



**Rockland County Solid Waste  
Management Authority**

(A Component Unit of the County of Rockland, New York)

Financial Report

December 31, 2021 and 2020

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(A Component Unit of the County of Rockland, New York)

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CONTENTS

	Page
<b>Independent Auditor's Report</b> .....	1-3
<b>Management's Discussion and Analysis</b> .....	4-10
<b>Financial Statements</b>	
Statements of Net Position .....	11
Statements of Revenues, Expenses, and Changes in Net Position .....	12
Statements of Cash Flows.....	13
Notes to Financial Statements.....	14-33
<b>Required Supplementary Information</b>	
Schedule of Proportionate Share of the Net Pension Liability .....	34
Schedule of Local Government Pension Contributions.....	35
Schedule of Other Postemployment Benefits Liability .....	36
<b>Supplementary Information</b>	
Schedule of Budget to Actual .....	37-40
<b>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</b> .....	41-42



## Independent Auditor's Report

Board of Directors  
Rockland County Solid Waste Management Authority  
Nanuet, New York

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Rockland County Solid Waste Management Authority (Authority), a component unit of the County of Rockland, New York, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2021 and 2020, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 to 10, the schedules of proportionate share of the net pension liability on page 34, local government pension contributions on page 35, and other postemployment benefits liability on page 36 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.



***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of budget to actual is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2022, 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 9, 2022



# Rockland County Solid Waste Management Authority

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

### Introduction

The discussion and analysis of the Rockland County Solid Waste Management Authority's (Authority) financial statements provides an overview of the Authority's activities for the year ended December 31, 2021. Management has prepared the financial statements and the related footnote disclosures along with the discussion and analysis.

### Financial Highlights

Comparative revenues, expenses and changes in net position are summarized below. Refer to the Authority's basic financial statements for the complete statements of revenues, expenses, and changes in net position.

	December 31,	
	2021	2020
Operating revenues	\$ 68,640,819	\$ 62,216,195
Non-operating revenues	906,023	367,806
Total revenues	<u>69,546,842</u>	<u>62,584,001</u>
Operating expenses	60,605,471	58,219,603
Non-operating expenses	1,688,820	970,064
Total expenses	<u>62,294,291</u>	<u>59,189,667</u>
Increase in net position	<u>\$ 7,252,551</u>	<u>\$ 3,394,334</u>

Net position, which represents the equity of the Authority, increased by \$7,252,551 during 2021.

### Overview of the Financial Statements

The financial statements of the Authority have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and reporting principles.

The financial statement presentation consists of the statement of net position, statement of revenues, expenses, and changes in net position, statement of cash flows, and notes to financial statements. These statements provide information on the financial position of the Authority and the financial activity and results of its operations during the year. A description of these statements follows:

- The *Statement of Net Position* presents information on all of the Authority's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.
- The *Statement of Revenues, Expenses, and Changes in Net Position* presents information showing the change in the Authority's net position during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement include items that will result in cash received or disbursed in future fiscal periods (e.g., the receipt of amounts due from other governments or the payment of accrued compensated absences).

# Rockland County Solid Waste Management Authority

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

### Overview of the Financial Statements - Continued

- The *Statement of Cash Flows* provides information on the major sources and uses of cash during the year. The cash flow statement portrays net cash provided or used from operating, investing, capital, and related financing activities.

### Statement of Net Position

The statement of net position presents the financial position of the Authority at the end of its year. A more detailed statement of net position appears in the Authority's basic financial statements.

	December 31,	
	2021	2020
Current assets	\$ 34,931,655	\$ 30,503,375
Restricted assets	30,634,128	4,013,444
Capital assets, net	45,623,936	35,653,635
Total assets	<u>111,189,719</u>	<u>70,170,454</u>
Deferred outflows	<u>16,488,383</u>	<u>17,291,675</u>
Current liabilities	13,863,942	11,073,933
Non-current liabilities	63,317,048	35,546,101
Total liabilities	<u>77,180,990</u>	<u>46,620,034</u>
Deferred inflows	<u>2,564,985</u>	<u>162,519</u>
Net position	<u>\$ 47,932,127</u>	<u>\$ 40,679,576</u>

### Current Assets

Current assets as of December 31, 2021 are primarily comprised of cash and cash equivalents (unrestricted) totaling approximately \$33.0 million. The remaining approximately \$1.9 million consists of receivables from various sources such as haulers and other governments, state grants, and prepaid expenses.

### Restricted Assets

Restricted assets totaling approximately \$30.6 million as of December 31, 2021 are comprised of investments. The increase of approximately \$26.6 million from December 31, 2020 is primarily related to the construction funds from bond issuances in 2021 for construction of a new Materials Recovery Facility (MRF) and preliminary development costs for an anaerobic digestion system for food waste and alternative waste disposal.

### Deferred Outflows of Resources

Deferred outflows of resources as of December 31, 2021 consist of approximately \$2.1 million related to the net pension liability recorded in accordance with GASB Statement No. 68, approximately \$1.7 million related to accrued postemployment benefits in accordance with GASB Statement No. 75, and approximately \$295,000 of deferred outflows related to the 2008 Bond Series refunding, which took place in 2018.

# Rockland County Solid Waste Management Authority

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

### Deferred Outflows of Resources - Continued

Additionally, deferred outflows of resources includes approximately \$12.4 million related to the excess of the purchase price of certain assets over the fair value of the assets acquired, which, in accordance with GASB Statement No. 85, is being recognized into expense over an attribution period which considers the capital assets acquired and other factors.

### Current Liabilities

Current liabilities as of December 31, 2021 consist of accounts payable and accrued liabilities and the current portion of bonds payable totaling approximately \$13.9 million. The current portion of bonds payable is approximately \$5.4 million.

### Non-Current Liabilities

As of December 31, 2021, the long-term portion of bonds payable was approximately \$52.5 million. The Authority's postemployment benefit obligation calculated in accordance with GASB Statement No. 75 was approximately \$10.8 million, an increase of approximately \$475,000 over 2020.

### Capital Assets, Net

Depreciation expense for the year ended December 31, 2021 was approximately \$2.8 million. Total accumulated depreciation at December 31, 2021 was approximately \$59.9 million.

A comparative summary of capital assets is as follows:

	December 31,	
	2021	2020
Capital assets		
Land	\$ 8,920,406	\$ 8,920,406
Construction-in-progress	13,766,807	1,360,689
Buildings and land improvements	64,134,873	64,134,873
Machinery and equipment	18,686,142	18,308,900
Total capital assets	<u>105,508,228</u>	<u>92,724,868</u>
Less accumulated depreciation		
Buildings and land improvements	45,585,342	43,666,606
Machinery and equipment	14,298,950	13,404,627
Total accumulated depreciation	<u>59,884,292</u>	<u>57,071,233</u>
Net capital assets	<u>\$ 45,623,936</u>	<u>\$ 35,653,635</u>

### Statement of Revenues, Expenses, and Changes in Net Position

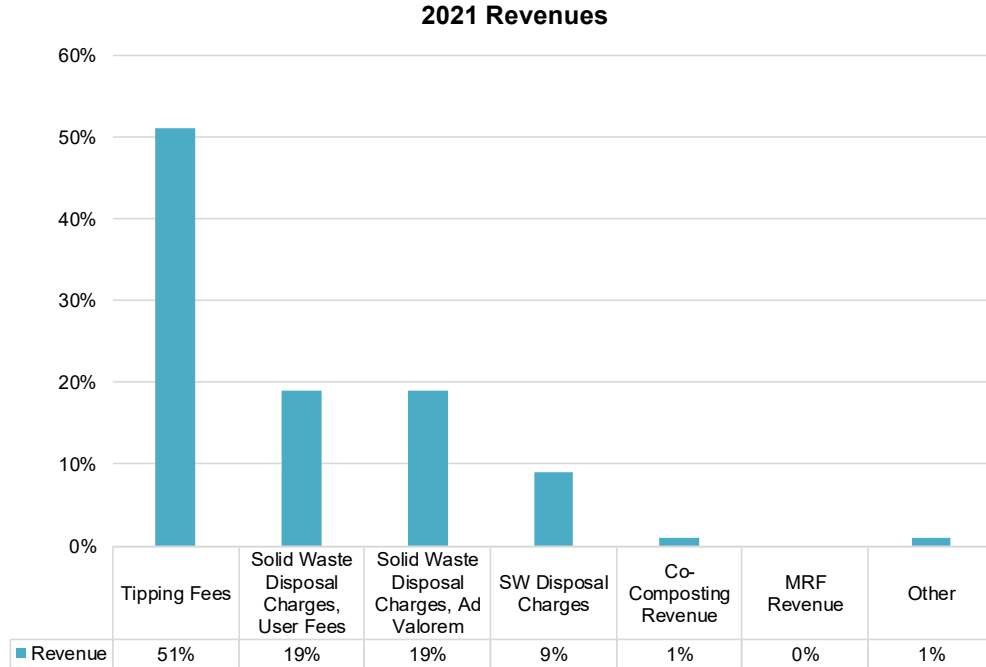
The statement of revenues, expenses, and changes in net position represents the Authority's results of operations. The Authority also includes supplemental information that details revenues and expenses as it relates to the Authority's adopted budget. Refer to the Authority's basic financial statements for the complete listing. Total operating revenues of the Authority for the year ended December 31, 2021 were approximately \$68.6 million. Non-operating revenues were approximately \$906,000.



