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

f. Receivables, Net

Trade receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. The allowance for doubtful accounts was \$262,585 and \$262,050 at December 31, 2020 and 2019, respectively. Trade receivables are written off when deemed uncollectible. During 2020 and 2019, the Authority wrote off \$216,955 and \$216,060, respectively, of City of Utica user fees. Recoveries of trade receivables previously written off are recorded as a recovery of bad debt when received.

A trade receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on trade receivables that are outstanding for more than 30 days and is recognized as it is charged. After the receivable becomes past due, accrual of interest continues until the receivable is written off, or a payment agreement is reached with the customer.

g. Capital Assets, Net

Capital assets, net, are recorded at cost, except for contributed property and equipment, which are recorded at fair value. Expenditures for acquisitions, renewals, and betterments are capitalized, whereas maintenance and repair costs are expensed as incurred. The Authority uses a capitalization threshold of \$1,000 to analyze expenditures for capitalization. When equipment is retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation, and any resultant gain or loss is credited or charged to income.

Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated useful lives, using the straight-line method. The estimated useful lives used in determining depreciation are as follows:

Plant	20 years
Machinery and equipment	3 - 20 years
Vehicles	5 years
Land improvements	15 years
Regional landfill	10 - 50 years

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over its fair value.

Interest expenses incurred during construction of assets are capitalized. Constructed assets financed with the proceeds of tax-exempt debt (if those funds are externally restricted to finance the acquisitions of the asset or used to service the related debt) include capitalized interest to the extent that interest cost (including any related financing costs) over the asset construction period exceeds interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

h. Bond Issuance Costs, Deferred Inflows, and Deferred Outflows

Bond issuance costs, other than prepaid insurance costs, are expensed as incurred in the statements of revenues, expenses, and changes in net position.

Deferred outflows of resources are defined as a consumption of assets by the Authority that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of assets by the Authority that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets, and deferred inflows of resources decrease net position, similar to liabilities.

Deferred inflows include revenues billed in advance under contracts with the City of Utica and the Villages of Ilion, Frankfort, Herkimer, Mohawk, and Dolgeville (Note 8). Revenues are recognized as income in the period in which the related services are rendered. Deferred outflows and inflows also include changes in assumptions related to the net pension liability (Note 6) and post-employment benefits (Note 7).

The components of deferred outflows and inflows are as follows:

	December 31,	
	2020	2019
Deferred outflows of resources		
Net pension liability related	\$ 2,713,614	\$ 905,347
Other post employment benefits related	522,906	261,454
	\$ 3,236,520	\$ 1,166,801
Deferred inflows of resources		
Net pension liability related	\$ 84,551	\$ 361,907
Other post employment benefits related	721,366	383,945
Unearned revenue	783,873	798,174
	\$ 1,589,790	\$ 1,544,026

i. Accrued Closure and Post-Closure Monitoring Costs

The Authority maintains the Ash Landfill (ALF) which reached full capacity at December 31, 1996, and the Regional Landfill (RLF), which began operating in late 2006. Based upon engineering estimates and actual usage, the Regional Landfill has a useful life of over seventy years. The Authority complies with the landfill closure and post-closure regulations of the New York State Department of Environmental Conservation (NYSDEC). At December 31, 2020 and 2019, the Authority accrued \$3,948,722 and \$3,955,863, respectively, for estimated closure and post-closure costs. The costs include equipment, final cover and post closure monitoring and maintenance incurred near or after the date the Authority stops accepting waste. Due to changes in technology or changes in regulations, actual costs may be different from the current accrual.

In compliance with NYSDEC requirements, \$4,187,933 and \$4,109,218 in certificates of deposit and U.S. Agency securities have been restricted by the Authority for this purpose at December 31, 2020 and 2019, respectively.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

j. Tax Status

The Authority is exempt from federal, state, and local income taxes.

k. Subsequent Events

The Authority has evaluated subsequent events for potential recognition or disclosure through February 24, 2021 the date the financial statements were available to be issued.

Note 2 - Restricted Assets

In accordance with the terms of the Authority's bond indentures and requirements set by the NYSDEC, the use of certain Authority assets is restricted for specific purposes as summarized below:

	December 31,	
	2020	2019
<i>Debt Service Reserve Fund</i>		
Contingency fund to be utilized in case of default	\$ 3,108,659	\$ 3,172,693
<i>Construction Projects Fund and Bond Redemption and Improvement Fund</i>		
Additional capital expenditures which may be incurred by the Authority	1,115,415	1,115,415
<i>Other Funds</i>		
Restricted - debt service	2,336,914	2,243,015
Restricted - closure and post-closure monitoring costs	4,187,933	4,109,218
Accrued interest on restricted assets	26,297	34,566
	\$ 10,775,218	\$ 10,674,907

