

ONEIDA-HERKIMER
SOLID WASTE AUTHORITY

2022

ANNUAL
REPORT



The
AuthorityTM
ONEIDA-HERKIMER SOLID WASTE AUTHORITY

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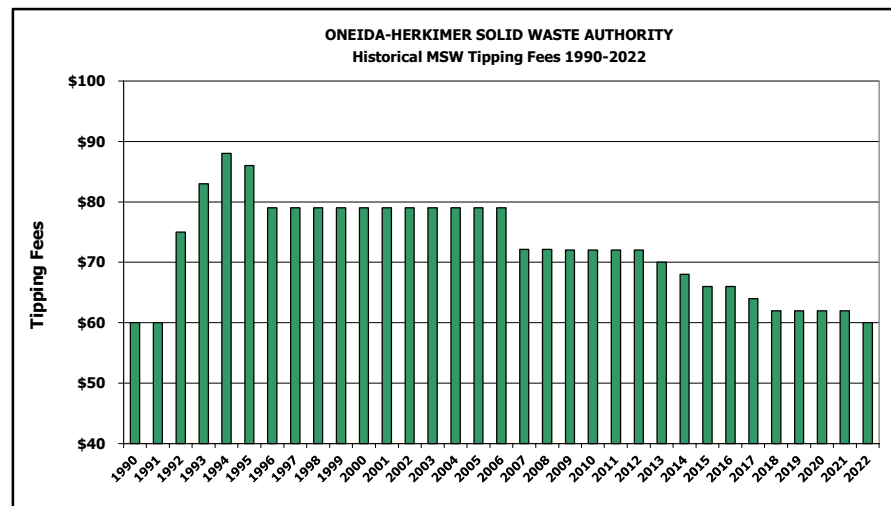
CHAIRMAN'S INTRODUCTION

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit the 2022 Annual Report. This year marked the 34th anniversary since the formation of the Authority.

2022 was another excellent year for the Authority. The Authority remains financially stable and strong, ending 2022 with a positive change in net position of \$6,063,570. One driver in the year's positive return was the EPA demolition of the Charlestown Complex located in Utica, NY. The Authority received 29,481 tons of direct haul asbestos. Furthermore, development in Oneida and Herkimer Counties continues to provide tonnage growth for the Authority.

In 2022, the Authority paid down principal on the only debt issue in the amount of \$1,690,000. The remaining principal of \$9,307,593 will be paid in full by April 1, 2026.

The recycling markets in 2022 contracted in comparison to 2021. For 2022, the Authority earned \$2,630,836 in recycling sales which was a decline of \$724,923 from 2021. The Authority continues to accept Oneida-Herkimer recyclables at no charge.



The Authority realized \$501,311 in landfill gas revenue through a Landfill Gas Purchase Agreement with Waste Management Renewable Energy (WMRE) in 2022. The landfill gas revenue realized was \$184,024 more than 2021. The increased landfill gas revenue included \$176,255 in electricity sales revenue sharing with WMRE which is triggered when the electricity sales price exceeds an agreed upon price. In 2022, the Authority realized revenue through this sharing agreement for the first time in many years.

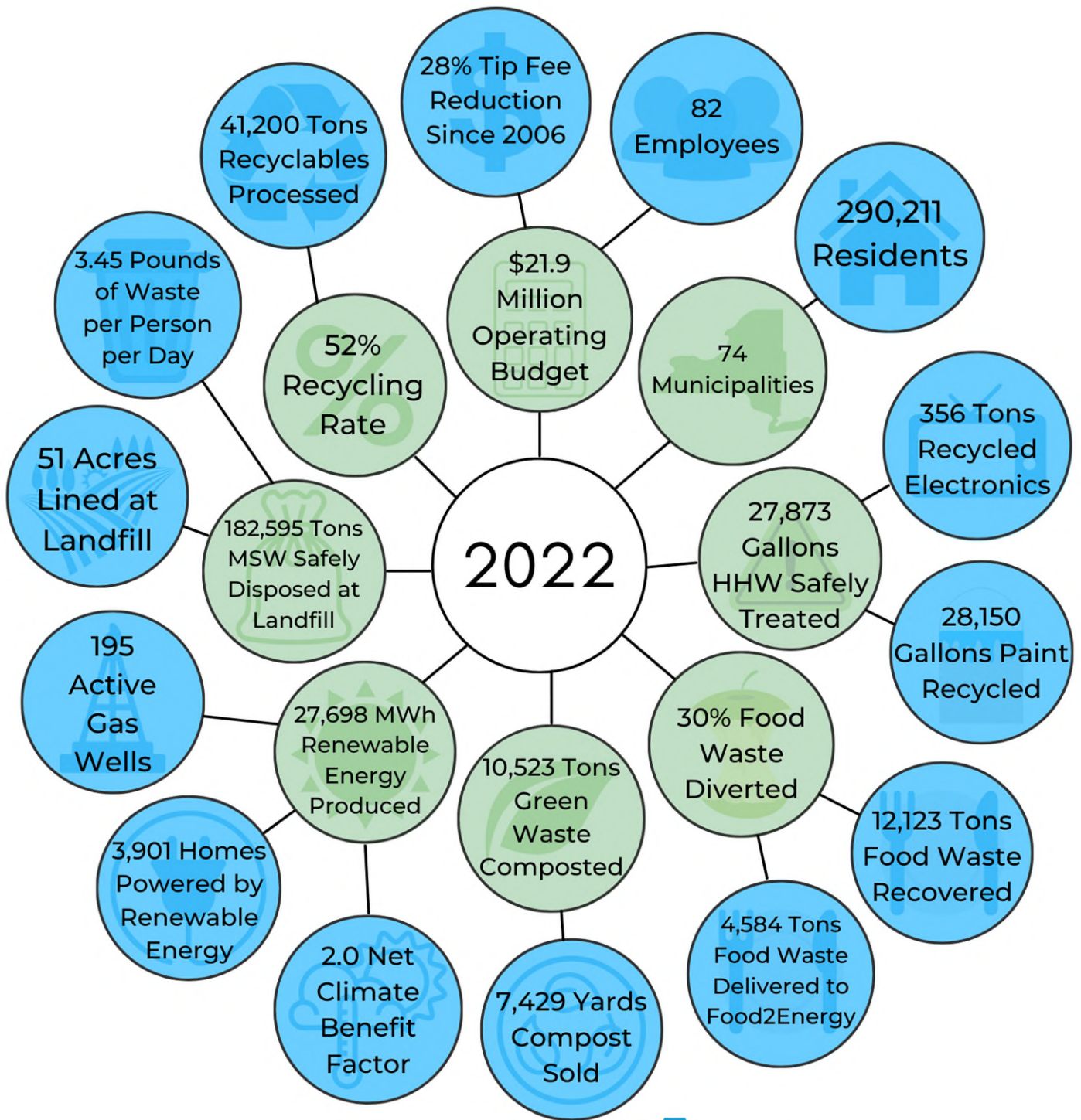
2022 marked the third full year of operation of the Authority's Food2Energy Facility. This facility allows us to accept bagged and packaged non-edible food waste and divert it from disposal at the Regional Landfill. The facility produces an organic slurry which is used to generate electricity at Oneida County's Wastewater Treatment Facility. The facility opened and became fully operational in June 2019. In 2022, the facility accepted and diverted 4,584 tons of organic food waste from the landfill. This was an increase from 2021 of 752 tons or 19.6%.

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

Annual Overview



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	
Member	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 former Oneida County Legislator
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	Retired 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. One joint Audit Committee-Finance Committee meeting was held in 2022.

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. In 2022, there was a total of four Finance Committee meetings, including one joint Finance Committee-Audit Committee meeting.

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. One Governance Committee meeting was conducted in 2022.

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.

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, green waste 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's current Local Solid Waste Management Plan is through 2024.

The Authority is governed by a 10-member Board of Directors, employs approximately 80 people and has an annual operating budget of approximately \$22 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.

2022 Performance Measure Report

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.

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

- Completed 3rd full year of operation of the Authority's Source-Separated Organics Processing Facility [Food2Energy Facility].
- Utilized a force main pipeline to convey processed organic waste to the Oneida County Water Pollution Control Plant's anaerobic digesters for electrical generation operations.
- Processed 4,584 tons of food waste from local businesses and residents.
- Supported waste reduction through NYS Product Stewardship Council.
- Completed 11th operational year of single stream Recycling Center in Utica.
- Continued to process over 41,000 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 12 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 195.
- Authority Board authorized/awarded a long-term landfill gas utilization contract to BerQ RNG, after the RFP process. This contract will allow for beneficial use of all landfill gas captured at the Regional Landfill.
- Continued to safely and economically dispose and beneficially reuse over 394,554 tons of waste at RLF.
- Continued to process over 10,520 tons of green waste and converted it into marketable compost at the Green Waste Composting Facility in Utica.

- Continued to safely dispose of over 27,873 gallons of household hazardous waste received from over 15,211 area households at the HHW Facility.
- Recycled 24,755 gallons of paint through the PaintCare program.
- Recycled 356 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, 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.

- 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.
- Employees received or renewed Landfill Operator Certifications through the New York State Association for Solid Waste Management (NYSASWM).

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

- Tipping fees for municipal solid waste and sludge were lowered by \$2 per ton for 2022. 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.
- For 2022, the Authority earned \$2,630,836 in sales of recyclables. This was a decrease of \$724,923, or 22% from 2021.
- The Authority had a \$6,063,570 addition to its net asset position for 2022.
- Authority continued to make yearly deposits to a Landfill Equipment Replacement Fund.
- The Authority assisted the City of Utica through reduced tipping fees for demolition and cleanup of ongoing industrial development projects at the Utica Harbor.
- The Authority realized \$501,311 in Landfill gas sales for 2022. This was an increase of \$184,024 or 58% in comparison to 2021.
- 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 \$841,230 in processing fees from these agreements in 2022.
- The Authority entered into a new five-year agreement with Lewis County for the processing and marketing of recyclables.
- Continued to market carbon credits generated through destruction of methane at Regional Landfill. The Authority realized \$808,970 in carbon credit revenue for 2022.
- The Authority paid down \$1,690,000 in scheduled long-term debt for 2022. The Authority has reduced long-term bonded debt by \$13,155,000 over the last five years.
- Completed equipment purchases and capital improvements in the amount of \$3,503,108.

- Authority Board designated \$9,800,000 of unrestricted funds toward established Board restricted capital reserve accounts to help ensure long-term stable rates.

PERFORMANCE MEASURE: 100% COMPLIANCE WITH ALL ABO REPORTING REQUIREMENTS AND OPERATING WITH FULL TRANSPARENCY AND GOOD GOVERNANCE.

- 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.
- The Governance Committee and Authority staff reviewed all ABO Policy Guidance and recommendations issued during the year.
- Operating with full transparency and good governance.
- The Governance Committee met and reviewed all Governance Policies and developed recommendations for the full Board.
- 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 updated and approved its Mission Statement and Performance Measures.
- All agendas and minutes of Board meetings and Committee meetings were posted on the Authority's website.
- Submitted 2023 draft budget to Counties, municipalities and the public for review and comment.
- Conducted a public hearing required for adoption of budget.
- Submitted adopted budget to the Counties and State-wide officials.
- Finance Committee conducted four meetings, including one joint Finance Committee-Audit Committee meeting, during 2022 and reviewed and approved the Authority's Investment Policy.
- Finance & Audit Committees met with the Authority's independent auditors to review the 2021 audit.
- The Finance Committee reviewed the Authority's five-year financial plan with staff.

2022 Highlights and Notable Events

NET CLIMATE BENEFIT STUDY



In 2021, the Authority completed a study (in cooperation with Unity Environmental University and Barton & Loguidice) to determine the Authority's annual Net Climate Benefit Factor. This factor is a measure of the climate benefit of the Authority's recycling, composting, energy and carbon sequestration operations divided by emissions released from programs and facilities. The Authority decided to continue this calculation for 2022.

The results of the 2022 study found that in 2022 the Authority prevented 146,970 metric tons of greenhouse gas and produced 76,104 metric tons of greenhouse gas. Using these figures, the Authority's 2022 Net Climate Benefit was calculated to be 2.0. This means that for every metric ton of greenhouse gases emitted, 2.0 metric tons were prevented elsewhere in the region due to the Authority's prevention efforts.