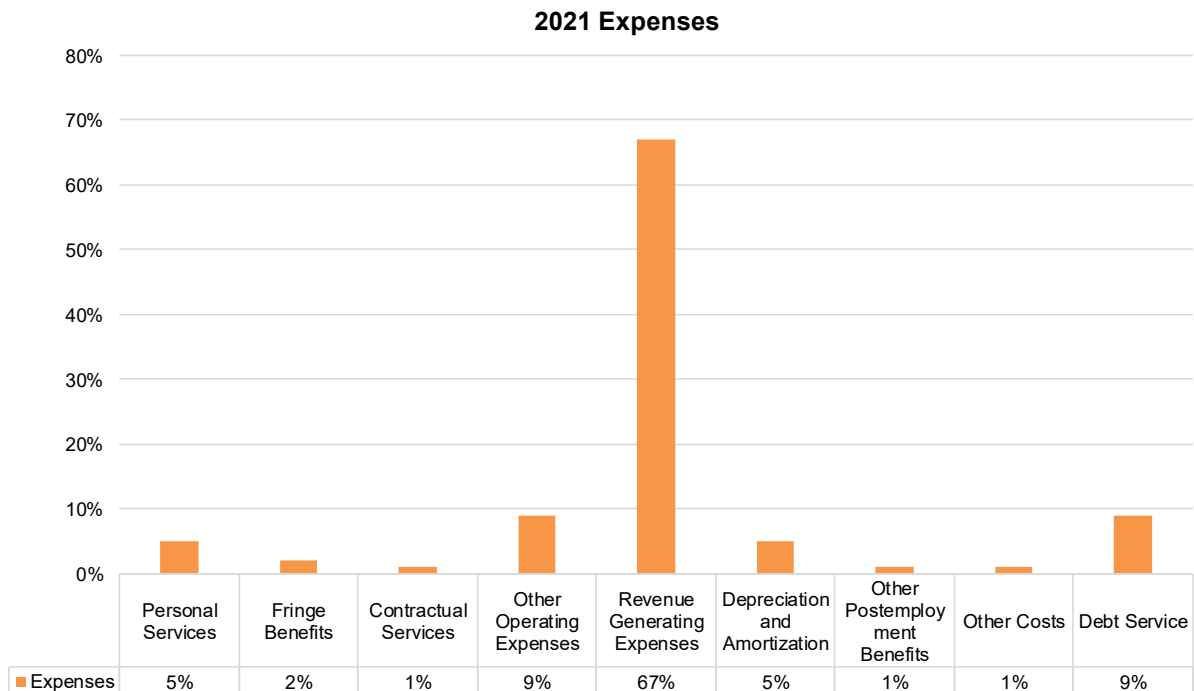
# Rockland County Solid Waste Management Authority

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

### Statement of Revenues, Expenses, and Changes in Net Position - Continued



Solid Waste Disposal Charges (both user fees and ad valorem) represented 38% of total revenues. Revenues from the Co-Composting Facility, collection agreements administered by the Authority and other revenues represented 11% of total revenues. Tipping fees represented the remaining 51% of total revenues.



# Rockland County Solid Waste Management Authority

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

### **Statement of Revenues, Expenses, and Changes in Net Position - Continued**

Total operating expenses for 2021 were approximately \$60.6 million. Non-operating expenses for the year were approximately \$1.7 million. Revenue generating expenses (those related to the operation of the Authority's facilities) represented 68% of expenses. Personnel and fringe benefit costs represented 7% of expenses. Contractual services, depreciation and amortization, other postemployment benefits, debt service, other costs, and other operating expenses represented 25% of expenses.

### **Economic Factors That Will Affect the Future**

#### *Transfer Stations*

On May 20, 2008, the County Legislature, pursuant to language proposed by the Authority, enacted county-wide flow control (the Flow Control Act). On June 19, 2008, the County Executive signed the Flow Control Act and caused it to be filed pursuant to State law upon which it was designated as Local Law No. 2 of 2008 of the County. County-wide flow control allows the Authority to manage all waste generated in the County so that alternative waste processing technologies can be implemented in the County with the goal of reducing waste disposed in landfills. The Authority has implemented flow control related to solid waste, recyclables, yard waste, concrete, and construction and demolition debris (C&D).

The Authority has three transfer stations. They are strategically located in the northern portion of the County in the Town of Haverstraw; the southern portion of the County in the Town of Clarkstown, and the western portion of the County in the Town of Ramapo. In 2021, the Authority's transfer stations accepted 364,833 tons of waste, reflecting a 10% increase over the prior year, likely attributable to increases in commercial waste due to the lifting of restrictions related to the COVID-19 pandemic.

While the Authority recognizes that industry trends related to hauling and disposal expenses may affect the future of the Authority's financial position, management continues to explore commercially demonstrated alternative waste processing technologies to limit the Authority's exposure to risk factors within the industry. In response, the Authority has released a Request for Expressions of Interest (REFI) to Provide Long-Term Solid Waste Treatment and/or Disposal Including Production of Energy, Fuels and Other Marketable Product Offtake. In 2020, the Authority received 15 expressions of interest from respondents worldwide and is currently evaluating both commercially demonstrated and emerging technologies from qualified organizations interested in providing long term (20-plus years) treatment and/or disposal of post recycled municipal solid waste.

#### *Materials Recovery Facility*

There are several factors which remained constant with materials processed by the Material Recovery Facility (MRF). The economy, legislation, consumer habits, and the fluctuation in commodity pricing are factors that impact revenue generated at the MRF. The New York State legislation that resulted in the enhanced bottle bill has historically negatively impacted our local recycling revenue by diverting a significant number of water and juice bottles from the Authority's robust residential curbside recycling initiative. In addition, New York State legislative efforts with respect to product stewardship have changed company packaging which translates into lighter plastic bottles, decreased plastic in the recycling stream, increase in non-recyclable plastic packaging and higher utilization by companies of plastic with minimal value. Many consumers have exchanged their daily reading of newspaper and magazines for a digital format. Such changes in consumer habits impact tonnage and thus revenue. However, the decreased tonnage in certain commodities due to the factors delineated above has been offset by an increase in outreach efforts that have had a positive impact on the flow of material into the MRF from commercial businesses, schools, and community partners.

# Rockland County Solid Waste Management Authority

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

### **Economic Factors That Will Affect the Future - Continued**

#### *Materials Recovery Facility - Continued*

While China's National Sword Policy was a concern for all stakeholders, the recycling industry has adapted. Other Asian nations have increased the purchasing of recovered materials. The early challenges created by China's policy stimulated a discussion of expanding domestic capacity and the need to create cleaner materials. The Authority recognized the need to introduce advance sorting technology in improving the quantity and quality of recovered materials produced. The anticipated completion of the capital improvements at the MRF in the fourth quarter of 2022 will achieve recovery rates up to 98%. Prior to completion, the Authority will continue to process recyclables generated from within and outside Rockland County at one of three alternate processing facilities via a public private partnership.

In 2020 and 2021, successful paper shredding events were held twice in each of the County's five towns.