Note 3 - Investments

Fair value of the Authority's investments and related maturities at December 31, 2020 and 2019 is as follows:

Restricted Investments	Fair Value	December 31, 2020		
		Investment Maturities (in Years)		
		Less than 1	1 to 5	6 to 10
U.S. Treasury Bond State and Local Government Series	\$ 2,027,260	\$ -	\$ -	\$ 2,027,260
Certificates of Deposit	4,934,411	2,304,513	2,629,898	-
Federal Agency Securities	408,983	119,960	249,908	39,115
	\$ 7,370,654	\$ 2,424,473	\$ 2,879,806	\$ 2,066,375
<i>Unrestricted Investments</i>				
Certificates of Deposit	\$ 23,512,136	\$ 10,231,798	\$ 13,280,338	\$ -

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2020 and 2019

Note 3 - Investments - Continued

Restricted Investments	December 31, 2019			
	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	6 to 10
U.S. Treasury Bond State and Local Government Series	\$ 2,027,260	\$ -	\$ -	\$ 2,027,260
Certificates of Deposit	5,495,881	2,419,059	3,076,822	-
Federal Agency Securities	304,328	49,948	164,578	89,802
	<u>\$ 7,827,469</u>	<u>\$ 2,469,007</u>	<u>\$ 3,241,400</u>	<u>\$ 2,117,062</u>
<u>Unrestricted Investments</u>				
U.S. Treasury Notes	\$ 3,394,567	\$ 3,394,567	\$ -	\$ -
Certificates of Deposit	24,067,672	5,542,961	18,524,711	-
	<u>\$ 27,462,239</u>	<u>\$ 8,937,528</u>	<u>\$ 18,524,711</u>	<u>\$ -</u>

a. Credit Risk

All of the Authority's investment related deposits with financial institutions were either covered by FDIC insurance or fully collateralized by authorized investments of the pledging financial institution.

The Authority's investment policy limits investments to time deposit accounts, certificates of deposit, obligations of the United States of America, obligations guaranteed by the United States of America, obligations of the State of New York, obligations of certain municipalities, schools districts, or other district corporations, obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies that are authorized by State statutes, certifications of participations, and investments with agencies of the Federal government. All of the Authority's investments had a credit rating AA or higher by major rating agencies.

b. Custodial Credit Risk

Investments are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held either by (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. All of the Authority's investments are held under its name with the custodian.

c. Interest Rate Risk

The fair value of the Authority's fixed maturity investments fluctuates in response to changes in market interest rates. Fair values of interest rate-sensitive instruments may be affected by the creditworthiness of the issuer, prepayment options, the liquidity of the instrument, and other general market conditions. The Authority plans to hold its restricted investments to maturity, which minimizes the occurrence of loss on investments.

d. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the Authority's investment in single issues. At December 31, 2020 and 2019, certificates of deposit held at two and three financial institutions accounted for approximately 67% and 48% of investments, respectively. No other issuer, excluding the U.S. federal government, makes up more than 10% of the Authority's investment portfolio. All certificates of deposit are fully collateralized. Management of the Authority monitors the credit ratings associated with its underlying investments.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 3 - Investments - Continued

e. Fair Value of Financial Instruments

The framework for measuring fair value includes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Authority has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 Inputs to the valuation methodology are unobservable inputs and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2020 and 2019:

Certificates of deposits: Valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

Federal Agency Securities and U.S. Treasury Notes: Valued based on observable prices for the particular security, or when prices are not observable, the valuation is based on prices of comparable securities or the present value of expected future cash flows.

U.S. Treasury Bond State and Local Government Series: The fair value is determined by the bond trustee and cost approximates fair value.

The methods described above may produce a fair value calculation that may not be reflective of future fair values. Furthermore, while the Authority believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 3 - Investments - Continued

e. Fair Value of Financial Instruments - Continued

A summary of assets measured at fair value on a recurring basis is summarized below:

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 28,446,547	\$ -	\$ 28,446,547
Federal Agency Securities	-	408,983	-	408,983
U.S. Treasury Bond State and Local Government Series	-	2,027,260	-	2,027,260
Total investments	\$ -	\$ 30,882,790	\$ -	\$ 30,882,790

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 29,563,553	\$ -	\$ 29,563,553
Federal Agency Securities	-	304,328	-	304,328
U.S. Treasury Bond State and Local Government Series	-	2,027,260	-	2,027,260
U.S. Treasury Notes	-	3,394,567	-	3,394,567
Total investments	\$ -	\$ 35,289,708	\$ -	\$ 35,289,708

Note 4 - Capital Asset, Net

Capital assets, net, summarized by facility are as follows:

