



**Rockland County Solid Waste
Management Authority**

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

Financial Report

December 31, 2023 and 2022

Rockland County Solid Waste Management Authority

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

Financial Report

December 31, 2023 and 2022

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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, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2023 and 2022, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, 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.

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

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 35, local government pension contributions on page 36, and other postemployment benefits liability on page 37 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 audits were conducted for the purpose of forming an opinion 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 statements. 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 information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2024, 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

Latham, New York
March 12, 2024



Rockland County Solid Waste Management Authority

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

Management's Discussion and Analysis December 31, 2023

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, 2023. 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,	
	2023	2022
Operating revenues	\$ 84,772,134	\$ 76,134,562
Non-operating revenues	2,089,608	1,253,362
Total revenues	<u>86,861,742</u>	<u>77,387,924</u>
Operating expenses	76,686,509	66,287,480
Non-operating expenses	1,317,930	1,483,679
Total expenses	<u>78,004,439</u>	<u>67,771,159</u>
Increase in net position	<u>\$ 8,857,303</u>	<u>\$ 9,616,765</u>

Net position, which represents the equity of the Authority, increased by \$8,857,303 during 2023.

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 accompanying 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

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

Management's Discussion and Analysis December 31, 2023

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,	
	2023	2022
Current assets	\$ 39,103,854	\$ 37,461,513
Restricted assets	9,435,003	12,607,624
Non-current assets	70,982,502	66,482,386
Total assets	<u>119,521,359</u>	<u>116,551,523</u>
Deferred outflows	<u>14,451,614</u>	<u>14,956,311</u>
Current liabilities	14,619,191	14,186,139
Non-current liabilities	49,624,527	53,750,425
Total liabilities	<u>64,243,718</u>	<u>67,936,564</u>
Deferred inflows	<u>3,323,060</u>	<u>6,022,378</u>
Net position	<u>\$ 66,406,195</u>	<u>\$ 57,548,892</u>

Current Assets

Current assets as of December 31, 2023 are primarily comprised of cash and cash equivalents (unrestricted) totaling approximately \$37.1 million. The remaining approximately \$1.9 million consists of receivables from various sources, primarily state and federal grants, and prepaid expenses.

Restricted Assets

Restricted assets totaling approximately \$9.4 million as of December 31, 2023 are comprised of investments. The decrease of approximately \$3.2 million from December 31, 2022 is primarily related to the use of construction fund bond proceeds for construction of a new Materials Recovery Facility (MRF).

Deferred Outflows of Resources

Deferred outflows of resources as of December 31, 2023 consist of approximately \$1.6 million related to the net pension liability recorded in accordance with GASB Statement No. 68, and approximately \$1.9 million related to accrued postemployment benefits in accordance with GASB Statement No. 75.

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Deferred Outflows of Resources - Continued

Additionally, deferred outflows of resources includes approximately \$10.9 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, 2023 consist of accounts payable and accrued liabilities and the current portion of bonds payable totaling approximately \$14.6 million. The current portion of bonds payable is approximately \$6.7 million.

Non-Current Liabilities

As of December 31, 2023, the long-term portion of bonds payable was approximately \$38.7 million. The Authority's other postemployment benefits obligation calculated in accordance with GASB Statement No. 75 was approximately \$8.9 million, an increase of approximately \$1.1 million compared to 2022.

Capital Assets, Net

Depreciation expense for the year ended December 31, 2023 was approximately \$2.5 million. Total accumulated depreciation at December 31, 2023 was approximately \$65.0 million.

A comparative summary of capital assets is as follows:

	December 31,	
	2023	2022
Capital assets		
Land	\$ 8,920,406	\$ 8,920,406
Construction-in-progress	39,703,656	34,542,074
Buildings and land improvements	66,572,024	66,081,879
Machinery and equipment	20,795,454	18,711,888
Total capital assets	<u>135,991,540</u>	<u>128,256,247</u>
Less accumulated depreciation		
Buildings and land improvements	49,160,670	47,427,582
Machinery and equipment	15,848,368	15,064,173
Total accumulated depreciation	<u>65,009,038</u>	<u>62,491,755</u>
Net capital assets	<u>\$ 70,982,502</u>	<u>\$ 65,764,492</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, 2023 were approximately \$84.7 million. Non-operating revenues were approximately \$2.1 million.

