



**The Authority**<sup>TM</sup>  
ONEIDA-HERKIMER SOLID WASTE AUTHORITY



2018  
ANNUAL REPORT

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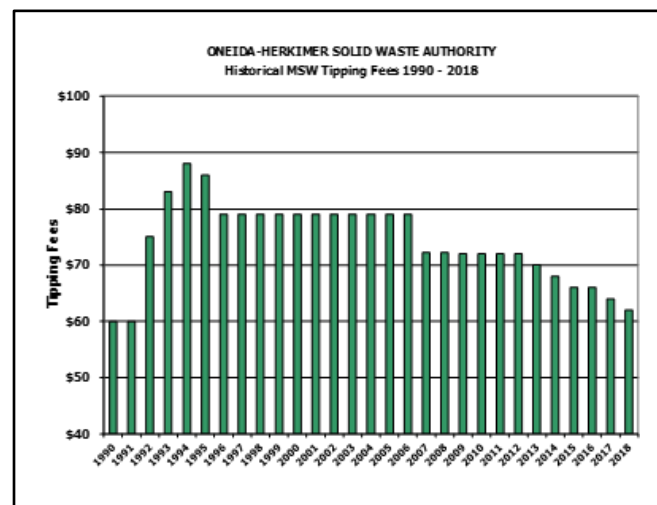
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## INTRODUCTION

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit this 2018 Annual Financial Report developed in compliance with accounting standards generally accepted in the United States of America. This year marked the 30<sup>th</sup> anniversary since the formation of the Authority.

The Authority's financial position remains in excellent condition. While lowering rates and keeping expenses in check, the Authority continued to provide a full-range of services to handle all categories of waste generated by the region's individuals, businesses, industries and institutions. The Authority continued its emphasis on reduction and recycling. The Authority Board continues to remain committed to maintaining and enhancing the region's self-reliant integrated solid waste management system.

This past year was another financially successful year for the Authority. The improving local economy has increased waste generated and corresponding revenue. Tipping fee revenues realized in 2018 were \$17,599,580, an increase of \$297,991 or 1.72% from 2017. This increase in tipping fee revenue was achieved at the same time the Authority reduced tipping fees by \$2 per ton for its largest waste material class, municipal solid waste.



The Authority paid down \$2,315,000 in long-term debt in 2018. Total revenue bond debt outstanding at December 31, 2018 was \$22,462,593. Over the past five years, the Authority has reduced long-term revenue bond debt by \$19,942,407 all while lowering its rates by 28% since 2006.

Although 2018 recycling sales revenue was down due to the global commodity markets, recyclables processing revenue was up, totaling \$781,285. This additional revenue realized for processing Fulton, Lewis and Oswego Counties' recyclables, led to an increase in revenue diversification and less reliance on tipping fees to cover Authority expenses.

In 2016, the Authority initiated a feasibility study to look at the viability of constructing a facility in Utica to divert commercial food waste from the landfill. In 2017, the Authority Board authorized construction of the facility for completion in the Spring of 2019. I am pleased to report that the Authority broke ground on the new facility in October 2018 and is on schedule for a May 2019 opening. This project has a budgeted cost of \$3,400,000 and will be paid with current operating revenues and grants. No borrowings will be used to finance any part of this project.

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

Kenneth A. Long  
Chairman

September 2018 marked 30 years since the inception of the Oneida-Herkimer Solid Waste Authority. To celebrate the Authority’s 30 years of service, the public was invited to attend a Recognition Ceremony and Community Open House on Saturday, September 29<sup>th</sup> at the Oneida-Herkimer Recycling Center.

Executive Director William Rabbia welcomed elected officials and members of the public. Authority Board Chairman Ken Long provided opening remarks and Board Member Barbara Freeman and Treasurer Harry Hertline highlighted some of the Authority’s achievements over the 30 years.



**Authority Board Chairman  
Kenneth Long**

**Oneida County Executive  
Anthony Picente**



**Herkimer County Legislator and  
Authority Board Member Vincent Bono**

**Authority Executive Director William Rabbia  
and  
Assemblymember Marianne Buttenschon**



**Authority Board Member  
Barbara Freeman**



**Authority Board Treasurer  
Harry Hertline**

Oneida County Executive Anthony Picente and Herkimer County Legislator and Authority Board Member Vincent Bono offered remarks on behalf of the two Counties and recognized the Authority for its contributions to the Oneida-Herkimer community.

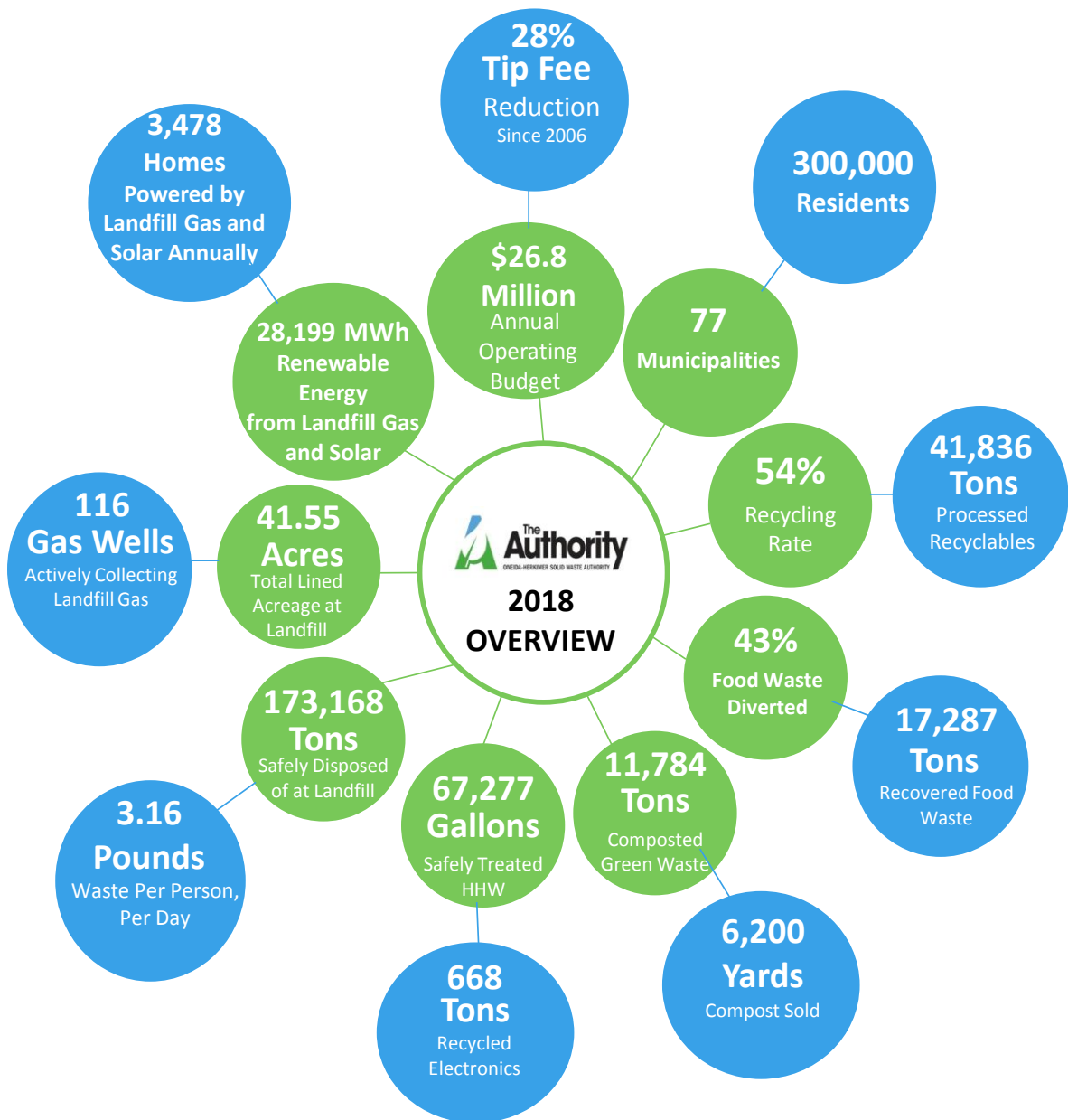
Following remarks and refreshments, the Authority offered tours of the Recycling Center; informational booths/exhibits; confidential paper shredding by Confidata; household hazardous waste drop-off; pharmaceuticals collection, and compost for purchase.

## BOARD OF DIRECTORS

The Authority's Board of Directors is comprised of 10 members representing an outstanding combination of interests and experiences in the private and public sectors.

| 2018 BOARD OF DIRECTORS  | BUSINESS AFFILIATION   |
|--|--|
| Kenneth A. Long, Chairman  | Business Manager of the Central Valley Central School District and former Herkimer County Legislator   |
| Vincent J. Bono, Vice Chairman<br>Vice Chairman, Audit Committee<br>Finance Committee    | Partner in Bono Brothers LLC, Property Management Group; Vice Chairman of the Herkimer County Legislature; and Chairman of the Herkimer County Industrial Development Agency |
| Harry A. Hertline, Treasurer<br>Chairman, Audit Committee<br>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   | Town of Verona Dairy Farmer; former Oneida County Legislator; and Member of the Agricultural Economic Development Committee  |
| James M. D'Onofrio<br>Chair, FOIL Appeals Committee                                      | President of Arlott Office Products and Member of the Oneida County Board of Legislators   |
| James A. Franco<br>FOIL Appeals Committee  | Part-time DPW Superintendent, Village of Herkimer  |
| Barbara Freeman<br>Chairwoman, Governance Committee<br>FOIL Appeals Committee            | Retired Teacher; Member, Village and Town of Boonville Environmental Councils  |
| Nancy A. Novak<br>Governance Committee   | Manager, Safety & Regulatory Compliance at Bonide Products, Inc.; Member, Mohawk Valley Environmental Information Exchange and Mohawk Valley Safety Professional Consortium  |
| Robert J. Roberts, III<br>Vice Chairman, Finance Committee<br>Audit Committee            | Director of Special Projects, Adjusters International  |
| James Williams<br>Governance Committee   | Retired from the United States Postal Service; Army Vietnam War Veteran; and Member of the Ava Town Planning Board   |

| FORMER AUTHORITY BOARD MEMBERS     |                               |
|------------------------------------|-------------------------------|
| Alfred A. Barbato, Sr. (1995-2004) | Donald L. Gross (1995-2013)   |
| Larry Barton (2004-2005)           | Robert Julian (1988-1990)     |
| Gerald C. Brodock (1988-2005)      | Michael Lane (1988-1992)      |
| R. W. Burrows, Jr. (1988-1995)     | David Link (1988-1995)        |
| Vincent Casale (2009-2013)         | Robert McLaughlin (1988-2009) |
| Louis Critelli (1992-2008)         | Charles Patterson (1992-1995) |
| Alicia Dicks (2009-2014)           | Dr. Guy Wilcox (1988-2004)    |
| A. Frank Dolan (1988-1991)         | David Yeaton (1997-2008)      |



## AUTHORITY MISSION STATEMENT AND PERFORMANCE MEASURES

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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 is constructing a Source Separated Organics Processing Facility. Services include recycling, backyard composting, providing public education, promoting waste reduction and reuse of materials, and school “Go Green” initiatives, full-scale electronics collection and sludge management. The Authority developed the region’s first local solid waste management plan in 1991. The plan included development of the comprehensive integrated solid waste management system. The original plan has been fully implemented. The Authority developed a new 10-year plan to guide the region’s solid waste management through 2020.

The Authority is governed by a 10-member Board of Directors, employs approximately 80 people and has an annual operating budget of approximately \$26.8 million.

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

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



## PERFORMANCE MEASURES

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- ✓ Implementation of local solid waste management plan including continuous review and application of new technologies.
- ✓ Compliance with all federal and state regulatory requirements.
- ✓ Maintenance of long-term stable rates and prudent fiscal management.
- ✓ 100% compliance with all ABO reporting requirements.
- ✓ Operating with full transparency and good governance.

### MISSION STATEMENT

The Authority's mission is the management of the region's solid waste and recyclable material in an environmentally sound, cost-effective, efficient and safe manner. The Authority remains committed to maintaining and enhancing the region's self-reliant integrated solid waste management system while protecting the health, safety and welfare of the region.

## 2018 PERFORMANCE MEASURE REPORT

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### PERFORMANCE MEASURE

#### **Implementation of Local Solid Waste Management Plan (LSWMP) including continuous review and application of new technologies for all systems, facilities and processes:**

- Through a competitive public bid process, RRT was contracted for the design, procurement and installation of a source-separated organics processing facility. Construction began in the Fall of 2018.
- Supported waste reduction through NYS Product Stewardship Council.
- Completed 7<sup>th</sup> operational year of single stream Recycling Center in Utica.
- Continued to process over 41,800 tons of recyclables at Recycling Center.
- 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 WMRE (Waste Management Renewable Energy) to provide green energy made from landfill gas to the market.
- Installed 20 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 116.
- On Earth Day, held a pharmaceutical collection day for residents at the Household Hazardous Waste (HHW) facility and collected over 240 pounds of pharmaceuticals.
- Held home composter and rain barrel sale, as well as educational seminars.
- Continued to safely and economically dispose and beneficially reuse over 341,077 tons of waste at RLF.
- Continued to process over 11,700 tons of green waste and converted it into marketable compost at Utica Compost Facility.
- Continued to safely dispose of over 67,277 gallons of household hazardous waste from over 13,684 area households at the HHW Facility.

- Recycled 668 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 all 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, including submission of new registrations for the Materials Recovery Facility (Recycling Center), Brush Processing Facility (Rome), Pallet Processing Facility, Organics Composting Facility and Town of Webb Transfer Station and Recycling Handling and Recovery Facility; and permit renewals for the Regional Landfill, Western Transfer Station, Green Waste Compost Facility and Household Hazardous Waste Facility.
- Developed and submitted the following Annual Reports: Eastern Transfer Station, Western Transfer Station, Green Waste Compost Facility, Source-Separated Organics Waste Facility, Waste Transporter, Recycling Center, Planning Unit Recycling Report, Regional Landfill, Webb Transfer Station, 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 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 Operational Water Quality Reports for Regional Landfill, Ava, NY.
- Developed and submitted NYSDEC required State Agency Environmental Audit.
- Conducted NYSDEC required weekly inspections related to RLF SPDES permits.
- Continued employee training in Spill Prevention, Safety, Fire Prevention, Bloodborne Pathogens, etc.

## **PERFORMANCE MEASURE**

### **Maintenance of long-term stable rates and prudent fiscal management.**

- Tipping fees for municipal solid waste and sludge were lowered for 2018. Tipping fees remain lower than tipping fees were in 1992.
- Finance Committee tasked Senior Management to prepare an extensive long-term financial plan that forecasts revenues, expenses, capital purchases and future tipping fees for the next five years.
- The Authority had a \$5,387,551 addition to its net asset position for 2018.
- Authority continued to make yearly deposits to a Landfill Equipment Replacement Fund.
- Authority continued to fund future landfill cell expansions with current tipping fees.
- Authority made all necessary deposits to Landfill Closure Funds as required.
- The Authority is now processing Oswego, Lewis and Fulton Counties' recyclables. The Authority received \$781,285 in processing fees from these agreements in 2018.
- Continued to market carbon credits generated through destruction of methane at Regional Landfill. The Authority realized \$432,221 in carbon credit revenue for 2018.
- The Authority paid down \$2,315,000 in scheduled long-term debt for 2018. The Authority has reduced long-term bonded debt by \$19,942,407 over the past five years.

## **PERFORMANCE MEASURE**

### **100% compliance with all ABO reporting requirements.**

- Authority filed all necessary reports with ABO on time.
- Authority updated its website to reflect all ABO requirements.
- Authority Board of Directors authorized and approved filing of all reports with ABO office.
- All Authority Board Members and Authority Senior management have attended mandatory ABO training.
- Authority staff reviewed all ABO Policy Guidances and reviews issued during the year.
- Operating with full transparency and good governance.
- Board of Directors and Governance Committee reviewed and approved policies including procurement policy, disposition of property, ethics and whistle blower policy.
- Board of Directors and Governance Committee adopted Mission Statement and performance measures.
- All agendas and minutes of committee meetings were posted on the Authority's website.
- Submitted 2019 draft budget to Counties for review and comment.
- Conducted all public hearings required for adoption of budget.
- Submitted adopted budget to the Counties and State-wide officials.
- Finance Committee conducted three meetings during 2018 and reviewed and approved the Authority's Investment Policy.