The largest source of the Authority's emissions in 2022 came from the Regional Landfill (94% of emissions), and the largest source of emission prevention came from the Authority's processing of recyclable materials (79% of emission prevention). The Authority relied heavily on the EPA's Waste Reduction Model to determine this figure. The Authority will continue to report our Net Climate Benefit in subsequent years of operation, as it will serve as a benchmark for the efficiency of our programs.



26.1 Million Pounds Organics Recovered



Since 2019

2022 marked the three-year anniversary of the Authority's Food2Energy program. 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 Oneida County Sewer District's (OCSD) 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 \$20 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.

Since its installation last year, the Authority has been utilizing a slurry pipeline to convey food waste to the OCSD. At the onset of the Food2Energy program, the Authority utilized a tanker trailer to transport the slurry to the OCSD. This method was cumbersome and time consuming which hindered operational production. By implementing the force main, the Authority has sped up production, conveyed slurry in greater volumes, and greatly decreased the time dedicated to conveyance. To date, Food2Energy has allowed for the recovery of 13,059 tons of source separated organics.

TIPPING FEE REDUCTION

In 2022, the Authority reduced tipping fees by \$2 per ton for Municipal Solid Waste (MSW), sludge, and Local Solid Waste (LSW). These tipping fees were reduced to \$60/ton, \$60/ton and \$50/ton, respectively. All other tipping fees such as Construction & Demolition Debris (C&D), Source Separated Organics (SSO), and Green Waste remained the same.

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 2022 adopted budget included 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. In 2022, one application was submitted for consideration.

The reduced tip fee program was continued in 2022. The City of Utica applied for and was approved for reduced tipping fee for demolition and cleanup of ongoing industrial development projects at the Utica Harbor.

AUTHORITY AWARDS BERQ RNG FOR BENEFICIAL UTILIZATION OF LANDFILL GAS

The Authority currently collects and manages landfill gas generated at the Regional Landfill in Ava, NY. Landfill gas is currently managed through a system of vertical and horizontal wells located throughout the landfill. The landfill gas is currently utilized by a landfill gas to energy plant operated by WMRE, which employs two internal combustion engines. The portion of the landfill gas not utilized for energy production is destroyed through the use of flares.

On December 20, 2021, the Authority Board authorized the issuance of a Draft Request for Proposals (RFP) to explore additional landfill gas utilization options, consistent with the Authority's state-approved Local Solid Waste Management Plan and regulatory permits, in an effort to beneficially use more landfill gas.

A Draft RFP requesting proposals from developers interested in utilizing all or a portion of the collected landfill gas was released. A Final RFP was issued on April 6, 2022, and six proposals were received. The proposals were evaluated, and respondents were interviewed. The Authority Board awarded BERQ RNG with a 20-year contract based on their proposal and their qualifications. BERQ intends to produce renewable natural gas and convey it to natural gas distributors.

UTICA UNIVERSITY NEXUS CENTER PARTNERSHIP

In the Fall of 2022, the Authority purchased waste and recycling bins for the new Utica University Nexus Center. The bins feature the Authority's logos including "To the Landfill" and "RecycleOne" for the garbage and recycling bins, and the "Food2Energy" for the food waste bins. These bins were strategically placed throughout the Nexus Center to provide proper garbage and recycling options wherever needed. The food waste bins were



placed in eating areas, and more may be added if there is a large amount of food waste being generated. These bins will help increase recycling and reduce the amount of food waste being placed in the garbage. The Authority hopes to offer more similar partnerships with other venues in the Oneida and Herkimer County area.

Authority Facilities and Program Updates

ONEIDA-HERKIMER RECYCLING CENTER



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.

The 2022 recycling rate for Oneida and Herkimer Counties is

52%

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 has effectively and consistently processed, without interruption, recyclable material for over 30 years. Since opening, the Recycling Center has successfully served the two Counties and processed over 1,152,183 tons of recyclables.

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.

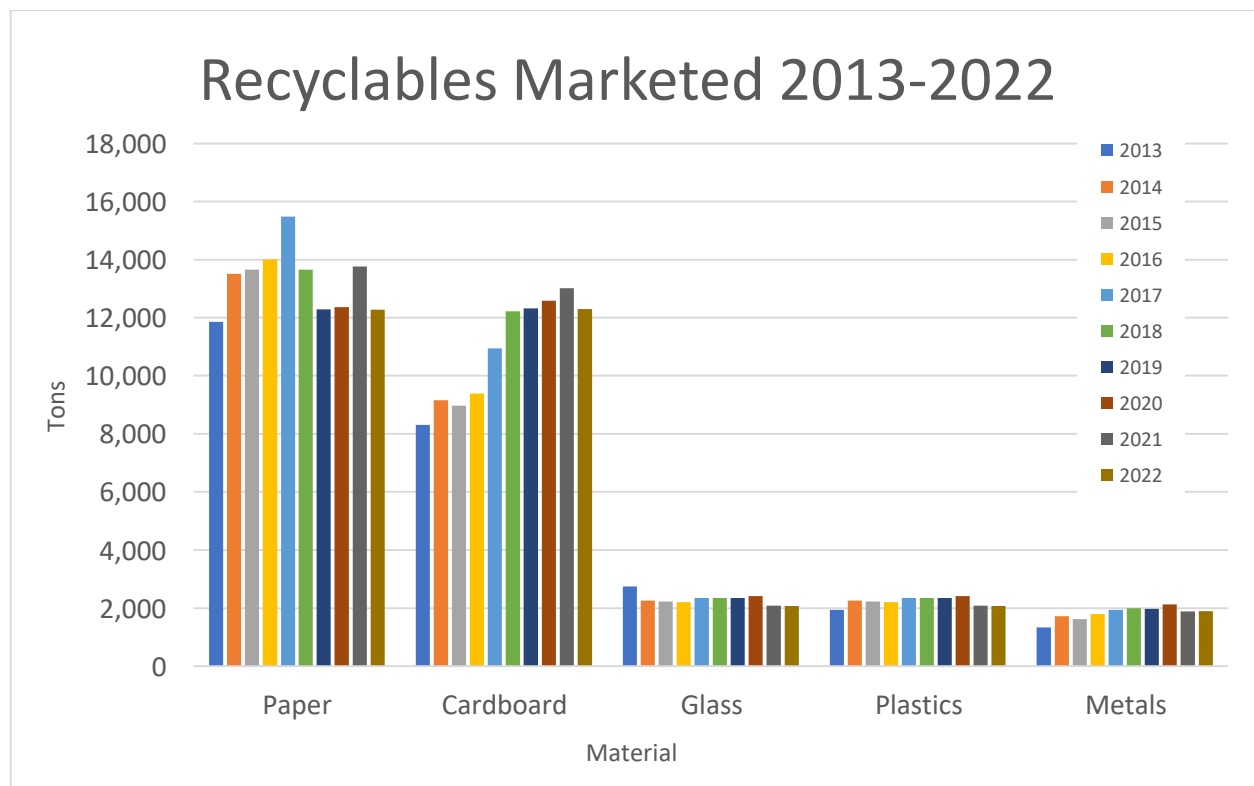
The single stream processing system provides added convenience to both residents and businesses. Recycling was made easier—all recyclables can be mixed together. Collection of recyclables was made more efficient; mixed recyclables can now be compacted, saving fuel, mileage and labor costs, while decreasing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



Once sorted, the Authority directly markets recyclables. The Authority has business relationships with 34 local and interstate buyers for these materials.

In 2022, the Authority processed and marketed over \$ 2,630,836 worth of recyclables.

Since 2018, global recycling markets were affected by China’s “National Sword Policy” and market pricing hit an all-time low. However, in 2021 and 2022, the market value for several commodities rebounded, with a few materials doubling or tripling in value from the previous year. 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.



2022 Recyclables Marketed		
Material		Tons
Mixed Recyclables Delivered	Mixed Paper	5,667
	Mixed Containers/Rigid Plastics	133
	Mixed Recyclables (Single Stream)	35,401
Total Recyclables Delivered		41,201
Paper Marketed	Newspaper/Magazines/Boxboard	12,276
	Corrugated Cardboard/Kraft Bags	12,307
	Mixed Office Paper/Junk Mail	21
	Gable Top Containers/Juice Boxes	19
	Other Paper/Hardcover Books	21
Total Paper Marketed		24,644
Plastics Marketed	PET Colored Plastic (#1)	759
	HDPE Natural Plastic (#2)	455
	HDPE Colored Plastic (#2)	423
	Mixed Plastics (#3-7)	279
	Mixed Rigid Plastics	154
Total Plastics Marketed		2,070
Glass Marketed	Glass Aggregate (Mixed)	4,719
Total Glass Marketed		4,719
Metals Marketed	Ferrous (Tin) Cans	1,096
	Mixed Aluminum	167
	Light Metal White Goods	171
	Scrap	467
Total Metals Marketed		1,901
Total Recyclables Marketed		33,334

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.

The Authority initially entered into an intergovernmental agreement with Lewis County in January 2016 for the processing and marketing of recyclables. In September 2022, the Authority approved a new five-year agreement to extend processing of Lewis County's recyclables through December 2027.

The Authority also holds an intergovernmental agreement with Fulton County for the processing and marketing of recyclables, which has been held since 2017. In January 2022, the Authority approved a new five-year agreement to extend the processing of Fulton County's recyclables through January 1, 2026.

In 2022, the Recycling Center processed 11,327 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 2022 is 52%. This recycling rate proves the commitment that industries, businesses, and residents have for recycling and reuse.

RECYCLEONE CAMPAIGN

The Authority maintains an excellent recycling rate. The overall recycling rate for 2022 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 2022. 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 again 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.



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.

Twin Rivers Paper Company (Little Falls), ConMed (Utica), SunKing (Whitesboro) and eCaboose (Whitesboro) received a RecycleOne Business Certification in 2022. To date, 45 businesses have received a Business Certification.



2022 RECYCLING CHAMPION

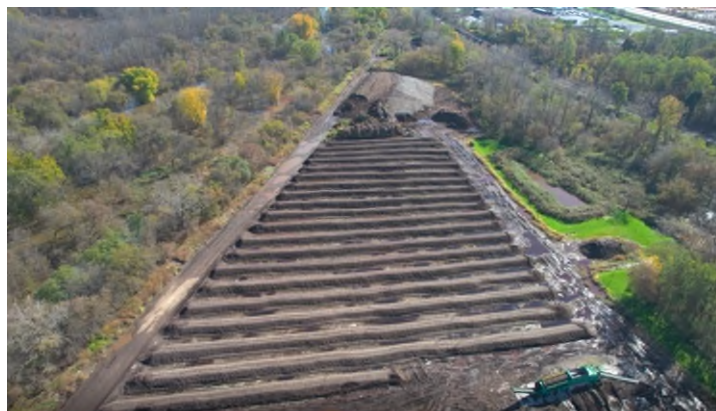
In recognition of America Recycles Day, the Authority annually recognizes an individual, institution or local business that has taken initiatives to reduce their solid waste stream through recycling and proper disposal.



Twin Rivers Paper Company was the recipient of the Authority's 2022 Recycling Champion Award. Twin Rivers expanded to the Central New York region in 2016, with locations also in Arkansas, Maine and Canada. Although they work with many more materials than just paper, Twin Rivers has shown a great commitment to waste reduction, recycling, and reuse initiatives.

Representatives from Twin Rivers Paper Company were present at the December Board meeting to accept the 2022 Recycling Champion Award.

GREEN WASTE COMPOSTING FACILITY



The Authority's Green Waste Composting Facility is in its 29th 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 2022, the facility received over 10,520 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 2022, 12,797 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 addition to selling bagged compost in 2022, the Authority sold 6,860 cubic yards of bulk compost.

AUTHORITY COMPOST CERTIFIED BY U.S. COMPOSTING COUNCIL



The Authority has produced and marketed over 127,385 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 leading 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 217,425 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 2022, over 29 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 2022, more than 770 tons of pallets were processed at the site.

BRUSH PROCESSING FACILITY/LAND CLEARING DEBRIS FACILITY

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 2022, 514 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 84 tons in 2022.