	December 31, 2020				
	MRF, GWC, and HHW	ETS and WTS	Regional Landfill	Other	Total
Capital assets not being depreciated					
Land	\$ -	\$ -	\$ 2,996,086	\$ 396,970	\$ 3,393,056
Construction in progress	257,745	-	2,498,885	-	2,756,630
Total capital assets not being depreciated	257,745	-	5,494,971	396,970	6,149,686
Capital assets being depreciated					
Land improvements	855,735	689,758	47,647,553	53,060	49,246,106
Buildings and improvements	7,974,120	12,563,326	6,811,537	316,650	27,665,633
Equipment and machinery	9,360,725	1,502,457	1,206,223	121,624	12,191,029
Vehicles	1,885,877	1,986,735	5,266,708	745,971	9,885,291
Office equipment	39,130	20,908	75,392	226,078	361,508
	20,115,587	16,763,184	61,007,413	1,463,383	99,349,567
Less accumulated depreciation	12,507,991	10,068,880	34,394,067	1,250,560	58,221,498
Total capital assets being depreciated	7,607,596	6,694,304	26,613,346	212,823	41,128,069
Total capital assets, net	\$ 7,865,341	\$ 6,694,304	\$ 32,108,317	\$ 609,793	\$ 47,277,755

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2020 and 2019

Note 4 - Capital Asset, Net - Continued

	December 31, 2019				
	MRF, GWC, and HHW	ETS and WTS	Regional Landfill	Other	Total
Capital assets not being depreciated					
Land	\$ -	\$ -	\$ 2,996,086	\$ 396,970	\$ 3,393,056
Construction in progress	70,941	-	-	-	70,941
Total capital assets not being depreciated	<u>70,941</u>	<u>-</u>	<u>2,996,086</u>	<u>396,970</u>	<u>3,463,997</u>
Capital assets being depreciated					
Land improvements	855,735	630,561	47,383,596	53,060	48,922,952
Buildings and improvements	7,934,016	10,749,205	6,790,905	316,650	25,790,776
Equipment and machinery	9,144,881	1,488,158	1,132,130	121,624	11,886,793
Vehicles	1,836,183	2,102,049	5,186,271	762,328	9,886,831
Office equipment	39,130	18,559	75,392	216,732	349,813
	<u>19,809,945</u>	<u>14,988,532</u>	<u>60,568,294</u>	<u>1,470,394</u>	<u>96,837,165</u>
Less accumulated depreciation	11,605,605	9,545,473	32,104,252	1,237,549	54,492,879
Total capital assets being depreciated	<u>8,204,340</u>	<u>5,443,059</u>	<u>28,464,042</u>	<u>232,845</u>	<u>42,344,286</u>
Total capital assets, net	<u>\$ 8,275,281</u>	<u>\$ 5,443,059</u>	<u>\$ 31,460,128</u>	<u>\$ 629,815</u>	<u>\$ 45,808,283</u>

A summary of changes in the Authority's capital assets for the years ended December 31, 2020 and 2019 is as follows:

	Balance December 31, 2019	Additions	Retirements/ Disposals	Balance December 31, 2020
Capital assets not being depreciated				
Land	\$ 3,393,056	\$ -	\$ -	\$ 3,393,056
Construction in progress	70,941	4,677,384	(1,991,695)	2,756,630
Total capital assets not being depreciated	<u>3,463,997</u>	<u>4,677,384</u>	<u>(1,991,695)</u>	<u>6,149,686</u>
Capital assets being depreciated				
Land improvements	48,922,952	323,154	-	49,246,106
Buildings and improvements	25,790,776	1,874,857	-	27,665,633
Equipment and machinery	11,886,793	351,329	(47,093)	12,191,029
Vehicles	9,886,831	716,587	(718,127)	9,885,291
Office equipment	349,813	16,156	(4,461)	361,508
	<u>96,837,165</u>	<u>3,282,083</u>	<u>(769,681)</u>	<u>99,349,567</u>
Less accumulated depreciation	54,492,879	4,494,626	(766,007)	58,221,498
Total capital assets being depreciated	<u>42,344,286</u>	<u>(1,212,543)</u>	<u>(3,674)</u>	<u>41,128,069</u>
Total capital assets, net	<u>\$ 45,808,283</u>	<u>\$ 3,464,841</u>	<u>\$ (1,995,369)</u>	<u>\$ 47,277,755</u>

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 4 - Capital Asset, Net - Continued