#### *Co-Composting Facility*

Through its contract with the current long-term operator, the Authority was able to obtain a sludge processing guarantee without making any physical plant expansions, but with capital improvements/enhancements. This in turn, allows the Authority to create capacity both for future growth in its current service area and to increase merchant tonnage at favorable rates. The recycling of sludge (beneficial reuse) is an attractive alternative to many municipal entities that are currently sending sludge to a landfill. The Authority will continue to pursue out-of-county opportunities to maximize revenues. The Authority's co-composting facility is able to receive food waste in addition to sludge. This will allow the Authority to be in an advantageous position should food waste be banned from landfills. Due to the new NYS Food Donation and Food Scraps Recycling law effective January 1, 2022, the Authority will continue to explore new food waste generators as they come online.

#### *Household Hazardous Waste Facility*

The Household Hazardous Waste Facility (HHW) collected 838,896 pounds of e-waste in 2021, representing a decrease of 15.5% from the prior year. E-waste was banned from landfills as of April 1, 2012, and manufacturers were required to have a program in place that allows for consumers to bring back their e-waste to a drop off center. The Authority's contractor has integrated this State initiative into the Authority's residential program. The Authority will continue to follow any additional legislation regarding product stewardship. As a result of New York States Post Consumer Paint Collection Program, the Authority will enter into an indirect contract with PaintCare effective May 1, 2022, and will no longer incur a charge for the packaging, transportation, and disposal of architectural paint.

In 2021, the Authority continued its partnership with the Rockland County Sheriff's Department to properly dispose of unwanted pharmaceuticals including controlled substances. In addition to the facility being available daily from 8:00 a.m. to 1:00 p.m., the Authority holds weekend collection events during the months of March through December. During the weekend collection events, Rockland County Sheriff personnel were on site to oversee the collection of unwanted pharmaceuticals, including controlled substances. These events were very popular and successful and will be replicated in 2022.

#### *Yard Waste, Mulching and Concrete Crushing Facilities*

The Authority operates two leaf composting facilities and one mulching facility through a public-private partnership. The leaf composting facilities are primarily for leaf drop off from municipal highway departments and landscapers during the fall season. During the spring, each municipal entity participates in a give-back program that represents the compost that is processed from the previous season. Subsequent to the municipal participation, the compost is sold in bulk to contractors. In addition, any yard waste brought to the Clarkstown facility from residents or brush that is delivered by municipal entities is also processed into mulch and the municipalities participate in a similar "give-back" program. Subsequently, remaining mulch is sold to the contractor in a bulk sale. Operations do not seem to be contingent upon economic times but rather windstorms, droughts, floods, and other natural circumstances.

# Rockland County Solid Waste Management Authority

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

### **Economic Factors That Will Affect the Future - Continued**

#### *Yard Waste, Mulching and Concrete Crushing Facilities - Continued*

The Authority's use of the French Farms Leaf Composting Facility, which was purchased in late 2020 and operated by the Authority since 2009, allows the Authority to better manage the inbound volumes received during leaf composting season to maximize capacity at both permitted facilities, while also limiting Authority liability exposure and increasing Authority oversight of the permitting process.

The Authority operates a concrete crushing facility through a public-private partnership. The crushing of concrete is impacted by economic conditions and construction and demolition projects.

#### *Food Recovery Initiative*

In order to conserve landfill space and protect the environment, the Authority has been addressing the need for increased composting of food and yard waste organics that, combined, comprise approximately 20% of the recoverable waste stream. The Authority's composting initiatives include a partnership with Cornell Cooperative Extension to promote backyard and on-site composting of organics. This partnership includes at-cost compost bin sales for residents, schools, and small businesses, as well as composting education presentations throughout the County. In the fourth quarter of 2021, the Authority partnered with a local municipality and implemented the County's first residential food scraps recycling drop-off program. The program is off to a great start and has stimulated interest from other communities with the expectation that more municipalities will be offering food scraps recycling in 2022. The Authority will continue to compost source separated organics (SSO) as they come online or are required by mandate in our Biosolids Compost Facility.

Since waste reduction is a priority, the Authority has also been working with local, state, and federal agencies to not only minimize wasted food, but to increase diversion of usable food to agencies whose mission is to feed hungry people.

The Authority's Solid Waste Management Plan reflects the Authority's commitment to research end use options for food waste. In researching end use options, it is incumbent on the Authority to first determine what can be done to rescue food. End use options for food waste can be costly and are on the lower end of the EPA food hierarchy "rung." However, enhancing food pantries/food rescue agencies infrastructure - from additional shelving to additional walk-in freezers - will be less costly and divert food to those in the community who would benefit most. In 2021, the Authority aided with the distribution of 1,043,750 pounds of recovered food to be redistributed to local food pantries.

In addition, the Authority participated in a New York State Energy Research and Development Authority (NYSERDA) study to determine if anaerobic digestion of food waste is an economically viable alternative to composting, potential generators, and potential sites for anaerobic digesters and is actively pursuing an aggressive schedule to develop anaerobic digestion of source-separated organics with Rockland County. The Authority is also exploring a partnership with an in-county wastewater treatment plant to construct digesters that would co-digest biosolids with source-separated organics that have been traditionally landfilled.

### **Contacting the Rockland County Solid Waste Management Authority's Financial Management**

This financial report is designed to provide our bondholders, customers, and other interested parties with a general overview of the Authority's finances and to demonstrate its accountability for the money it receives. If you have questions about this report, or need additional information, contact the Authority at 172 Main Street, Nanuet New York 10954 phone: 845-753-2200 or visit our website at [www.rocklandgreen.com](http://www.rocklandgreen.com).

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Statements of Net Position

	<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>ASSETS AND DEFERRED OUTFLOWS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 32,965,042	\$ 27,881,187
Accounts receivable, net	372,235	1,245,684
Grants receivable	1,202,493	1,036,346
Prepaid expenses	391,885	340,158
Total current assets	34,931,655	30,503,375
<b>RESTRICTED ASSETS</b>		
Investments	30,634,128	4,013,444
<b>NON-CURRENT ASSETS</b>		
Capital assets, net	45,623,936	35,653,635
<b>DEFERRED OUTFLOWS</b>		
Pension	2,065,902	1,742,693
Postemployment benefits	1,721,958	1,922,419
Bond refunding, net	295,125	445,828
Other, net	12,405,398	13,180,735
	16,488,383	17,291,675
	<b>\$ 127,678,102</b>	<b>\$ 87,462,129</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 7,346,492	\$ 6,566,710
Accrued liabilities	1,097,450	297,223
Current portion of bonds payable	5,420,000	4,210,000
Total current liabilities	13,863,942	11,073,933
<b>LONG-TERM LIABILITIES</b>		
Bonds payable, net, less current installments	52,494,357	23,012,471
Accrued postemployment benefits	10,814,546	10,339,134
Net pension liability	8,145	2,194,496
Total long-term liabilities	63,317,048	35,546,101
Total liabilities	77,180,990	46,620,034
<b>DEFERRED INFLOWS</b>		
Pension	2,377,742	38,155
Postemployment benefits	187,243	124,364
	2,564,985	162,519
<b>NET POSITION</b>		
Net investment in capital assets	22,378,784	17,955,177
Unrestricted	25,553,343	22,724,399
Total net position	47,932,127	40,679,576
	<b>\$ 127,678,102</b>	<b>\$ 87,462,129</b>

See accompanying Notes to Financial Statements.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Statements of Revenues, Expenses, and Changes In Net Position

	Years Ended December 31,	
	2021	2020
<b>OPERATING REVENUES</b>		
Solid waste disposal charges	\$ 68,640,819	\$ 62,216,195
<b>OPERATING EXPENSES</b>		
Personal services	3,155,937	2,973,955
Employee benefits	1,501,062	1,927,869
Other postemployment benefit obligations	742,895	944,297
Contractual services	51,617,181	48,867,407
Depreciation	2,813,059	2,730,738
Amortization	775,337	775,337
	60,605,471	58,219,603
 <b>Operating income</b>	 <b>8,035,348</b>	 <b>3,996,592</b>
<b>NON-OPERATING REVENUES AND EXPENSES</b>		
Interest income	58,182	127,436
Interest expense	(1,213,342)	(970,064)
Bond issuance costs	(475,478)	-
Grants	556,159	-
Gain on disposal of capital assets	193,631	-
Insurance recoveries	98,051	240,370
	(782,797)	(602,258)
 <b>Change in net position</b>	 <b>7,252,551</b>	 <b>3,394,334</b>
<b>NET POSITION, <i>beginning of year</i></b>	 40,679,576	 37,285,242
<b>NET POSITION, <i>end of year</i></b>	 <b>\$ 47,932,127</b>	 <b>\$ 40,679,576</b>