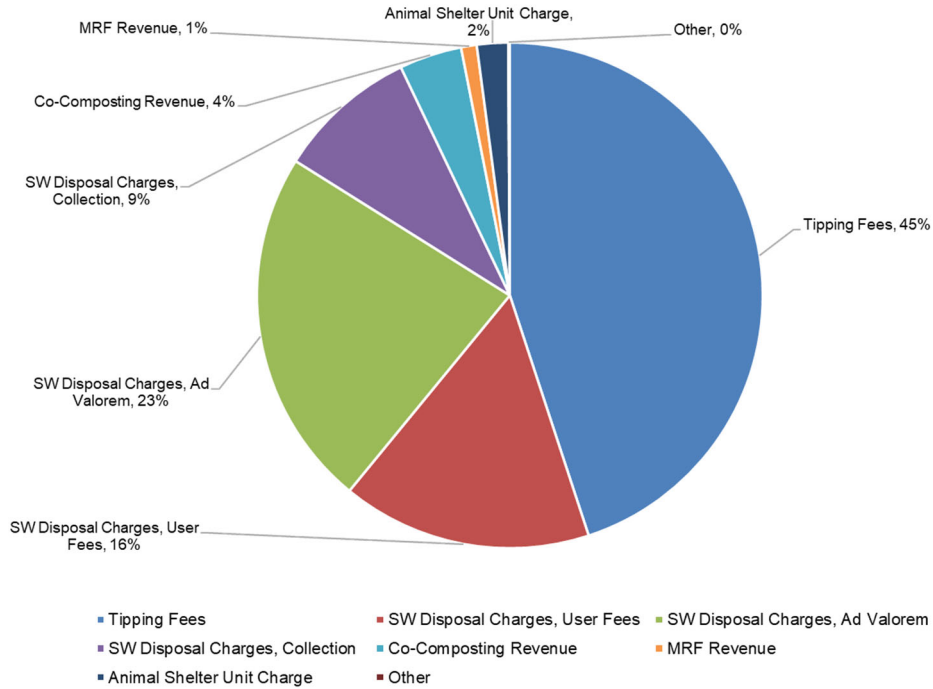
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Management's Discussion and Analysis December 31, 2023

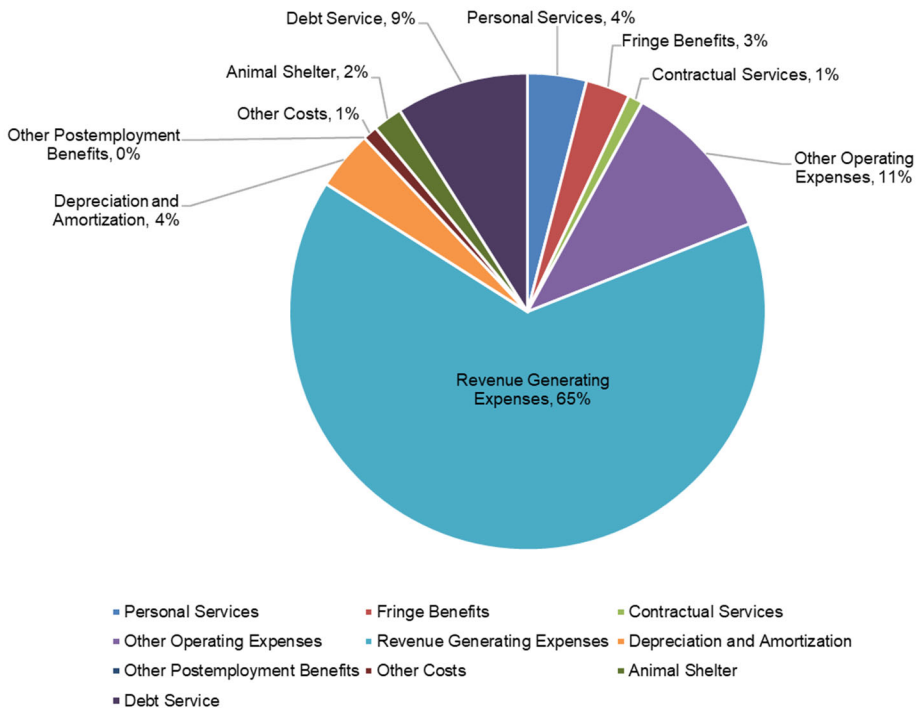
Statement of Revenues, Expenses, and Changes in Net Position - Continued