	Balance December 31, 2018	Additions	Retirements/ Disposals	Balance December 31, 2019
Capital assets not being depreciated				
Land	\$ 3,270,675	\$ 122,381	\$ -	\$ 3,393,056
Construction in progress	5,614,666	2,760,456	(8,304,181)	70,941
Total capital assets not being depreciated	<u>8,885,341</u>	<u>2,882,837</u>	<u>(8,304,181)</u>	<u>3,463,997</u>
Capital assets being depreciated				
Land improvements	44,067,658	4,855,294	-	48,922,952
Buildings and improvements	22,995,207	2,795,569	-	25,790,776
Equipment and machinery	10,438,945	1,456,796	(8,948)	11,886,793
Vehicles	9,284,173	862,659	(260,001)	9,886,831
Office equipment	327,919	21,894	-	349,813
	<u>87,113,902</u>	<u>9,992,212</u>	<u>(268,949)</u>	<u>96,837,165</u>
Less accumulated depreciation	50,518,004	4,240,443	(265,568)	54,492,879
Total capital assets being depreciated	<u>36,595,898</u>	<u>5,751,769</u>	<u>(3,381)</u>	<u>42,344,286</u>
Total capital assets, net	<u>\$ 45,481,239</u>	<u>\$ 8,634,606</u>	<u>\$ (8,307,562)</u>	<u>\$ 45,808,283</u>

Construction in progress principally relates to costs incurred to construct cells at the Authority's RLF and the source separated organics facility. The source separated organics facility was placed in service during the year end December 31, 2020. The cell at the RLF is still in progress.

Note 5 - Revenue Bonds

A summary of changes in the Authority's revenue bonds is as follows:

	Balance December 31, 2018	Additions	Reductions	Balance December 31, 2019	Additions	Reductions	Balance December 31, 2020
2011 Revenue Bonds	\$ 6,650,000	\$ -	\$ (830,000)	\$ 5,820,000	\$ -	\$ (870,000)	\$ 4,950,000
2015 EFC Revenue Bonds	15,812,593	-	(1,565,000)	14,247,593	-	(1,605,000)	12,642,593
	<u>\$ 22,462,593</u>	<u>\$ -</u>	<u>\$ (2,395,000)</u>	<u>\$ 20,067,593</u>	<u>\$ -</u>	<u>\$ (2,475,000)</u>	<u>\$ 17,592,593</u>

Revenue bonds of the Authority are summarized as follows:

2011 Revenue Bonds

The 2011 revenue bonds were originally issued at \$10,725,000 to finance the design, acquisition, and installation of a single-stream recyclables processing system. Bond proceeds were also used to fund the debt service reserve fund and to fund costs incurred in connection with the issuance. Interest is payable semi-annually at interest rates ranging from 4% to 5%. Remaining principal payments range from \$910,000 to \$1,080,000, payable annually on April 1 through 2025. The Authority is on schedule to redeem these bonds in April 2021.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 5 - Revenue Bonds - Continued

2015 EFC Revenue Bonds

The New York State Environmental Facilities Corporation (EFC) State Clean Water and Drinking Water Revolving Funds Revenue Bonds were originally issued in 2006 at \$33,396,675 to finance certain improvements to the Authority's landfill located in the Town of Ava, New York and to refinance certain outstanding indebtedness of the Authority. The bonds were refunded in 2015.

Principal installments range from \$1,645,000 to \$3,962,593 and are payable annually on April 1 through 2026. Interest is payable semi-annually at interest rates ranging from 4.54% to 4.77%, gross of subsidy credit and refunding benefit. The Authority receives a subsidy credit and a refunding benefit toward its annual debt service cost and is charged an annual administrative fee by EFC. The Authority received a subsidy credit of \$256,793 and \$292,614 for the years ended December 31, 2020 and 2019, respectively, and a refunding benefit of \$141,709 and \$169,059 for the years ended December 31, 2020 and 2019, respectively.

All assets and revenues of the Authority are pledged as collateral for the bonds. In addition, the Counties guarantee debt service payments by means of the Solid Waste Management Agreement (Agreement) between the Authority and the Counties.

Future debt service payments required on Revenue Bonds are as follows:

	Principal	Interest *	Total
For the year ending December 31,			
2021	\$ 2,555,000	\$ 778,577	\$ 3,333,577
2022	2,635,000	658,144	3,293,144
2023	2,720,000	530,788	3,250,788
2024	2,810,000	397,650	3,207,650
2025	2,910,000	259,429	3,169,429
2026	3,962,593	94,488	4,057,081
	17,592,593	\$ 2,719,076	\$ 20,311,669
Less current installments	2,555,000		
Revenue Bonds, less current installments	\$ 15,037,593		

* EFC interest is reported gross of the subsidy credit and a refunding benefit, which over the remaining life of the bonds will be \$1,524,172.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 6 - New York State Employees' Retirement System

Plan Description and Benefits Provided

The Authority participates in the New York State and Local Employees Retirement System (System), a cost-sharing multiple-employer retirement system. The System provides retirement benefits as well as death and disability benefits. The net position of the System is held in the New York State Common Retirement Fund (Fund), which was established to hold all net assets and record changes in plan net position allocated to the System. The Comptroller of the State of New York serves as the trustee of the Fund and is the administrative head of the System. System benefits are established under the provisions of the New York State Retirement and Social Security Law (RSSL). Once a public employer elects to participate in the System, the election is irrevocable. The New York State Constitution provides that pension membership is a contractual relationship and plan benefits cannot be diminished or impaired. Benefits can be changed for future members only by enactment of a State statute.