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Statements of Cash Flows

	<b>Years Ended December 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Collections of solid waste disposal charges	\$ 69,514,268	\$ 62,740,496
Payments to vendors	(50,889,126)	(48,819,740)
Payments for salaries and benefits	(4,030,888)	(4,724,776)
	<b>14,594,254</b>	<b>9,195,980</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Repayments of bonds	(3,945,000)	(4,015,000)
Proceeds from issuance of bonds	29,030,000	-
Bond issuance costs	(475,478)	-
Premium on bond proceeds	6,095,604	-
Acquisition of capital assets	(12,783,360)	(5,778,419)
Proceeds from sale of capital assets	193,631	-
Interest and issuance costs paid on debt	(1,551,357)	(1,165,141)
Grants	390,012	144,140
Proceeds from insurance recoveries	98,051	240,370
	<b>17,052,103</b>	<b>(10,574,050)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(26,620,684)	-
Proceeds from the sale of investments	-	1,136,629
Interest income	58,182	127,436
	<b>(26,562,502)</b>	<b>1,264,065</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5,083,855</b>	<b>(114,005)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>27,881,187</b>	<b>27,995,192</b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 32,965,042</b>	<b>\$ 27,881,187</b>
<b>RECONCILIATION OF OPERATING INCOME TO CASH</b>		
<b>FLOW FROM OPERATING ACTIVITIES</b>		
Operating income	\$ 8,035,348	\$ 3,996,592
Adjustments to reconcile operating income to cash flows from operating activities		
Depreciation	2,813,059	2,730,738
Amortization	775,337	775,337
Changes in operating assets and liabilities		
Accounts receivable	873,449	524,301
Prepaid expenses	(51,727)	(35,923)
Deferred outflows, pension	(323,209)	(1,085,424)
Deferred outflows, postemployment benefits	200,461	400,922
Accounts payable	779,782	83,590
Accrued liabilities	800,227	(236,654)
Accrued postemployment benefits	475,412	409,058
Net pension liability	(2,186,351)	1,648,949
Deferred inflows, pension	2,339,587	(139,870)
Deferred inflows, postemployment benefits	62,879	124,364
	<b>\$ 14,594,254</b>	<b>\$ 9,195,980</b>

See accompanying Notes to Financial Statements.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

*a. Reporting Entity*

The Rockland County Solid Waste Management Authority (Authority) is a public benefit corporation established pursuant to Title 13-M of the New York State Public Authorities Law to operate and maintain solid waste management facilities for the benefit of the residents of the County of Rockland, New York (County). The Authority was established in 1993 and became operational in 1995. The Authority is administered by seventeen members: Eight members of the County Legislature, five members are supervisors of towns within the County, two members are mayors of villages recommended by the Conference of Mayors and appointed by the County Legislature, and two members are appointed by the County Executive.

The Authority is considered a component unit of Rockland County as the County appoints the majority of the Authority's Board and as such can impose its will on the Authority.

*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, liabilities, and deferred outflows and inflows of resources 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, liabilities, and deferred outflows and inflows of resources that do not meet the definition of "restricted net position" or "net investment in capital assets."



**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

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

Revenues are recognized as services are provided, 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. Operating expenses include the cost of personal and contractual services, materials and supplies, utilities, administrative expenses, depreciation and amortization, and other post-employment benefit obligations. 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, liabilities, and deferred outflows and inflows of resources 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, Cash Equivalents, and Investments*

Cash and cash equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, and other short-term investments, whether unrestricted or restricted, with an original maturity of three months or less.

Investments in securities include the following:

- (1) An investment contract.
- (2) U.S. Treasury Bond State and Local Government Series (SLUG) investments.
- (3) Government Money Markets.

The investment contract is recorded at cost pursuant to GASB 31. The SLUGs are recorded at fair value. The government money market is recorded at amortized cost.

Restricted investments consist of amounts held by trustees in reserve funds established in connection with various bond issues and the construction of new facilities.

Cash is fully collateralized by either federal depository insurance or securities held by the pledging bank's trust department in the Authority's name.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**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 \$5,198 at both December 31, 2021 and 2020. Accounts receivable are written off when deemed uncollectible. 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 15 days. Interest is not charged on past due receivables.

*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. 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:

Buildings	5 to 20 years
Land improvements	25 years
Machinery and equipment	3 to 20 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.

*h. Deferred Outflows and Inflows of Resources*

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. Likewise, deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Authority has reported deferred outflows and inflows of resources related to the consideration provided in excess of the net assets acquired relating to the acquisition of certain municipal assets (classified as other deferred outflows on the statement of net position), the net pension liability (Note 6), other post-employment benefits (Note 7), and refunding of revenue bonds (Note 5).

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

*h. Deferred Outflows and Inflows of Resources - Continued*

The gross amount of other deferred outflows, \$15,506,746, is net of accumulated amortization of \$3,101,348 at December 31, 2021. Other deferred outflows are amortized over periods considering the estimated useful lives of the assets acquired and other factors. Related amortization expense was \$775,337 during each of the years ended December 31, 2021 and 2020.

*i. Bond Premiums and Discounts*

Bond premiums and discounts are presented as components of bonds payable. The premiums and discounts are amortized over the life of the bonds on a method that approximates the effective interest method. Net amortization related to bond premiums and discounts was \$507,988 and \$345,780 for 2021 and 2020, respectively, and is included as an offset to interest expense.

*j. Subsequent Events*

The Authority has evaluated subsequent events for potential recognition or disclosure through March 9, 2022 the date the financial statements were available to be issued.

**Note 2 - Restricted Assets**

In accordance with the terms of the Authority's bond resolution, certain proceeds of the Authority's bonds are restricted for specific purposes as summarized below:

	December 31,	
	2021	2020
<i>Debt Service Reserve Fund</i>		
Contingency fund to be utilized in case of default	\$ 3,421,255	\$ 3,790,601
<i>Construction Projects Fund and Improvement Fund</i>		
Additional capital expenditures which may be incurred by the Authority	26,977,083	-
<i>Other Funds</i>		
Restricted assets required for debt service	235,790	222,843
	\$ 30,634,128	\$ 4,013,444

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 3 - Investments**

The Authority had the following investments and maturities:

	December 31, 2021				
	Amount	Investment Maturities (In Years)			
		Less than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Bond State and Local Government Series	\$ 841,020	\$ -	\$ 841,020	\$ -	\$ -
Investment contract	555,651	-	555,651	-	-
Government money markets	<u>29,237,457</u>	<u>29,237,457</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 30,634,128</u>	<u>\$ 29,237,457</u>	<u>\$ 1,396,671</u>	<u>\$ -</u>	<u>\$ -</u>

	December 31, 2020				
	Amount	Investment Maturities (In Years)			
		Less than 1	1 to 5	6 to 10	More than 10
U.S. Treasury Bond State and Local Government Series	\$ 841,020	\$ -	\$ -	\$ 841,020	\$ -
Investment contract	555,651	-	-	555,651	-
Government money markets	<u>2,616,773</u>	<u>2,616,773</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 4,013,444</u>	<u>\$ 2,616,773</u>	<u>\$ -</u>	<u>\$ 1,396,671</u>	<u>\$ -</u>

*a. Credit Risk*

The Authority's investment policy limits investments to obligations of the United States of America or any state of the United State of America; bonds, debentures, or notes issued by certain federal agencies; certificates of deposit; savings accounts; deposit accounts; depository receipts of banks; public housing bonds; repurchase agreements or investment agreements; money market funds, commercial paper; advance-refunded municipal bonds; or tax-exempt obligations. All of the Authority's investments had a credit rating of 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 trustee.

*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.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 3 - Investments - Continued**

*d. Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the Authority's investment in single issues. The Authority's holdings are as follows:

	December 31,	
	2021	2020
U.S. Treasury Bond State and Local Government Series	3%	21%
Investment contract	2%	14%
Government money markets	95%	65%

*e. Fair Value Measurements*

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). The three levels of inputs used to measure fair value are as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodology used for the investment measured at fair value on a recurring basis:

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

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 3 - Investments - Continued**

*e. Fair Value Measurements - Continued*

The method 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.