2023 Revenues



Solid Waste Disposal Charges (both user fees and ad valorem) represented 39% of total revenues. Revenues from the Materials Recovery Facility, Co-Composting Facility and collection agreements administered by the Authority represented 14% of total revenues. The Animal Shelter unit charge represented 2% of total revenues. Tipping fees represented the remaining 45% of total revenues.

2023 Expenses



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Management's Discussion and Analysis December 31, 2023

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

Total operating expenses for 2023 were approximately \$76.7 million. Non-operating expenses for the year were approximately \$1.3 million. Revenue generating expenses (those related to the operation of the Authority's facilities) represented 65% of expenses. Personnel and fringe benefit costs represented 7% of expenses. Contractual services, depreciation and amortization, other postemployment benefits, debt service, other costs, animal shelter costs and other operating expenses represented 28% of expenses.

Economic Factors That Will Affect the Future

Transfer Stations

On May 20, 2008, the Rockland 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 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 currently 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 2023, the Authority's transfer stations accepted 362,715 tons of waste, reflecting a 1% increase over the prior year.

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.

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 beverage bottles and cans 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, an 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 cited 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.

The anticipated completion of the capital improvements at the MRF in the first quarter of 2024 will achieve recovery rates up to 98%. Prior to completion, the Authority continued to process recyclables generated from within and outside Rockland County at one of three alternate processing facilities via a public private partnership.

In 2023, successful paper shredding events were held twice in each of the County's five towns.

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Economic Factors That Will Affect the Future - Continued

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. The recycling of sludge (beneficial reuse) is an attractive alternative to many municipal entities that are currently sending sludge to landfills. 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 565,635 pounds of e-waste in 2023, representing a 7.3% decrease 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 entered into an indirect contract with PaintCare effective May 1, 2022, and no longer incurs a charge for the packaging, transportation, and disposal of architectural paint.

In 2023, 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 2024.

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 contractors in a bulk sale. Operations do not seem to be contingent upon economic factors but rather windstorms, droughts, floods, and other naturally occurring events.

The Authority's use of the French Farms Leaf Composting Facility 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.

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Management's Discussion and Analysis December 31, 2023

Economic Factors That Will Affect the Future - Continued

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 2022, the Authority successfully initiated a food scraps recycling drop-off pilot program with the Town of Orangetown and in 2023, the program was expanded to the Town of Clarkstown. Based on the success of the program, the Authority will look to initiate additional drop-off sites in the remaining Towns in Rockland County in the future. 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 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 plan to construct digestors that would co-digest biosolids with source-separated organics that have been traditionally landfilled. In addition, the Authority is exploring technology related to the drying of de-watered sludge at the Co-composting facility in order to increase capacity to manage additional food scraps as they become available.

Animal Management

The Authority, after amendments pursuant to Chapter 553 of the Laws of 2022 to expand the Authority's Act to include animal management were passed, took over animal management services in Rockland County on January 1st, 2023. Throughout 2023, Rockland County's existing animal shelter was leased by the Authority and operated via a public private partnership. It is anticipated that in the future the Authority will construct a new animal shelter facility to benefit the residents and animals of Rockland County.

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.