The System is included in the State's financial report as a pension trust fund. That report, including information with regard to benefits provided, may be found at <https://www.osc.state.ny.us/retire/publications/index.php> or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

Contributions

The System is noncontributory except for employees who joined after July 27, 1976, who contribute 3 percent of their salary for the first ten years of membership, and employees who joined on or after January 1, 2010 who generally contribute 3 percent of their salary for their entire length of service.

Under the authority of the System, the Comptroller annually certifies the actuarially determined rates expressly used in computing the employers' contributions based on salaries paid during the Systems' fiscal year ending March 31. The Authority's contributions for the current year and two preceding years were equal to 100 percent of the required contributions, and were as follows:

2020	\$	567,018
2019		571,218
2018		549,859

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2020 and 2019, the Authority reported liabilities of \$3,797,385 and \$1,028,066 for its proportionate share of the net pension liability, respectively. The net pension liabilities were measured as of March 31, 2020 and 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2020 and 2019, the Authority's proportion was 0.0143403% and 0.0145098%, respectively.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 6 - New York State Employees' Retirement System - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Continued

For the years ended December 31, 2020 and 2019, the Authority recognized pension expense of \$1,274,355 and \$660,164, respectively.

The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2020		December 31, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 223,491	\$ -	\$ 202,448	\$ 69,012
Change of assumptions	76,461	66,023	258,414	-
Net difference between projected and actual investment earnings on pension plan investments	1,946,724	-	-	263,859
Changes in proportion and differences between employer contributions and proportionate share of contributions	18,032	18,528	19,221	29,036
Employer contributions subsequent to the measurement date	448,906	-	425,264	-
Total	<u>\$ 2,713,614</u>	<u>\$ 84,551</u>	<u>\$ 905,347</u>	<u>\$ 361,907</u>

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

For the year ending December 31,	
2021	\$ 362,748
2022	547,636
2023	704,740
2024	565,033
	<u>\$ 2,180,157</u>

Actuarial Assumptions

The total pension liability at March 31, 2020 and 2019 was determined by using actuarial valuations as of April 1, 2019 and 2018, respectively, with update procedures used to roll forward the total pension liability to March 31, 2020 and 2019. The actuarial valuations used the following actuarial assumptions. The assumptions are consistent from year to year, except as noted:

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 6 - New York State Employees' Retirement System - Continued

Actuarial Assumptions - Continued

Actuarial Cost Method	Entry age normal
Inflation Rate	2.5 percent
Salary Scale	4.2 percent, indexed by service
Investment rate of return,	
2020	6.80 percent compounded annually, net of expenses
2019	7.00 percent compounded annually, net of expenses
Decrement	Based on FY 2010-2015 experience
Mortality improvement	Society of Actuaries Scale MP-2018

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 returns net of investment expense 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. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2020 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	36.00%	4.05%
International equity	14.00%	6.15%
Private equity	10.00%	6.75%
Real estate	10.00%	4.95%
Absolute return strategies	2.00%	3.25%
Opportunistic portfolio	3.00%	4.65%
Real assets	3.00%	5.95%
Bonds and mortgages	17.00%	0.75%
Cash	1.00%	0.00%
Inflation-Indexed bonds	4.00%	0.50%
	<u>100.00%</u>	

Discount Rate

The discount rate used to calculate the total pension liability was 6.80% and 7.00% at December 31, 2020 and 2019, respectively. 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.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 6 - New York State Employees' Retirement System - Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension liability at December 31, 2020 calculated using the discount rate of 6.80%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.80%) or 1-percentage-point higher (6.80%) than the current rate:

	1% Decrease (5.8%)	Current Discount (6.8%)	1% Increase (7.8%)
Authority's proportionate share of the net pension liability	\$ 6,969,273	\$ 3,797,385	\$ 876,062

Pension Plan Fiduciary Net Position

The components of the current-year net pension liability of the Employee's Retirement System as of March 31, were as follows (dollars in thousands):

	2020	2019
Employers' total pension liability	\$ 194,596,261	\$ 189,803,429
Plan net position	(168,115,682)	(182,718,124)
Employers' net pension liability	\$ 26,480,579	\$ 7,085,305
Ratio of plan net position to the employers' total pension liability	86.4%	96.3%

Note 7 - Other Postemployment Benefits (OPEB)

The Authority provides health care benefits for eligible retired employees comprised of a 50% monthly premium contribution toward their health insurance costs. Eligible retirees may also have a spouse and dependents covered at the retired employees' expense. Healthcare benefits are provided through insurance companies whose premiums are based on the benefits provided.