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
U.S. Treasury Bond State and Local Government Series	\$ -	\$ 841,020	\$ -	\$ 841,020

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
U.S. Treasury Bond State and Local Government Series	\$ -	\$ 841,020	\$ -	\$ 841,020

**Note 4 - Capital Asset, Net**

A summary of changes in the Authority's capital assets is as follows:

	December 31, 2021			
	Balance January 1, 2021	Additions	Retirements/ Disposals and Transfers	Balance December 31, 2021
Capital assets not being depreciated				
Land	\$ 8,920,406	\$ -	\$ -	\$ 8,920,406
Construction in progress	1,360,689	12,406,118	-	13,766,807
Capital assets not being depreciated	10,281,095	12,406,118	-	22,687,213
Capital assets being depreciated				
Buildings	61,569,538	-	-	61,569,538
Land Improvement	2,565,335	-	-	2,565,335
Machinery and equipment	18,308,900	377,242	-	18,686,142
Capital assets being depreciated	82,443,773	377,242	-	82,821,015
Less accumulated depreciation				
Buildings	42,300,509	1,814,670	-	44,115,179
Land improvements	1,366,097	104,066	-	1,470,163
Machinery and equipment	13,404,627	894,323	-	14,298,950
Total accumulated depreciation	57,071,233	2,813,059	-	59,884,292
Capital assets being depreciated, net	25,372,540	(2,435,817)	-	22,936,723
Capital assets, net	\$ 35,653,635	\$ 9,970,301	\$ -	\$ 45,623,936

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

	December 31, 2020			
	Balance January 1, 2020	Additions	Retirements/ Disposals and Transfers	Balance December 31, 2020
Capital assets not being depreciated				
Land	\$ 8,764,191	\$ -	\$ 156,215	\$ 8,920,406
Construction in progress	1,991,644	1,633,039	(2,263,994)	1,360,689
Capital assets not being depreciated	<u>10,755,835</u>	<u>1,633,039</u>	<u>(2,107,779)</u>	<u>10,281,095</u>
Capital assets being depreciated				
Buildings	57,559,558	1,905,253	2,104,727	61,569,538
Land Improvement	2,565,335	-	-	2,565,335
Machinery and equipment	16,065,721	2,243,179	-	18,308,900
Capital assets being depreciated	<u>76,190,614</u>	<u>4,148,432</u>	<u>2,104,727</u>	<u>82,443,773</u>
Less accumulated depreciation				
Buildings	40,505,994	1,794,515	-	42,300,509
Land improvements	1,269,294	96,803	-	1,366,097
Machinery and equipment	12,565,207	839,420	-	13,404,627
Total accumulated depreciation	<u>54,340,495</u>	<u>2,730,738</u>	<u>-</u>	<u>57,071,233</u>
Capital assets being depreciated, net	<u>21,850,119</u>	<u>1,417,694</u>	<u>2,104,727</u>	<u>25,372,540</u>
Capital assets, net	<u>\$ 32,605,954</u>	<u>\$ 3,050,733</u>	<u>\$ (3,052)</u>	<u>\$ 35,653,635</u>

**Note 5 - Bonds Payable**

A summary of the Authority's bonds payable is as follows:

	Balance December 31, 2020	Additions	Reductions	Refunding	Balance December 31, 2021
General Obligation Bonds					
2010 Series	\$ 5,545,000	\$ -	\$ -	\$ (5,545,000)	\$ -
2014 Series	4,035,000	-	(405,000)	-	3,630,000
2018 Series	9,785,000	-	(2,620,000)	-	7,165,000
2021 Series	-	34,575,000	-	-	34,575,000
EFC Revenue Bonds					
2012 Series	5,400,000	-	(725,000)	-	4,675,000
2013 Series	1,895,000	-	(195,000)	-	1,700,000
	<u>26,660,000</u>	<u>34,575,000</u>	<u>(3,945,000)</u>	<u>(5,545,000)</u>	<u>51,745,000</u>
Unamortized bond premiums	581,741	6,095,604	(507,988)	-	6,169,357
Unamortized bond discounts	(19,270)	-	-	19,270	-
	<u>\$ 27,222,471</u>	<u>\$ 40,670,604</u>	<u>\$ (4,452,988)</u>	<u>\$ (5,525,730)</u>	<u>\$ 57,914,357</u>

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 5 - Bonds Payable - Continued**

	Balance December 31, 2019	Additions	Reductions	Reductions	Balance December 31, 2020
General Obligation Bonds					
2010 Series	\$ 5,795,000	\$ -	\$ (250,000)	\$ -	\$ 5,545,000
2014 Series	4,425,000	-	(390,000)	-	4,035,000
2018 Series	12,270,000	-	(2,485,000)	-	9,785,000
EFC Revenue Bonds					
2012 Series	6,100,000	-	(700,000)	-	5,400,000
2013 Series	2,085,000	-	(190,000)	-	1,895,000
	<u>30,675,000</u>	<u>-</u>	<u>(4,015,000)</u>	<u>-</u>	<u>26,660,000</u>
Unamortized bond premiums	933,028	-	(351,287)	-	581,741
Unamortized bond discounts	<u>(24,777)</u>	<u>-</u>	<u>5,507</u>	<u>-</u>	<u>(19,270)</u>
	<u>\$ 31,583,251</u>	<u>\$ -</u>	<u>\$ (4,360,780)</u>	<u>\$ -</u>	<u>\$ 27,222,471</u>

Bonds payable of the Authority are summarized as follows:

*2010 General Obligation Bonds*

The 2010 general obligation bonds were originally issued at \$10,150,000 principally to refinance outstanding bonds and to finance certain upgrades and repairs to the Clarkstown transfer station. These bonds were refunded in July 2021.

*2012 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 2012 at \$10,910,000 principally to refinance outstanding bonds. Interest is payable semi-annually at interest rates ranging from 6.029% to 6.189%. The Authority receives a subsidy credit toward its annual debt service cost from, and is charged an annual administrative fee by, the EFC. Remaining principal installments range from \$755,000 to \$2,315,000 and are payable annually each December 15 through 2025.

*2013 EFC Revenue Bonds*

The EFC State Clean Water and Drinking Water Revolving Funds Revenue Bonds were originally issued in 2013 at \$3,270,434 principally to refinance a short-term obligation. Interest is payable semi-annually at interest rates ranging from 3.023% to 4.083%. The Authority receives a subsidy credit and a refunding benefit toward its annual debt service cost from, and is charged an annual administrative fee by, the EFC. Remaining principal installments range from \$195,000 to \$230,000 and are payable annually each November 1 through 2029.

*2014 General Obligation Bonds*

The 2014 general obligation bonds were originally issued at \$6,495,000 principally to refinance outstanding bonds. Interest is payable semi-annually at an interest rate of 3.180%. Remaining principal payments range from \$420,000 to \$905,000, payable annually each December 15 through 2028.



**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 5 - Bonds Payable - Continued**

*2018 General Obligation Bonds*

The 2018 general obligation bonds were originally issued at \$14,950,000 principally to refinance the 2008 general obligation bonds. Interest is payable semi-annually at an interest rate of 5%. Remaining principal payments range from \$3,500,000 to \$3,665,000, payable annually each December 15 through 2023.

The difference between the reacquisition price of the new debt and the net carrying amount of the refunded debt is reported as a deferred outflow and is being amortized into interest expense using the effective interest method over the life of the new debt. Amortization expense related to the deferred outflow was \$150,702 for the years ended December 31, 2021 and 2020.

*2021 General Obligation Bonds*

The 2021 general obligation bonds were originally issued at \$34,575,000 principally to refund the 2010 general obligation bonds and finance the construction of a new MRF and fund preliminary development costs for an anaerobic digestion system for food waste and alternative waste disposal. Interest is payable semi-annually at interest rates ranging from 0.35% to 5.00%. Remaining principal payments range from \$550,000 to 5,195,000, payable annually each December 15 through 2051.

All assets and revenues of the Authority are pledged as collateral for the bonds.

Future debt service payments required on bonds payable are as follows:

	<u>Principal</u>	<u>Interest *</u>	<u>Total</u>
For the year ending December 31,			
2022	\$ 5,420,000	\$ 2,701,884	\$ 8,121,884
2023	5,860,000	1,942,907	7,802,907
2024	6,670,000	1,675,573	8,345,573
2025	3,595,000	1,365,310	4,960,310
2026	1,310,000	1,189,782	2,499,782
2027 through 2031	5,475,000	5,295,140	10,770,140
2032 through 2036	4,295,000	4,276,500	8,571,500
2037 through 2041	5,205,000	3,369,500	8,574,500
2042 through 2046	6,280,000	2,300,200	8,580,200
2047 through 2051	7,635,000	940,200	8,575,200
	<u>51,745,000</u>	<u>\$ 25,056,996</u>	<u>\$ 76,801,996</u>
Less current installments	<u>5,420,000</u>		
Notes payable, less current installments	<u>\$ 46,325,000</u>		

\* Future interest payments are reported net of EFC interest subsidies and refunding benefits.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 6 - New York State and Local 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, New York 12244.