The Authority also operates a Land Clearing Debris Facility in Utica. In 2022, that facility received over 935 tons of material.

SOURCE-SEPARATED ORGANICS PROCESSING FACILITY/FOOD2ENERGY FACILITY



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 2022, the Authority's Source-Separated Organics Processing Facility (Food2Energy Facility) completed its third full year of operation. With Food2Energy, we are able to divert food waste, which makes up roughly 22% of the waste stream, from the Regional Landfill. In 2022, the facility accepted and processed 4,584 tons of source-separated organic 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 organic (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 the anaerobic digesters that the Oneida County Sewer District (OCSD) planned to install at the Oneida County Water Pollution Control Plant (WPCP) on Leland Ave. 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 (SSOPF). A Draft RFP for design, construction and installation of an 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 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's anaerobic digesters at the WPCP. The organic slurry

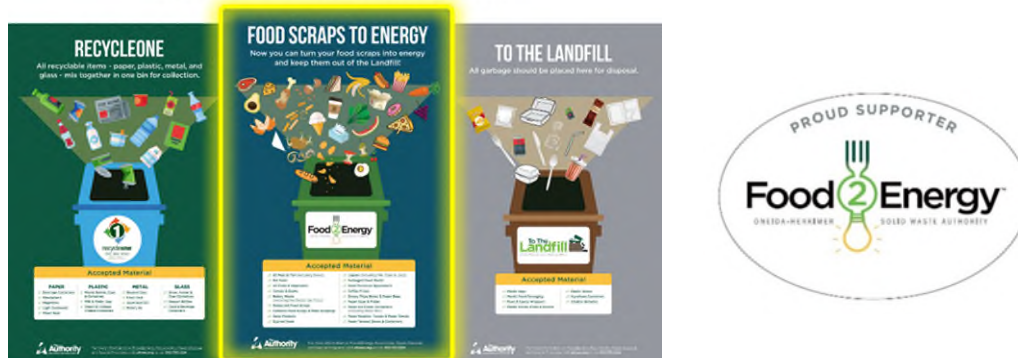
used in the anaerobic digesters will help to produce enough energy to provide up to 50% of OCSD's power needs.

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 2021 \$62 per ton tipping fee for municipal solid waste in Oneida and Herkimer Counties.

FOOD2ENERGY PROGRAM ASSISTANCE

The Authority assists with the Food2Energy 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 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.

Waste **less** with three bins!



The following local businesses participated in the Food2Energy program in 2022:

- Chobani
- Compassion Coalition/Your Bargain Grocer
- McCraith Beverages
- HP Hood
- Food Bank of CNY
- Hannaford
- Price Chopper
- Walmart

Natural Upcycling, Northstar Recycling, Agri-Cycle Energy, Waste Management, Spohn's Disposal Service, CNY Green Bucket Project and Bliss Environmental Services hauled food waste to the Authority's Food2Energy Facility in 2022.

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 organic 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 went into effect on January 1, 2022.

UTICA AND ROME ECODROP FACILITIES



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 single stream 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

Item	Fee
Household Appliances (Stove, Dishwasher, etc.)	No Charge
Household Appliances (Washing Machine, Dryer, etc.)	\$100.00
Household Appliances (Refrigerator, A/C, etc.)	\$150.00
Household Appliances (Freezer, etc.)	\$100.00
Household Appliances (Water Heater, etc.)	\$100.00
Household Appliances (Boiler, etc.)	\$100.00
Household Appliances (HVAC, etc.)	\$100.00
Household Appliances (Sump Pump, etc.)	\$100.00
Household Appliances (Generator, etc.)	\$100.00
Household Appliances (Other, etc.)	\$100.00
Household Appliances (Total, etc.)	\$1,000.00

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



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 2022, 11 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 include: 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 can deliver them to the Authority's Utica and Rome EcoDrop locations during regular business hours, free of charge.

In 2022, the Authority collected 133 tons of bulky rigid plastics for recycling.

HOUSEHOLD HAZARDOUS WASTE FACILITY

The Oneida-Herkimer Household Hazardous Waste Collection (HHW) Facility opened for its 30th season on April 1, 2022 and operated through September 30, 2022. 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 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.

In May 2022, the Authority began working with PaintCare under New York State's postconsumer paint collection program. PaintCare is a program of the American Coatings Association (ACA), a membership-based trade association of the paint manufacturing industry. Working through the Paint Producer Stewardship Initiative (PPSI) facilitated by



the Product Stewardship Institute (PSI), the ACA supported the passage of the nation's first paint stewardship law. 24,775 gallons of paint were recycled in 2022 through this partnership.



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 2022, 27,873 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

April - September

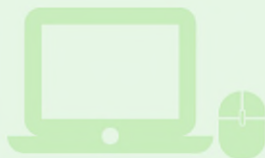


- CHEMISTRY SETS
- CLEANING SOLVENTS & DEGREASERS
- DRAIN CLEANERS
- FERTILIZERS
- FURNITURE STRIPPER
- GLUES/SEALANTS
- HERBICIDES
- INSECTICIDES
- PESTICIDES
- KEROSENE
- OIL BASED & LATEX PAINTS
- OVEN CLEANERS
- PAINT THINNERS
- PHOTOGRAPHIC CHEMICALS
- POLISHES
- POOL CHEMICALS
- RUST PREVENTATIVES/REMOVERS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



ACCEPTED YEAR-ROUND

- ANTIFREEZE
- AUTOMOBILE & MOTORCYCLE BATTERIES
- EMPTY PROPANE CYLINDERS (UNDER 100 LBS)
- E-WASTE (ELECTRONICS & COMPUTER EQUIPMENT)
- FIRE EXTINGUISHERS
- FLUORESCENT LIGHT BULBS
- MOTOR OIL & OIL FILTERS
- RECHARGEABLE BATTERIES
- SHARPS
- COOKING OIL & FRYER GREASE



SERVICES FOR SELECT BUSINESSES

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

In 2022, 80 CESQGs 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.

ELECTRONIC WASTE DROP-OFF

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 E-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 2022, 356 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.

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.

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.



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 21 tons of light bulbs were collected in 2022.

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.

2022 Household Hazardous Waste	
Material	Quantity
Paints	
Recyclable Paint	28,150 Gallons
Non-Recyclable Paint and Solvents	11,660 Gallons
Paint Sludge & Sealers	880 Gallons
Resins & Adhesives	3,547 Gallons
Chemicals	
Pesticides & Chemicals	6,225 Gallons
Aerosol Waste	2,036 Gallons
Cleaning Solutions & Waxes	150 Gallons
Motor Oil & Antifreeze	
Motor Oil	5,525 Gallons
Oil Filters	165 Gallons
Antifreeze	950 Gallons
Batteries	
Automobile Batteries	13.20 Tons
Recyclable Batteries	1.45 Tons
Bulbs	
Fluorescent Lamps	21.29 Tons
Miscellaneous Bulbs	9,124 Bulbs
Miscellaneous Waste	
Cooking Oil & Grease	2,185 Gallons
Propane Tanks & Fire Extinguishers	10,404 Tanks
Electronic Waste	
Recycled Electronic Waste	356 Tons
Computer Monitors (CRTs)	544 Units
Computer Components (CPUs)	1418 Units
Televisions	9,345 Units

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 and Excavating, LLC of Whitesboro.

Following a competitive 120-w bidding process, the Authority again awarded a five-year contract, commencing October 24, 2021, to Fred Burrows Trucking and Excavating, LLC for the transportation of waste from the transfer stations in Utica and Rome to the Regional Landfill. Fred Burrows Trucking was awarded the three previous five-year contracts. The Authority received a total of four proposals – Fred Burrows Trucking and Excavating, LLC; T.J. Allen Bulk Services, LLC of Westmoreland; CWSI of Utica; and Colucci Trucking of Rome. Fred Burrows Trucking and Excavating (Burrows) offered the lowest total cost to the Authority, using designated routes and required equipment over the contract period.

TRANSFER STATION DISPOSAL DATA

The Authority's transfer stations receive waste from individual collection trucks. At the transfer stations, waste is loaded in Burrows' 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 about 40 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.

2022 Transfer Station Disposal Data		
Eastern Transfer Station	Municipal Solid Waste	120,455 Tons
	Construction & Demolition Debris	34,954 Tons
	Total: 155,409 Tons	
Western Transfer Station	Municipal Solid Waste	53,894 Tons
	Construction & Demolition Debris	15,041 Tons
	Total: 68,935 Tons	

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 2022, the Town of Webb Transfer Station delivered 2,415 tons of municipal solid waste to the Regional Landfill and 538 tons of recyclables to the Recycling Center.

ONEIDA-HERKIMER REGIONAL LANDFILL



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.

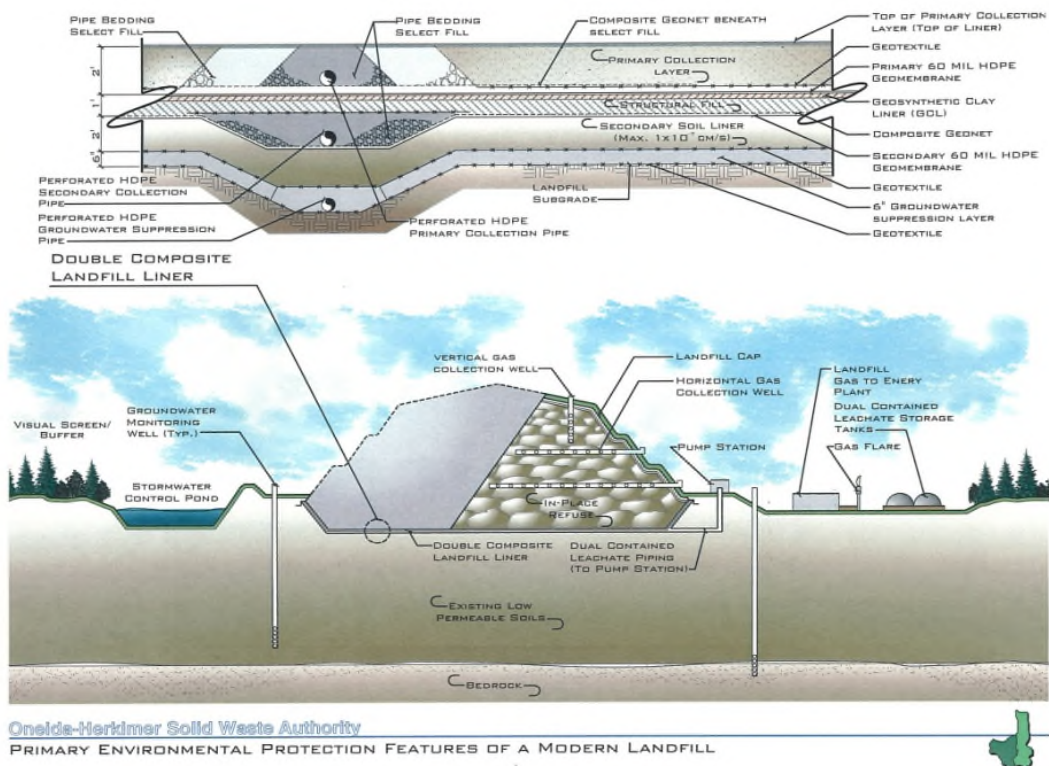
The Authority operates the newest landfill in New York State, the Oneida-Herkimer Regional Landfill, which serves a combined population of approximately 290,000. Initial construction of the landfill was phased over three years with multiple contracts being awarded following competitive bidding. Construction 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 was 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 2020, a 5-acre phase one closure was completed along the north side of the Landfill.

In 2022, the Authority’s consulting engineer Barton & Loguidice completed the design for Phase 2 Closure. A mandatory pre-bid meeting was held on October 28, 2022. Bids were received by the Authority on November 18th. Four bids were received and evaluated by Barton & Loguidice and the Authority staff. The Phase 2 closure was awarded to Powis Excavating & Contracting in the amount of \$2,940,000. Work will begin in the Spring of 2023.