The benefit plan is administered and accounted for as a single-employer defined benefit plan. A summary of active employees and retired employees covered under this benefit plan is as follows:

	December 31,	
	2020	2019
Actives	20	18
Retirees	4	5
Total	24	23

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 7 - Other Postemployment Benefits (OPEB) - Continued

The contribution requirements of benefit plan members and the Authority are established pursuant to applicable collective bargaining and employment agreements. The required rates of the employer and the members may vary depending on the applicable agreement. The Authority is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the years ended December 31, 2020 and 2019, the Authority paid \$63,942 and \$60,812, respectively, on behalf of the plan members. The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2020 and 2019, the Authority reported a liability of \$2,378,044 and \$2,387,667 for its OPEB liability, respectively. The OPEB liability was measured as of January 1, 2020 by an actuarial valuation as of that date. For the years ended December 31, 2020 and 2019, the Authority recognized OPEB expense of \$105,947 and \$126,661, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2020		December 31, 2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 550,832	\$ -	\$ 173,844
Changes of assumptions or other inputs	483,305	170,534	197,512	210,101
Employer contributions subsequent to the measurement date	39,601	-	63,942	-
	<u>\$ 522,906</u>	<u>\$ 721,366</u>	<u>\$ 261,454</u>	<u>\$ 383,945</u>

Authority contributions subsequent to the measurement date are recognized as a reduction of the OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending May 31,	
2021	\$ (50,815)
2022	(50,815)
2023	(50,815)
2024	(54,602)
2025	(29,005)
Thereafter	<u>(2,009)</u>
Total	<u>\$ (238,061)</u>

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 7 - Other Postemployment Benefits (OPEB) - Continued

Actuarial Assumptions. The total OPEB liability was determined using the following actuarial assumptions, which are consistent from year to year, except as noted:

Assumptions	Factor
Valuation Date	January 1, 2020
Measurement Date	January 1, 2020
Reporting Date	December 31, 2020
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Discount Rate	
2020	2.74%
2019	4.10%
Health Care Cost Trend Rates	Society of Actuaries Long-Run Medical Cost Trend Model
Salary Scale	3.50%
Inflation	2.20%
Mortality	RPH-2014 Mortality Table for Health Annuitants, sex distinct, with generational mortality adjusted to 2006 using scale MP-2014, and projected forward with scale MP-2019

Schedule of Changes in Net OPEB Liability

	December 31,	
	2020	2019
Beginning of the year	\$ 2,387,667	\$ 2,537,410
Charges for the year:		
Service cost	57,809	72,019
Interest	98,953	88,718
Differences between expected and actual experience	(498,831)	-
Changes in assumption and other inputs	396,388	(249,668)
Benefit payments	(63,942)	(60,812)
Net changes	<u>(9,623)</u>	<u>(149,743)</u>
End of year	<u>\$ 2,378,044</u>	<u>\$ 2,387,667</u>

Sensitivity of the Employer's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Trend Rate and Discount Rate

The following presents the OPEB Liability of the plan as of December 31, 2020 using current health care cost trend rates as well as what the OPEB liability would be if it were calculated using health care cost trend rates that are 1% lower and 1% higher than the current rate:

	1% Decrease	Current Trend Rate	1% Increase
Authority's proportionate share of the OPEB liability	\$ 2,056,633	\$ 2,378,044	\$ 2,780,597

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 7 - Other Postemployment Benefits (OPEB) - Continued

The following presents the OPEB liability of the plan as of December 31, 2020, calculated using the discount rate of 2.74%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.74%) or 1-percentage-point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Current Discount Rate (2.74%)	1% Increase (3.74%)
Authority's proportionate share of the OPEB liability	\$ 2,741,833	\$ 2,378,044	\$ 2,081,882

Note 8 - Commitments, Contingencies, Risks, and Uncertainties

a. City of Utica Contract

The Authority maintains a contract with the City of Utica (City) through March 31, 2023 to provide for collection of waste and recyclables and associated billing throughout the City. In accordance with the contract, and in recognition of the City being host to the Recycling Center, Eastern Transfer Station, and Green Waste Compost Facility, the Authority pays the City Host Community Benefits of \$1 per ton for all materials delivered to those facilities as long as the Authority uses the Eastern Transfer Station for transport of waste out of the region, with a guaranteed minimum of \$100,000 per year. The Authority made Host Community Benefit payments in the amount of \$204,632 and \$202,494 during the years ended December 31, 2020 and 2019, respectively. There was \$51,458 and \$51,615 due to the City at December 31, 2020 and 2019, respectively, which is included in accounts payable and accrued liabilities.