*Contributions*

The System is noncontributory except for employees who joined the System after July 2, 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 3-6 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 contributions required, and were as follows:

2021	\$	437,080
2020		391,777
2019		375,252

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

At December 31, 2021 and 2020, the Authority reported a liability of \$8,145 and \$2,194,496 for its proportionate share of the net pension liability, respectively. The net pension liability was measured as of March 31, 2021 and 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. 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, 2021 and 2020, the Authority's proportion was 0.0081803% and 0.0082872%, respectively.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 6 - New York State and Local Employees' Retirement System - Continued**

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

For the years ended December 31, 2021 and 2020, the Authority recognized pension expense of \$255,781 and \$811,301, respectively.

At December 31, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2021		December 31, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 99,478	\$ -	\$ 129,155	\$ -
Changes of assumptions	1,497,686	28,247	44,187	38,155
Net difference between projected and actual investment earnings on pension plan investments	-	2,339,853	1,125,005	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	140,928	9,642	150,513	-
Employer contributions subsequent to the measurement date	<u>327,810</u>	<u>-</u>	<u>293,833</u>	<u>-</u>
Total	<u>\$ 2,065,902</u>	<u>\$ 2,377,742</u>	<u>\$ 1,742,693</u>	<u>\$ 38,155</u>

Deferred outflows of resources related to pensions of \$327,810 and \$293,833 resulting from Authority contributions subsequent to the measurement date will be 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,	
2022	\$ (84,737)
2023	(11,062)
2024	(101,760)
2025	<u>(442,091)</u>
	<u>\$ (639,650)</u>

*Actuarial Assumptions*

The pension liability at March 31, 2021 and 2020 was determined by using actuarial valuations as of April 1, 2020 and 2019, respectively, with update procedures used to roll forward the total pension liability to March 31, 2021 and 2020. The actuarial valuations used the following actuarial assumptions. The assumptions are consistent year to year, except as noted:

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 6 - New York State and Local Employees' Retirement System - Continued**

*Actuarial Assumptions - Continued*

Actuarial Cost Method	Entry age normal
Inflation Rate	2.7% (2021); 2.5% (2020)
Salary Scale	4.4% (2021); 4.2% (2020), indexed by service
Investment rate of return, including inflation	
2022	5.90% compounded annually, net of expenses
2021	6.80% compounded annually, net of expenses
Cost of living adjustment	1.4% (2021); 1.3% (2020) annually
Decrement	
2021	Based on FY 2015-2020 experience
2020	Based on FY 2010-2015 experience
Mortality improvement	
2021	Society of Actuaries Scale MP-2020
2020	Society of Actuaries Scale MP-2018

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of March 31, 2021 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.0%	4.05%
International equity	15.0%	6.30%
Private equity	10.0%	6.75%
Real estate	9.0%	4.95%
Absolute return strategies	3.0%	4.50%
Credit	4.0%	3.63%
Real assets	3.0%	5.95%
Fixed income	23.0%	0.00%
Cash	1.0%	0.50%
	<u>100.0%</u>	

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 6 - New York State and Local Employees' Retirement System - Continued**

*Discount Rate*

The discount rate used to calculate the total pension liability as of December 31, 2021 and 2020 was 5.90% and 6.80%, respectively. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Authority's proportionate share of the net pension liability as of December 31, 2021 calculated using the discount rate of 5.90%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current rate:

	1% Decrease (4.90%)	Current Discount (5.90%)	1% Increase (6.90%)
Authority's proportionate share of the net pension liability	\$ 2,260,862	\$ 8,145	\$ 2,069,386

*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 (amounts in thousands):

	2021	2020
Employers' total pension liability	\$ 220,680,157	\$ 194,596,261
Plan net position	<u>(220,580,583)</u>	<u>(168,115,682)</u>
Employers' net pension liability	<u>\$ 99,574</u>	<u>\$ 26,480,579</u>
Ratio of plan net position to the employers' total pension liability	99.95%	86.39%

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 7 - Other Postemployment Benefits (OPEB)**

In addition to providing pension benefits, the Authority provides certain health care benefits for retired employees through a single employer defined benefit plan. The employee handbook stipulates the employees covered and the percentage of contribution. The cost of providing postemployment health care benefits is shared between the Authority and the retired employee. Substantially all of the Authority's employees may become eligible for those benefits if they have a minimum of five years of service and reach normal retirement age while working for the Authority.

A summary of active employees and retired employees covered under this benefit plan as of December 31, 2021 is as follows:

Actives	33	
Retirees	3	3
Total		36

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, 2021 and 2020, the Authority paid \$77,959 and \$69,716 on behalf of the plan members, respectively. The benefit plan does not issue a stand-alone financial report since there are no assets legally segregated for the sole purpose of paying benefits under the benefit plan.

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

At December 31, 2021 and 2020, the Authority reported a liability of \$10,814,546 and \$10,339,134 for its OPEB liability, respectively. The OPEB liability was measured as of December 31, 2021 by an actuarial valuation as of January 1, 2020. For the years ended December 31, 2021 and 2020, the Authority recognized OPEB expense of \$742,316 and \$937,814, respectively. At December 31, 2021 and 2020, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

	December 31, 2021		December 31, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 1,721,958	\$ 187,243	\$ 1,922,419	\$ 124,364

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

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

Amounts reported as deferred outflows of resources related to OPEBs will be recognized in OPEB expense as follows:

For the year ending December 31,	
2022	\$ 181,672
2023	181,672
2024	181,672
2025	181,672
2026	181,672
Thereafter	<u>626,355</u>
	<u>\$ 1,534,715</u>

*Actuarial Assumptions*

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, which are consistent from year to year, except as noted:

Assumptions	Factor
Valuation Date	January 1, 2020
Measurement Date	January 1, 2021
Reporting Date	December 31, 2021
Actuarial Cost Method	Entry Age Normal - Level Percent of Pay
Health Care Cost Trend Rates	Society of Actuaries Long Run Medical Cost Trend Model
Discount Rate	
2021	2.05%
2020	2.02%
Salary Scale	3.00%
Mortality	Society of Actuaries Pub-2010 Public Retirement Plans Healthy Male and Female Total Dataset Headcount-Weighted Mortality tables based on Employee Healthy Annuitant Tables for both pre and post retirement projected with mortality improvements using the most current Society of Actuaries Mortality Improvement Scale MP-2019

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

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

The discount rate used to measure the liability was 2.05% and 2.02% for 2021 and 2020, respectively, based on the Bond Buyer 20-year general obligation bond index.

*Schedule of Changes in Net OPEB Liability*

	December 31,	
	2021	2020
Beginning of the year	\$ 10,339,134	\$ 9,930,076
Charges for the year		
Service cost	423,886	414,998
Interest	211,153	199,883
Changes in assumption and other inputs	(81,668)	(136,107)
Benefit payments	(77,959)	(69,716)
Net changes	475,412	409,058
End of year	\$ 10,814,546	\$ 10,339,134

*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, 2021 using current health care cost trend rates as well as what the OPEB liability would be if it were calculated using health care cost trend rates that are 1% lower and 1% higher than the current rate:

	1% Decrease	Current Trend Rates	1% Increase
Authority's proportionate share of the OPEB liability	\$ 8,230,633	\$ 10,814,546	\$ 14,434,979

The following presents the OPEB liability of the plan as of December 31, 2021 calculated using the discount rate of 2.05%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.05%) or 1-percentage-point higher (3.05%) than the current rate:

	1% Decrease (1.05%)	Current Discount Rate (2.05%)	1% Increase (3.05%)
Authority's proportionate share of the OPEB liability	\$ 14,046,493	\$ 10,814,546	\$ 8,482,467



**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

**Note 8 - Commitments and Contingencies**

*a. Litigation*

From time to time in the ordinary course of operations, the Authority is involved in various 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.