2022 Regional Landfill Materials Management Data	
Material	Tons
Municipal Solid Waste (Non-Recyclable Waste)	182,595
Construction & Demolition Debris (C&D)	62,615
Direct Haul - Industrial Waste	6,172
Direct Haul - Asbestos Waste	38,244
Direct Haul - Sludge	21,445
Alternative Operating Cover (AOC)	78,390
TOTAL: 389,461	

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.



Any excess gas that is not being burned for electricity is flared. The Authority currently utilizes three candlestick flares. Two 8-foot flares are run to burn excess gas up to 1200 Standard Cubic Feet per Minute (SCFM). In 2020, the Authority installed a 12-foot candlestick flare with three additional blowers and can destroy up to 3,000 SCFM of landfill gas.

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.

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 2022, the Authority installed 9 new vertical and 3 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 153 and horizontal wells to 42.

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.

LANDFILL GAS MANAGEMENT GRANT

On July 1, 2020, the Authority submitted a Landfill Gas Management Grant application for the period of 2010-2014. The grant awarded 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 for \$1,024,322 was received in January 2022.

COMMUNITY COMPENSATION PLAN

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 Plant. In 2022, a total of 28,672,962 gallons of leachate from the Authority's Regional Landfill were shipped for treatment.

ASH LANDFILL

Throughout 2022, 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.

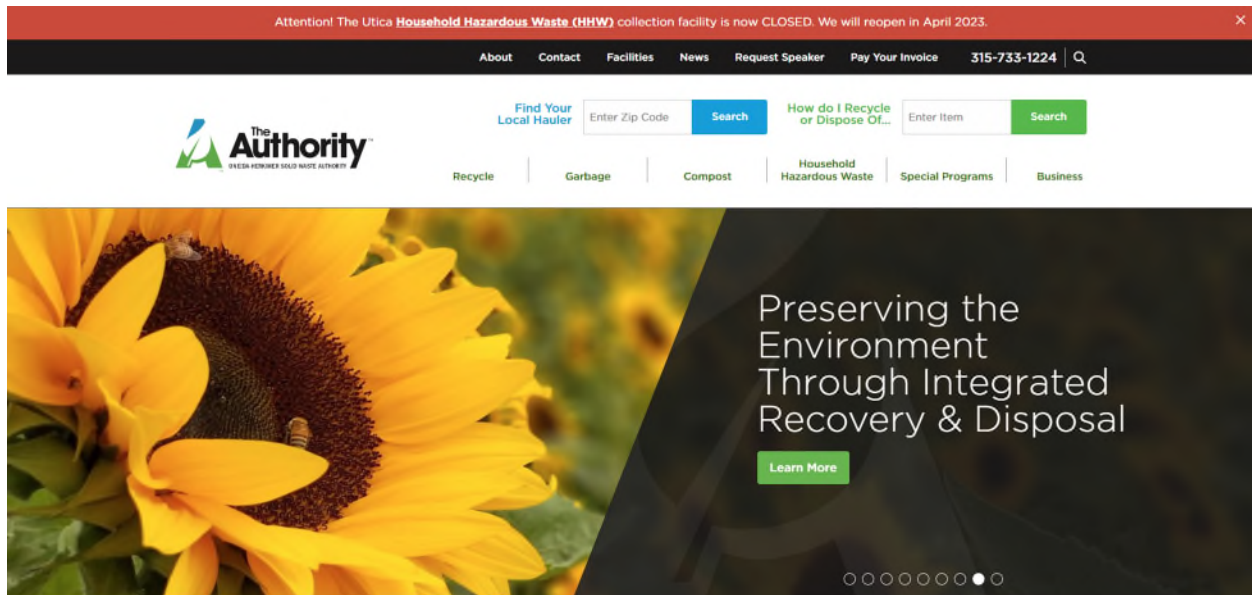
In 2022, 1,240,793 kWh of power was generated. To date, the solar array has produced enough renewable energy to power approximately 849 homes.

Solar Array System	
Number of Homes Powered Annually	183
Number of Homes Powered, 20-Year Term	2,380
Total Pounds CO ₂ Avoided, 20 Year Term	34,000,000
Number of Trees Saved	400,000

Public Education and Community Outreach

AUTHORITY WEBSITE

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

AMIRECYCLABLE? CAMPAIGN

In 2022, the Authority continued its educational campaign and mobile web app, **Am I Recyclable?** The goal of the campaign is to target contamination in the recycling stream. Through social media marketing, the campaign helps educate and encourage audiences to engage in the recycling conversation.

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.



In 2022, the Authority continued its promotion of **Am I Recyclable?** in its social media advertising campaigns on Facebook and Instagram, publishing 12 advertisements regarding the Authority’s

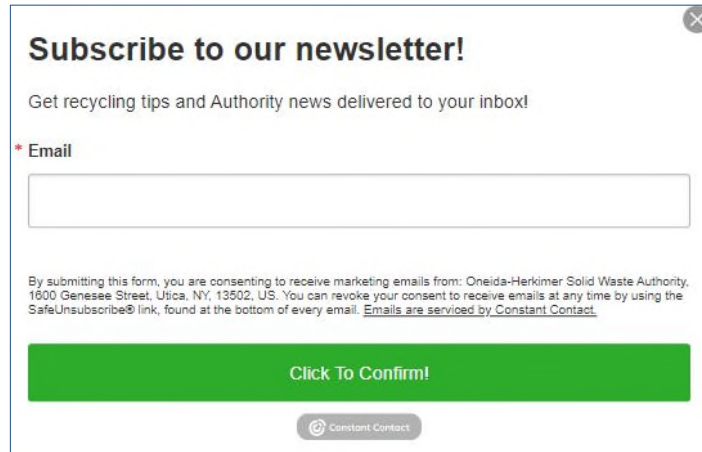


programs and an additional 90 posts created by Authority staff. Comments and shares of our posts on social media are encouraged, and Authority staff responds to all comments and messages on its social media platforms.

Am I Recyclable.com?



SUBSCRIBE TO OUR NEWSLETTER!



Subscribe to our newsletter!

Get recycling tips and Authority news delivered to your inbox!

* Email

By submitting this form, you are consenting to receive marketing emails from: Oneida-Herkimer Solid Waste Authority, 1600 Genesee Street, Utica, NY, 13502, US. You can revoke your consent to receive emails at any time by using the [SafeUnsubscribe®](#) link, found at the bottom of every email. [Emails are serviced by Constant Contact.](#)

Click To Confirm!

Constant Contact

In March of 2019, as part of the Authority's recycling education and outreach efforts, the Authority launched an e-newsletter through Constant Contact. This newsletter focuses on providing accurate and helpful recycling information to subscribers, as well as reporting on Authority news and events. In 2022, newsletter topics included guidance on disposing to-go containers, how to use compost and holiday recycling.



Website Pop-Up Form:

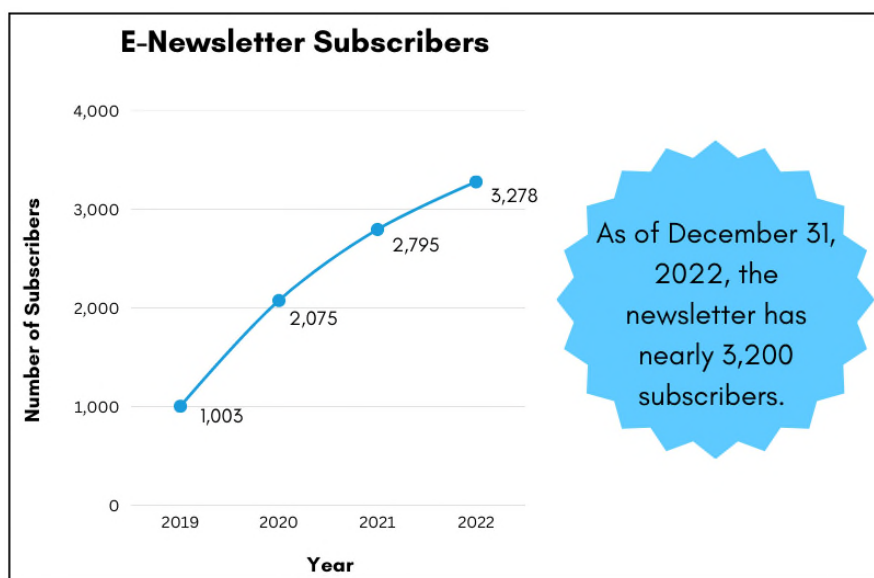
Appears to visitors of www.ohswa.org once daily.

On average, we receive **14 new subscribers** per week through this form.



The newsletter gives 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. This provides a convenient way for readers to engage with the Authority. The newsletter frequently

directs people to the Authority's website, social media and the "**Am I Recyclable?**" search tool, increasing website traffic and views of the information available on Facebook and Instagram. Newsletters are periodically shared on social media, giving social media followers the opportunity to subscribe to the newsletter as well.



AUTHORITY PRESENTATIONS AND 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, Authority staff provides about 150 presentations every year at area schools, colleges, businesses, civic groups, and other organizations. Tours and presentations are available by contacting the Authority office at (315) 733-1224 or WWW.OHSPA.ORG.

GO GREEN SCHOOL RECYCLING PROGRAM



**GO GREEN:
IT'S EASY!**

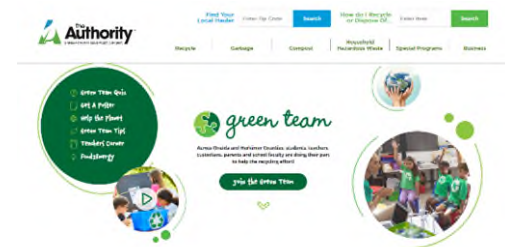
- 01 ASSEMBLE YOUR GREEN TEAM**
- 02 CONDUCT A WASTE AUDIT**
- 03 IDENTIFY WHAT TO RECYCLE**
- 04 ESTABLISH YOUR COLLECTION SYSTEM**
- 05 SET GOALS & REWARDS**

green team
ONEIDA-HERKIMER SOLID WASTE AUTHORITY

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 waste evaluations to the schools.



In 2021, the Authority made significant updates to the interactive Green Team section of the Authority's website.

In addition to the Green Team section of the website, a School Recycling Program Guide assists teachers and educates students on the value and long-term benefits of recycling, conservation and environmental stewardship. The Authority offers free promotional posters, banners, decals, Green Team badges and recycling containers to local schools.



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

"GREEN HALLOWEEN" COSTUME CONTEST

In October 2022, the Authority sponsored its fourth annual "Green Halloween" 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. The Authority received 15 entries to the contest. Authority staff voted on a first and second place winner, with first place receiving a \$200 Amazon gift card and second place receiving a \$100 Amazon gift card.



COMMUNITY EVENTS

Authority staff annually assists with recycling at more than 20 major local events, including, but not limited to, the Utica Zoo Eggstravaganza, the Utica Zoo Party for the Planet, the Central New York Psychiatric Center’s Summerfest, the 45th Boilermaker Road Race, the Utica Zoo’s Wildlife Festival, 4-H Conservation Education Days, and the Mohawk Valley Youth Climate Summit.



Other Programs

CITY OF UTICA WASTE AND 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.

2022 City of Utica Disposal Data	
Material	Tons
Municipal Solid Waste	17,407
Recyclables	4,557
Tires	185
Green Waste	5170
Total: 27,319 Tons	

The Authority also provides public information and enforcement of the City Code requirements for solid waste. During 2022, the Authority’s solid waste inspectors wrote approximately 30 Notices of Violation for solid waste and/or green waste that was illegally or improperly set-out within the City of Utica.

CONTRACT FOR TRANSPORT OF WASTE AND RECYCLABLES

The Authority has performed these services under an intermunicipal agreement with the City of Utica since 1996. In 2022, the City and Authority agreed to extend the agreement, which was due to expire on March 31, 2023. The agreement is now set to expire on March 31, 2033.

Under its contract with the City of Utica, the Authority issued an RFP for the collection of solid waste and recyclables, including bulk waste, white goods, tires, vehicle batteries and electronics, in the City of Utica on January 12, 2022. Following a competitive bidding process, the Authority awarded a five-year contract, commencing April 1, 2023 and continuing through March 31, 2028, to Controlled Waste Systems, Inc. (CWSI), Utica. The contract value is \$11,869,000 over five years.