Under the Agreement, the Authority receives the City's solid waste service charge revenue to cover the costs of waste removal and the revenues generated from the sale of refuse bags to residents used to dispose of residential waste. For the years ended December 31, 2020 and 2019, the cost of waste removal was \$4,242,971 and \$4,061,883 offset by solid waste service charge revenues of \$2,272,782 and \$2,277,358 and refuse bag sales of \$2,080,903 and \$1,858,587, respectively.

b. Villages of Ilion, Frankfort, Herkimer, Dolgeville, and Mohawk Contracts

The Authority and the Villages of Ilion, Frankfort, Herkimer, Dolgeville, and Mohawk entered into separate agreements for the coordination of waste and recyclables collection, which expire at various times between September 2020 and March 2023. The Authority provides the coordination services for annual fees of between \$4,000 and \$8,000.

The Authority receives revenue from the sale of refuse bags to residents used to dispose of residential waste, and from the rental of toters to Village residences. These revenues are then applied to the fees for delivery of waste to the Authority's transfer stations, fees for waste collection, and for the purchase of refuse bags.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 8 - Commitments, Contingencies, Risks, and Uncertainties - Continued

b. Villages of Ilion, Frankfort, Herkimer, Dolgeville, and Mohawk Contracts - Continued

In the event that revenues do not cover expenses related to this contract, the Villages will increase fees for refuse bags and toter rentals to cover future losses. For the years ended December 31, 2020 and 2019, the cost of waste removal was \$1,382,065 and \$1,297,282, offset by refuse bag sales of \$582,648 and \$542,965, and toter rental fees of \$851,854 and \$774,331, respectively.

c. Sale of Climate Reserve Tonnes

The Authority has entered into an agreement with a third party for the sale of Climate Reserve Tonnes (carbon credits). The agreement is in effect through July 2024. For the years ended December 31, 2020 and 2019, \$589,694 and \$474,965, respectively, was earned related to the sale of carbon credits.

d. Landfill Gas and Facilities Site Lease and Landfill Gas Purchase Agreement

The Authority has entered into an agreement with a third party (Lessee) which provides for the Lessee to construct, own, and operate an electric generation facility on property adjacent to the Authority's landfill and gas extraction facilities. All landfill gas generated at the landfill is purchased by the Lessee who makes payments to the Authority based on the electricity generated and the electricity sold. The agreement continues for ten years after the commercial operation date (May 2012). For the years ended December 31, 2020 and 2019, \$324,304 and \$322,253, respectively, was earned related to the sale of landfill gas.

e. Host Community Benefit Agreements

In connection with the operation of the Regional Landfill Facility (RLF), the Authority has entered into various long-term agreements with certain municipalities impacted by the RLF. The agreements generally provide for minimum payments to the municipalities for a period of 25 years and contain provisions for additional or reduced payments in the event accepted tonnage varies from contractually stated amounts. Host community benefit expense was \$460,000 in 2020 and 2019, respectively.

f. Intergovernmental Recycling Agreements

The Authority entered into an intergovernmental agreement with three counties whereby the Authority accepts, processes, and markets residential recyclable materials from the various counties. The agreements provide for fixed, per ton payments to the Authority through 2020. Amounts received by the Authority from the sale of the recycled material are credited back to the counties using monthly averages received by the Authority from the sale of all recyclable commodities. Recyclable sales are reported net of amounts credited to the counties under these agreements. Processing fees for 2020 and 2019 were \$868,613 and \$824,838, respectively.

g. Litigation

The Authority is involved in certain suits and claims arising from a variety of sources. It is the opinion of management and counsel that the liabilities that may arise from such actions would not result in losses that would materially affect the financial position of the Authority or the results of its operations.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 8 - Commitments, Contingencies, Risks, and Uncertainties - Continued

h. Environmental Risks

Certain facilities are subject to federal, state, and local regulations relating to the discharge of materials into the environment. Compliance with these provisions has not had, nor does the Authority expect such compliance to have, any material effect upon the capital expenditures or financial condition of the Authority. The Authority believes that its current practices and procedures for control and disposition of regulated wastes comply with applicable federal, state, and local requirements.

Note 9 - Accounting Standards Issued But Not Yet Implemented

GASB Statement No. 87, Leases. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and the recognition of inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this statement. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after December 15, 2020.