*b. Host Community Benefit Agreements*

In connection with the operation of various facilities, the Authority has entered into several long-term agreements with certain municipalities impacted by the Authority's solid waste operations. The agreements generally provide for payments to the municipalities for a period of 25 to 30 years and expire at various times through October 2039. The payments are based on agreed rates and annual accepted tonnage. Host community benefit expense approximated \$4,441,000 and \$4,142,000 for the years ended December 31, 2021 and 2020, respectively.

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

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

GASB Statement No. 91, *Conduit Debt Obligations*. This statement will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: (1) commitments extended by issuers; (2) arrangements associated with conduit debt obligations, and; (3) related note disclosures. The statement clarifies the existing definition of a conduit debt obligation; establishes that a conduit debt obligation is not a liability of the issuer; establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improves required note disclosures. The statement also addresses arrangements, often characterized as leases, that are associated with conduit debt obligations, noting that issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. The requirements of this statement, as delayed by GASB 95, are effective for reporting periods beginning after December 15, 2021.

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

GASB Statement No. 92, *Omnibus 2021*. This statement addressed a variety of topics including leases, intra-entity transfers, fiduciary activities, public entity risk pools/reinsurance recoveries, fair value measurements, and derivative instrument terminology. Guidance related to leases, reinsurance recoveries, and derivative instrument terminology was effective upon the standards issuance in January 2021. The remaining components of this standard, as delayed by GASB 95, are effective for periods beginning after June 15, 2021.

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

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

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

**Rockland County**  
**Solid Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Notes to Financial Statements  
December 31, 2021 and 2020

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

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

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

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

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Authority's proportion of the net pension liability	\$ 8,145	\$ 2,194,496	\$ 545,547	\$ 245,073	\$ 655,666	\$ 1,077,890	\$ 235,590
Authority's proportionate share of the net pension liability	0.0081803%	0.0082872%	0.0076997%	0.007593%	0.0069780%	0.0067157%	0.0069737%
Authority's covered-employee payroll	\$ 2,856,002	\$ 2,750,824	\$ 2,640,104	\$ 2,488,501	\$ 2,309,259	\$ 2,108,204	\$ 1,993,476
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.29%	79.78%	20.66%	9.85%	28.39%	51.13%	11.82%
Plan fiduciary net position as a percentage of the total pension liability	99.95%	86.39%	96.27%	98.24%	94.70%	94.70%	97.65%

Data not available prior to the fiscal year 2015 implementation of GASB No 68, *Accounting and Financial Reporting for Pensions*.

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Required Supplementary Information  
Schedule of Local Government Pension Contributions

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 437,080	\$ 391,777	\$ 375,252	\$ 356,472	\$ 341,880	\$ 322,880	\$ 344,675
Contributions in relation to the contractually required contribution	437,080	391,777	375,252	356,472	341,880	322,880	344,675
Contribution deficiency (excess)	-	-	-	-	-	-	-
Authority's covered-employee payroll	2,856,002	2,750,824	2,640,104	2,488,501	2,309,259	2,108,204	1,993,476
Contribution as a percentage of covered-employee payroll	15.30%	14.24%	14.21%	14.32%	14.80%	15.32%	17.29%

Data not available prior to the fiscal year 2015 implementation of GASB No 68, *Accounting and Financial Reporting for Pensions*.

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Required Supplementary Information  
Schedule of Other Postemployment Benefits Liability

	December 31,			
	2021	2020	2019	2018
Beginning of the year	\$ 10,339,134	\$ 9,930,076	\$ 7,088,643	\$ 6,639,551
Charges for the year				
Service cost	423,886	414,998	270,761	224,255
Interest	211,153	199,883	272,581	251,791
Changes in assumption and other inputs	(81,668)	(136,107)	2,323,341	-
Benefit payments	(77,959)	(69,716)	(25,250)	(26,954)
Net changes	475,412	409,058	2,841,433	449,092
End of year	\$ 10,814,546	\$ 10,339,134	\$ 9,930,076	\$ 7,088,643
Covered payroll	\$ 2,606,031	\$ 2,606,031	2,535,739	2,535,739
OPEB liability as a percentage of covered payroll	414.98%	396.74%	391.60%	279.55%

Data not available prior to the 2018 implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Supplementary Information – Schedule of Budget to Actual

	<u>Final Budget 2021</u>	<u>Actual 2021</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>			
Solid waste disposal charges			
User fees	\$ 13,422,162	\$ 13,422,126	\$ (36)
Ad valorem	13,250,685	13,280,322	29,637
Co-compost facility user charges	437,215	629,068	191,853
Solid waste collection and disposal charges			
Town of Stony Point	437,108	437,107	(1)
Village of Spring Valley	1,921,247	1,937,508	16,261
Village of Haverstraw	1,090,178	1,090,175	(3)
Village of Slootsburg	419,861	419,860	(1)
Village of New Hempstead	828,574	759,990	(68,584)
Village of Wesley Hills	916,548	914,703	(1,845)
River Villages	291,624	297,952	6,328
Rockland County	328,421	358,119	29,698
Transfer station tipping fees/sales	29,820,318	34,924,882	5,104,564
Other unclassified	124,878	169,007	44,129
Total operating revenues	<u>63,288,819</u>	<u>68,640,819</u>	<u>5,352,000</u>
<b>NON-OPERATING REVENUES</b>			
Interest			
Bank	115,000	30,939	(84,061)
Restricted funds	50,000	27,243	(22,757)
Grants	-	556,159	556,159
Gain on disposal of assets	-	193,631	193,631
Insurance recoveries	-	98,051	98,051
Total non-operating revenues	<u>165,000</u>	<u>906,023</u>	<u>741,023</u>
<b>Total revenues</b>	<b><u>\$ 63,453,819</u></b>	<b><u>\$ 69,546,842</u></b>	<b><u>\$ 6,093,023</u></b>
<b>OPERATING EXPENSES</b>			
Personal services			
Salaries	\$ 2,903,814	\$ 3,155,937	\$ (252,123)
Fringe benefits			
Health and dental	960,900	884,077	76,823
Retirement	440,286	255,781	184,505
Other postemployment benefit obligations	11,470	742,895	(731,425)
Social security	220,221	223,804	(3,583)
Worker's compensation benefits	126,210	126,417	(207)
Metropolitan commuter transportation mobility tax	9,363	10,016	(653)
Employee testing	2,500	967	1,533
Total fringe benefits	<u>1,770,950</u>	<u>2,243,957</u>	<u>(473,007)</u>
Contractual services			
Supplies expense			
Books and publications	7,500	584	6,916
Motor fuel	6,000	5,886	114
Office supplies and printing	86,000	67,194	18,806
Operational supplies (leaf bags, recycling bins, etc.)	671,300	774,046	(102,746)
Uniforms	8,000	8,905	(905)
	<u>778,800</u>	<u>856,615</u>	<u>(77,815)</u>

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Supplementary Information – Schedule of Budget to Actual - Continued