VILLAGES OF DOLGEVILLE, FRANKFORT, HERKIMER, ILION AND MOHAWK

In 2022, 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.

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 15th 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.

Since its inception, 19 municipalities have participated, and 30 structures have been demolished through this program.

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.

Financial Activities

The 2022 financial audit continues to reflect the strong operating results of the Authority. The Authority has increased its net position by \$6.06 million and \$6.44 million for the years ended December 31, 2022 and 2021, respectively. This was the result of several factors including:

- Overall revenues increased \$911,147 or 2.99% in comparison to 2021.
- The Authority's tipping fee revenues exceeded the budget by \$5,145,413. The Authority exceeded budgeted tonnage expectations for direct haul special waste, asbestos, source separated organics, soil/cover, sludge, municipal solid waste, and C&D material.
- The Authority earned \$2,630,836 in recycling sales during 2022, which was \$724,923 less than 2021.
- The 2006 Revenue Bond issue is the only remaining debt. This issue is expected to be paid off in April 2026.
- The Authority sold landfill gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$501,311 in revenue.
- The Authority sold carbon credits resulting in \$808,970 of revenue during 2022.
- In 2021, the Authority processed recyclables for Fulton, Lewis, and Oswego Counties. The Authority earned \$841,230 in processing fees.
- Interest expense decreased by \$105,681 from 2021, resulting from scheduled debt principal payments.
- The Authority also funded reserves for landfill equipment in the amount of \$800,000 for 2022 and for the extension of the landfill liner in the amount of \$1,600,000.
- The Authority, once again, fully funded its closure and post-closure funds for the Ash Landfill and Regional Landfill.

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

Authority Offices and Staff

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 13440

STAFF

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JOSHUA OLBRYNS, DEPUTY EXECUTIVE DIRECTOR

EMILY ALBRIGHT, DIRECTOR OF RECYCLING

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DANIEL BOWMAN, RECYCLING CENTER PLANT MANAGER

SAMANTHA BROWN, RECYCLING COORDINATOR

EILEEN BRINCK, RECYCLING COORDINATOR

JUSTIN FITCH, SUPERINTENDENT OF WASTE COLLECTION

HAILEY HUTCHINSON, ACCOUNT CLERK

CHRIS LINT, LANDFILL GAS TECHNICIAN

STEPHEN HOUPERT, ENVIRONMENTAL COMPLIANCE COORDINATOR

PAT LISANDRELLI, PRINCIPAL ACCOUNTING SUPERVISOR

JAYNE MORGAN, SENIOR WEIGH SCALE OPERATOR

ANDREW OPPERMAN, PE, SOLID WASTE ENGINEER

BETH SCOONES, ACCOUNT CLERK

RACHEL STIEHL, SENIOR ACCOUNT CLERK/CITY OF UTICA COORDINATOR

JODI M. TUTTLE, BOARD SECRETARY/HR COORDINATOR





Financial Report

December 31, 2022 and 2021

**Oneida-Herkimer
Solid Waste Management Authority**

Financial Report

December 31, 2022 and 2021

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited 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 years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2022 and 2021, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (MD&A) on pages 4 to 13, the schedules of proportionate share of the net pension liability on page 40, local government pension contributions on page 41, and other postemployment benefits liability on page 42 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.



Required Supplementary Information - Continued

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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2023, 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
March 8, 2023





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Preserving the environment through integrated recovery and disposal.

Management's Discussion and Analysis December 31, 2022, and 2021

Introduction

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit this 2022 Annual Financial Report developed in compliance with accounting standards generally accepted in the United States of America. This year marked the 34th anniversary since the formation of the Authority.

2022 was another excellent year for the Authority. The Authority remains financially stable and strong, ending 2022 with a positive change in net position of \$6,063,570. One driver in the year's positive return was the EPA demolition of the Charlestown Complex located in Utica, NY. The Authority received 29,481 tons of direct haul asbestos. Furthermore, development in Oneida and Herkimer Counties continues to provide tonnage growth for the Authority.

In 2022, the Authority paid down principal on the only debt issue in the amount of \$1,690,000. The remaining principal of \$9,307,593 will be paid in full by April 1, 2026.

The recycling markets in 2022 contracted in comparison to 2021. For 2022, the Authority earned \$2,630,836 in recycling sales which was a decline of \$724,923 from 2021. The Authority continues to accept Oneida-Herkimer recyclables at no charge.

The Authority realized \$501,311 in landfill gas revenue through a Landfill Gas Purchase Agreement with Waste Management Renewable Energy (WMRE) in 2022. The landfill gas revenue realized was \$184,024 more than 2021. The increased landfill gas revenue included \$176,255 in electricity sales revenue sharing with WMRE which is triggered when the electricity sales price exceeds an agreed upon price. In 2022, the Authority realized revenue through this sharing agreement for the first time in many years.

2022 marked the third 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 2022, the Facility accepted and diverted 4,575 tons of organic food waste from the landfill. This was an increase from 2021 of 753 tons or 19.7%.

I am proud of the accomplishments and arduous 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
Vincent J. Bono
Vice Chairman

Harry A. Hertline
Treasurer
Neil C. Angell

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

Find us on

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2022 and 2021

Authority Profile

The Oneida-Herkimer Solid Waste Management Authority (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 2022 budget was \$27.8 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 ten 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 source separated organics processing facility, 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.

<u>Name</u>	<u>Business Affiliation</u>
Kenneth A. Long, Chairman	Retired Business Manager of Central Valley Central School District and former Herkimer County Legislator
Vincent J. Bono, Vice Chairman <i>Vice Chairman, Audit Committee</i> <i>Vice Chair, Finance Committee</i>	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 <i>Chairman, Finance Committee</i> <i>Chairman, Audit Committee</i>	Korean War Air Force Veteran, Retired GE Unit Contract Manager, and former Minority Leader Oneida County Board of Legislators
Neil C. Angell <i>Audit Committee</i> <i>Finance Committee</i>	Town of Verona Dairy Farmer and former Oneida County Legislator; and former Member of the Agricultural Economic Development Committee
James M. D'Onofrio <i>Chair- FOIL Appeals Committee</i>	President of Arlott Office Products and Member of the Oneida County Board of Legislators
James A. Franco <i>FOIL Appeals Committee</i>	Retired DPW Superintendent, Village of Herkimer

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2022 and 2021

Authority Profile - Continued

<u>Name</u>	<u>Business Affiliation</u>
Barbara Freeman <i>Chair, Governance Committee</i> <i>FOIL Appeals Committee</i>	Retired Teacher; Member, Village and Town of Boonville Environmental Councils
Nancy Novak <i>Governance Committee</i>	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 USA
Richard G. Redmond	Senior Vice President of Facility Operations for Mohawk Valley Garden and Decorated Retired Major, U.S. Army
James Williams <i>Governance Committee</i>	Retired from the United States Postal Service; Vietnam War Army 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.

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.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2022 and 2021

Financial Highlights

This section of the report presents management's discussion and analysis of the Authority's financial position as of December 31, 2022 and 2021, and other significant pertinent financial information.

The 2022 financial report continues to reflect the strong operating results of the Authority. The Authority has increased its net position by \$6.06 million and \$6.44 million for the years ended December 31, 2022 and 2021, respectively. This was the result of several factors including:

- Overall revenues increased \$911,147 or 2.99% in comparison to 2021.
- The Authority's tipping fee revenues exceeded budget by \$5,145,413. The Authority exceeded budget expectations for direct haul special waste, asbestos, source separated organics, municipal solid waste, and C&D material.
- The Authority earned \$2,630,836 in recycling sales during 2022, which was \$724,923 less than 2021. The decline is attributed to declines in market values of recyclable materials.
- The Authority sold Landfill Gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$501,311 in revenue.
- The Authority sold carbon credits resulting in \$808,970 of revenue during 2022.
- In 2022, the Authority processed recyclables for Oswego, Lewis, and Fulton Counties. The Authority earned \$841,230 in processing fees.
- Interest expense decreased by \$105,681 from 2021, resulting from scheduled debt principal payments and the redemption of the 2011 Revenue Bond issue.
- The Authority also funded reserves for landfill equipment in the amount of \$800,000 for 2022 and for the extension of the landfill liner in the amount of \$1,600,000.
- The Authority, once again, fully funded its closure and post-closure funds for the Ash Landfill and Regional Landfill.

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.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2022 and 2021

Financial Analysis - Continued

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

	December 31,				
	2022	2022 vs. 2021	2021	2021 vs. 2020	2020
ASSETS AND DEFERRED OUTFLOWS					
Current assets	\$ 45,681,966	13.64%	\$ 40,197,341	-1.19%	\$ 40,682,557
Noncurrent assets	<u>57,469,991</u>	-1.15%	<u>58,140,696</u>	0.15%	<u>58,052,973</u>
Total assets	103,151,957		98,338,037		98,735,530
Deferred outflows	<u>2,988,065</u>	-24.87%	<u>3,977,305</u>	22.89%	<u>3,236,520</u>
Total assets and deferred outflows	<u>\$ 106,140,022</u>		<u>\$ 102,315,342</u>		<u>\$ 101,972,050</u>
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION					
Current liabilities	\$ 4,292,204	-4.74%	\$ 4,505,640	-12.19%	\$ 5,131,191
Long-term liabilities	<u>14,584,456</u>	-11.89%	<u>16,553,168</u>	-34.25%	<u>25,175,469</u>
Total liabilities	<u>18,876,660</u>	-10.36%	<u>21,058,808</u>	-30.51%	<u>30,306,660</u>
Deferred inflows	<u>4,685,773</u>	-1.20%	<u>4,742,515</u>	198.31%	<u>1,589,790</u>
Net investment in capital assets	42,997,453		42,976,217		36,232,425
Net position, restricted	1,079,223		1,183,323		1,380,923
Net position, unrestricted	<u>38,500,913</u>		<u>32,354,479</u>		<u>32,462,252</u>
Total net position	<u>82,577,589</u>	7.92%	<u>76,514,019</u>	9.19%	<u>70,075,600</u>
Total liabilities, deferred inflows, and net position	<u>\$ 106,140,022</u>	3.74%	<u>\$ 102,315,342</u>	0.34%	<u>\$ 101,972,050</u>

Total assets have increased \$4.4 million since 2020, and long-term liabilities have decreased approximately 42.1% during the same period principally due to early redemption of the 2007 and 2011 bond issues and scheduled payments on the Authority's long-term bonds.

Total net position has grown \$12.5 million since the end of 2020 as a result of favorable operations of the Landfill, consistent waste tonnage, diversification of revenues, and a tight control over Authority expenses.

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

	Years Ended December 31,				
	2022	2022 vs. 2021	2021	2021 vs. 2020	2020
Operating revenue	\$ 31,292,169	9.02%	\$ 28,702,612	0.47%	\$ 28,567,702
Nonoperating revenue	<u>140,855</u>	-92.26%	<u>1,819,265</u>	104.14%	<u>891,188</u>
Total revenues	<u>31,433,024</u>	2.99%	<u>30,521,877</u>	3.61%	<u>29,458,890</u>
Depreciation expense	4,908,165	6.12%	4,625,287	2.91%	4,494,626
Other operating expense	20,300,584	5.78%	19,191,785	3.09%	18,616,233
Nonoperating expense	<u>160,705</u>	-39.67%	<u>266,386</u>	-46.58%	<u>498,624</u>
Total expenses	<u>25,369,454</u>	5.34%	<u>24,083,458</u>	2.01%	<u>23,609,483</u>
Change in net position	6,063,570	-5.82%	6,438,419	10.07%	5,849,407
NET POSITION, beginning of year	<u>76,514,019</u>	9.19%	<u>70,075,600</u>	9.11%	<u>64,226,193</u>
NET POSITION, end of year	<u>\$ 82,577,589</u>		<u>\$ 76,514,019</u>		<u>\$ 70,075,600</u>

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2022 and 2021

Financial Analysis - Continued

The Authority's overall revenues increased 2.99% or \$911,147 from 2021. The Authority's overall expenses increased 5.34% or \$1,285,996 from 2021, due in part to record high inflation experienced across the country.

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 2022 and 2021 budgets are compared to actual results in Table A-3.