GASB Statement No. 91, Conduit Debt Obligations. This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. This statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer, establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations, and improves note disclosures. The requirements for this statement, as delayed by GASB 95, are effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92, Omnibus 2020. This statement addresses a variety of topics including leases, intra-entity transfers, fiduciary activities, public entity risk pools/reinsurance recoveries, fair value measurements, and derivative instrument technology. The requirements of this statement, as delayed by GASB 95, are effective for periods beginning after June 15, 2021.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 9 - Accounting Pronouncements Issued But Not Yet Implemented - Continued

GASB Statement No. 93, Replacement of Interbank Offered Rates. This statement addresses governments that have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions to the reference rate. The objective of this statement is to address accounting and financial reporting implications that result from the replacement of IBOR, such as providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment, clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate, removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, and clarifying the definition of reference rate. The removal of the London IBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. The requirements relating to lease modifications, as delayed by GASB 95, are effective for reporting periods beginning after June 15, 2021. All other requirements of this statement are effective for reporting periods beginning after June 15, 2020.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which GASB defines in this statement as a PPP in which: (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Under this statement, a government generally should recognize a right-to-use subscription asset and a corresponding subscription liability. The requirements of this statement are effective for fiscal years beginning after June 15, 2022.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2020 and 2019

Note 9 - Accounting Standards Issued But Not Yet Implemented - Continued

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Service Code Section 457 Deferred Compensation Plans – an Amendment of GASB Statements No. 14 and 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this statement are to: (1) increase consistency and comparability relating to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit plans as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution other postemployment benefit plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performed the duties that a governing board would typically perform. The requirements of this statement that: (1) exempt primary governments that perform duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution other postemployment benefit plans, or other employee benefit plans; and (2) limit the applicability of the financial burden criteria, are effective immediately. The requirements of this statement that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this statement that provide for all other arrangements, the absence of a governing board be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021.

Management has not estimated the extent of the potential impact of these statements on the Authority's financial statements.

Oneida-Herkimer Solid Waste Management Authority

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 567,018	\$ 571,218	\$ 549,859	\$ 540,463	\$ 558,657	\$ 699,094	\$ 685,093	\$ 602,389	\$ 545,793	\$ 388,528
Contributions in relation to the contractually required contribution	567,018	571,218	549,859	540,463	558,657	699,094	685,093	602,389	545,793	388,528
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Authority's covered-employee payroll	4,267,962	4,100,777	4,064,975	3,836,397	3,695,136	3,419,002	3,640,306	3,458,769	3,399,133	3,544,966
Contribution as a percentage of covered-employee payroll	13.29%	13.93%	13.53%	14.09%	15.12%	20.45%	18.82%	17.42%	16.06%	10.96%

See Independent Auditor's Report.

**Oneida-Herkimer
Solid Waste Management Authority**

Required Supplementary Information
Schedule of Local Government Pension Contributions

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability	0.0143403%	0.0145098%	0.0143100%	0.0141556%	0.0148470%	0.0142362%
Authority's proportionate share of the net pension liability	\$ 3,797,385	\$ 1,028,066	\$ 461,847	\$ 1,330,098	\$ 2,276,668	\$ 480,933
Authority's covered-employee payroll	\$ 4,267,962	\$ 4,100,777	\$ 4,064,975	\$ 3,836,397	\$ 3,695,136	\$ 3,419,002
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	88.97%	25.07%	11.36%	34.67%	61.61%	14.07%
Plan fiduciary net position as a percentage of the total pension liability	86.4%	96.3%	98.2%	94.7%	97.9%	97.9%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Oneida-Herkimer
Solid Waste Management Authority**

Required Supplementary Information
Schedule of Other Postemployment Benefits Liability

	December 31,		
	2020	2019	2018
Beginning of the year	\$ 2,387,667	\$ 2,537,410	\$ 2,365,128
Charges for the year			
Service cost	57,809	72,019	67,811
Interest	98,953	88,718	91,554
Differences between expected and actual experience	(498,831)	-	(254,514)
Changes in assumption and other inputs	396,388	(249,668)	289,164
Benefit payments	(63,942)	(60,812)	(21,733)
Net changes	<u>(9,623)</u>	<u>(149,743)</u>	<u>172,282</u>
End of year	<u>\$ 2,378,044</u>	<u>\$ 2,387,667</u>	<u>\$ 2,537,410</u>
Covered payroll	1,451,516	1,407,237	1,299,431
OPEB liability as a percentage of covered payroll	163.83%	169.67%	195.27%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.



**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**

Board of Directors
Oneida-Herkimer Solid Waste Management Authority
Utica, New York

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 Oneida-Herkimer Solid Waste Management Authority (Authority), a component unit of the County of Oneida, New York, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 24, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 entity'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.

Compliance and Other Matters

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

BST+Co.CPAs, LLP

Albany, New York
February 24, 2021