- Finance & Audit Committees met with the Authority's independent auditors to review the 2017 audit.

## SOURCE-SEPARATED ORGANICS PROCESSING FACILITY

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

Currently, the Oneida County Sewer District (OCSD) is in the process of installing anaerobic digesters directly adjacent to the Authority's Eastern Transfer Station. The study looked at the feasibility of processing the food waste and diverting it to OCSD's new digesters. 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. Therefore, on May 15, 2017, the Authority Board authorized issuance of a Request For Proposals (RFP) under 120-w of the General Municipal Law for entering into an agreement for the source separated organics processing facility. A draft RFP for design, construction and installation of a source separated organics processing facility (SSOPF) adjacent to the Authority's Eastern Transfer Station in Utica was released on May 17, 2017; a pre-proposal conference and facility tour was held on June 20, 2017; and the deadline for comments on the Draft RFP was July 17, 2017. A final RFP was released on August 2, 2017 with Final Proposals due on August 18, 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 began construction and broke ground in October 2018. The facility should be fully operational in May 2019. At that time, the SSOPF will begin accepting organic waste from large generators, as well as voluntary disposal from smaller generators and residents.

## 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.

When the Recycling Center was built in 1991, the dual stream sorting and processing technology that was implemented was considered state of the art. The Recycling Center effectively and consistently processed, without interruption, recyclable material for over 27 years. Since opening, the Recycling Center has successfully served the two Counties and processed over 983,650 tons of recyclables. The 2018, overall recycling rate for Oneida and Herkimer Counties is 54%.

The Authority currently operates a cutting-edge single stream processing system. The single stream processing system was constructed in 2011 and operation began in January 2012. This took the place of the Authority's previous dual stream processing system. The single stream processing system utilizes mechanical star screens and optical sorting technology to sort recyclable material by size and type. This advanced technology is able to perform efficiently with high throughput.

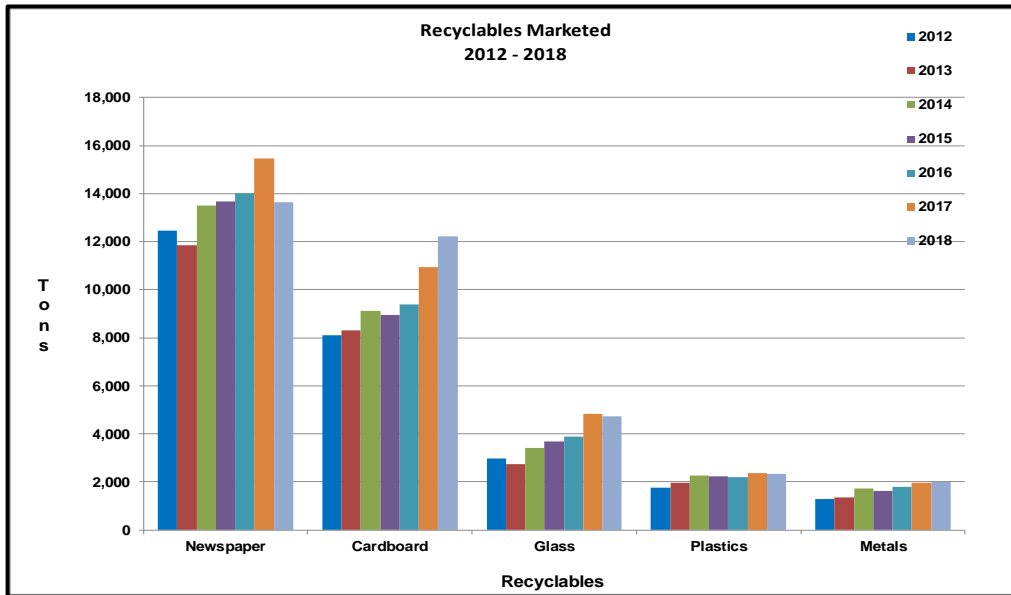
The single stream processing system provides added convenience to both residents and businesses. Recycling was made easier—all recyclables can be mixed together. Collection of recyclables was made more efficient; mixed recyclables can now be compacted, saving fuel, mileage and labor costs, plus decreasing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

Once sorted, the Authority directly markets recyclables. The Authority has business relationships with 80 local and interstate buyers for these materials.



In 2018, the Authority processed and marketed over \$1,783,408 worth of recyclables.

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



| 2018 RECYCLABLES MARKETED   |                                    |               |
|-----------------------------|------------------------------------|---------------|
|                             | MATERIAL                           | TONS          |
| MIXED RECYCLABLES DELIVERED | Mixed Paper                        | 6,293         |
|                             | Mixed Containers/Rigid Plastics    | 116           |
|                             | Mixed Recyclables [Single Stream]  | 35,427        |
|                             | <b>TOTAL RECYCLABLES DELIVERED</b> | <b>41,836</b> |
| PAPER MARKETED              | Newspaper/Magazines/Boxboard       | 13,656        |
|                             | Corrugated Cardboard/Kraft Bags    | 12,223        |
|                             | Mixed Office Paper/Junk Mail       | 87            |
|                             | Gable Top Containers/Juice Boxes   | 44            |
|                             | Other Paper/Hard Cover Books       | 41            |
|                             | <b>TOTAL PAPER MARKETED</b>        | <b>26,051</b> |
| PLASTICS MARKETED           | PET Colored Plastic (#1)           | 856           |
|                             | HDPE Natural Plastic (#2)          | 491           |
|                             | HDPE Colored Plastic (#2)          | 441           |
|                             | Mixed Plastics (#3-#7)             | 337           |
|                             | Mixed Rigid Plastics               | 220           |
|                             | <b>TOTAL PLASTICS MARKETED</b>     | <b>2,345</b>  |
| GLASS MARKETED              | Glass Aggregate (Mixed)            | 4,735         |
|                             | <b>TOTAL GLASS MARKETED</b>        | <b>4,735</b>  |
| METALS MARKETED             | Ferrous (Tin) Cans                 | 1,291         |
|                             | Mixed Aluminum                     | 114           |
|                             | Light Metal White Goods            | 308           |
|                             | Scrap                              | 287           |
|                             | <b>TOTAL METALS MARKETED</b>       | <b>2,000</b>  |
| <b>TOTAL RECYCLABLES</b>    |                                    | <b>35,131</b> |



## **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.

In December 2015, the Authority entered into an intergovernmental agreement for the processing and marketing of recyclables from Lewis County.

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

In 2017, the Recycling Center processed 11,268 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 in order to more accurately represent the recycling rate for the region. A survey form was sent to more than 300 commercial/industrial businesses in an effort to gather better 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 and fabrics. The combined public and private recycling rate for 2018 is 54%. This recycling rate proves the commitment that industries, businesses and residents have for recycling and reuse.



## BUSINESS RECYCLING PROGRAM

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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 work spaces 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. Eleven businesses achieved Certification in 2018:



**NEW HARTFORD**



**ROME**



**HERKIMER**



**Utica National Insurance Group**

**NEW HARTFORD**



**UTICA**

**TaxMaster**

**UTICA**



**UTICA**



**UTICA**

**Café Domenico**

**UTICA**



**YORKVILLE**



**HERKIMER**

**To date, 35 businesses have received Business Certification.**

## 2018 RECYCLING CHAMPION

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

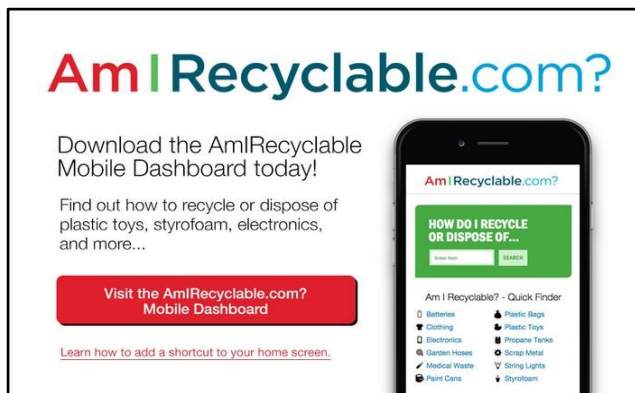


In 2018, Revere Copper Products, Inc. was the recipient of the Authority's 2018 Recycling Champion Award. Revere Copper is an employee-owned company and is one of the finest copper manufacturers in the world. Revere has long focused on reducing the company's environmental footprint and ensuring a healthy planet for generations to come. They continuously strive to divert waste from landfills through a combination of waste reduction, recycling and reuse initiatives. In October 2018, Revere also received the Authority's RecycleOne Business Certification.



Emily Albright, Authority Director of Recycling; and Revere Representatives Paula DeStefano, Environmental Manager; and Amy O'Shaughnessy, Vice President of Marketing

## PUBLIC EDUCATION AND COMMUNITY OUTREACH



**Am I Recyclable.com?**

Download the AmIRecyclable Mobile Dashboard today!

Find out how to recycle or dispose of plastic toys, styrofoam, electronics, and more...

Visit the AmIRecyclable.com? Mobile Dashboard

[Learn how to add a shortcut to your home screen.](#)

Am I Recyclable.com? - Quick Finder

- Batteries
- Clothing
- Electronics
- Garden Hoses
- Medical Waste
- Paint Cans
- Plastic Bags
- Plastic Toys
- Propane Tanks
- Scrap Metal
- String Lights
- Styrofoam

### **“Am I Recyclable?” Campaign**




In 2018, the Authority continued its educational campaign and mobile web app, “Am I Recyclable?”. The goal of the campaign was to target contamination in the recycling stream. Through social media marketing, the campaign helped educate and encourage audiences to engage in the recycling conversation.



In 2018, the Authority used social media marketing through Facebook and Instagram to promote the “Am I Recyclable?” campaign. The “Am I Recyclable?” tool is a Mobile Web App which is a scaled down version of the “How Do I Recycle or Dispose Of” search tool on the ohswa.org website. This mobile web app includes a “Quick Finder” which highlights the top 12 items (batteries, clothing, electronics, garden hoses, medical waste, paint cans, plastic bags, plastic, propane, scrap metal, string lights and Styrofoam) that are improperly recycled or disposed. The mobile web app can be viewed by visiting [www.AmIRecyclable.com](http://www.AmIRecyclable.com).

## “Am I Recyclable?” Campaign


**Oneida Herkimer Solid Waste Authority**  
 Sponsored · 
Like Page

**STOP** 🛑 If you're still using plastic or paper bags, it's time to break that habit! Reusable bags are practical, affordable and environmentally-friendly. Show this Ad at our EcoDrop locations to receive a FREE RecycleOne reusable bag while supplies last! 🎁

|  |  |  |
|--|--|--|
|  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Learn How To Dispose Of Your Bags.</b><br/>Pick Up Your FREE Reusable Bag!</p> <p><a href="#">Learn More</a></p> |  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Ditch The Plastic/Paper Bags.</b><br/>While Supplies Last.</p> <p><a href="#">Learn More</a></p> |  <p><b>PICKUP YOUR FREE REUSABLE BAG AT OUR ECODROP LOCATIONS!</b></p> <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Choose A Reusable Bag.</b><br/>One Bag Per Family.</p> <p><a href="#">Learn More</a></p> |
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**Oneida Herkimer Solid Waste Authority**  
 Sponsored · 

Fall weather is finally here, which means it's stuffy nose season! Once you've conquered your cold, what do you do with your tissue boxes, cold medicine, and empty prescription bottles? Click to see if your household items are recyclable! ♻️

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|  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Tissue Boxes?</b></p> <p><a href="#">Learn More</a></p> |  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Cough Syrup?</b></p> <p><a href="#">Learn More</a></p> |  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Prescription Bottles?</b></p> <p><a href="#">Learn More</a></p> |
|--|---|--|


**Oneida Herkimer Solid Waste Authority**  
 Sponsored · 

It's the happiest time of the year! With holiday parties, cooking for the family, and wrapping presents – don't forget to stay eco-friendly! Wrapping papers, lights, and endless decorations... 🎁 Click to see if your **Holiday** items are recyclable!

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|---|--|---|
|  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Wrapping Paper? 🎁</b></p> <p><a href="#">Learn More</a></p> |  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>String Lights? 🌟</b></p> <p><a href="#">Learn More</a></p> |  <p><a href="http://AmIRecyclable.com?">Am I Recyclable.com?</a></p> <p><b>Wreath? 🌿</b></p> <p><a href="#">Learn More</a></p> |
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## RecycleOne Campaign

The Authority maintains an excellent recycling rate (overall recycling rate for 2018 in Oneida and Herkimer Counties is 54%). However, frequent and consistent communication from the Authority is necessary to remind residents of recycling guidelines.

**ONE BIN  
NO BAGS**  
EASIER. MORE CONVENIENT. LESS COST.  
**MIX ALL YOUR  
RECYCLABLES TOGETHER**



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 2018. 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. The Authority also provided direct outreach, informational posters and RecycleOne bin decals to haulers and municipalities to further get the message directly to residents.



## AUTHORITY PRESENTATIONS & TOURS

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



Regular presentations are done at area schools, colleges, businesses, civic groups and other organizations. More than 100 presentations and tours were given in 2018. Tours of Authority facilities and presentations are available by contacting the Authority office at (315)733-1224 or [www.ohswa.org](http://www.ohswa.org).



## ANNUAL EARTH DAY EVENTS

April 22, 2018 marked the 48<sup>th</sup> annual Earth Day. In celebration of Earth Day 2018, the Authority held its annual Earth Day events on April 21<sup>st</sup> at the Recycling Center. The event was open to the public.

### 2018 AUTHORITY EARTH DAY EVENTS

- Free Tours of the Recycling Center
- Free Confidential Paper Shredding – The Authority, in cooperation with CONFIDATA, a data destruction company, offered free confidential paper shredding to residents. Nearly 10,890 pounds of paper were received, destroyed and properly recycled during this event.
- Free Collection & Disposal of Unused Medication and Pharmaceuticals – The Authority, in cooperation with NYS Department of Environmental Conservation (NYSDEC) and the Mohawk Valley Pharmacist Society, held its fourth household pharmaceutical/medication collection event. In 2018, 240 pounds of pharmaceutical waste was collected. All collection activity was performed under the direct supervision and control of an on-site NYSDEC Environmental Conservation Officer. In accordance with the requirements of the U.S. Drug Enforcement Agency (DEA), controlled substances were passed from an individual to the control and custody of a law enforcement official.
- Free Bulky Rigid Plastics Drop-Off—Residents could deliver bulky rigid plastic items that are not accepted and recycled through curbside recycling at no cost.
- Free Household Hazardous Waste & Electronics Drop-Off—Residents had the opportunity to drop off household hazardous waste and electronic material including paints, chemicals, electronics and more, for proper recycling/disposal at no cost as part of the Authority’s seasonal household hazardous waste program.
- Compost for Purchase—Screened, cured compost material was available for purchase.
- Free planting activity and presentation for children.
- Free Utica Zoo “Zoomobile” Demonstrations took place featuring animals from the Utica Zoo.
- Appearances from “Woodsy Owl” and Utica Comets’ Mascot, “Audie”.
- Backyard Compost Bin & Rainwater Barrel Truckload Sale – In an effort to increase backyard composting, conserve water usage and improve municipal storm water run-off, the Authority hosted a truckload sale to distribute compost bins and rainwater barrels to residents. A total of 60 compost bins and 60 rainwater barrels were sold.
- Free Clothing & Textiles Drop-Off – Residents could drop off unwanted clothing, shoes, belts, purses, blankets, sheets and drapes for reuse and recycling.

## EARTH DAY POSTER CONTEST

In celebration of Earth Day 2018, the Authority sponsored a poster contest to promote and educate youth and the community on proper curbside recycling, plastic film recycling and the importance of reduction and reuse. The Contest was open to all K-12 students in Oneida and Herkimer Counties.

This initiative focused on reduction, reuse and recycling to divert waste from our regional landfill and conserve natural resources and energy.

The Authority received over 500 poster contest entries from area students. Many of the entries were displayed at the Authority’s Annual Earth Day event on April 21, 2018.

Posters were divided into three categories: Grades K-6; Grades 7-9; and Grades 10-12. Below are the 2018 Earth Day Poster Contest winners.