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

	Year Ended December 31, 2022		
	Actual	Amended Budget	\$ Change
Operating revenue	\$ 31,292,169	\$ 23,709,800	\$ 7,582,369
Nonoperating revenue	140,855	821,900	(681,045)
Total revenues	<u>31,433,024</u>	<u>24,531,700</u>	<u>6,901,324</u>
Operating expenses			
Salaries, wages and benefits	6,767,587	8,032,428	(1,264,841)
Contractual services	7,112,747	7,115,054	(2,307)
Materials and supplies	2,566,128	1,839,610	726,518
Utilities	307,170	318,350	(11,180)
Repairs and maintenance	305,007	246,500	58,507
Host community benefits	730,466	732,000	(1,534)
Leachate disposal	741,362	-	741,362
Insurance	259,440	261,324	(1,884)
Depreciation	4,908,165	-	4,908,165
Change in post-closure accrual estimate	255,831	-	255,831
Debt service	-	1,850,777	(1,850,777)
Capital Projects	-	1,359,000	(1,359,000)
Reserves	-	2,400,000	(2,400,000)
Contingency	-	328,401	(328,401)
Bad debts	217,283	216,066	1,217
Other operating expense	1,037,563	634,150	403,413
Nonoperating expense - interest	160,705	-	160,705
Total expenses	<u>25,369,454</u>	<u>25,333,660</u>	<u>35,794</u>
Change in net position	<u>\$ 6,063,570</u>	<u>\$ (801,960)</u>	<u>\$ 6,865,530</u>

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2022 and 2021

Budgetary Highlights - Continued

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

	Year Ended December 31, 2021		
	Actual	Amended Budget	\$ Change
Operating revenue	\$ 28,702,612	\$ 23,709,800	\$ 4,992,812
Nonoperating revenue	1,819,265	821,900	997,365
Total revenues	<u>30,521,877</u>	<u>24,531,700</u>	<u>5,990,177</u>
Operating expenses			
Salaries, wages and benefits	7,076,247	7,721,981	(645,734)
Contractual services	7,355,618	7,164,400	191,218
Materials and supplies	1,440,851	1,580,941	(140,090)
Utilities	290,177	308,950	(18,773)
Repairs and maintenance	284,649	230,200	54,449
Host community benefits	737,749	724,000	13,749
Leachate disposal	627,812	-	627,812
Insurance	211,742	226,421	(14,679)
Depreciation	4,625,287	-	4,625,287
Change in post-closure accrual estimate	136,125	-	136,125
Debt service	-	2,877,369	(2,877,369)
Capital Projects	-	413,700	(413,700)
Reserves	-	2,400,000	(2,400,000)
Contingency	-	207,048	(207,048)
Bad debts	216,742	216,066	676
Other operating expense	814,073	460,624	353,449
Nonoperating expenses	<u>266,386</u>	<u>-</u>	<u>266,386</u>
Total expenses	<u>24,083,458</u>	<u>24,531,700</u>	<u>(448,242)</u>
Change in net position	<u>\$ 6,438,419</u>	<u>\$ -</u>	<u>\$ 6,438,419</u>

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 2022 and 2021 amended budgets. These adjustments are as follows:

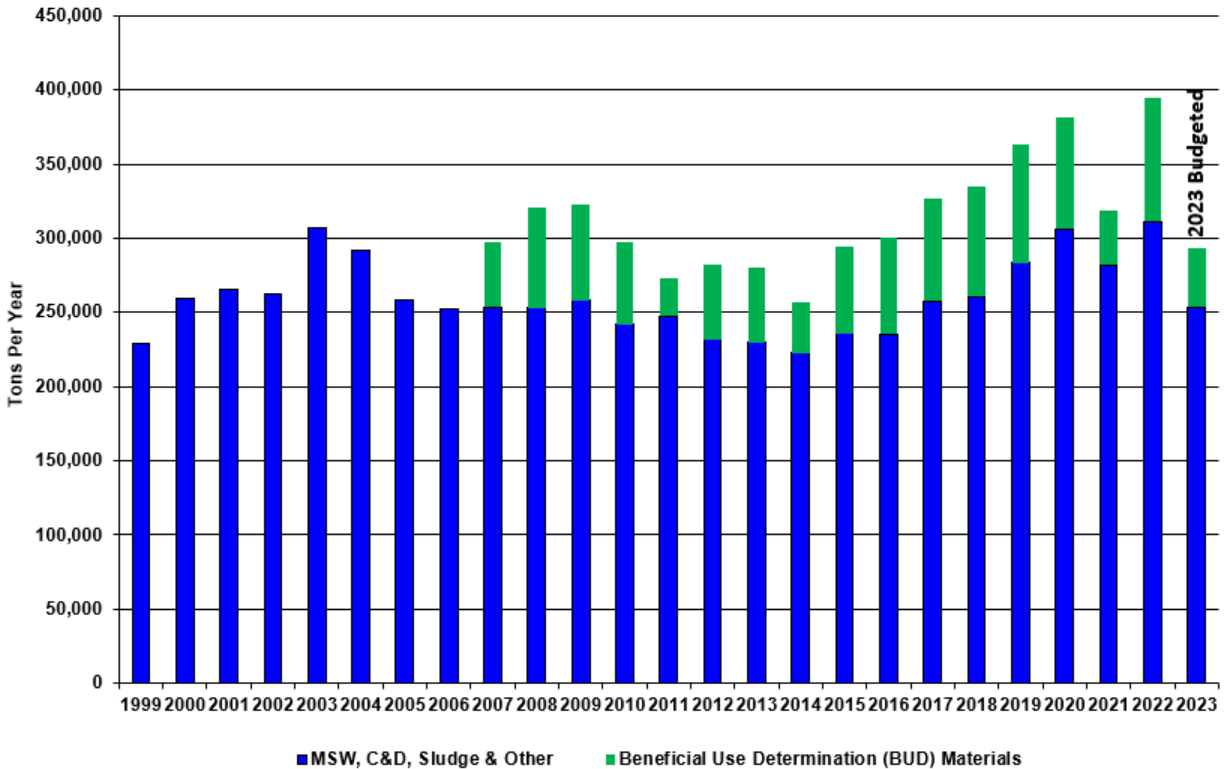
	Year Ended December 31,	
	2022	2021
Change in net position	\$ 6,063,570	\$ 6,438,419
Deduct: scheduled principal payments made on bonds	(1,690,000)	(1,645,000)
Add: depreciation expense	4,908,165	4,625,287
Deduct: acquisition of capital assets	<u>(3,173,484)</u>	<u>(6,817,025)</u>
Budget surplus	<u>\$ 6,108,251</u>	<u>\$ 2,601,681</u>

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2022 and 2021

General Trends and Significant Events

ONEIDA-HERKIMER SOLID WASTE AUTHORITY
All Non-Recyclable Solid Waste
(MSW, C&D, Sludge and Other)
1999 - 2023



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.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis December 31, 2022 and 2021

Flow Control - Continued

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 2022 and 2021, the Authority had \$47.7 million and \$49.5 million, respectively, invested in capital assets, net of accumulated depreciation, as indicated in Table A-4.

**Table A-4
Capital Assets**

	December 31,				
	2022	2021 vs. 2020	2021	2020 vs. 2019	2019
Land	\$ 3,393,056	0.00%	\$ 3,393,056	0.00%	\$ 3,393,056
Land improvements	50,203,026	0.77%	49,821,649	1.17%	49,246,106
Building and improvements	28,670,288	2.78%	27,896,112	0.83%	27,665,633
Machinery and equipment	13,140,545	6.35%	12,356,033	1.35%	12,191,029
Vehicles	11,729,031	10.37%	10,627,262	7.51%	9,885,291
Office equipment	374,070	0.00%	374,070	3.47%	361,508
	<u>107,510,016</u>	2.91%	<u>104,468,182</u>	1.68%	<u>102,742,623</u>
Less accumulated depreciation and amortization	<u>66,124,848</u>	7.26%	<u>61,651,720</u>	5.89%	<u>58,221,498</u>
Capital assets in service, net	41,385,168	-3.34%	42,816,462	-3.83%	44,521,125
Construction work in progress	<u>6,309,685</u>		<u>6,639,309</u>		<u>2,756,630</u>
Total capital assets, net	<u>\$ 47,694,853</u>	-3.56%	<u>\$ 49,455,771</u>	4.61%	<u>\$ 47,277,755</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 \$2,712,000 and \$7,725,000 per year. The funds for capital projects are covered by the system tipping fees and reserves.

Debt Administration

The Authority had \$9,307,593 and \$10,977,593 in outstanding Revenue Bonds at December 31, 2022 and 2021, 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.

Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis
December 31, 2022 and 2021

Final Comments

The preceding report summarizes the financial activity for the Authority during 2022 and 2021. 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

Joshua J. Olbrys, Deputy Executive Director

Joseph M. Artessa, Comptroller

Pasquale A. Lisandrelli, Principal Accounting Supervisor

Andrew J. Opperman, Solid Waste Engineer

Oneida-Herkimer Solid Waste Management Authority

Statements of Net Position

	December 31,	
	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,957,871	\$ 9,543,433
Investments	31,408,212	25,015,468
Receivables		
Trade, net	4,361,369	4,808,844
Accrued interest	200,732	272,861
Prepaid expenses and other assets	753,782	556,735
Total current assets	45,681,966	40,197,341
NON-CURRENT ASSETS		
Restricted assets		
Cash and cash equivalents	1,674,819	1,997,920
Investments	6,892,698	6,675,500
Accrued interest receivable	21,090	11,505
Net pension asset	1,186,531	-
Capital assets, net	47,694,853	49,455,771
Total non-current assets	57,469,991	58,140,696
DEFERRED OUTFLOWS OF RESOURCES	2,988,065	3,977,305
	\$ 106,140,022	\$ 102,315,342
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Current installments of revenue bonds	\$ 1,735,000	\$ 1,690,000
Accounts payable and accrued liabilities	1,720,476	1,987,673
Accrued interest payable	30,424	31,746
Unearned revenue	806,304	796,221
Total current liabilities	4,292,204	4,505,640
LONG-TERM LIABILITIES		
Revenue bonds, less current installments	7,572,593	9,307,593
Accrued closure and post-closure costs	3,993,142	4,038,563
Net pension liability	-	14,354
Accrued postemployment benefits	3,018,721	3,192,658
Total long-term liabilities	14,584,456	16,553,168
Total liabilities	18,876,660	21,058,808
DEFERRED INFLOWS OF RESOURCES	4,685,773	4,742,515
NET POSITION		
Net investment in capital assets	42,997,453	42,976,217
Restricted	1,079,223	1,183,323
Unrestricted	38,500,913	32,354,479
Total net position	82,577,589	76,514,019
	\$ 106,140,022	\$ 102,315,342

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,	
	2022	2021
OPERATING REVENUES		
Tipping fees, net	\$ 20,453,439	\$ 17,473,052
Solid waste service charge, City of Utica	2,302,605	2,271,822
Refuse bag sales	2,623,507	2,844,415
Toter revenues	1,038,939	1,008,949
Recyclable sales	2,630,836	3,355,759
Carbon credit sales	808,970	590,538
Landfill gas sales	501,311	317,287
Miscellaneous	932,562	840,790
	31,292,169	28,702,612
OPERATING EXPENSES		
Salaries, wages and benefits	6,767,587	7,076,247
Contractual services	7,112,747	7,355,618
Materials and supplies	2,566,128	1,440,851
Utilities	307,170	290,177
Repairs and maintenance	305,007	284,649
Host community benefits	730,466	737,749
Leachate disposal	741,362	627,812
Insurance	259,440	211,742
Depreciation	4,908,165	4,625,287
Change in post-closure accrual estimate	255,831	136,125
Other	1,254,846	1,030,815
	25,208,749	23,817,072
Operating income	6,083,420	4,885,540
NONOPERATING REVENUES (EXPENSES)		
Investment (loss) income	(54,845)	524,382
Interest expense	(160,705)	(266,386)
Operating grants	195,700	1,294,883
	(19,850)	1,552,879
Change in net position	6,063,570	6,438,419
NET POSITION, <i>beginning of year</i>	76,514,019	70,075,600
NET POSITION, <i>end of year</i>	\$ 82,577,589	\$ 76,514,019

See accompanying Notes to Financial Statements.