Rockland County Solid Waste Management Authority

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

Statements of Net Position

	December 31,	
	2023	2022
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 37,157,059	\$ 35,497,930
Accounts receivable, net	321,775	281,470
Grants receivable	968,128	1,038,725
Prepaid expenses	656,892	643,388
Total current assets	39,103,854	37,461,513
RESTRICTED ASSETS		
Investments	9,435,003	12,607,624
NON-CURRENT ASSETS		
Net pension asset	-	717,894
Capital assets, net	70,982,502	65,764,492
Total non-current assets	70,982,502	66,482,386
DEFERRED OUTFLOWS		
Pension	1,648,639	1,660,331
Postemployment benefits	1,948,251	1,521,497
Bond refunding, net	-	144,422
Other, net	10,854,724	11,630,061
	14,451,614	14,956,311
	\$ 133,972,973	\$ 131,507,834
LIABILITIES, DEFERRED INFLOWS, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable	\$ 6,402,115	\$ 6,452,518
Accrued liabilities	1,547,076	1,373,621
Promissory note	-	500,000
Current portion of bonds payable	6,670,000	5,860,000
Total current liabilities	14,619,191	14,186,139
LONG-TERM LIABILITIES		
Bonds payable, net, less current installments	38,715,778	45,971,439
Accrued postemployment benefits	8,869,997	7,778,986
Net pension liability	2,038,752	-
Total long-term liabilities	49,624,527	53,750,425
Total liabilities	64,243,718	67,936,564
DEFERRED INFLOWS		
Pension	84,999	2,448,770
Postemployment benefits	3,238,061	3,573,608
	3,323,060	6,022,378
NET POSITION		
Net investment in capital assets	35,031,727	28,604,676
Unrestricted	31,374,468	28,944,216
Total net position	66,406,195	57,548,892
	\$ 133,972,973	\$ 131,507,834

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,	
	2023	2022
OPERATING REVENUES		
Solid waste disposal charges	\$ 83,062,510	\$ 76,134,562
Animal shelter unit charge	1,709,624	-
	84,772,134	76,134,562
OPERATING EXPENSES		
Personal services	3,531,807	3,362,637
Employee benefits	2,320,816	1,373,490
Other postemployment benefit obligations	336,625	556,879
Contractual services	65,495,016	57,611,674
Depreciation	2,517,284	2,607,463
Amortization	775,337	775,337
Animal shelter	1,709,624	-
	76,686,509	66,287,480
Operating income	8,085,625	9,847,082
NON-OPERATING REVENUES AND EXPENSES		
Interest income	1,226,648	390,922
Interest expense	(1,317,930)	(1,483,679)
Grants	617,604	708,372
Gain on disposal of capital assets	84,000	430
Other income	161,356	153,638
	771,678	(230,317)
Change in net position	8,857,303	9,616,765
NET POSITION, <i>beginning of year</i>	57,548,892	47,932,127
NET POSITION, <i>end of year</i>	\$ 66,406,195	\$ 57,548,892

See accompanying Notes to Financial Statements.

Rockland County Solid Waste Management Authority

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

Statements of Cash Flows

	Years Ended December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Collections of solid waste disposal charges	\$ 84,731,829	\$ 76,225,327
Payments to vendors	(67,268,547)	(58,757,151)
Payments for salaries and benefits	(5,282,516)	(4,715,009)
	12,180,766	12,753,167
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of bonds	(5,860,000)	(5,420,000)
Proceeds from issuance of promissory note	-	500,000
Repayments of promissory note	(500,000)	-
Acquisition of capital assets	(7,735,294)	(22,748,019)
Proceeds from sale of capital assets	84,000	430
Interest and issuance costs paid on debt	(1,759,169)	(1,995,894)
Grants	688,201	872,140
Proceeds from insurance recoveries and other income	161,356	153,638
	(14,920,906)	(28,637,705)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of investments	3,172,621	18,026,504
Interest income	1,226,648	390,922
	4,399,269	18,417,426
Net increase in cash and cash equivalents	1,659,129	2,532,888
CASH AND CASH EQUIVALENTS, beginning of year	35,497,930	32,965,042
CASH AND CASH EQUIVALENTS, end of year	\$ 37,157,059	\$ 35,497,930
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 8,085,625	\$ 9,847,082
Adjustments to reconcile operating income to cash flows from operating activities		
Depreciation	2,517,284	2,607,463
Amortization	775,337	775,337
Changes in operating assets and liabilities		
Accounts receivable	(40,305)	90,765
Prepaid expenses	(13,504)	(251,503)
Deferred outflows, pension	11,692	405,571
Deferred outflows, postemployment benefits	(426,754)	200,461
Accounts payable	(50,403)	(893,974)
Accrued liabilities	173,455	276,171
Accrued postemployment benefits	1,091,011	(3,035,560)
Net pension liability/asset	2,756,646	(726,039)
Deferred inflows, pension	(2,363,771)	71,028
Deferred inflows, postemployment benefits	(335,547)	3,386,365
	\$ 12,180,766	\$ 12,753,167

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, 2023 and 2022

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 1994. 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.