**Grades K-6 Category**

**1<sup>st</sup> Place:**  
Ariana Krupic  
John F. Hughes Elementary School



**2<sup>nd</sup> Place:**  
Thein Than Sue  
Jefferson Elementary School



**3<sup>rd</sup> Place**  
Colin Steere  
Westmoreland Elementary School



**Grades 7-9 Category**

**1<sup>st</sup> Place:**  
Kaylee Burnop  
Oriskany Jr/Sr High School



**2<sup>nd</sup> Place:**  
Katie Ammann  
Camden High School



**3<sup>rd</sup> Place**  
Lyla Williams  
Herkimer Jr/Sr High School



**Grades 10-12 Category**

**1<sup>st</sup> Place:**  
McKenna Brazie  
Camden High School



**2<sup>nd</sup> Place:**  
Meilyn Schwartz  
Camden High School



**3<sup>rd</sup> Place**  
Zachary Peplinski  
Herkimer BOCES



The New York State Department of Environmental Conservation (NYSDEC) partnered with the Authority to host the 2018 Earth Day event. In addition to providing educational information, the NYSDEC held an awards ceremony to announce winners of the plastic film recycling challenge. The DEC Department of Lands and Forests also passed out free seedlings.



**2018 Earth Day Award Ceremony recognized winners of the NYSDEC Plastic Film Recycling Challenge and the Authority's Earth Day Poster Contest. Special Appearance by Woody Owl**



**2018 Earth Day Celebration  
Authority Recycling Center Plant Manager Dan Bowman with  
Utica Comets' Mascot "Audie"**

## **BOILERMAKER ROAD RACE**

For the 11<sup>th</sup> consecutive year, the Authority has provided the Boilermaker 15K Road Race Committee with recycling assistance. With the Authority's assistance, a Boilermaker "Green Team" was developed and recycling information and recycling collection containers were provided, resulting in 1.10 tons of recyclables collected from the week-long events in 2018.

## **MAJOR EVENTS**

In 2018, Authority staff assisted with recycling at several major events throughout Oneida and Herkimer Counties. The Authority provides these services at no cost. In addition to providing support, these worthy efforts provide us with opportunities to educate our constituents on recycling programs and opportunities.

### **RECYCLING SERVICES, CONTAINERS AND/OR INFORMATIONAL DISPLAYS PROVIDED:**

- AK 5K Road Race
- Bavarian Festival
- Boilermaker Road Race
- Boonville-Oneida County Fair
- Boonville Youth Athletic Association
- CNY Farm Progress Show
- Clinton Arts & Music Festival
- FX Matt Brewing Co. – Saranac Thursdays
- Great American Irish Festival
- Herkimer County Fair
- Masonic Care Community - Take Steps Walk
- NYS Woodsmen's Field Days
- One World Flower Festival
- Remsen Barn Festival
- Rome and Utica School Districts
- Utica Auditorium
- Utica Area Chamber of Commerce Business Show
- Utica Comets
- Utica Zoo



## GO GREEN SCHOOL RECYCLING PROGRAM



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



In 2018, the Authority's Recycling Educator visited individual classrooms and provided over 50 presentations to area schools. In addition, over 30 tours of the Oneida-Herkimer Recycling Center were given to students throughout the two-County region.



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

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

## PLASTIC FILM RECYCLING CHALLENGE



**Adrienne Greer, 3<sup>rd</sup> Grade Teacher and Jason Stefanski, Principal at E.R. Hughes Elementary, New Hartford**

In 2018, the Authority sponsored its third Plastic Film Recycling Challenge for local schools. The purpose of this challenge was to promote and educate youth and the community on proper recycling of plastic grocery bags and other plastic film, which cannot be recycled through regular curbside recycling programs. Nineteen schools participated in the Challenge and had five weeks to collect plastic film for recycling.

Participating schools partnered with local grocery stores and delivered the plastic film directly to the stores for proper recycling. The initiative focused on collecting clean, dry, plastic film to keep it out of our region's landfill.

With the efforts of these schools combined, just under 6,000 pounds of plastic film was collected for recycling. This is the equivalent of recycling almost 400,000 plastic grocery bags.

### **Elementary School Winners:**

**1<sup>st</sup> Place:** Rome Catholic School - 104 students collected 375 pounds (equals 3.61 pounds per student) of plastic film for recycling.

**2<sup>nd</sup> Place:** Sauquoit Valley Elementary School - 399 students collected 843.3 pounds (equals 2.11 pounds per student) of plastic film for recycling.

**3<sup>rd</sup> Place:** Bradley Elementary School - 467 students collected 674.7 pounds (equals 1.44 pounds per student) of plastic film for recycling.

**Honorable Mentions:** E.R. Hughes Elementary School, Boonville Elementary School, Camden Elementary School, Poland Central School District and Stokes Elementary School.

Rome Catholic School was awarded presentations from the Utica "Zoomobile".

### **Middle/High School Winners:**

**1<sup>st</sup> Place:** Remsen Jr./Sr. High School - 176 students collected 404 pounds (equals 2.3 pounds per student) of plastic film for recycling.

**2<sup>nd</sup> Place:** Adirondack Middle School - 288 students collected 538.9 pounds (equals 1.87 pounds per student) of plastic film for recycling.

**3<sup>rd</sup> Place:** Whitesboro Middle School - 499 students collected 219 pounds (equals 0.44 pounds per student) of plastic film for recycling.

**Honorable Mentions:** Camden High School, Clinton Middle/High School, Jarvis Middle School, Madison-Oneida BOCES, New Hartford High School, Rome Free Academy and Strough Middle School.

Remsen Jr./Sr. High School was awarded appearances from KISS FM DJs.

## 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 has 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.



As of December 2018, the Authority has provided a total of 21 facilities in our region with Mantis Compost-Twin composting units for use in composting cafeteria food waste at no cost to the schools/facilities.

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

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

## GREEN WASTE COMPOST FACILITY



The Authority's Green Waste Compost Facility is in its 25<sup>th</sup> 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.

In 2018, the facility received over 11,700 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 Eco Drop 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 2018, 11,332 bags of compost were sold.

Approximately 40 local businesses and municipalities regularly purchase bulk compost from the Authority. In 2018, the Authority solid 6,200 cubic yards of bulk compost.

This very successful program is in direct response to the requests of local residents wanting a more convenient way to get compost.



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

All these efforts help reduce our reliance on landfills.

## AUTHORITY COMPOST CERTIFIED BY U.S. COMPOSTING COUNCIL

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**US Composting Council**  
Seal of Testing Assurance®

The Authority has produced and marketed over 96,600 yards of high quality bulk municipal yard waste compost since 1997. In September 2013, the Authority's compost was certified by the U.S. Composting Council under its Seal of Testing Assurance Program (USCC STA), which is the only compost testing and labeling program in the country. USCC STA certification supports and documents that all Oneida-Herkimer Solid Waste Authority yard waste compost has been rigorously tested by third party laboratories to ensure that it meets all state and federal environmental requirements.

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

The Authority's finished compost is made entirely from processed brush, leaves and grass clippings, fully cured and screened to ½". 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 Eco Drop facilities and at various landscape supply centers throughout the two-County area. To date, more than 173,400 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 waste water 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 waste water contains large amounts of compostable hops and grain from the production of beer.

After the waste water 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 2018, over 115 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 Green Waste Compost Facility at a reduced fee. Pallets are ground into chips and shipped to market for use as animal bedding.

In 2018, more than 583 tons of pallets were processed at the site.

## BRUSH PROCESSING FACILITY/LAND CLEARING DEBRIS FACILITIES

To better serve the residents of western Oneida County, the Authority operates a State-Registered Compost/Brush Processing Facility adjacent to the Western Transfer Station in Rome. In 2018, 678 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 2,329 tons in 2018.

The Authority also operates a Land Clearing Debris Facility in Utica. In 2018, that facility received over 3,011 tons of material.



## HOUSEHOLD HAZARDOUS WASTE FACILITY



The Oneida-Herkimer Household Hazardous Waste Collection Facility opened for its 26<sup>th</sup> season April 1, 2018 and operated through September 30, 2018.

The facility is one of the first permanent facilities in the northeast to recycle paint and to accept a full-range of household hazardous waste (HHW). This facility is designed to serve Oneida and Herkimer Counties' residents and select businesses. There is no charge for residents to drop off HHW.

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 Oneida-Herkimer Solid Waste Authority has a specially-designed Household Hazardous Waste Collection Facility for receiving, sorting, packaging and storing household hazardous waste material.

### WHAT TYPES OF WASTE ARE ACCEPTED?

This facility gives you the opportunity to dispose of many unused, unwanted or outdated products. The following are acceptable materials:

#### 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
- Cooking Oil & Grease from Deep Fryers
- Electronics & Computer Equipment [TV Sets, VCRs, Fax Machines, Computers, Monitors, Printers, Toner, Ink Cartridges and other Electronics]
- Empty Propane Cylinders (under 100 lbs.)
- Fire Extinguishers
- Fluorescent Light Bulbs
- Motor Oil & Oil Filters
- Rechargeable Batteries
- Sharps



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 new 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 safely and securely serve the residents disposal needs. In 2018, 67,277 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.

| <b>2018 HOUSEHOLD HAZARDOUS WASTE</b> |                                  |
|---------------------------------------|----------------------------------|
| <b>MATERIAL</b>                       | <b>QUANTITY</b>                  |
| <b>PAINTS</b>                         |                                  |
| Recyclable Paint                      | 21,384 Gallons                   |
| Non-Recyclable Paint & Solvents       | 10,560 Gallons                   |
| Paint Sludge & Sealers                | 1,430 Gallons                    |
| Resins & Adhesives                    | 4,224 Gallons                    |
| <b>CHEMICALS</b>                      |                                  |
| Pesticides & Chemicals                | 9,412 Gallons                    |
| Aerosol Waste                         | 4,785 Gallons                    |
| Cleaning Solutions & Waxes            | 330 Gallons                      |
| <b>MOTOR OIL &amp; ANTIFREEZE</b>     |                                  |
| Motor Oil                             | 5,165 Gallons                    |
| Oil Filters                           | 220 Gallons                      |
| Anti-Freeze                           | 517 Gallons                      |
| <b>BATTERIES</b>                      |                                  |
| Automobile Batteries                  | 2.08 Tons                        |
| Recyclable Batteries                  | 14.51 Tons                       |
| <b>BULBS</b>                          |                                  |
| Fluorescent Lamps                     | 20.53 Tons (320,860 Linear Feet) |
| Miscellaneous Bulbs                   | 20,900 Bulbs                     |
| <b>MISCELLANEOUS WASTE</b>            |                                  |
| Cooking Oil & Grease                  | 9,250 Gallons                    |
| Propane Tanks & Fire Extinguishers    | 6,488 Tanks                      |
| <b>E-WASTE</b>                        |                                  |
| Recycled Electronic Waste             | 667.93 Tons                      |
| Computer Monitors (CRTs)              | 1,288 Units                      |
| Computer Components (CPUs)            | 3,168 Units                      |
| Televisions                           | 13,410 Units                     |



## **SERVICES FOR SELECT BUSINESSES**

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

In 2018, 96 conditionally-exempt small quantity generators and universal waste generators took advantage of this program, resulting in substantial savings for these generators. Under this program, small businesses are charged a fee for disposal costs.

The program allows residents, institutions and businesses to deliver computer and electronic equipment to the Authority for recycling and proper disposal.

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

In 2018, 668 tons of computers and electronic equipment were accepted for recycling and proper disposal, including computers monitors, CPUs, keyboards, computer components, televisions, video equipment, CD/DVD players, desktop copiers, fax machines, microwaves, electronic games, printers, toner cartridges, cellular phones, battery chargers, calculators, answering machines and other electronics. It is estimated that over 50,000 individual items were recycled.

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

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

## **FLUORESCENT LIGHT BULB DROP-OFF**

Fluorescent light bulbs, including compact fluorescent bulbs (CFLs) contain mercury and should be disposed of in an environmentally safe manner, not thrown in the trash or garbage. To assist residents with proper and safe disposal of bulbs containing mercury, the Authority expanded the CFL drop-off capability for residents. Over 20.53 tons of light bulbs were collected in 2018.

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.

## **HHW & E-WASTE GRANTS**

In 2018, the Authority was awarded \$136,577.88 in grant money from the NYS Department of Environmental Conservation (NYSDEC) Household Hazardous Waste Assistance program to off-set household hazardous waste disposal costs. In 2018, the Authority also received an E-waste grant in the amount of \$31,712.31 from NYSDEC to off-set electronic waste disposal costs.

## **E-WASTE RECYCLING EVENTS**

While the Authority accepts electronics for recycling at its Utica and Rome EcoDrop facilities year-round, at no charge, two additional community events were held in 2018 to provide convenient disposal options and to further encourage E-waste recycling.

### **Herkimer County Electronics Recycling Event**

The Authority and Herkimer County sponsored a one-day Electronics Recycling Event for all residents of Herkimer and Oneida Counties on Saturday, April 14, 2018 from 10:00 AM to 2:00 PM in the Walmart Parking Lot, 103 N. Caroline Street, Herkimer. This one-day event allowed residents to drop-off unwanted for outdated electronics for recycling at no charge. Approximately 32,400 pounds of E-waste from 252 households was received at this event.

### **Senator Joe Griffo Electronics Recycling Event**

On October 20, 2018, the Authority partnered with Senator Joe Griffo to hold an electronics recycling event at the Authority's EcoDrop Utica facility. This event brought approximately 950 cars to the facility. The day's event also included free confidential document shredding in cooperation with CONFIDATA, as well as the collection of unused or unwanted prescription medications in cooperation with the Oneida County Sheriff's Office. Approximately 46.07 tons of E-waste; 10 tons of paper; and 380 pounds of pharmaceuticals were received at this event.

The public was also encouraged to bring canned goods and other food items to donate to the Rome Rescue Mission and the Rescue Mission of Utica.



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

**Acceptable Material**

|   |   |   |
|---|---|---|
| <ul style="list-style-type: none"> <li>✓ <b>Recyclables</b><br/>(Paper, Plastic, Metal, Glass)</li> <li>✓ <b>Tires</b><br/>With and Without Rims</li> <li>✓ <b>Electronics</b><br/>(Computer Equipment, Televisions, Printers)</li> <li>✓ <b>Household Garbage</b></li> </ul> | <ul style="list-style-type: none"> <li>✓ <b>Green Waste</b></li> <li>✓ <b>Bulky Rigid Plastics</b><br/>(Plastic Lawn Furniture, Clean Plastic Buckets, Plastic Toys, etc.)</li> <li>✓ <b>Garbage/Bulk Items</b><br/>(Furniture, Mattress, Chair, Table)</li> <li>✓ <b>Automobile Batteries, Rechargeable Batteries</b></li> </ul> | <ul style="list-style-type: none"> <li>✓ <b>Scrap Metal</b><br/>(Pots &amp; Pans, Bicycles, etc.)</li> <li>✓ <b>Appliances</b><br/>(Stove, Washing Machine, Dryer)</li> <li>✓ <b>Used Motor Oil, Anti-Freeze</b></li> <li>✓ <b>Cooking Oil</b></li> </ul> |
|---|---|---|

established for dropping off solid waste. Currently there are no fees for residents dropping off recyclables, green waste, used oil filters, antifreeze, rechargeable and automobile batteries, electronics, fluorescent bulbs, propane tanks, clothing and textiles, hardcover books, cooking oil and bulky rigid plastics.

### HOUSEHOLD HAZARDOUS WASTE



Household hazardous waste (i.e., paints, chemicals) is accepted at EcoDrop Utica only, 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.

### BROCHURES AND RECYCLING DECALS

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



## CLOTHING DROP BOXES

St. Pauly Textile, Inc. clothing drop boxes are also located at both EcoDrop facilities, free of charge.

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

**NON-ACCEPTABLE PLASTIC ITEMS:** Plastic bags, plastic film (i.e., stretch film and other flexible packaging), Styrofoam, plastic appliances, vinyl siding, water hoses, toys with circuit boards or battery packs, pool chemical containers, driveway sealant containers, paint cans and motor oil containers. Bulky rigid plastic items cannot be mixed with other plastic recyclables and cannot be set-out with regular curbside recyclables. However, residents who want to recycle bulky rigid plastic items that cannot be recycled through the curbside recycling program can deliver them to the Authority's Utica and Rome EcoDrop locations during regular business hours, free of charge.

In 2018, the Authority collected 116 tons of bulky rigid plastics for recycling.