Oneida-Herkimer Solid Waste Management Authority

Statements of Cash Flows

	Years Ended December 31,	
	2022	2021
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Received from customers	\$ 31,749,727	\$ 26,677,837
Paid to suppliers and vendors	(14,192,465)	(12,697,882)
Paid to employees, including benefits	(7,209,911)	(6,836,503)
	10,347,351	7,143,452
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of revenue bond principal	(1,690,000)	(6,595,000)
Interest paid	(162,027)	(341,843)
Proceeds from sale of capital assets	176,040	175,152
Acquisition of capital assets	(3,173,484)	(6,817,025)
Operating grants and other revenues	195,700	1,294,883
	(4,653,771)	(12,283,833)
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Interest received	759,217	567,776
Proceeds from investment maturities	15,161,783	13,233,786
Purchase of investments	(22,523,243)	(14,041,964)
	(6,602,243)	(240,402)
Net decrease in cash and cash equivalents	(908,663)	(5,380,783)
CASH AND CASH EQUIVALENTS, <i>beginning of year</i>	11,541,353	16,922,136
CASH AND CASH EQUIVALENTS, <i>end of year</i>	\$ 10,632,690	\$ 11,541,353
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	\$ 6,083,420	\$ 4,885,540
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation	4,908,165	4,625,287
Provision for bad debts	217,283	216,742
Gain on disposal of capital assets	(149,803)	(161,430)
Change in assets and liabilities		
Receivables	230,192	(2,241,517)
Prepaid expenses and other assets	(197,047)	(15,715)
Deferred outflows	989,240	(740,785)
Accounts payable and accrued liabilities	(267,197)	(495,040)
Unearned revenues	10,083	12,348
Deferred inflows	(56,742)	3,936,598
Accrued closure and post-closure costs	(45,421)	89,841
Net pension asset/liability	(1,200,885)	(3,783,031)
Accrued postemployment benefits	(173,937)	814,614
	\$ 10,347,351	\$ 7,143,452

See accompanying Notes to Financial Statements.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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 ten facilities, the Western Transfer Station (WTS), the Eastern Transfer Station (ETS), Materials Recovery Facility (MRF), Source Separated Organics Processing Facility (SSO), 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, 2022 and 2021

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 \$1,514,504 and \$1,641,323 for the years ended December 31, 2022 and 2021, 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, 2022 and 2021

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 \$263,101 and \$262,546 at December 31, 2022 and 2021, respectively. Trade receivables are written off when deemed uncollectible. During 2022 and 2021, the Authority wrote off \$217,283 and \$216,742, 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 \$5,000 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.

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, 2022 and 2021

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 outflows and inflows include changes in assumptions related to the net pension asset/liability (Note 6) and post-employment benefits (Note 7).

The components of deferred outflows and inflows are as follows:

	December 31,	
	2022	2021
Deferred outflows of resources		
Net pension asset/liability related	\$ 2,505,520	\$ 3,364,756
Other post employment benefits related	482,545	612,549
	\$ 2,988,065	\$ 3,977,305
Deferred inflows of resources		
Net pension asset/liability related	\$ 4,039,565	\$ 4,182,559
Other post employment benefits related	646,208	559,956
	\$ 4,685,773	\$ 4,742,515

i. Unearned Revenues

Unearned revenues include billings 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. In the prior years, advance billings were presented as a component of deferred inflows of resources. The Authority has determined that these amounts are most accurately presented as unearned revenues within liabilities.

j. 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, 2022 and 2021, the Authority accrued \$3,993,142 and \$4,038,563, 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.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

j. Accrued Closure and Post-Closure Monitoring Costs - Continued

In compliance with NYSDEC requirements, \$3,957,224 and \$4,155,381 in certificates of deposit and U.S. Agency securities have been restricted by the Authority for this purpose at December 31, 2022 and 2021, respectively.

k. Tax Status

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

l. Subsequent Events

The Authority has evaluated subsequent events for potential recognition or disclosure through March 8, 2023 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,	
	2022	2021
<i>Debt Service Reserve Fund</i>		
Contingency fund to be utilized in case of default	\$ 2,027,361	\$ 2,027,261
<i>Construction Projects Fund and Bond Redemption and Improvement Fund</i>		
Additional capital expenditures which may be incurred by the Authority	1,094,050	1,055,000
<i>Other Funds</i>		
Restricted - debt service	1,488,882	1,435,778
Restricted - closure and post-closure monitoring costs	3,957,224	4,155,381
Accrued interest on restricted assets	21,090	11,505
	\$ 8,588,607	\$ 8,684,925

Note 3 - Investments

Fair value of the Authority's investments and related maturities at December 31, 2022 and 2021 is as follows:

Restricted Investments	Fair Value	December 31, 2022		
		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	4,480,626	969,633	3,510,993	-
Federal Agency Securities	384,812	48,012	202,311	134,489
	\$ 6,892,698	\$ 1,017,645	\$ 5,740,564	\$ 134,489
Unrestricted Investments				
Certificates of Deposit	\$ 31,408,212	\$ 8,623,996	\$ 22,784,216	\$ -

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2022 and 2021

Note 3 - Investments - Continued

Restricted Investments	December 31, 2021			
	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	4,195,980	634,403	3,561,577	-
Federal Agency Securities	452,260	19,988	223,230	209,042
	<u>\$ 6,675,500</u>	<u>\$ 654,391</u>	<u>\$ 5,812,067</u>	<u>\$ 209,042</u>
<u>Unrestricted Investments</u>				
Certificates of Deposit	<u>\$ 25,015,468</u>	<u>\$ 18,099,581</u>	<u>\$ 6,915,887</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, 2022 and 2021, certificates of deposit held at four financial institutions accounted for approximately 93% and 92% of investments, respectively. No other issuer 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, 2022 and 2021

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, 2022 and 2021:

- 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: 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, 2022 and 2021

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, 2022			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 35,888,838	\$ -	\$ 35,888,838
Federal Agency Securities	-	384,812	-	384,812
U.S. Treasury Bond State and Local Government Series	-	2,027,260	-	2,027,260
Total investments	\$ -	\$ 38,300,910	\$ -	\$ 38,300,910

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 29,211,448	\$ -	\$ 29,211,448
Federal Agency Securities	-	452,260	-	452,260
U.S. Treasury Bond State and Local Government Series	-	2,027,260	-	2,027,260
Total investments	\$ -	\$ 31,690,968	\$ -	\$ 31,690,968

Note 4 - Capital Asset, Net

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

	December 31, 2022				
	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	51,853	-	6,257,832	-	6,309,685
Total capital assets not being depreciated	51,853	-	9,253,918	396,970	9,702,741
Capital assets being depreciated					
Land improvements	897,813	731,836	48,520,317	53,060	50,203,026
Buildings and improvements	8,125,030	13,304,232	6,865,346	375,680	28,670,288
Equipment and machinery	9,868,424	1,741,338	1,411,519	119,264	13,140,545
Vehicles	1,988,331	2,146,256	6,856,276	738,168	11,729,031
Office equipment	39,130	20,908	81,512	232,520	374,070
	20,918,728	17,944,570	63,734,970	1,518,692	104,116,960
Less accumulated depreciation	14,370,204	11,236,625	39,181,700	1,336,319	66,124,848
Total capital assets being depreciated	6,548,524	6,707,945	24,553,270	182,373	37,992,112
Total capital assets, net	\$ 6,600,377	\$ 6,707,945	\$ 33,807,188	\$ 579,343	\$ 47,694,853

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2022 and 2021

Note 4 - Capital Asset, Net - Continued

	December 31, 2021				Total
	MRF, GWC, and HHW	ETS and WTS	Regional Landfill	Other	
Capital assets not being depreciated					
Land	\$ -	\$ -	\$ 2,996,086	\$ 396,970	\$ 3,393,056
Construction in progress	665,613	-	5,973,696	-	6,639,309
Total capital assets not being depreciated	665,613	-	8,969,782	396,970	10,032,365
Capital assets being depreciated					
Land improvements	855,735	689,758	48,223,096	53,060	49,821,649
Buildings and improvements	8,069,445	12,661,878	6,848,139	316,650	27,896,112
Equipment and machinery	9,443,911	1,522,367	1,268,131	121,624	12,356,033
Vehicles	1,914,326	2,045,157	5,929,611	738,168	10,627,262
Office equipment	39,130	20,908	81,512	232,520	374,070
	20,322,547	16,940,068	62,350,489	1,462,022	101,075,126
Less accumulated depreciation	13,389,649	10,655,547	36,326,573	1,279,951	61,651,720
Total capital assets being depreciated	6,932,898	6,284,521	26,023,916	182,071	39,423,406
Total capital assets, net	<u>\$ 7,598,511</u>	<u>\$ 6,284,521</u>	<u>\$ 34,993,698</u>	<u>\$ 579,041</u>	<u>\$ 49,455,771</u>

A summary of changes in the Authority's capital assets for the years ended December 31, 2022 and 2021 is as follows:

	Balance December 31, 2021	Additions	Retirements/ Disposals	Balance December 31, 2022
Capital assets not being depreciated				
Land	\$ 3,393,056	\$ -	\$ -	\$ 3,393,056
Construction in progress	6,639,309	572,971	(902,595)	6,309,685
Total capital assets not being depreciated	10,032,365	572,971	(902,595)	9,702,741
Capital assets being depreciated				
Land improvements	49,821,649	381,377	-	50,203,026
Buildings and improvements	27,896,112	774,176	-	28,670,288
Equipment and machinery	12,356,033	840,301	(55,789)	13,140,545
Vehicles	10,627,262	1,507,254	(405,485)	11,729,031
Office equipment	374,070	-	-	374,070
	101,075,126	3,503,108	(461,274)	104,116,960
Less accumulated depreciation	61,651,720	4,908,165	(435,037)	66,124,848
Total capital assets being depreciated	39,423,406	(1,405,057)	(26,237)	37,992,112
Total capital assets, net	<u>\$ 49,455,771</u>	<u>\$ (832,086)</u>	<u>\$ (928,832)</u>	<u>\$ 47,694,853</u>

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2022 and 2021

Note 4 - Capital Asset, Net - Continued

	Balance December 31, 2020	Additions	Retirements/ Disposals	Balance December 31, 2021
Capital assets not being depreciated				
Land	\$ 3,393,056	\$ -	\$ -	\$ 3,393,056
Construction in progress	2,756,630	4,447,593	(564,914)	6,639,309
Total capital assets not being depreciated	<u>6,149,686</u>	<u>4,447,593</u>	<u>(564,914)</u>	<u>10,032,365</u>
Capital assets being depreciated				
Land improvements	49,246,106	575,543	-	49,821,649
Buildings and improvements	27,665,633	230,479	-	27,896,112
Equipment and machinery	12,191,029	251,566	(86,562)	12,356,033
Vehicles	9,885,291	1,864,196	(1,122,225)	10,627,262
Office equipment	361,508	12,562	-	374,070
	<u>99,349,567</u>	<u>2,934,346</u>	<u>(1,208,787)</u>	<u>101,075,126</u>
Less accumulated depreciation	<u>58,221,498</u>	<u>4,625,287</u>	<u>(1,195,065)</u>	<u>61,651,720</u>
Total capital assets being depreciated	<u>41,128,069</u>	<u>(1,690,941)</u>	<u>(13,722)</u>	<u>39,423,406</u>
Total capital assets, net	<u>\$ 47,277,755</u>	<u>\$ 2,756,652</u>	<u>\$ (578,636)</u>	<u>\$ 49,455,771</u>

Construction in progress principally relates to costs incurred to construct cells at the Authority's RLF, which remains in progress.

Note 5 - Revenue Bonds

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

	Balance December 31, 2020	Additions	Reductions	Balance December 31, 2021	Additions	Reductions	Balance December 31, 2022
2011 Revenue Bonds	\$ 4,950,000	\$ -	\$ (4,950,000)	\$ -	\$ -	\$ -	\$ -
2015 EFC Revenue Bonds	12,642,593	-	(1,645,000)	10,997,593	-	(1,690,000)	9,307,593
	<u>\$ 17,592,593</u>	<u>\$ -</u>	<u>\$ (6,595,000)</u>	<u>\$ 10,997,593</u>	<u>\$ -</u>	<u>\$ (1,690,000)</u>	<u>\$ 9,307,593</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 was payable semi-annually at interest rates ranging from 4% to 5%. Principal was fully repaid in April 2021.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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 \$182,382 and \$220,068 for the years ended December 31, 2022 and 2021, respectively, and a refunding benefit of \$160,988 and \$163,815 for the years ended December 31, 2022 and 2021, respectively.