During 2022, the New York State Public Authorities Law was amended to expand the Authority's purposes, powers, and responsibilities to include providing animal management services through a wholly owned subsidiary. This wholly owned subsidiary, RG CARES Animal Shelter, was formed in July 2023 as a public benefit corporation. There was no activity in the subsidiary in 2023.

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, 2023 and 2022

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, 2023 and 2022

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, 2023 and 2022. 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 7), other post-employment benefits (Note 8), and loss on refunding of revenue bonds (Note 6).

The gross amount of other deferred outflows, \$15,506,746, is net of accumulated amortization of \$4,652,022 at December 31, 2023. 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, 2023 and 2022.

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

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

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 \$585,661 and \$662,918 for 2023 and 2022, 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 12, 2024 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,	
	2023	2022
<i>Debt Service Reserve Fund</i>		
Contingency fund to be utilized in case of default	\$ 3,594,750	\$ 3,469,230
<i>Construction Projects Fund and Improvement Fund</i>		
Additional capital expenditures which may be incurred by the Authority	5,572,297	8,899,152
<i>Other Funds</i>		
Restricted assets required for debt service	267,956	239,242
	\$ 9,435,003	\$ 12,607,624

Note 3 - Investments

The Authority had the following investments and maturities:

	December 31, 2023			
	Amount	Investment Maturities (In Years)		
		Less than 1	1 to 5	6 to 10
U.S. Treasury Bond State and Local Government Series	\$ 841,020	\$ -	\$ 841,020	\$ -
Investment contract	555,651	-	555,651	-
Government money markets	8,038,332	8,038,332	-	-
Total investments	\$ 9,435,003	\$ 8,038,332	\$ 1,396,671	\$ -

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

Note 3 - Investments - Continued

	December 31, 2022				
	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	11,210,953	11,210,953	-	-	-
Total investments	\$ 12,607,624	\$ 11,210,953	\$ 1,396,671	\$ -	\$ -

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.

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,	
	2023	2022
U.S. Treasury Bond State and Local Government Series	9%	7%
Investment contract	6%	4%
Government money markets	85%	89%

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

Note 3 - Investments - Continued

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.

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, 2023			
	Level 1	Level 2	Level 3	Total
U.S. Treasury Bond State and Local Government Series	<u>\$ -</u>	<u>\$ 841,020</u>	<u>\$ -</u>	<u>\$ 841,020</u>

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

Note 3 - Investments - Continued

e. Fair Value Measurements - Continued

	December 31, 2022			Total
	Level 1	Level 2	Level 3	
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, 2023			Balance December 31, 2023
	Balance January 1, 2023	Additions	Retirements/ Disposals and Transfers	
Capital assets not being depreciated				
Land	\$ 8,920,406	\$ -	\$ -	\$ 8,920,406
Construction in progress	34,542,074	5,161,582	-	39,703,656
Capital assets not being depreciated	43,462,480	5,161,582	-	48,624,062
Capital assets being depreciated				
Buildings	63,516,544	490,145	-	64,006,689
Land Improvement	2,565,335	-	-	2,565,335
Machinery and equipment	18,711,888	2,083,566	-	20,795,454
Capital assets being depreciated	84,793,767	2,573,711	-	87,367,478
Less accumulated depreciation				
Buildings	45,860,617	1,636,286	-	47,496,903
Land improvements	1,566,965	96,802	-	1,663,767
Machinery and equipment	15,064,173	784,195	-	15,848,368
Total accumulated depreciation	62,491,755	2,517,284	-	65,009,038
Capital assets being depreciated, net	22,302,012	56,427	-	22,358,440
Capital assets, net	\$ 65,764,492	\$ 5,218,009	\$ -	\$ 70,982,502