## AUTHORITY TRANSFER STATIONS

---

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

Inspection at the transfer stations provides a means to ensure the public's exposure to environmental liability is controlled. At each transfer station, waste is inspected to first insure 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 insure 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 contract hauler, Fred Burrows Trucking, LLC of Whitesboro.

The Authority's transfer stations receive waste from individual collection trucks. At the transfer stations, waste is loaded in high capacity walking floor transfer trailers for transport to the landfill. There is ample equipment so that peak traffic times can be avoided and there are no shortfalls during high waste generation periods. A fleet of 41 trailers is committed to the task of transporting this waste. The Authority continues to provide a GPS system for each of the contractor's tractors, to allow for real time tracking/compliance, speed and fuel use.

| AUTHORITY TRANSFER STATIONS<br>2018 DISPOSAL DATA |                                       |                |
|---|---------------------------------------|----------------|
|   | MATERIAL                              | TONS           |
| EASTERN<br>TRANSFER<br>STATION                    | Municipal Solid Waste                 | 117,139        |
|   | Construction & Demolition Debris      | 39,447         |
|   | <b>TOTAL EASTERN TRANSFER STATION</b> | <b>156,586</b> |
| WESTERN<br>TRANSFER<br>STATION                    | Municipal Solid Waste                 | 48,863         |
|   | Construction & Demolition Debris      | 18,050         |
|   | <b>TOTAL WESTERN TRANSFER STATION</b> | <b>66,913</b>  |

## 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 2018, the Town of Webb Transfer Station delivered 2,227 tons of municipal solid waste and 552 tons of recyclables to Authority facilities.

To comply with the new NYCRR Part 360 Solid Waste Management Facilities regulations, in March 2018, the Authority submitted new registration renewals for the Town of Webb Transfer Station and Recycling Handling and Recovery Facility to the NYSDEC.



## ONEIDA-HERKIMER REGIONAL LANDFILL

---

The Authority operates the newest landfill in upstate New York, the Oneida-Herkimer Regional Landfill, which serves rural communities with a combined population of 300,000. Initial construction of the landfill was phased over 3 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.

The 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 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.

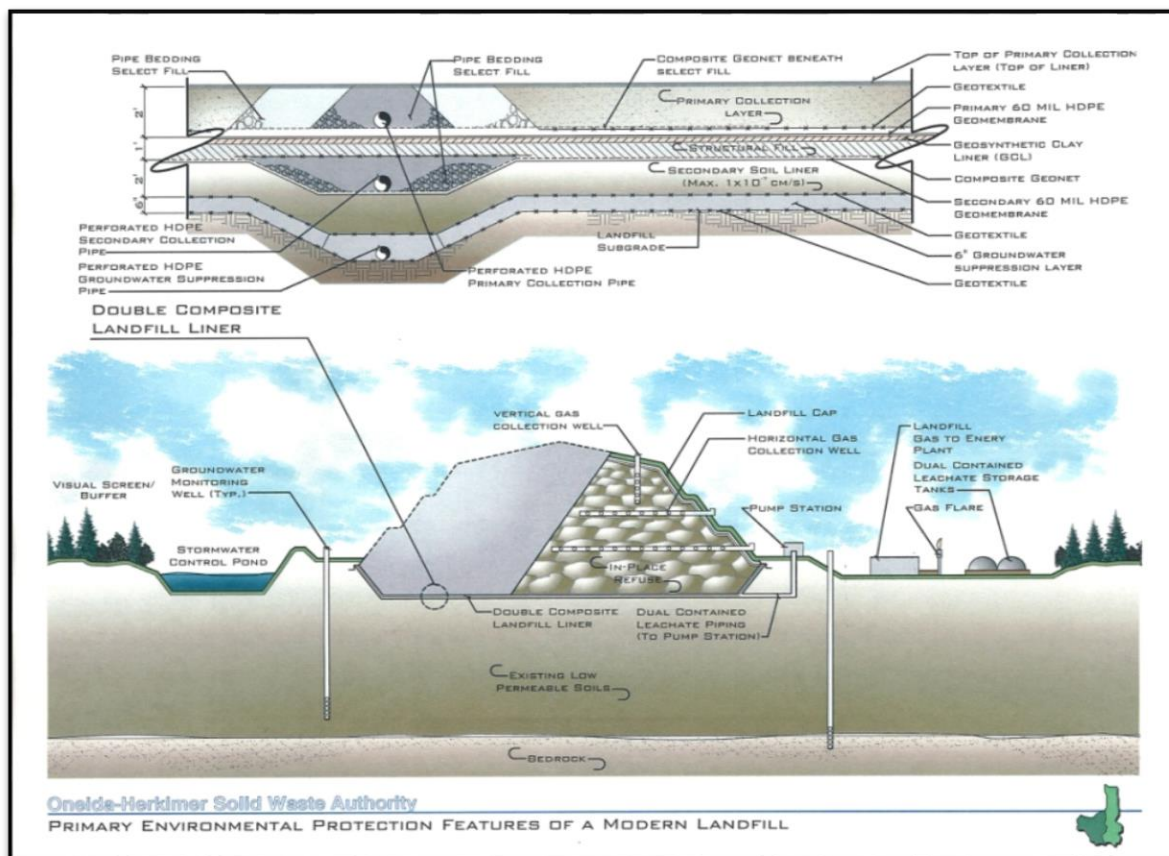


Initial construction included the following work:

- 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 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 waste water treatment facilities.

As a further precaution, monitoring wells placed around the landfill area allow for continuous testing of groundwater to insure 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. Based upon actual landfill utilization and fill progression projections, our engineers predicted the need for the availability of an additional cell in late 2013, necessitating the construction of that cell in 2010. The Authority's fourth cell (9.3 acres) was constructed in 2010. This cell became operational in 2014. Construction of Cell 6 commenced in April 2014 and was completed on-schedule in October 2014. In October 2015, this cell became operational.

Following public notice on March 10, 2017, five bids were received by the Authority for Cell 7 construction. Each bid was evaluated for compliance with the specifications for the project by the Authority's consulting engineer, Barton & Loguidice. The bid price of \$3,948,669 by Adhan Piping Company was determined to be an acceptable low bid. At the March 20, 2017 Authority meeting, the Authority Board approved a resolution authorizing the Executive Director to sign a contract with Adhan Piping Company. Adhan completed phase I of the Cell 7 project in 2017. Phase I consisted of soil stripping to sub-grade within the cell footprint, gray till mining/screening and soil stabilization. Phase II was completed in 2018. Phase II included the installation and testing of the clay liner and the HDPE primary and secondary collection layer. The total acreage of Cell 7 was 10.75 acres. Cell 7 will be operational in 2019.



| REGIONAL LANDFILL DISPOSAL DATA FOR 2018     |                |
|--|----------------|
| MATERIAL                                     | TONNAGE        |
| Municipal Solid Waste (Non-Recyclable Waste) | 173,168        |
| Construction & Demolition Debris (C&D)       | 62,087         |
| Direct Haul - Industrial Waste               | 8,216          |
| Direct Haul - Asbestos Waste                 | 4,878          |
| Direct Haul Sludge/Sludge Ash                | 12,548         |
| Alternative Daily Cover (ADC)                | 8,443          |
| Petroleum Contaminated Soil                  | 80,180         |
| <b>TOTAL</b>                                 | <b>349,520</b> |

### LANDFILL GAS MANAGEMENT/GAS TO ENERGY PROJECT



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

Initially it was estimated that one generator could be installed which would produce about 1.6 megawatts of power, or enough to provide about 2,100 average homes with power. Over the next 20 years of operations, the number of generator sets is projected to grow to 7 with a total facility power output of 11.2 megawatts, capable of powering

over 8,500 homes. The heating needs of the landfill facility will also be met.

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

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

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

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

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

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

With the second engine, the facility now generates enough renewable energy to power more than 3,300 homes each year. In 2018, the Authority installed 20 new 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 89 and horizontal wells to 27.

## **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 \$335,000.
- 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 waste water treatment sludge from the Village's waste water 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 water fowl 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 also for the implementation of sound forestry practices on the property. The Plan allows community groups, solicited through a public process, to manage Christmas tree plots and use for fundraising opportunities. The Plan also includes working with the County Forester to manage the remaining forested lands.

### **LEACHATE TREATMENT & DISPOSAL**

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

In 2017, a total of 19,155,436 gallons of leachate from the Authority's Regional Landfill were shipped for treatment.



## ASH LANDFILL



Throughout 2017, 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.

This monitoring and testing of the ALF is 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 2018, 1,050,237 kWh of power was generated. To date, the solar array has produced enough renewable energy to power approximately 178 homes.

### SOLAR ARRAY SYSTEM

#### Megawatts Annually of Renewable Energy

- Equivalent # of Homes Powered, Annually: 119
- Equivalent # of Homes Powered, 20-Year Term: 2,380
- Total Pounds CO<sub>2</sub> Avoided, 20-Year Term: 34 Million
- Equivalent # of Trees Saved, 20-Year Term: 400,000

## **MUNICIPAL COLLECTION PROGRAMS**

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### **CITY OF UTICA WASTE & RECYCLABLES COLLECTION**

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

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

| <b>CITY OF UTICA 2018 DISPOSAL DATA</b> |                |
|---|----------------|
| <b>MATERIAL</b>                         | <b>TONNAGE</b> |
| Municipal Solid Waste                   | 17,048.54      |
| Recyclables                             | 4,337.42       |
| Tires                                   | 185.58         |
| Green Waste                             | 4,769.25       |

The Authority also provides public information and enforcement of the City Code requirements for solid waste. During 2018, the Authority's solid waste inspectors wrote 37 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**

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 August 7, 2017. Following a competitive bidding process, the Authority awarded a five-year contract, commencing April 1, 2018 and continuing thru March 31, 2023, to Controlled Waste Systems, Inc. (CWSI), Utica. The contract value is \$9,569,998 over five years.

### **VILLAGES OF DOLGEVILLE, FRANKFORT, HERKIMER, ILION AND MOHAWK**

In 2018, 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 similarly to the City of Utica system, including separate accounting for each municipality.

## COMPLIANCE AND ENFORCEMENT

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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.

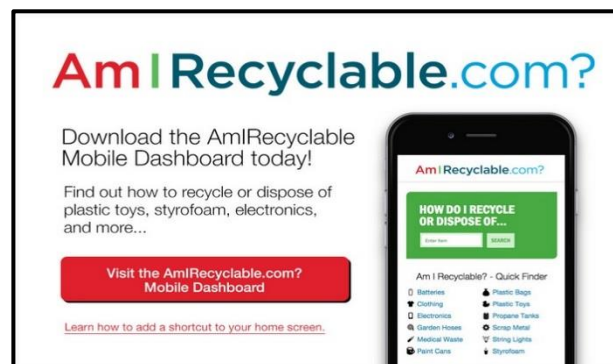
Numerous investigations were conducted with letters of enforcement and education written to hauling companies and individuals that violated County law. Illegal activities were documented, and complaint forms provided to the Oneida and Herkimer County District Attorneys for enforcement action.

## AUTHORITY WEBSITE

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For comprehensive information on the Oneida-Herkimer Solid Waste Authority, we invite you to visit our newly updated website at: [www.ohswa.org](http://www.ohswa.org)

The Authority continues to monitor and update its website. The website offers many user-friendly features and information.



## INCLUDED ON THE 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](http://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).
- Website users can **“Contact Us”** with questions via an electronic submission.
- Timely information highlighted under **“News”**.

## PUBLIC AUTHORITIES REPORTING

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The Oneida-Herkimer Solid Waste 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](http://www.ohswa.org).

## FINANCIAL ACTIVITIES

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The 2018 financial audit continues to reflect the strong operating results of the Authority. The Authority had a \$5,387,551 addition to its net position for 2018. This was the result of several factors including:

- The Authority's tipping fee revenues exceeded budget by \$3,292,564. The Authority exceeded budgeted tonnage expectations for asbestos, soil/cover, sludge, municipal solid waste and C&D material.
- The Authority earned \$1,783,408 in recyclables' sales during 2018, which was \$791,592 below the 2018 budget.
- The Authority sold landfill gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$332,837 in revenue.
- The Authority sold carbon credits resulting in \$432,221 of revenue during 2018.
- In 2018, the Authority processed recyclables for Fulton, Lewis and Oswego Counties. The Authority earned \$781,285 in processing fees.
- Expenses increased by about 6.62% over 2017 results.
- Salaries/wages and overtime increased 4.8% from 2017 due to the increased waste tonnage, recyclables' tonnage and contractual union agreement.
- Interest expense decreased by about \$123,084 from 2017, resulting from the defeasance of the Authority's 2007 bond issue in 2017 and scheduled debt payments for 2018.
- Total revenue bond debt declined by \$2,315,000, or 10.31%, from 2017.
- The Authority also funded reserves for landfill equipment in the amount of \$450,000 for 2018 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.





**ADMINISTRATIVE OFFICE**

1600 GENESEE STREET, UTICA, NY 13502  
TELEPHONE: (315)733-1224  
WEB SITE: [www.ohswa.org](http://www.ohswa.org)

**EASTERN TRANSFER STATION & RECYCLING CENTER**

80 LELAND AVENUE EXT., UTICA, NY 13502

**REGIONAL LANDFILL**

7044 STATE ROUTE 294, BOONVILLE, NY 13309

**WESTERN TRANSFER STATION**

575 PERIMETER RD., ROME, NY 13441

**STAFF**

William A. Rabbia, Executive Director  
Emily Albright, Director of Recycling  
Joseph Artessa, CPA, Comptroller  
James V. Biamonte, Environmental Coordinator/Contract Officer  
Daniel Bowman, Recycling Center Plant Manager  
Justin Fitch, Environmental Compliance Coordinator  
Adele A. Guarino, Secretary to the Executive Director  
Christine Lawrence, Account Clerk  
Pat Lisandrelli, Principal Accounting Supervisor  
Jayne Morgan, Sr. Weigh Scale Operator  
Deborah O'Connor, City of Utica Coordinator  
Joshua Olbrys, Landfill Operations Manager  
Andrew Opperman, PE, Solid Waste Engineer  
William Schrader, Superintendent of Waste Collection  
Beth Scoones, Account Clerk  
Jamie Tuttle, Recycling Educator  
Jodi M. Tuttle, Authority Board Secretary/HR Coordinator



Financial Report

December 31, 2018 and 2017

# Oneida-Herkimer Solid Waste Management Authority

## Financial Report

December 31, 2018 and 2017

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## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the Oneida-Herkimer Solid Waste Management Authority (Authority), a component unit of the County of Oneida, New York, as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2018 and 2017, 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.

***Emphasis of Matter***

As discussed in Note 1k, in 2018, the Authority adopted the new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

***Other Matters***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, including the budgetary comparison information on pages 3 to 12 and the proportionate share of the net pension liability on page 37, local government pension contributions on page 38, and the schedule of changes in OPEB liability and OPEB as a Percentage of Covered Payroll on page 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2019, 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 7, 2019



## Management's Discussion and Analysis December 31, 2018 and 2017

### Introduction

On behalf of the Oneida-Herkimer Solid Waste Management Authority (the Authority), I am pleased to submit this 2018 Annual Financial Report developed in compliance with accounting standards generally accepted in the United States of America. This year marked the 30<sup>th</sup> anniversary since the formation of the Authority.

The Authority's financial position remains in excellent condition. While lowering rates and keeping expenses in check, the Authority continued to provide a full-range of services to handle all categories of waste generated by the region's individuals, businesses, industries and institutions. The Authority continued its emphasis on reduction and recycling. The Authority Board continues to remain committed to maintaining and enhancing the region's self-reliant integrated solid waste management system.

This past year was another financially successful year for the Authority. The improving local economy has increased waste generated and corresponding revenue. Tipping fee revenues realized in 2018 were \$17,599,580, an increase of \$297,991 or 1.72% from 2017. This increase in tipping fee revenue was achieved at the same time the Authority reduced tipping fees by \$2 per ton for its largest waste material class, municipal solid waste.

The Authority paid down \$2,315,000 in long-term debt in 2018. Total revenue bond debt outstanding at December 31, 2018 was \$22,462,593. Over the past five years, the Authority has reduced long-term revenue bond debt by \$19,942,407 all while lowering its rates by 28% since 2006.

Although 2018 recycling sales revenue was down due to the global commodity markets, recyclables processing revenue was up, totaling \$781,285. This additional revenue realized for processing Fulton, Lewis and Oswego Counties' recyclables, led to an increase in revenue diversification and less reliance on tipping fees to cover Authority expenses.