	Final Budget 2021	Actual 2021	Variance
Other operating expenses			
Advertising	121,500	97,870	23,630
Association dues	5,000	3,367	1,633
Bid advertising	3,000	3,354	(354)
Certiorari payments	50,000	21,412	28,588
Cleaning contractor	50,000	28,042	21,958
Community partnerships	47,428	97,786	(50,358)
Conferences and schools	10,000	1,471	8,529
Data processing equipment	49,994	44,026	5,968
Engineering and other professional fees	910,190	649,811	260,379
Equipment repair	167,000	170,116	(3,116)
Fees for services- non employees	1,267,802	1,293,976	(26,174)
Household hazardous waste	1,607,073	1,286,889	320,184
Legal fees	1,575,000	1,401,046	173,954
Maintenance agreements	52,600	69,996	(17,396)
Meals	2,000	745	1,255
Office furniture and fixtures	1,000	7,910	(6,910)
Painting and building repair	200,000	122,393	77,607
Postage	25,500	21,918	3,582
Rental of equipment	50,000	57,036	(7,036)
Repairs to vehicle	20,000	798	19,202
Telephone	69,300	68,434	866
Travel	25,000	1,362	23,638
Utilities	632,500	463,172	169,328
Water and sewer	127,000	72,771	54,229
	<u>7,068,887</u>	<u>5,985,701</u>	<u>1,083,186</u>
Revenue generating operating expenses			
Co-composting operating and maintenance fee	2,074,873	2,084,420	(9,547)
Host community fee	4,002,145	4,441,298	(439,153)
MRF operating and maintenance fee	2,936,394	190,430	2,745,964
Recycling rebates	789,950	737,899	52,051
Solid waste collection and disposal:			
Town of Stony Point	424,376	400,164	24,212
Village of Spring Valley	1,865,288	1,648,686	216,602
Village of Haverstraw	1,058,425	902,140	156,285
Village of Slootsburg	407,633	408,647	(1,014)
Village of New Hempstead	804,441	741,888	62,553
Village of Wesley Hills	889,852	888,064	1,788
River Villages	283,130	282,253	877
Rockland County	318,856	366,438	(47,582)
Transfer station fees	27,455,391	29,880,127	(2,424,736)
Yard waste composting fee	1,953,950	1,514,457	439,493
	<u>45,264,704</u>	<u>44,486,911</u>	<u>777,793</u>
Other costs			
Tax related costs	18,000	37,551	(19,551)
Insurance premiums	205,139	235,960	(30,821)
Miscellaneous	-	14,443	(14,443)
Contingency	225,000	-	225,000
	<u>448,139</u>	<u>287,954</u>	<u>160,185</u>
<b>Total contractual services</b>	<b><u>\$ 53,560,530</u></b>	<b><u>\$ 51,617,181</u></b>	<b><u>\$ 1,943,349</u></b>
<b>DEBT SERVICE</b>			
Principal	4,210,000	\$ 3,945,000	\$ 265,000
Interest	1,221,037	1,425,853	(204,816)
Interest subsidy	(212,511)	(212,511)	-
Bond issuance costs	-	475,478	475,478
	<u>-</u>	<u>475,478</u>	<u>475,478</u>
<b>Total debt service</b>	<b><u>\$ 5,218,526</u></b>	<b><u>\$ 5,633,820</u></b>	<b><u>\$ 535,662</u></b>

See Independent Auditor's Report.



**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Supplementary Information – Schedule of Budget to Actual

	<u>Final Budget 2020</u>	<u>Actual 2020</u>	<u>Variance</u>
<b>OPERATING REVENUES</b>			
Solid waste disposal charges			
User fees	\$ 11,413,068	\$ 11,413,068	\$ -
Ad valorem	13,188,171	13,225,773	37,602
Co-compost facility user charges	451,988	617,417	165,429
Solid waste collection and disposal charges			
Town of Stony Point	404,547	404,537	(10)
Village of Spring Valley	1,714,208	1,618,133	(96,075)
Village of Haverstraw	916,171	932,119	15,948
Village of Slootsburg	373,544	373,544	-
Village of New Hempstead	546,656	546,656	-
Village of Wesley Hills	900,809	900,602	(207)
River Villages	262,324	269,090	6,766
Rockland County	426,011	353,929	(72,082)
Transfer station tipping fees/sales	32,417,539	31,403,413	(1,014,126)
Other unclassified	110,818	157,914	47,096
Total operating revenues	<u>63,125,854</u>	<u>62,216,195</u>	<u>(909,659)</u>
<b>NON-OPERATING REVENUES</b>			
Interest			
Bank	275,000	86,185	(188,815)
Restricted funds	130,000	41,251	(88,749)
Environmental protection facility grants	594,720	-	(594,720)
Insurance Recoveries	-	240,370	240,370
Total non-operating revenues	<u>999,720</u>	<u>367,806</u>	<u>(631,914)</u>
<b>Total revenues</b>	<b><u>\$ 64,125,574</u></b>	<b><u>\$ 62,584,001</u></b>	<b><u>\$ (1,541,573)</u></b>
<b>OPERATING EXPENSES</b>			
Personal services			
Salaries	\$ 2,836,080	\$ 2,973,955	\$ (137,875)
Fringe benefits			
Health and dental	845,438	827,682	17,756
Retirement	387,438	811,301	(423,863)
Other postemployment benefit obligations	10,216	944,297	(934,081)
Social security	212,521	223,415	(10,894)
Worker's compensation benefits	99,476	54,573	44,903
Metropolitan commuter transportation mobility tax	9,133	9,931	(798)
Employee testing	2,500	967	1,533
Total fringe benefits	<u>1,566,722</u>	<u>2,872,166</u>	<u>(1,305,444)</u>
Contractual services			
Supplies expense			
Books and publications	7,500	622	6,878
Motor fuel	6,000	3,483	2,517
Office supplies and printing	86,000	58,924	27,076
Operational supplies (leaf bags, recycling bins, etc.)	626,300	619,537	6,763
Uniforms	4,000	8,437	(4,437)
	<u>729,800</u>	<u>691,003</u>	<u>38,797</u>

**Rockland County Solid  
Waste Management Authority**  
(A Component Unit of the County of Rockland, New York)

Supplementary Information – Schedule of Budget to Actual - Continued

	<u>Final Budget 2020</u>	<u>Actual 2020</u>	<u>Variance</u>
Other operating expenses			
Advertising	54,646	63,763	(9,117)
Association dues	3,000	2,712	288
Bid advertising	3,000	1,454	1,546
Certiorari payments	50,000	19,052	30,948
Cleaning contractor	20,000	36,001	(16,001)
Community partnerships	42,000	38,982	3,018
Conferences and schools	10,000	990	9,010
Data processing equipment	58,805	68,203	(9,398)
Engineering and other professional fees	731,320	564,276	167,044
Equipment repair	117,000	230,295	(113,295)
Fees for services- non employees	1,289,593	1,353,223	(63,630)
Household hazardous waste	1,318,068	1,400,188	(82,120)
Legal fees	1,750,000	1,739,914	10,086
Maintenance agreements	49,209	20,248	28,961
Meals	2,000	950	1,050
Office furniture and fixtures	1,000	6,564	(5,564)
Painting and building repair	200,000	140,012	59,988
Postage	25,500	22,148	3,352
Rental of equipment	20,000	228,099	(208,099)
Repairs to vehicle	20,000	9,907	10,093
Telephone	69,300	56,381	12,919
Travel	10,000	2,035	7,965
Utilities	632,500	416,070	216,430
Water and sewer	127,000	49,933	77,067
	<u>6,603,941</u>	<u>6,471,400</u>	<u>132,541</u>
Revenue generating operating expenses			
Co-composting operating and maintenance fee	2,006,508	2,020,243	(13,735)
Host community fee	4,278,645	4,141,788	136,857
MRF operating and maintenance fee	2,611,806	1,914,778	697,028
Recycling rebates	725,900	790,651	(64,751)
Solid waste collection and disposal:			
Town of Stony Point	392,764	374,978	17,786
Village of Spring Valley	1,664,280	1,607,950	56,330
Village of Haverstraw	889,486	865,045	24,441
Village of Sloatsburg	362,664	362,664	-
Village of New Hempstead	530,734	530,734	-
Village of Wesley Hills	874,572	872,916	1,656
River Villages	254,684	254,684	-
Rockland County	413,603	372,251	41,352
Transfer station rebates	130,000	231,812	(101,812)
Transfer station fees	29,643,110	25,292,195	4,350,915
Yard waste composting fee	1,944,064	1,731,951	212,113
	<u>46,722,820</u>	<u>41,364,640</u>	<u>5,358,180</u>
Other costs			
Tax related costs	18,000	36,788	(18,788)
Insurance premiums	235,850	255,378	(19,528)
Miscellaneous	-	48,198	(48,198)
Contingency	225,000	-	225,000
	<u>478,850</u>	<u>340,364</u>	<u>138,486</u>
<b>Total contractual services</b>	<b><u>\$ 54,535,411</u></b>	<b><u>\$ 48,867,407</u></b>	<b><u>\$ 5,668,004</u></b>
<b>DEBT SERVICE</b>			
Principal	4,015,000	4,015,000	\$ -
Interest	1,410,928	1,208,631	202,297
Interest subsidy	(238,567)	(238,567)	-
<b>Total debt service</b>	<b><u>5,187,361</u></b>	<b><u>\$ 4,985,064</u></b>	<b><u>\$ 202,297</u></b>

See Independent Auditor's Report.



**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  
Rockland County Solid Waste Management Authority  
Nanuet, 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 Rockland County Solid Waste Management Authority (Authority), a component unit of the County of Rockland, New York, as of and for the year ended December 31, 2021, 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 9, 2022.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BST+Co.CPAs, LLP

Albany, New York  
March 9, 2022