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

Note 4 - Capital Asset, Net - Continued

	December 31, 2022			Balance December 31, 2022
	Balance January 1, 2022	Additions	Retirements/ Disposals and Transfers	
Capital assets not being depreciated				
Land	\$ 8,920,406	\$ -	\$ -	\$ 8,920,406
Construction in progress	13,766,807	21,618,251	(842,984)	34,542,074
Capital assets not being depreciated	<u>22,687,213</u>	<u>21,618,251</u>	<u>(842,984)</u>	<u>43,462,480</u>
Capital assets being depreciated				
Buildings	61,569,538	1,947,006	-	63,516,544
Land Improvement	2,565,335	-	-	2,565,335
Machinery and equipment	18,686,142	25,746	-	18,711,888
Capital assets being depreciated	<u>82,821,015</u>	<u>1,972,752</u>	<u>-</u>	<u>84,793,767</u>
Less accumulated depreciation				
Buildings	44,122,443	1,738,174	-	45,860,617
Land improvements	1,462,899	104,066	-	1,566,965
Machinery and equipment	14,298,950	765,223	-	15,064,173
Total accumulated depreciation	<u>59,884,292</u>	<u>2,607,463</u>	<u>-</u>	<u>62,491,755</u>
Capital assets being depreciated, net	<u>22,936,723</u>	<u>(634,711)</u>	<u>-</u>	<u>22,302,012</u>
Capital assets, net	<u>\$ 45,623,936</u>	<u>\$ 20,983,540</u>	<u>\$ (842,984)</u>	<u>\$ 65,764,492</u>

Note 5 - Short Term Debt

To fund the initial operations of the animal shelter, the Authority entered into a \$500,000 promissory note in December 2022, secured by securities held by the bank in the Authority's name, and requiring interest until its maturity and repayment on October 1, 2023. Interest was charged at the highest published Wall Street Journal Prime Rate (7.5% at December 31, 2022).

In September 2023, the Authority obtained an unsecured \$500,000 line of credit to support working capital related to animal shelter costs. Interest is variable and charged at the highest published Wall Street Journal Prime Rate (8.5% at December 31, 2023). No amounts have been drawn as of December 31, 2023. The line of credit matures in October 2024.

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 6 - Bonds Payable

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

	Balance December 31, 2022	Additions	Refunding	Reductions	Balance December 31, 2023
General Obligation Bonds					
2014 Series	3,210,000	-	-	(430,000)	2,780,000
2018 Series	3,665,000	-	-	(3,665,000)	-
2021 Series	34,025,000	-	-	(780,000)	33,245,000
EFC Revenue Bonds					
2012 Series	3,920,000	-	(3,920,000)	-	-
2013 Series	1,505,000	-	(1,505,000)	-	-
2023A Series	-	-	3,920,000	(785,000)	3,135,000
2023A Series	-	-	1,505,000	(200,000)	1,305,000
	<u>46,325,000</u>	<u>-</u>	<u>-</u>	<u>(5,860,000)</u>	<u>40,465,000</u>
Unamortized bond premiums	<u>5,506,439</u>	<u>-</u>	<u>-</u>	<u>(585,661)</u>	<u>4,920,778</u>
	<u>\$ 51,831,439</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,445,661)</u>	<u>\$ 45,385,778</u>
	Balance December 31, 2021	Additions	Refunding	Reductions	Balance December 31, 2022
General Obligation Bonds					
2014 Series	3,630,000	-	-	(420,000)	3,210,000
2018 Series	7,165,000	-	-	(3,500,000)	3,665,000
2021 Series	34,575,000	-	-	(550,000)	34,025,000
EFC Revenue Bonds					
2012 Series	4,675,000	-	-	(755,000)	3,920,000
2013 Series	<u>1,700,000</u>	<u>-</u>	<u>-</u>	<u>(195,000)</u>	<u>1,505,000</u>
	51,745,000	-	-	(5,420,000)	46,325,000
Unamortized bond premiums	<u>6,169,357</u>	<u>-</u>	<u>-</u>	<u>(662,918)</u>	<u>5,506,439</u>
	<u>\$ 57,914,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,082,918)</u>	<u>\$ 51,831,439</u>

Bonds payable of the Authority are summarized as follows:

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. These bonds were refunded in June 2023.