In 2016, the Authority initiated a feasibility study to look at the viability of constructing a facility in Utica to divert commercial food waste from the landfill. In 2017, the Authority Board authorized construction of the facility for completion in the Spring of 2019. I am pleased to report that the Authority broke ground on the new facility in October 2018 and is on schedule for an April 2019 opening. This project has a budgeted cost of \$3,400,000 and will be paid with current operating revenues and grants. No borrowings will be used to finance any part of this project.

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



Kenneth A. Long  
Chairman

---

**BOARD OF  
DIRECTORS**

Kenneth A. Long  
*Chairman*

Harry A. Hertline  
*Treasurer*

James M. D'Onofrio  
James A. Franco

Nancy A. Novak  
Robert J. Roberts, III

William A. Rabbia  
*Executive Director*

Vincent J. Bono  
*Vice Chairman*

Neil C. Angell

Barbara Freeman

James M. Williams

Jodi M. Tuttle  
*Authority Board Secretary*



# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Authority Profile

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

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

The Authority's 2018 budget was approximately \$26.8 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 nine operational solid waste management facilities and one closed facility. These facilities are as follows: an administration facility, a recycling center, three solid waste transfer stations, a green waste composting facility, a land clearing debris facility, a household hazardous waste facility, and a regional landfill; and a closed ash landfill.

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

### Authority Board of Directors

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

# Oneida-Herkimer Solid Waste Management Authority

Management's Discussion and Analysis  
December 31, 2018 and 2017

## Authority Profile - Continued

| <u>Name</u>   | <u>Business Affiliation</u>   |
|---|---|
| <b>Barbara Freeman</b><br><i>Chair, Governance Committee</i><br><i>FOIL Appeals Committee</i>   | Retired Teacher; Member, Village<br>and Town of Boonville Environmental Councils  |
| <b>Nancy Novak</b><br><i>Governance Committee</i>   | Manager Safety & Regulatory Compliance at Bonide<br>Products, Inc.; Member, Mohawk Valley Environmental<br>Information Exchange and Mohawk Valley Safety<br>Professional Consortium |
| <b>Robert J. Roberts, III</b><br><i>Audit Committee</i><br><i>Vice Chair, Finance Committee</i> | Director of Special Projects, Adjusters International   |
| <b>James Williams</b><br><i>Governance Committee</i>  | Retired from the United States Postal Service; Vietnam<br>War Army Veteran; and Member of the Ava Town<br>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.

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

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

# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### **Audit Assurance**

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

### **Financial Highlights**

This section of the report presents management's discussion and analysis of the Authority's financial position as of December 31, 2018 and 2017, and other significant pertinent financial information.

The 2018 financial report continues to reflect the strong operating results of the Authority. The Authority has increased its net position by \$5.39 million and \$5.96 million for the years ended December 31, 2018 and 2017, respectively. This was the result of several factors including:

- Revenues increased \$783,986 or 2.96% in comparison to 2017. This was achieved at the same time the Authority reduced tipping fees by \$2 per ton for its largest waste material class, municipal solid waste.
- The Authority's tipping fee revenues exceeded budget by \$3,292,564. The Authority exceeded budget expectations for asbestos, soil/cover, sludge, municipal solid waste and C&D material.
- The Authority earned \$1,783,408 in recycling sales during 2018, which was \$791,592 under the 2018 budget.
- The Authority sold Landfill Gas and shared in a Power Purchase Agreement, per its contract with Waste Management Renewable Energy, and generated \$332,837 in revenue.
- The Authority sold carbon credits resulting in \$432,221 of revenue during 2018.
- In 2018, the Authority processed recyclables for Oswego, Lewis, and Fulton Counties. The Authority earned \$781,285 in processing fees.
- Expenses increased by 6.62% over 2017 results.
- Salaries/wages and overtime increased 4.48% from 2017.
- Interest expense decreased by \$123,084 from 2017, resulting from the defeasance of the 2007 bonds and scheduled debt principal payments.
- The Authority also funded reserves for landfill equipment in the amount of \$450,000 for 2018 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.

# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Financial Analysis

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

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

|  | December 31,               |               |                            |               |                            |
|--|----------------------------|---------------|----------------------------|---------------|----------------------------|
|  | 2018                       | 2018 vs. 2017 | 2017                       | 2017 vs. 2016 | 2016                       |
| <b>ASSETS AND DEFERRED OUTFLOWS</b>                          |                            |               |                            |               |                            |
| Current assets   | \$34,417,090               | 4.27%         | \$33,007,171               | 1.92%         | \$32,385,079               |
| Restricted assets  | 10,380,855                 | 0.97%         | 10,281,438                 | -4.30%        | 10,743,593                 |
| Capital assets, net  | 45,481,239                 | 2.84%         | 44,226,197                 | -1.74%        | 43,471,221                 |
| Non current assets   | -                          | 0.00%         | -                          | -100.00%      | 36,125                     |
| Total assets   | <u>90,279,184</u>          |               | <u>87,514,806</u>          |               | <u>86,636,018</u>          |
| Deferred outflows  | <u>1,881,632</u>           | 53.27%        | <u>1,227,632</u>           | -48.34%       | <u>2,376,155</u>           |
| <b>Total assets and deferred outflows</b>                    | <b><u>\$92,160,816</u></b> |               | <b><u>\$88,742,438</u></b> |               | <b><u>\$89,012,173</u></b> |
| <b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>       |                            |               |                            |               |                            |
| Current liabilities  | \$ 3,893,118               | -12.03%       | \$ 4,425,448               | 7.52%         | \$ 4,115,788               |
| Long-term liabilities  | <u>27,037,712</u>          | -9.86%        | <u>29,995,899</u>          | -16.32%       | <u>35,844,428</u>          |
| Total liabilities  | <u>30,930,830</u>          | -10.14%       | <u>34,421,347</u>          | -13.86%       | <u>39,960,216</u>          |
| Deferred inflows   | <u>2,512,504</u>           | 153.49%       | <u>991,165</u>             | -5.46%        | <u>1,048,400</u>           |
| Net investment in capital assets                             | 29,372,807                 |               | 25,766,311                 |               | 19,478,106                 |
| Net position, restricted                                     | 1,134,983                  |               | 1,122,046                  |               | 955,801                    |
| Net position, unrestricted                                   | <u>28,209,692</u>          |               | <u>26,441,569</u>          |               | <u>27,569,650</u>          |
| Total net position   | <u>58,717,482</u>          | 10.10%        | <u>53,329,926</u>          | 11.10%        | <u>48,003,557</u>          |
| <b>Total liabilities, deferred inflows, and net position</b> | <b><u>\$92,160,816</u></b> | <b>3.85%</b>  | <b><u>\$88,742,438</u></b> | <b>-0.30%</b> | <b><u>\$89,012,173</u></b> |

Total assets have increased \$3.64 million since 2016, and long-term liabilities have decreased approximately 24.57% during the same period principally due to early defeasance of the 2007 bond issue and scheduled payments on the Authority's long-term bonds.

Total net position has grown \$10.71 million since the end of 2016 as a result of favorable operations of the Landfill, consistent waste tonnage, diversification of revenues and a tight control over Authority expenses.

# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Financial Analysis - Continued

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

|   | Years Ended December 31,   |               |                            |               |                            |
|---|----------------------------|---------------|----------------------------|---------------|----------------------------|
|   | 2018                       | 2018 vs. 2017 | 2017                       | 2017 vs. 2016 | 2016                       |
| Operating revenue   | \$25,968,834               | -0.21%        | \$26,023,193               | 8.89%         | \$23,899,400               |
| Nonoperating revenue  | 1,318,073                  | 174.75%       | 479,728                    | -43.67%       | 851,612                    |
| Total revenues  | <u>27,286,907</u>          | 2.96%         | <u>26,502,921</u>          | 7.08%         | <u>24,751,012</u>          |
| Depreciation expense  | 3,547,652                  | 2.27%         | 3,468,782                  | -7.96%        | 3,768,841                  |
| Other operating expense                                       | 17,702,334                 | 8.86%         | 16,262,043                 | 0.86%         | 16,123,171                 |
| Nonoperating expense  | 649,365                    | -19.69%       | 808,574                    | -17.04%       | 974,685                    |
| Total expenses  | <u>21,899,351</u>          | 6.62%         | <u>20,539,399</u>          | -1.57%        | <u>20,866,697</u>          |
| <b>Change in net position</b>                                 | <b>5,387,556</b>           | <b>-9.66%</b> | <b>5,963,522</b>           | <b>53.53%</b> | <b>3,884,315</b>           |
| <b>NET POSITION, <i>beginning of year</i></b>                 | 53,329,926                 | 11.10%        | <u>48,003,557</u>          | 8.80%         | <u>44,119,242</u>          |
| <b>NET POSITION, <i>end of year, as originally stated</i></b> | -                          |               | 53,967,079                 |               | -                          |
| Effect of adoption of GASB 75                                 | -                          |               | <u>(637,153)</u>           |               | <u>44,119,242</u>          |
| <b>NET POSITION, <i>end of year, as restated</i></b>          | <b><u>\$58,717,482</u></b> | <b>10.10%</b> | <b><u>\$53,329,926</u></b> | <b>11.10%</b> | <b><u>\$48,003,557</u></b> |

The Authority's overall revenues increased 2.96 or \$783,986 from 2017. The Authority's overall expenses increased 6.62% or \$1,359,952 from 2017.

### 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 2018 and 2017 budgets are compared to actual results in Table A-3.

# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Budgetary Highlights - Continued

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

|                               | Year Ended December 31, 2018 |                    |                            |
|-------------------------------|------------------------------|--------------------|----------------------------|
|                               | Actual                       | Amended<br>Budget  | \$<br>Change               |
| Operating revenue             | \$ 25,968,834                | \$ 23,631,915      | \$ 2,336,919               |
| Nonoperating revenue          | 1,318,073                    | 2,102,750          | (784,677)                  |
| Total revenues                | <u>27,286,907</u>            | <u>25,734,665</u>  | <u>1,552,242</u>           |
| Operating expenses            |                              |                    |                            |
| Salaries, wages and benefits  | 6,392,733                    | 6,456,282          | (63,549)                   |
| Contractual services          | 6,809,809                    | 6,574,170          | 235,639                    |
| Materials and supplies        | 1,394,024                    | 1,442,173          | (48,149)                   |
| Utilities                     | 277,588                      | 283,487            | (5,899)                    |
| Repairs and maintenance       | 233,419                      | 267,926            | (34,507)                   |
| Host community benefits       | 721,981                      | 712,500            | 9,481                      |
| Leachate disposal             | 598,310                      | 405,120            | 193,190                    |
| Insurance                     | 197,709                      | 194,947            | 2,762                      |
| Other rental                  | 68,142                       | 69,353             | (1,211)                    |
| Depreciation                  | 3,547,652                    | -                  | 3,547,652                  |
| Other operating expense       | 1,008,619                    | 765,027            | 243,592                    |
| Nonoperating expenses         | <u>649,365</u>               | <u>8,563,680</u>   | <u>(7,914,315)</u>         |
| Total expenses                | <u>21,899,351</u>            | <u>25,734,665</u>  | <u>(3,835,314)</u>         |
| <b>Change in net position</b> | <b><u>\$ 5,387,556</u></b>   | <b><u>\$ -</u></b> | <b><u>\$ 5,387,556</u></b> |
|                               |                              |                    |                            |
|                               | Year Ended December 31, 2017 |                    |                            |
|                               | Actual                       | Amended<br>Budget  | \$<br>Change               |
| Operating revenue             | \$ 26,023,193                | \$ 22,502,060      | \$ 3,521,133               |
| Nonoperating revenue          | 479,728                      | 313,250            | 166,478                    |
| Total revenues                | <u>26,502,921</u>            | <u>22,815,310</u>  | <u>3,687,611</u>           |
| Operating expenses            |                              |                    |                            |
| Personal                      | 6,386,643                    | 6,239,417          | 147,226                    |
| Contractual services          | 6,103,008                    | 5,700,454          | 402,554                    |
| Materials and supplies        | 1,151,131                    | 1,260,137          | (109,006)                  |
| Utilities                     | 255,043                      | 275,500            | (20,457)                   |
| Repairs and maintenance       | 224,036                      | 279,700            | (55,664)                   |
| Host community benefits       | 718,808                      | 706,010            | 12,798                     |
| Leachate disposal             | 433,133                      | 360,000            | 73,133                     |
| Insurance                     | 178,853                      | 180,000            | (1,147)                    |
| Other rental                  | 74,824                       | 78,750             | (3,926)                    |
| Depreciation                  | 3,468,782                    | -                  | 3,468,782                  |
| Other operating expense       | 736,564                      | 684,800            | 51,764                     |
| Nonoperating expenses         | <u>808,574</u>               | <u>7,050,542</u>   | <u>(6,241,968)</u>         |
| Total expenses                | <u>20,539,399</u>            | <u>22,815,310</u>  | <u>(2,275,911)</u>         |
| <b>Change in net position</b> | <b><u>\$ 5,963,522</u></b>   | <b><u>\$ -</u></b> | <b><u>\$ 5,963,522</u></b> |



# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Budgetary Highlights - Continued

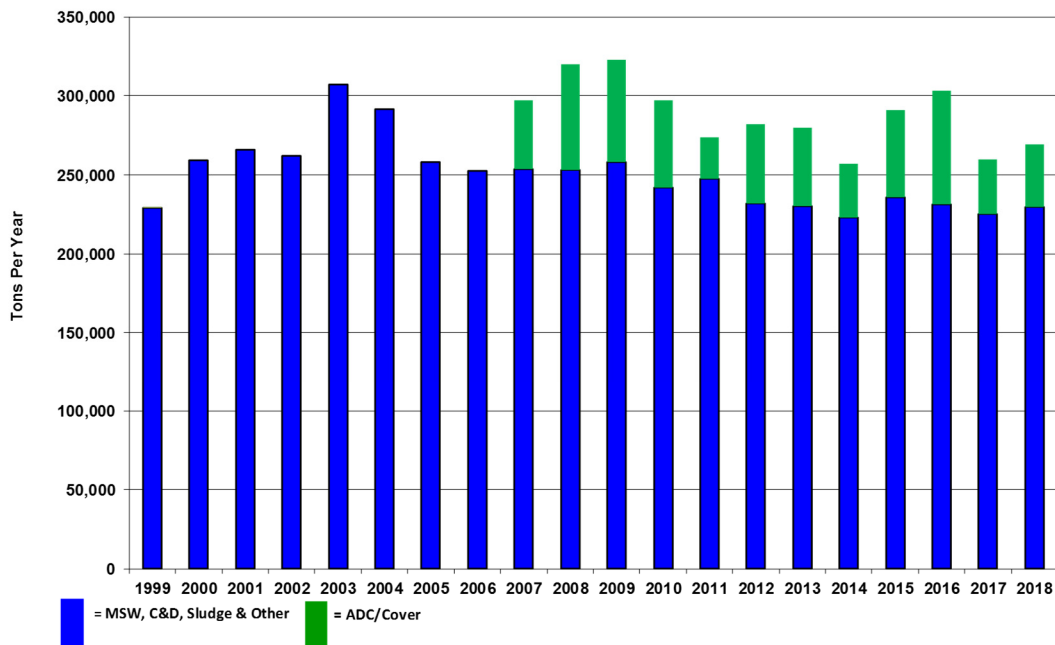
To make an accurate comparison of actual expenditures to budget, the items discussed above, as well as principal payments on outstanding bonds, depreciation and amortization, and acquisition of capital assets, need to be adjusted to allow for comparison with the 2018 and 2017 amended budgets. These adjustments are as follows:

|  | Year Ended December 31, |              |
|--|-------------------------|--------------|
|  | 2018                    | 2017         |
| Change in net position                                 | \$ 5,387,556            | \$ 5,963,522 |
| Deduct: scheduled principal payments made on bonds (a) | (2,315,000)             | (2,520,000)  |
| Add: depreciation expense                              | 3,547,652               | 3,468,782    |
| Deduct: acquisition of capital assets (b)              | (4,802,694)             | (3,631,331)  |
| Budget surplus   | \$ 1,817,514            | \$ 3,280,973 |

- (a) The prior year amount excludes early defeasance of \$3,495,000 for 2007 Bond issuance.
- (b) The prior year amount excludes approximately \$592,000 of capital expenditures from the Board authorized supplemental appropriation of \$725,000 of 2017 recyclables and carbon credits surplus revenue for the acquisition of capital assets.