Certain assets and all 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,			
2023	1,735,000	400,663	2,135,663
2024	1,780,000	317,900	2,097,900
2025	1,830,000	232,429	2,062,429
2026	3,962,593	94,488	4,057,081
	9,307,593	\$ 1,045,480	\$ 10,353,073
Less current installments	1,735,000		
Revenue Bonds, less current installments	\$ 7,572,593		

* EFC interest is reported gross of the subsidy credit and a refunding benefit, which over the remaining life of the bonds will be \$797,920.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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:

2022	\$	694,977
2021		598,541
2020		567,018

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

At December 31, 2022 and 2021, the Authority reported an asset and liability of \$1,186,531 and \$14,354 for its proportionate share of the net pension asset and liability, respectively. The net pension asset and liability were measured as of March 31, 2022 and 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension asset and 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.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements December 31, 2022 and 2021

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

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

At December 31, 2022 and 2021, the Authority's proportion was 0.0145149% and 0.0144157%, respectively.

For the years ended December 31, 2022 and 2021, the Authority recognized pension expense of \$68,444 and \$334,702, respectively.

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

	December 31, 2022		December 31, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 89,858	\$ 116,550	\$ 175,305	\$ -
Change of assumptions	1,980,188	33,414	2,639,290	49,778
Net difference between projected and actual investment earnings on pension plan investments	-	3,885,393	-	4,123,396
Changes in proportion and differences between employer contributions and proportionate share of contributions	56,132	4,208	28,928	9,385
Employer contributions subsequent to the measurement date	379,342	-	521,233	-
Total	<u>\$ 2,505,520</u>	<u>\$ 4,039,565</u>	<u>\$ 3,364,756</u>	<u>\$ 4,182,559</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,	
2023	\$ (285,603)
2024	(426,967)
2025	(998,895)
2026	(201,922)
	<u>\$ (1,913,387)</u>

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

Actuarial Assumptions

The total pension liability at March 31, 2022 and 2021 was determined by using actuarial valuations as of April 1, 2021 and 2020, respectively, with update procedures used to roll forward the total pension liability to March 31, 2022 and 2021. The actuarial valuations used the following actuarial assumptions:

Actuarial Cost Method	Entry age normal
Inflation Rate	2.7 percent (2022); 2.7 percent (2021)
Salary Scale	4.4 percent (2022); 4.4 percent (2021), indexed by service
Investment rate of return,	
2022	5.90 percent compounded annually, net of expenses
2021	5.90 percent compounded annually, net of expenses
Cost of living adjustment	1.4 percent (2022); 1.4 percent (2021) annually
Decrement	
2022	Based on FY 2015-2020 experience
2021	Based on FY 2015-2020 experience
Mortality improvement	
2022	Society of Actuaries Scale MP-2020
2021	Society of Actuaries Scale MP-2020

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected 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, 2022 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.00%	3.30%
International equity	15.00%	5.85%
Private equity	10.00%	6.50%
Real estate	9.00%	5.00%
Absolute return strategies	3.00%	4.10%
Credit	4.00%	3.78%
Real assets	3.00%	5.80%
Fixed Income	23.00%	0.00%
Cash	1.00%	-1.00%
	<u>100.00%</u>	

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

Discount Rate

The discount rate used to calculate the total pension liability was 5.90% at December 31, 2022 and 2021, 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.

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

The following presents the Authority's proportionate share of the net pension asset at December 31, 2022 calculated using the discount rate of 5.90%, as well as what the Authority's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (4.90%) or 1-percentage-point higher (6.90%) than the current rate:

	1% Decrease (4.9%)	Current Discount (5.9%)	1% Increase (6.9%)
Authority's proportionate share of the net pension liability (asset)	\$ 3,054,119	\$ (1,186,531)	\$ (4,733,630)

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):

	2022	2021
Employers' total pension liability	\$ 223,874,888	\$ 220,680,157
Plan net position	(232,049,473)	(220,580,583)
Employers' net pension (asset) liability	\$ (8,174,585)	\$ 99,574
Ratio of plan net position to the employers' total pension liability	103.65%	99.95%

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

Note 7 - Other Postemployment Benefits (OPEB)

Pension Plan Fiduciary Net Position - Continued

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,	
	2022	2021
Actives	16	20
Retirees	8	4
Total	24	24

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, 2022 and 2021, the Authority paid \$55,923 and \$36,349, 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, 2022 and 2021, the Authority reported a liability of \$3,018,721 and \$3,192,658 for its OPEB liability, respectively. The OPEB liability was measured as of January 1, 2022 by an actuarial valuation as of that date. For the years ended December 31, 2022 and 2021, the Authority recognized OPEB expense of \$114,754 and \$563,561, respectively. The Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2022		December 31, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 432,232	\$ -	\$ 428,989
Changes of assumptions or other inputs	410,110	213,976	556,626	130,967
Employer contributions subsequent to the measurement date	72,435	-	55,923	-
	\$ 482,545	\$ 646,208	\$ 612,549	\$ 559,956

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

Note 7 - Other Postemployment Benefits (OPEB) - Continued

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

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,		
2023	\$	(65,335)
2024		(69,122)
2025		(43,525)
2026		(16,529)
2027		(41,587)
		<hr style="border-top: 1px solid black;"/>
Total	\$	<u><u>(236,098)</u></u>

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, 2022
Measurement Date	January 1, 2022
Reporting Date	December 31, 2022
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Discount Rate	
2022	2.06%
2021	2.12%
Health Care Cost Trend Rates	Society of Actuaries Long-Run Medical Cost Trend Model
Salary Scale	3.50%
Inflation	2.50%
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-2021

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

Note 7 - Other Postemployment Benefits (OPEB) - Continued

Schedule of Changes in Net OPEB Liability

	December 31,	
	2022	2021
Beginning of the year	\$ 3,192,658	\$ 2,378,044
Charges for the year:		
Service cost	110,652	73,448
Interest	69,437	66,627
Changes to benefit terms	-	494,303
Differences between expected and actual experience	(150,562)	-
Changes in assumption and other inputs	(147,541)	219,837
Benefit payments	(55,923)	(39,601)
Net changes	(173,937)	814,614
End of year	\$ 3,018,721	\$ 3,192,658

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, 2022 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	\$ 2,534,380	\$ 3,018,721	\$ 3,656,753

The following presents the OPEB liability of the plan as of December 31, 2022, calculated using the discount rate of 2.06%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06%) or 1-percentage-point higher (3.06%) than the current rate:

	1% Decrease (1.06%)	Discount Rate (2.06%)	1% Increase (3.06%)
Authority's proportionate share of the OPEB liability	\$ 3,599,967	\$ 3,018,721	\$ 2,566,714

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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, 2033 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 \$201,676 and \$209,409 during the years ended December 31, 2022 and 2021, respectively. There was \$49,776 and \$51,989 due to the City at December 31, 2022 and 2021, 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, 2022 and 2021, the cost of waste removal was \$4,422,654 and \$4,279,740 offset by solid waste service charge revenues of \$2,302,605 and \$2,271,822 and refuse bag sales of \$2,032,629 and \$2,205,774, 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 March 2023 and December 2025. 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.

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, 2022 and 2021, the cost of waste removal was \$1,570,689 and \$1,510,642, offset by refuse bag sales of \$590,878 and \$638,641, and toter rental fees of \$1,038,939 and \$1,008,949, 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, 2022 and 2021, \$808,970 and \$590,538, respectively, was earned related to the sale of carbon credits.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

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). Beyond the initial ten-year term, there is the option of two additional five-year renewals. For the years ended December 31, 2022 and 2021, \$501,311 and \$317,287, 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 2022 and 2021.

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 December 31, 2023 - Oswego County, December 31, 2026 - Fulton County and December 31, 2027 - Lewis County. 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 2022 and 2021 were \$841,230 and \$922,748, 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.

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.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

Note 9 - Accounting Standards Issued But Not Yet Implemented

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 an 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.

GASB Statement No. 99, *Omnibus 2022*. This statement addresses a variety of topics. The requirements of this statement related to the extension of the sue of LIBOR, accounting for Supplement Nutrition Assistance Program distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of the provisions of GASB Statement No. 34, *Basis Financial Statements and Management's Discussion and Analysis for State and Local Governments*, as amended, and terminology updates related to GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53), and GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, were effective upon issuance of the statement in April 2022. The requirements of this statement related to leases, PPPs, and SBITAs are effective for reporting periods beginning after June 15, 2022. The requirements of this statement related to financial guarantees and the classification of reporting of derivative instruments within the scope of GASB 53 are effective for reporting periods beginning after June 15, 2023.

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and change to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting – understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting for (1) each type of accounting changes and (2) error corrections. This statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This statement requires disclosures in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about quantitative effects of beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information and supplementary information. For periods that are earlier than those included in the basic financial statements, information presented as required supplementary information and supplementary information should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be

Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements
December 31, 2022 and 2021

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

included in a liability for compensated absences. This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 694,977	\$ 598,541	\$ 567,018	\$ 571,218	\$ 549,859	\$ 540,463	\$ 558,657	\$ 699,094	\$ 685,093	\$ 602,389
Contributions in relation to the contractually required contribution	694,977	598,541	567,018	571,218	549,859	540,463	558,657	699,094	685,093	602,389
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Authority's covered-employee payroll	4,575,207	4,458,927	4,267,962	4,100,777	4,064,975	3,836,397	3,695,136	3,419,002	3,640,306	3,458,769
Contribution as a percentage of covered-employee payroll	15.19%	13.42%	13.29%	13.93%	13.53%	14.09%	15.12%	20.45%	18.82%	17.42%

**Oneida-Herkimer
Solid Waste Management Authority**

Required Supplementary Information
Schedule of Local Government Pension Contributions

	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the net pension (asset) liability	0.0145149%	0.0144157%	0.0143403%	0.0145098%	0.0143100%	0.0141556%	0.0148470%	0.0142362%
Authority's proportionate share of the net pension (asset) liability	\$ (1,186,531)	\$ 14,354	\$ 3,797,385	\$ 1,028,066	\$ 461,847	\$ 1,330,098	\$ 2,276,668	\$ 480,933
Authority's covered-employee payroll	\$ 4,575,207	\$ 4,458,927	\$ 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 (asset) liability as a percentage of its covered-employee payroll	25.93%	0.32%	88.97%	25.07%	11.36%	34.67%	61.61%	14.07%
Plan fiduciary net position as a percentage of the total pension liability	103.65%	99.95%	86.39%	96.30%	98.20%	94.70%	97.90%	97.90%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Beginning of the year	\$ 3,192,658	\$ 2,378,044	\$ 2,387,667	\$ 2,537,410	\$ 2,365,128
Charges for the year					
Service cost	110,652	73,448	57,809	72,019	67,811
Interest	69,437	66,627	98,953	88,718	91,554
Changes to benefit terms	-	494,303	-	-	-
Differences between expected and actual experience	(150,562)	-	(498,831)	-	(254,514)
Changes in assumption and other inputs	(147,541)	219,837	396,388	(249,668)	289,164
Benefit payments	(55,923)	(39,601)	(63,942)	(60,812)	(21,733)
Net changes	<u>(173,937)</u>	<u>814,614</u>	<u>(9,623)</u>	<u>(149,743)</u>	<u>172,282</u>
End of year	<u>\$ 3,018,721</u>	<u>\$ 3,192,658</u>	<u>\$ 2,378,044</u>	<u>\$ 2,387,667</u>	<u>\$ 2,537,410</u>
Covered payroll	1,262,913	1,463,987	1,451,516	1,407,237	1,299,431
OPEB liability as a percentage of covered payroll	239.03%	218.08%	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, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 8, 2023.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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
March 8, 2023