### General Trends and Significant Events

**ONEIDA-HERKIMER SOLID WASTE AUTHORITY**  
All Non-Recyclable Solid Waste  
(MSW, C & D, Sludge and Other)  
1999 - 2018



# Oneida-Herkimer Solid Waste Management Authority

## Management's Discussion and Analysis December 31, 2018 and 2017

### Flow Control

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

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

During 2007, the case was finally and definitively decided.

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

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

### Capital Assets

At the end of 2018 and 2017, the Authority had \$45.5 million and \$44.2 million, respectively, invested in capital assets as indicated in Table A-4.

**Table A-4  
Capital Assets**

|  | December 31,        |               |                     |               |                     |
|--|---------------------|---------------|---------------------|---------------|---------------------|
|  | 2018                | 2018 vs. 2017 | 2017                | 2017 vs. 2016 | 2016                |
| Land   | \$ 3,270,675        | 0.00%         | \$ 3,270,675        | 0.00%         | \$ 3,270,675        |
| Land improvements                              | 44,067,658          | 0.81%         | 43,711,437          | 13.94%        | 38,364,839          |
| Building and improvements                      | 22,995,207          | 1.30%         | 22,701,074          | 1.11%         | 22,451,203          |
| Machinery and equipment                        | 10,438,945          | 2.57%         | 10,177,151          | 3.09%         | 9,871,646           |
| Vehicles                                       | 9,284,173           | -2.35%        | 9,507,941           | 8.81%         | 8,738,414           |
| Office equipment                               | 327,919             | 21.64%        | 269,587             | -0.35%        | 270,536             |
|  | <u>90,384,577</u>   | 0.83%         | <u>89,637,865</u>   | 8.04%         | <u>82,967,313</u>   |
| Less accumulated depreciation and amortization | <u>50,518,004</u>   | 6.09%         | <u>47,620,029</u>   | 6.53%         | <u>44,701,639</u>   |
| Capital assets in service, net                 | 39,866,573          | -5.12%        | 42,017,836          | 9.81%         | 38,265,674          |
| Construction work in progress                  | <u>5,614,666</u>    |               | <u>2,208,361</u>    |               | <u>5,205,547</u>    |
| Total capital assets, net                      | <u>\$45,481,239</u> | 2.84%         | <u>\$44,226,197</u> | 1.74%         | <u>\$43,471,221</u> |

The Authority adopted a five-year capital plan with the passage of its annual budget. The five-year plan projects spending on capital projects between \$2,083,000 and \$6,938,000 per year. The funds for capital projects are covered by the system tipping fees and reserves.

# **Oneida-Herkimer Solid Waste Management Authority**

## **Management's Discussion and Analysis December 31, 2018 and 2017**

### **Debt Administration**

The Authority had \$22,462,593 and \$24,777,593 in outstanding Revenue Bonds at December 31, 2018 and 2017, respectively. Although Oneida and Herkimer Counties guarantee debt service payments in the event that the Authority defaults, the Authority is contractually obligated to set its rates to cover 100% of debt service and operating expenses. Since its inception, the Authority has always raised sufficient revenue to cover operating expenditures, capital purchases, and debt service payments. Because the United States Supreme Court affirmed the County laws and validated the Authority's system, and because the Authority has fostered an extensive working relationship with generators and haulers, and because the Authority has significantly diversified its operations, management is confident that revenues will continue to be sufficient to maintain the integrated solid waste system without assistance from either County. The Authority has never made a request of the Counties for a subsidy.

### **Final Comments**

The preceding report summarizes the financial activity for the Authority during 2018 and 2017. 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  
Website: [ohswa.org](http://ohswa.org)

7:30 AM - 5:00 PM

### **Management Staff**

William A. Rabbia, Executive Director  
Joseph M. Artessa, Comptroller  
James V. Biamonte, Environmental Coordinator  
Pasquale A. Lisandrelli, Principal Accounting Supervisor  
Andrew J. Opperman, Solid Waste Engineer

# Oneida-Herkimer Solid Waste Management Authority

## Statements of Net Position

|  | December 31,         |                      |
|--|----------------------|----------------------|
|  | 2018                 | 2017                 |
|  |                      | (Restated)           |
| <b>ASSETS AND DEFERRED OUTFLOWS</b>                    |                      |                      |
| <b>CURRENT ASSETS</b>                                  |                      |                      |
| Cash and cash equivalents                              | \$ 6,655,659         | \$ 9,383,039         |
| Investments  | 23,837,183           | 20,132,487           |
| Accrued interest receivable                            | 148,204              | 142,209              |
| Receivables, net                                       | 3,406,980            | 2,963,042            |
| Prepaid expenses and other assets                      | 369,064              | 386,394              |
| Total current assets                                   | 34,417,090           | 33,007,171           |
| <b>RESTRICTED ASSETS</b>                               |                      |                      |
| Cash and cash equivalents                              | 2,370,565            | 2,586,598            |
| Investments  | 7,983,335            | 7,678,537            |
| Accrued interest receivable                            | 26,955               | 16,303               |
| Total restricted assets                                | 10,380,855           | 10,281,438           |
| <b>NON-CURRENT ASSETS</b>                              |                      |                      |
| Capital assets, net                                    | 45,481,239           | 44,226,197           |
| <b>DEFERRED OUTFLOWS</b>                               |                      |                      |
|  | 1,881,632            | 1,227,632            |
|  | <b>\$ 92,160,816</b> | <b>\$ 88,742,438</b> |
| <b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b> |                      |                      |
| <b>CURRENT LIABILITIES</b>                             |                      |                      |
| Current installments of revenue bonds                  | \$ 2,395,000         | \$ 2,315,000         |
| Accounts payable and accrued liabilities               | 1,368,480            | 1,949,469            |
| Accrued interest payable                               | 129,638              | 160,979              |
| Total current liabilities                              | 3,893,118            | 4,425,448            |
| <b>LONG-TERM LIABILITIES</b>                           |                      |                      |
| Revenue bonds, less current installments               | 20,067,593           | 22,462,593           |
| Premium on revenue bonds, net                          | 28,041               | 36,880               |
| Accrued closure and post-closure costs                 | 3,942,821            | 3,801,209            |
| Net pension liability                                  | 461,847              | 1,330,089            |
| Accrued postemployment benefits                        | 2,537,410            | 2,365,128            |
| Total long-term liabilities                            | 27,037,712           | 29,995,899           |
| Total liabilities                                      | 30,930,830           | 34,421,347           |
| <b>DEFERRED INFLOWS</b>                                |                      |                      |
|  | 2,512,504            | 991,165              |
| <b>NET POSITION</b>                                    |                      |                      |
| Net investment in capital assets                       | 29,372,807           | 25,766,311           |
| Restricted   | 1,134,983            | 1,122,046            |
| Unrestricted   | 28,209,692           | 26,441,569           |
| Total net position                                     | 58,717,482           | 53,329,926           |
|  | <b>\$ 92,160,816</b> | <b>\$ 88,742,438</b> |

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, |                      |
|---|--------------------------|----------------------|
|   | 2018                     | 2017                 |
| <b>OPERATING REVENUES</b>                                     |                          |                      |
| Tipping fees, net   | \$ 17,599,580            | \$ 17,301,589        |
| Solid waste service charge, City of Utica                     | 2,217,297                | 2,083,106            |
| Refuse bag sales  | 2,223,950                | 2,035,232            |
| Toter revenues  | 752,727                  | 719,208              |
| Recyclable sales  | 1,783,408                | 2,650,500            |
| Carbon credit sales   | 432,221                  | 318,752              |
| Landfill gas sales  | 332,837                  | 318,000              |
| Miscellaneous   | 626,814                  | 596,806              |
|   | 25,968,834               | 26,023,193           |
| <b>OPERATING EXPENSES</b>                                     |                          |                      |
| Salaries, wages and benefits                                  | 6,392,733                | 6,386,643            |
| Contractual services  | 6,809,809                | 6,103,008            |
| Materials and supplies  | 1,394,024                | 1,151,131            |
| Utilities   | 277,588                  | 255,043              |
| Repairs and maintenance                                       | 233,419                  | 224,036              |
| Host community benefits                                       | 721,981                  | 718,808              |
| Leachate disposal   | 598,310                  | 433,133              |
| Insurance   | 197,709                  | 178,853              |
| Other rental  | 68,142                   | 74,824               |
| Depreciation  | 3,547,652                | 3,468,782            |
| Change in post-closure accrual estimate                       | 154,285                  | 10,383               |
| Other   | 854,334                  | 726,181              |
|   | 21,249,986               | 19,730,825           |
| <b>Operating income</b>                                       | <b>4,718,848</b>         | <b>6,292,368</b>     |
| <b>NONOPERATING REVENUES (EXPENSES)</b>                       |                          |                      |
| Interest income   | 585,989                  | 340,403              |
| Interest expense  | (649,365)                | (772,449)            |
| Other expense   | -                        | (36,125)             |
| Operating grants and other revenue                            | 732,084                  | 139,325              |
|   | 668,708                  | (328,846)            |
| <b>Change in net position</b>                                 | <b>5,387,556</b>         | <b>5,963,522</b>     |
| <b>NET POSITION, <i>beginning of year</i></b>                 | 53,329,926               | 48,003,557           |
| <b>NET POSITION, <i>end of year, as originally stated</i></b> | -                        | 53,967,079           |
| Effect of adoption of GASB 75                                 | -                        | (637,153)            |
| <b>NET POSITION, <i>end of year, as restated</i></b>          | <b>\$ 58,717,482</b>     | <b>\$ 53,329,926</b> |

See accompanying Notes to Financial Statements.

# Oneida-Herkimer Solid Waste Management Authority

## Statements of Cash Flows

|   | <b>Years Ended December 31,</b> |                      |
|---|---------------------------------|----------------------|
|   | <b>2018</b>                     | <b>2017</b>          |
| <b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>                                     |                                 |                      |
| Received from customers   | \$ 27,304,899                   | \$ 25,311,274        |
| Paid to suppliers and vendors   | (11,481,867)                    | (8,807,958)          |
| Paid to employees, including benefits   | (7,742,693)                     | (5,900,941)          |
|   | <b>8,080,339</b>                | <b>10,602,375</b>    |
| <b>CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>                 |                                 |                      |
| Payments of revenue bond principal  | (2,315,000)                     | (6,015,000)          |
| Interest paid   | (689,545)                       | (839,976)            |
| Proceeds from sale of capital assets  | 55,348                          | 132,903              |
| Acquisition of capital assets   | (4,802,694)                     | (4,223,759)          |
| Operating grants and other revenues   | 168,291                         | 107,613              |
|   | <b>(7,583,600)</b>              | <b>(10,838,219)</b>  |
| <b>CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES</b>                                     |                                 |                      |
| Interest received   | 569,342                         | 343,709              |
| Proceeds from sale of investments   | 22,334,241                      | 21,248,991           |
| Purchase of investments   | (26,343,735)                    | (20,388,935)         |
|   | <b>(3,440,152)</b>              | <b>1,203,765</b>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                   | <b>(2,943,413)</b>              | <b>967,921</b>       |
| <b>CASH AND CASH EQUIVALENTS, <i>beginning of year</i></b>                                    | <b>11,969,637</b>               | <b>11,001,716</b>    |
| <b>CASH AND CASH EQUIVALENTS, <i>end of year</i></b>  | <b>\$ 9,026,224</b>             | <b>\$ 11,969,637</b> |
| <b>CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES</b>                                     |                                 |                      |
| Operating income  | \$ 4,718,848                    | \$ 6,292,368         |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities |                                 |                      |
| Depreciation  | 3,547,652                       | 3,468,782            |
| Provision for bad debts   | 249,781                         | 200,387              |
| Gain on sale of capital assets  | (55,348)                        | (132,902)            |
| Change in assets and liabilities  |                                 |                      |
| Receivables   | (129,926)                       | (521,782)            |
| Prepaid expenses and other assets   | 17,330                          | 297,729              |
| Deferred outflows   | (654,000)                       | 1,209,335            |
| Accounts payable and accrued liabilities  | (580,989)                       | 572,297              |
| Deferred inflows  | 1,521,339                       | (57,235)             |
| Accrued closure and post-closure costs  | 141,612                         | (2,971)              |
| Net pension liability   | (868,242)                       | (946,599)            |
| Accrued postemployment benefits   | 172,282                         | 222,966              |
|   | <b>\$ 8,080,339</b>             | <b>\$ 10,602,375</b> |

See accompanying Notes to Financial Statements.



# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### a. Nature of Business

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

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

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

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

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

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

Net position is classified as follows:

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

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## 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 \$1,492,569 and \$1,551,262 for the years ended December 31, 2018 and 2017, 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, 2018 and 2017

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

*f. Receivables, Net*

Accounts receivable 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 \$362,083 and \$348,800 at December 31, 2018 and 2017, respectively. Accounts receivable are written off when deemed uncollectible. During 2018 and 2017, the Authority wrote off \$211,613 and \$198,148, respectively, of City of Utica user fees. Recoveries of accounts receivable previously written off are recorded as a recovery of bad debt when received.

An account 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 accounts receivable that are outstanding for more than 30 days and is recognized as it is charged. After the receivable becomes past due, accrual of interest continues until the receivable is written off, or a payment agreement is reached with the customer.

*g. Capital Assets, Net*

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

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

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

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

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

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

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

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

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

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

The components of deferred outflows and inflows are as follows:

|  | December 31, |              |
|--|--------------|--------------|
|  | 2018         | 2017         |
| Deferred outflows of resources         |              |              |
| Net pension liability related          | \$ 1,577,482 | \$ 1,166,820 |
| Other post employment benefits related | 304,150      | 60,812       |
|  | \$ 1,881,632 | \$ 1,227,632 |
| Deferred inflows of resources          |              |              |
| Net pension liability related          | \$ 1,508,166 | \$ 253,496   |
| Other post employment benefits related | 214,179      | -            |
| Unearned revenue                       | 790,159      | 737,669      |
|  | \$ 2,512,504 | \$ 991,165   |

### *i. Accrued Closure and Post-Closure Monitoring Costs*

The Authority maintains the Ash Landfill (ALF) which reached full capacity at December 31, 1996, and the Regional Landfill (RLF), which began operating in late 2006. Based upon engineering estimates and actual usage, the Regional Landfill has a useful life of over seventy years. The Authority complies with the landfill closure and post-closure regulations of the New York State Department of Environmental Conservation (NYSDEC). At December 31, 2018 and 2017, the Authority accrued \$3,942,821 and \$3,801,209, respectively, for estimated closure and post-closure costs. Due to changes in technology or changes in regulations, actual costs may be different from the current accrual. In compliance with NYSDEC requirements, \$3,977,759 and \$3,915,345 in certificates of deposit and U.S. Agency securities have been restricted by the Authority for this purpose at December 31, 2018 and 2017, respectively.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### *j. Tax Status*

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

### *k. Adoption of Accounting Standard*

Effective January 1, 2018, the Authority implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. GASB 75 establishes financial reporting standards for other postemployment benefits (OPEB) plans for state and local governments. This standard replaces the requirements of GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. The statement establishes standards for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expense/expenditures, as well as identifying the methods and assumptions required to project benefit payments, discount projected benefit payments, to their actuarial present value, and attribute that present value to periods of employee service. Additionally, GASB 75 lays out requirements for additional note disclosures and required supplementary information.

As a result of the adoption of GASB 75, the Authority has restated its deferred outflows, accrued postemployment benefits, and net position as of December 31, 2017 as detailed in the table below, incorporated the required disclosures in Note 7, and included a schedule of changes in OPEB liability and OPEB as a percentage of covered payroll as part of the required supplementary information.

|   | <u>As Originally<br/>Stated</u> | <u>Adoption of<br/>GASB 75</u> | <u>As Restated</u> |
|---|---------------------------------|--------------------------------|--------------------|
| Deferred outflows                                 | \$ 1,166,820                    | \$ 60,812                      | \$ 1,227,632       |
| Accrued postemployment benefits                   | 1,667,163                       | 697,965                        | 2,365,128          |
| Unrestricted net position as of December 31, 2017 | 27,078,722                      | (637,153)                      | 26,441,569         |
| Net position as of Decmeber 31, 2017              | 53,967,079                      | (637,153)                      | 53,329,926         |

### *l. Subsequent Events*

The Authority has evaluated subsequent events for potential recognition or disclosure through March 7, 2019, the date the financial statements were available to be issued.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 2 - Restricted Assets

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

|  | December 31,  |               |
|--|---------------|---------------|
|  | 2018          | 2017          |
| <i>Debt Service Reserve Fund</i>   |               |               |
| Contingency fund to be utilized in case of default                         | \$ 3,134,250  | \$ 3,114,643  |
| <i>Construction Projects Fund and Bond Redemption and Improvement Fund</i> |               |               |
| Additional capital expenditures which may be incurred by the Authority     | 1,079,150     | 986,023       |
| <i>Other Funds</i>   |               |               |
| Restricted assets required for debt service                                | 2,168,802     | 2,253,922     |
| Restricted assets for post-closure monitoring costs                        | 3,971,698     | 3,910,547     |
| Accrued interest on restricted assets                                      | 26,955        | 16,303        |
|  | \$ 10,380,855 | \$ 10,281,438 |

## Note 3 - Investments

Fair value of the Authority's investments and related maturities at December 31, 2018 and 2017 is as follows:

|  | December 31, 2018 |                                  |              |              |
|--|-------------------|----------------------------------|--------------|--------------|
|  | Fair Value        | Investment Maturities (in Years) |              |              |
|  |                   | Less than 1                      | 1 to 5       | 6 to 10      |
| <i>Restricted Investments</i>                        |                   |                                  |              |              |
| U.S. Treasury Bond State and Local Government Series | \$ 2,027,260      | \$ -                             | \$ -         | \$ 2,027,260 |
| Certificates of Deposit                              | 5,566,447         | 1,487,606                        | 4,078,841    | -            |
| Federal Agency Securities                            | 389,628           | 49,650                           | 194,856      | 145,122      |
|  | \$ 7,983,335      | \$ 1,537,256                     | \$ 4,273,697 | \$ 145,122   |
| <i>Unrestricted Investments</i>                      |                   |                                  |              |              |
| U.S Treasury Notes                                   | 11,707,638        | \$ 8,721,038                     | \$ 2,986,600 | \$ -         |
| Certificates of Deposit                              | 12,129,545        | 9,913,226                        | 2,216,319    | -            |
|  | \$ 23,837,183     | \$ 18,634,264                    | \$ 5,202,919 | \$ -         |
| December 31, 2017                                    |                   |                                  |              |              |
|  | Fair Value        | Investment Maturities (in Years) |              |              |
|  |                   | Less than 1                      | 1 to 5       | 6 to 10      |
| <i>Restricted Investments</i>                        |                   |                                  |              |              |
| U.S. Treasury Bond State and Local Government Series | \$2,027,260       | -                                | -            | 2,027,260    |
| Certificates of Deposit                              | 5,209,189         | 3,428,207                        | 1,964,923    | -            |
| Federal Agency Securities                            | 442,088           | 75,000                           | 175,000      | 175,000      |
|  | \$ 7,678,537      | \$ 3,503,207                     | \$ 2,139,923 | \$ 2,202,260 |
| <i>Unrestricted Investments</i>                      |                   |                                  |              |              |
| Certificates of Deposit                              | \$ 20,132,487     | \$20,132,487                     | \$ -         | \$ -         |



# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 3 - Investments - Continued

### *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, 2018, certificates of deposit held at two financial institutions accounted for approximately 39% of investments. At December 31, 2017, certificates of deposit held at one financial institution accounted for approximately 73% of investments. No other issuer, excluding the U.S. federal government, makes up more than 10% of the Authority's investment portfolio. All certificates of deposit are fully collateralized. Management of the Authority monitors the credit ratings associated with its underlying investments.

### *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.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 3 - Investments - Continued

### *e. Fair Value of Financial Instruments - Continued*

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, 2018 and 2017:

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

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

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

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

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

|  | December 31, 2018 |               |         |               |
|--|-------------------|---------------|---------|---------------|
|  | Level 1           | Level 2       | Level 3 | Total         |
| Certificates of Deposit                              | \$ -              | \$ 17,695,992 | \$ -    | \$ 17,695,992 |
| Federal Agency Securities                            | -                 | 389,628       | -       | 389,628       |
| U.S. Treasury Bond State and Local Government Series | -                 | 2,027,260     | -       | 2,027,260     |
| U.S Treasury Notes                                   | -                 | 11,707,638    | -       | 11,707,638    |
|  | <hr/>             | <hr/>         | <hr/>   | <hr/>         |
| Total investments                                    | \$ -              | \$ 31,820,518 | \$ -    | \$ 31,820,518 |

# Oneida-Herkimer Solid Waste Management Authority

## Notes to Financial Statements December 31, 2018 and 2017

### Note 3 - Investments - Continued

#### e. Fair Value of Financial Instruments - Continued

|  | December 31, 2017 |                      |             |                      |
|--|-------------------|----------------------|-------------|----------------------|
|  | Level 1           | Level 2              | Level 3     | Total                |
| Certificates of Deposit                              | \$ -              | \$ 25,341,676        | \$ -        | \$ 25,341,676        |
| Federal Agency Securities                            | -                 | 442,088              | -           | 442,088              |
| U.S. Treasury Bond State and Local Government Series | -                 | 2,027,260            | -           | 2,027,260            |
| <b>Total investments</b>                             | <b>\$ -</b>       | <b>\$ 27,811,024</b> | <b>\$ -</b> | <b>\$ 27,811,024</b> |

### Note 4 - Capital Asset, Net

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

|   | December 31, 2018    |                     |                      |                   |                      |
|---|----------------------|---------------------|----------------------|-------------------|----------------------|
|   | MRF, GWC,<br>and HHW | ETS<br>and WTS      | Regional<br>Landfill | Other             | Total                |
| <b>Capital assets not being depreciated</b>       |                      |                     |                      |                   |                      |
| Land  | \$ -                 | \$ -                | \$ 2,873,705         | \$ 396,970        | \$ 3,270,675         |
| Construction in progress                          | 1,084,092            | -                   | 4,530,574            | -                 | 5,614,666            |
| <b>Total capital assets not being depreciated</b> | <b>1,084,092</b>     | <b>-</b>            | <b>7,404,279</b>     | <b>396,970</b>    | <b>8,885,341</b>     |
| <b>Capital assets being depreciated</b>           |                      |                     |                      |                   |                      |
| Land improvements                                 | 841,827              | 518,685             | 42,654,086           | 53,060            | 44,067,658           |
| Buildings and improvements                        | 7,894,917            | 8,039,872           | 6,743,768            | 316,650           | 22,995,207           |
| Equipment and machinery                           | 8,965,513            | 418,370             | 925,689              | 129,373           | 10,438,945           |
| Vehicles  | 1,920,622            | 1,451,556           | 5,105,537            | 806,458           | 9,284,173            |
| Office equipment                                  | 35,611               | 17,279              | 66,837               | 208,192           | 327,919              |
|   | 19,658,490           | 10,445,762          | 55,495,917           | 1,513,733         | 87,113,902           |
| Less accumulated depreciation                     | 10,808,394           | 9,077,796           | 29,429,593           | 1,202,221         | 50,518,004           |
| <b>Total capital assets being depreciated</b>     | <b>8,850,096</b>     | <b>1,367,966</b>    | <b>26,066,324</b>    | <b>311,512</b>    | <b>36,595,898</b>    |
| <b>Total capital assets, net</b>                  | <b>\$ 9,934,188</b>  | <b>\$ 1,367,966</b> | <b>\$ 33,470,603</b> | <b>\$ 708,482</b> | <b>\$ 45,481,239</b> |
|   |                      |                     |                      |                   |                      |
|   | December 31, 2017    |                     |                      |                   |                      |
|   | MRF, GWC,<br>and HHW | ETS<br>and WTS      | Regional<br>Landfill | Other             | Total                |
| <b>Capital assets not being depreciated</b>       |                      |                     |                      |                   |                      |
| Land  | \$ -                 | \$ -                | \$ 2,873,705         | \$ 396,970        | \$ 3,270,675         |
| Construction in progress                          | 138,405              | -                   | 2,069,956            | -                 | 2,208,361            |
| <b>Total capital assets not being depreciated</b> | <b>138,405</b>       | <b>-</b>            | <b>4,943,661</b>     | <b>396,970</b>    | <b>5,479,036</b>     |
| <b>Capital assets being depreciated</b>           |                      |                     |                      |                   |                      |
| Land improvements                                 | 819,211              | 490,419             | 42,371,685           | 30,122            | 43,711,437           |
| Buildings and improvements                        | 7,587,764            | 8,052,892           | 6,743,768            | 316,650           | 22,701,074           |
| Equipment and machinery                           | 8,859,520            | 410,901             | 756,181              | 150,549           | 10,177,151           |
| Vehicles  | 2,008,151            | 1,776,537           | 4,856,394            | 866,859           | 9,507,941            |
| Office equipment                                  | 36,210               | 16,800              | 73,613               | 142,964           | 269,587              |
|   | 19,310,856           | 10,747,549          | 54,801,641           | 1,507,144         | 86,367,190           |
| Less accumulated depreciation                     | 10,043,049           | 9,128,583           | 27,233,454           | 1,214,943         | 47,620,029           |
| <b>Total capital assets being depreciated</b>     | <b>9,267,807</b>     | <b>1,618,966</b>    | <b>27,568,187</b>    | <b>292,201</b>    | <b>38,747,161</b>    |
| <b>Total capital assets, net</b>                  | <b>\$ 9,406,212</b>  | <b>\$ 1,618,966</b> | <b>\$ 32,511,848</b> | <b>\$ 689,171</b> | <b>\$ 44,226,197</b> |

# Oneida-Herkimer Solid Waste Management Authority

## Notes to Financial Statements December 31, 2018 and 2017

### Note 4 - Capital Asset, Net - Continued

A summary of changes in the Authority's capital assets for the years ended December 31, 2018 and 2017 is as follows:

|  | Balance<br>December 31,<br>2017 | Additions           | Retirements/<br>Disposals | Balance<br>December 31,<br>2018 |
|--|---------------------------------|---------------------|---------------------------|---------------------------------|
| Capital assets not being depreciated       |                                 |                     |                           |                                 |
| Land                                       | \$ 3,270,675                    | \$ -                | \$ -                      | \$ 3,270,675                    |
| Construction in progress                   | 2,208,361                       | 4,062,034           | (655,729)                 | 5,614,666                       |
| Total capital assets not being depreciated | <u>5,479,036</u>                | <u>4,062,034</u>    | <u>(655,729)</u>          | <u>8,885,341</u>                |
| Capital assets being depreciated           |                                 |                     |                           |                                 |
| Land improvements                          | 43,711,437                      | 356,221             | -                         | 44,067,658                      |
| Buildings and improvements                 | 22,701,074                      | 320,402             | (26,269)                  | 22,995,207                      |
| Equipment and machinery                    | 10,177,151                      | 293,169             | (31,375)                  | 10,438,945                      |
| Vehicles                                   | 9,507,941                       | 344,012             | (567,780)                 | 9,284,173                       |
| Office equipment                           | 269,587                         | 82,585              | (24,253)                  | 327,919                         |
|  | <u>86,367,190</u>               | <u>1,396,389</u>    | <u>(649,677)</u>          | <u>87,113,902</u>               |
| Less accumulated depreciation              | 47,620,029                      | 3,547,652           | (649,677)                 | 50,518,004                      |
| Total capital assets being depreciated     | <u>38,747,161</u>               | <u>(2,151,263)</u>  | <u>-</u>                  | <u>36,595,898</u>               |
| Total capital assets, net                  | <u>\$ 44,226,197</u>            | <u>\$ 1,910,771</u> | <u>\$ (655,729)</u>       | <u>\$ 45,481,239</u>            |
|  |                                 |                     |                           |                                 |
|  | Balance<br>December 31,<br>2016 | Additions           | Retirements/<br>Disposals | Balance<br>December 31,<br>2017 |
| Capital assets not being depreciated       |                                 |                     |                           |                                 |
| Land                                       | \$ 3,270,675                    | \$ -                | \$ -                      | \$ 3,270,675                    |
| Construction in progress                   | 5,205,547                       | 2,213,593           | (5,210,779)               | 2,208,361                       |
| Total capital assets not being depreciated | <u>8,476,222</u>                | <u>2,213,593</u>    | <u>(5,210,779)</u>        | <u>5,479,036</u>                |
| Capital assets being depreciated           |                                 |                     |                           |                                 |
| Land improvements                          | 38,364,839                      | 5,346,598           | -                         | 43,711,437                      |
| Buildings and improvements                 | 22,451,203                      | 267,071             | (17,200)                  | 22,701,074                      |
| Equipment and machinery                    | 9,871,646                       | 338,212             | (32,707)                  | 10,177,151                      |
| Vehicles                                   | 8,738,414                       | 1,265,035           | (495,508)                 | 9,507,941                       |
| Office equipment                           | 270,536                         | 4,026               | (4,975)                   | 269,587                         |
|  | <u>79,696,638</u>               | <u>7,220,942</u>    | <u>(550,390)</u>          | <u>86,367,190</u>               |
| Less accumulated depreciation              | 44,701,639                      | 3,468,780           | (550,390)                 | 47,620,029                      |
| Total capital assets being depreciated     | <u>34,994,999</u>               | <u>3,752,162</u>    | <u>-</u>                  | <u>38,747,161</u>               |
| Total capital assets, net                  | <u>\$ 43,471,221</u>            | <u>\$ 5,965,755</u> | <u>\$ (5,210,779)</u>     | <u>\$ 44,226,197</u>            |

Construction in progress principally relates to costs incurred to construct cells at the Authority's RLF and the source separated organics facility. The Authority's seventh cell was placed in service in January 2019. Outstanding commitments relating to the construction of the Authority's source separated organics facility were \$2,330,224 at December 31, 2018.

# Oneida-Herkimer Solid Waste Management Authority

## Notes to Financial Statements December 31, 2018 and 2017

### Note 5 - Revenue Bonds

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

|                        | Balance<br>December 31,<br>2016 | Additions   | Reductions            | Balance<br>December 31,<br>2017 | Additions   | Reductions            | Balance<br>December 31,<br>2018 |
|------------------------|---------------------------------|-------------|-----------------------|---------------------------------|-------------|-----------------------|---------------------------------|
| 2011 Revenue Bonds     | \$ 8,205,000                    | \$ -        | \$ (765,000)          | \$ 7,440,000                    | \$ -        | \$ (790,000)          | \$ 6,650,000                    |
| 2007 Revenue Bonds     | 3,765,000                       | -           | (3,765,000)           | -                               | -           | -                     | -                               |
| 2015 EFC Revenue Bonds | 18,822,593                      | -           | (1,485,000)           | 17,337,593                      | -           | (1,525,000)           | 15,812,593                      |
|                        | <u>\$ 30,792,593</u>            | <u>\$ -</u> | <u>\$ (6,015,000)</u> | <u>\$ 24,777,593</u>            | <u>\$ -</u> | <u>\$ (2,315,000)</u> | <u>\$ 22,462,593</u>            |

Revenue bonds of the Authority are summarized as follows:

#### *2007 Revenue Bonds*

The 2007 revenue bonds were originally issued at \$5,730,000 to refinance outstanding notes, finance the costs incurred in connection with the issuance of the bonds, and to fund the debt service reserve fund. Interest was payable semi-annually at interest rates ranging from 4.125% to 4.20%. The 2007 revenue bonds were defeased in 2017.

#### *2011 Revenue Bonds*

The 2011 revenue bonds were originally issued at \$10,725,000 to finance the design, acquisition, and installation of a single-stream recyclables processing system. Bond proceeds were also used to fund the debt service reserve fund and to fund costs incurred in connection with the issuance. Interest is payable semi-annually at interest rates ranging from 4% to 5%. Remaining principal payments range from \$830,000 to \$1,080,000, payable annually on April 1 through 2025.

#### *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. In conjunction with the refunding, the Authority was required to liquidate a portion of its restricted U.S. Treasury Bond State and Local Government Series (SLUG) investment to pay for estimated arbitrage rebates and yield restriction liabilities. The Authority was notified in 2016 by EFC that the value of the SLUG liquidated exceeded the arbitrage and yield restriction liabilities by \$464,215. This amount was included in prepaid expenses and other assets on the statement of net position and was applied by EFC to the principal payment paid on April 1, 2017.

Principal installments range from \$1,565,000 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 \$327,531 and \$361,544 for the years ended December 31, 2018 and 2017, respectively, and a refunding benefit of \$147,262 and \$146,663 for the years ended December 31, 2018 and 2017, respectively.

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

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 5 - Revenue Bonds - Continued

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

|  | Principal     | Interest *   | Total         |
|--|---------------|--------------|---------------|
| For the year ending December 31,         |               |              |               |
| 2019                                     | \$ 2,395,000  | \$ 1,010,652 | \$ 3,405,652  |
| 2020                                     | 2,475,000     | 895,775      | 3,370,775     |
| 2021                                     | 2,555,000     | 778,577      | 3,333,577     |
| 2022                                     | 2,635,000     | 658,144      | 3,293,144     |
| 2023                                     | 2,720,000     | 530,788      | 3,250,788     |
| 2024 through 2026                        | 9,682,593     | 751,567      | 10,434,160    |
|  | 22,462,593    | \$ 4,625,503 | \$ 27,088,096 |
| Less current installments                | 2,395,000     |              |               |
| Revenue Bonds, less current installments | \$ 20,067,593 |              |               |

\* EFC interest is reported gross of the subsidy credit and a refunding benefit, which over the remaining life of the bonds will be \$2,385,347.

## 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 [www.osc.state.ny.us/retire/publications/index.php](http://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.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### Plan Description and Benefits Provided - Continued

#### 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:

|      |    |         |
|------|----|---------|
| 2018 | \$ | 549,859 |
| 2017 |    | 540,463 |
| 2016 |    | 558,657 |

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

At December 31, 2018 and 2017, the Authority reported liabilities of \$461,847 and \$1,330,089 for its proportionate share of the net pension liability, respectively. The net pension liabilities were measured as of March 31, 2018 and 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined.

At December 31, 2018 and 2017, the Authority's proportion was 0.0143100% and 0.0141556%, respectively.

For the years ended December 31, 2018 and 2017, the Authority recognized pension expense of \$541,645 and \$746,342, respectively.

At December 31, 2018 and 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | December 31, 2018                    |                                     | December 31, 2017                    |                                     |
|---|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
| Differences between expected and actual experience  | \$ 164,726                           | \$ 136,123                          | \$ 33,331                            | \$ 201,981                          |
| Change of assumptions   | 306,243                              | -                                   | 454,407                              | -                                   |
| Net difference between projected and actual investment earnings on pension plan investments                   | 670,796                              | 1,324,084                           | 265,673                              | -                                   |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 7,303                                | 47,959                              | 1,015                                | 51,515                              |
| Employer contributions subsequent to the measurement date   | 428,414                              | -                                   | 412,394                              | -                                   |
| Total   | \$ 1,577,482                         | \$ 1,508,166                        | \$ 1,166,820                         | \$ 253,496                          |



# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

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

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, |                     |
| 2019                             | \$ 82,163           |
| 2020                             | 56,796              |
| 2021                             | (341,282)           |
| 2022                             | <u>(156,775)</u>    |
|                                  | <u>\$ (359,098)</u> |

### Actuarial Assumptions

The total pension liability at March 31, 2018 and 2017 was determined by using actuarial valuations as of April 1, 2017 and 2016, respectively, with update procedures used to roll forward the total pension liability to March 31, 2018 and 2017. The actuarial valuations used the following actuarial assumptions. The assumptions are consistent from year to year, except as noted:

|   |   |
|---|---|
| Actuarial Cost Method                             | Entry age normal                                  |
| Inflation Rate                                    | 2.5 percent                                       |
| Salary Scale                                      | 3.8 percent, indexed by service                   |
| Investment rate of return,<br>including inflation | 7.00 percent compounded annually, net of expenses |
| Decrement<br>2017 and 2018                        | Based on FY 2011-2015 experience                  |
| Mortality improvement                             | Society of Actuaries Scale MP-2014                |

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, 2018 are summarized below:

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### Actuarial Assumptions - Continued

| Asset Type                 | Target<br>Allocation | Long-Term<br>Expected<br>Real Rate |
|----------------------------|----------------------|------------------------------------|
| Domestic equity            | 36.00%               | 4.55%                              |
| International equity       | 14.00%               | 6.35%                              |
| Private equity             | 10.00%               | 7.50%                              |
| Real estate                | 10.00%               | 5.55%                              |
| Absolute return strategies | 2.00%                | 3.75%                              |
| Opportunistic portfolio    | 3.00%                | 5.68%                              |
| Real assets                | 3.00%                | 5.29%                              |
| Bonds and mortgages        | 17.00%               | 1.31%                              |
| Cash                       | 1.00%                | -0.25%                             |
| Inflation-Indexed bonds    | 4.00%                | 1.25%                              |
|                            | 100.00%              |                                    |

### Discount Rate

The discount rate used to calculate the total pension liability was 7.00%. 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 Liability to the Discount Rate Assumption

The following presents the Authority's proportionate share of the net pension liability at December 31, 2018 calculated using the discount rate of 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

|  | 1% Decrease<br>(6%) | Current Discount<br>(7%) | 1% Increase<br>(8%) |
|--|---------------------|--------------------------|---------------------|
| Authority's proportionate share of the net pension liability (asset) | \$ 3,494,457        | \$ 461,847               | \$ (2,103,620)      |

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### 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):

|   | 2018           | 2017           |
|---|----------------|----------------|
| Employers' total pension liability                                      | \$ 183,400,590 | \$ 177,400,286 |
| Plan net position   | (180,173,145)  | (168,004,363)  |
| Employers' net pension liability  | \$ 3,227,445   | \$ 9,395,923   |
| Ratio of plan net position to the<br>employers' total pension liability | 98.2%          | 94.7%          |

## Note 7 - Other Postemployment Benefits (OPEB)

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

The benefit plan is administered and accounted for as a single-employer defined benefit plan. A summary of active employees and retired employees covered under this benefit plan as of December 31, 2018 is as follows:

|          |    |
|----------|----|
| Actives  | 18 |
| Retirees | 5  |
| Total    | 23 |

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, 2018 and 2017, the Authority paid \$35,079 and \$27,902, 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.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 7 - Other Postemployment Benefits (OPEB) - Continued

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

At December 31, 2018 and 2017, the Authority reported a liability of \$2,537,410 and \$2,365,128 for its OPEB liability, respectively. The OPEB liability was measured as of January 1, 2018 by an actuarial valuation as of that date. For the years ended December 31, 2018 and 2017, the Authority recognized OPEB expense of 164,856 and \$244,676, respectively. The OPEB expense for the year ended December 31, 2017 was determined prior to the adoption of GASB 75. At December 31, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|   | December 31, 2018                    |                                     | December 31, 2017                 |                                     |
|---|--------------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|
|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources | Deferred Outflows<br>of Resources | Deferred<br>Inflows of<br>Resources |
| Differences between expected and actual experience        | \$ -                                 | \$ 214,179                          | \$ -                              | \$ -                                |
| Changes of assumptions or other inputs                    | 243,338                              | -                                   | -                                 | -                                   |
| Employer contributions subsequent to the measurement date | 60,812                               | -                                   | 60,812                            | -                                   |
|   | \$ 304,150                           | \$ 214,179                          | \$ 60,812                         | \$ -                                |

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 OPEBs will be recognized in OPEB expense as follows:

|                     |               |
|---------------------|---------------|
| Year ending May 31, |               |
| 2019                | \$ 5,491      |
| 2020                | 5,491         |
| 2021                | 5,491         |
| 2022                | 5,491         |
| 2023 and thereafter | 7,195         |
| <br>Total           | <br>\$ 29,159 |

*Actuarial Assumptions.* The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions:

| Assumptions                  | Factor  |
|------------------------------|---|
| Valuation Date               | January 1, 2018   |
| Measurement Date             | January 1, 2018   |
| Reporting Date               | December 31, 2018   |
| Actuarial Cost Method        | Entry Age Normal - Level Percent of Pay   |
| Discount Rate                | 3.44%   |
| Health Care Cost Trend Rates | Society of Actuaries Long-Run Medical Cost Trend Model                                  |
| Salary Scale                 | 3.50%   |
| Inflation                    | 2.20%   |
| Mortality                    | RP-2014 No Collar Mortality table with generational mortality projections using MP-2017 |

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

## Note 7 - Other Postemployment Benefits (OPEB) - Continued

### Actuarial Assumptions - Continued

The discount rate used to measure the liability was 3.44% based on the Bond Buyer 20-year general obligation bond index.

### Schedule of Changes in Net OPEB Liability

|  | December 31,<br>2018 |
|--|----------------------|
| Beginning of the year                              | \$ 2,365,128         |
| Charges for the year:                              |                      |
| Service cost                                       | 67,811               |
| Interest   | 91,554               |
| Differences between expected and actual experience | (254,514)            |
| Changes in assumption and other inputs             | 289,164              |
| Benefit payments                                   | (21,733)             |
| Net changes  | 172,282              |
| End of year  | \$ 2,537,410         |

### 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, 2018 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%<br>Decrease | Current<br>Trend Rate | 1%<br>Increase |
|--|----------------|-----------------------|----------------|
| Authority's proportionate share of the<br>OPEB liability | \$ 1,726,590   | \$ 2,537,410          | \$ 2,500,081   |

The following presents the OPEB liability of the plan as of December 31, 2018, calculated using the discount rate of 3.44%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.44%) or 1-percentage-point higher (4.44%) than the current rate:

|  | 1% Decrease<br>(2.44%) | Current Discount<br>Rate (3.44%) | 1% Increase<br>(4.44%) |
|--|------------------------|----------------------------------|------------------------|
| Authority's proportionate share of the<br>OPEB liability | \$ 2,448,761           | \$ 2,537,410                     | \$ 1,759,610           |

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### *a. City of Utica Contract*

The Authority maintains a contract with the City of Utica (City) through March 31, 2023 to provide for collection of waste and recyclables and associated billing throughout the City. In accordance with the contract, and in recognition of the City being host to the Recycling Center, Eastern Transfer Station, and Green Waste Compost Facility, the Authority pays the City Host Community Benefits of \$1 per ton for all materials delivered to those facilities as long as the Authority uses the Eastern Transfer Station for transport of waste out of the region, with a guaranteed minimum of \$100,000 per year. The Authority made Host Community Benefit payments in the amount of \$200,641 and \$194,353 during the years ended December 31, 2018 and 2017, respectively. There was \$50,031 and \$48,064 due to the City at December 31, 2018 and 2017, 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, 2018 and 2017, the cost of waste removal was \$3,993,240 and \$3,639,319 offset by solid waste service charge revenues of \$2,215,136 and \$2,081,054 and refuse bag sales of \$1,664,462 and \$1,483,092, 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. 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, 2018 and 2017, the cost of waste removal was \$1,261,291 and \$1,234,710, offset by refuse bag sales of \$559,488 and \$552,140, and toter rental fees of \$752,727 and \$719,208, 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 December 2020. For the years ended December 31, 2018 and 2017, \$432,221 and \$318,752, respectively, was earned related to the sale of carbon credits.

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

The Authority has entered into an agreement with a third party (Lessee) which provides for the Lessee to construct, own, and operate an electric generation facility on property adjacent to the Authority's landfill and gas extraction facilities. All landfill gas generated at the landfill is purchased by the Lessee who makes payments to the Authority based on the electricity generated and the electricity sold. The agreement continues for ten years after the commercial operation date (May 2012). For the years ended December 31, 2018 and 2017, \$332,837 and \$318,000, respectively, was earned related to the sale of landfill gas.

# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

### *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 \$455,000 and \$460,010 in 2018 and 2017, respectively.

### *f. Intergovernmental Recycling Agreements*

The Authority entered into an intergovernmental agreement with three counties whereby the Authority accepts, processes, and markets residential recyclable materials from the various counties. The agreements provide for fixed, per ton payments to the Authority through 2020. Amounts received by the Authority from the sale of the recycled material are credited back to the counties using monthly averages received by the Authority from the sale of all recyclable commodities. Recyclable sales are reported net of amounts credited to the counties under these agreements. Processing fees for 2018 and 2017 were \$781,285 and \$783,116, 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.

### *i. Organics Processing Facility*

In February 2018, the Authority signed a contract with a third party for the design, acquisition, construction and installation of a source separated organics processing facility. The contract price is approximately \$3,400,000, and the project is expected to be completed in April 2019.

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

GASB Statement No. 83, *Certain Asset Retirement Obligations*. This statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this statement. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.



# Oneida-Herkimer Solid Waste Management Authority

Notes to Financial Statements  
December 31, 2018 and 2017

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

GASB Statement No. 87, *Leases* (GASB 87). GASB 87 establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about government's leasing activities. The requirements are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements* (GASB 88). GASB 88 requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this statement are effective for reporting periods beginning after June 15, 2018.

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of the Construction Period*. This statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this statement are effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 90, *Majority Equity Interests*. This statement clarifies the accounting and financial reporting requirements for a state or local government's majority equity interest in an organization that remains legally separate after acquisition. Under the statement, a government entity should report its majority equity interest in a legally separate organization as an investment if that equity interest meets the GASB's definition of an investment. For a majority equity interest in a legally separate entity that does not meet the definition of an investment, the statement requires a government to report the legally separate entity as a component unit. The statement also establishes guidance for remeasuring assets and liabilities of wholly acquired governmental organizations that remain legally separate. That guidance brings the reporting of those acquisitions in line now with existing standards that apply to acquisitions that do not remain legally separate. The requirements for this statement are effective for reporting periods beginning after December 15, 2018.

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>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> | <u>2010</u> | <u>2009</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Contractually required contribution                                  | \$ 549,859  | \$ 540,463  | \$ 558,657  | \$ 699,094  | \$ 685,093  | \$ 602,389  | \$ 545,793  | \$ 388,528  | \$ 239,807  | \$ 297,422  |
| Contributions in relation to the contractually required contribution | 549,859     | 540,463     | 558,657     | 699,094     | 685,093     | 602,389     | 545,793     | 388,528     | 239,807     | 297,422     |
| Contribution deficiency (excess)                                     | -           | -           | -           | -           | -           | -           | -           | -           | -           | -           |
| Authority's covered-employee payroll                                 | 4,064,975   | 3,836,397   | 3,695,136   | 3,419,002   | 3,640,306   | 3,458,769   | 3,399,133   | 3,544,966   | 3,599,666   | 3,559,412   |
| Contribution as a percentage of covered-employee payroll             | 13.53%      | 14.63%      | 16.34%      | 19.20%      | 19.81%      | 17.72%      | 15.40%      | 10.79%      | 6.74%       | 8.67%       |

# Oneida-Herkimer Solid Waste Management Authority

## Required Supplementary Information Schedule of Local Government Pension Contributions

|  | <u>2018</u>  | <u>2017</u>  | <u>2016</u>  | <u>2015</u>  |
|--|--------------|--------------|--------------|--------------|
| Authority's proportion of the net pension liability  | 0.0143100%   | 0.0141556%   | 0.0148470%   | 0.0142362%   |
| Authority's proportionate share of the net pension liability   | \$ 461,847   | \$ 1,330,098 | \$ 2,276,668 | \$ 480,933   |
| Authority's covered-employee payroll   | \$ 4,064,975 | \$ 3,836,397 | \$ 3,695,136 | \$ 3,419,002 |
| Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 11.36%       | 34.67%       | 61.61%       | 14.07%       |
| Plan fiduciary net position as a percentage of the total pension liability                                   | 98.2%        | 94.7%        | 97.9%        | 97.9%        |

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

**Oneida-Herkimer  
Solid Waste Management Authority**

Required Supplementary Information  
Schedule of Other Postemployment Benefits Liability

|  | December 31,<br>2018        |
|--|-----------------------------|
|  | <u>                    </u> |
| Beginning of the year                              | \$ 2,365,128                |
| Charges for the year                               |                             |
| Service cost                                       | 67,811                      |
| Interest   | 91,554                      |
| Differences between expected and actual experience | (254,514)                   |
| Changes in assumption and other inputs             | 289,164                     |
| Benefit payments                                   | <u>(21,733)</u>             |
| Net changes  | <u>172,282</u>              |
| End of year  | <u>\$ 2,537,410</u>         |
| Covered payroll                                    | 1,299,431                   |
| OPEB liability as a percentage of covered payroll  | 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, 2018, 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 7, 2019.

**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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 7, 2019