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. These bonds were refunded in November 2023.

Rockland County Solid Waste Management Authority

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

Notes to Financial Statements December 31, 2023 and 2022

Note 6 - Bonds Payable - Continued

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 \$450,000 to \$905,000, payable annually each December 15 through 2028.

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%. The final principal payment of \$3,665,000 was paid on December 15, 2023.

The difference between the reacquisition price of the new debt and the net carrying amount of the refunded debt was reported as a deferred outflow and was 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 \$144,422 and \$150,702 for the years ended December 31, 2023 and 2022, respectively.

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 \$610,000 to 5,195,000, payable annually each December 15 through 2051.

2023A EFC Revenue Bonds, 2012 Refunding

The New York State Environmental Facilities Corporation (EFC) State Clean Water and Drinking Water Revolving Funds Revenue Bonds were originally issued in 2023 at \$3,920,000 principally to refinance outstanding bonds. Interest is payable semi-annually at interest rates ranging from 6.109% 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 \$820,000 to \$2,315,000 and are payable annually each December 15 through 2025.

2023A EFC Revenue Bonds, 2013 Refunding

The EFC State Clean Water and Drinking Water Revolving Funds Revenue Bonds were originally issued in 2023 at \$1,505,000 principally to refinance outstanding bonds. Interest is payable semi-annually at interest rates ranging from 3.216% 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 \$205,000 to \$230,000 and are payable annually each November 1 through 2029.

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

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 6 - Bonds Payable - Continued

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

	Principal	Interest *	Total
For the year ending December 31,			
2024	\$ 6,670,000	\$ 1,675,574	\$ 8,345,574
2025	3,595,000	1,365,310	4,960,310
2026	1,310,000	1,189,782	2,499,782
2027	1,340,000	1,155,080	2,495,080
2028	1,775,000	1,117,869	2,892,869
2029 through 2033	3,960,000	4,847,391	8,807,391
2034 through 2038	4,665,000	3,910,800	8,575,800
2039 through 2043	5,600,000	2,976,800	8,576,800
2044 through 2048	6,790,000	1,787,800	8,577,800
2049 through 2051	4,760,000	385,800	5,145,800
	40,465,000	\$ 20,412,206	\$ 60,877,206
Less current installments	6,670,000		
Notes payable, less current installments	\$ 33,795,000		

* Interest on EFC bonds is reported gross of the subsidy credit and a refunding benefit, which over the remaining life of bonds will be \$932,840

Note 7 - 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 osc.state.ny.us/retirement/resources or obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, New York 12244.

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 7 - New York State and Local Employees' Retirement System - Continued

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:

2023	\$	395,209
2022		329,374
2021		437,080

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

At December 31, 2023 and 2022, the Authority reported a liability of \$2,038,752 and an asset of \$717,894, respectively, for its proportionate share of the net pension asset/liability. The net pension asset/liability was measured as of March 31, 2023 and 2022, and the total pension liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of those dates. The Authority's proportion of the net pension asset/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, 2023 and 2022, the Authority's proportionate share was 0.0095073% and 0.0087820%, respectively.

For the years ended December 31, 2023 and 2022, the Authority recognized pension expense of \$783,317 and \$106,861, respectively.

At December 31, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	December 31, 2023		December 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 217,143	\$ 57,256	\$ 54,367	\$ 70,517
Changes of assumptions	990,150	10,943	1,198,085	20,216
Net difference between projected and actual investment earnings on pension plan investments	-	11,978	-	2,350,803
Changes in proportion and differences between employer contributions and proportionate share of contributions	144,939	4,822	160,848	7,234
Employer contributions subsequent to the measurement date	296,407	-	247,031	-
Total	\$ 1,648,639	\$ 84,999	\$ 1,660,331	\$ 2,448,770

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 7 - New York State and Local Employees' Retirement System - Continued

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

Deferred outflows of resources related to pensions of \$296,407 and \$247,031 resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability and an increase in the net pension asset, respectively, 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,		
2024	\$	323,902
2025		(68,818)
2026		446,528
2027		565,621
		565,621
	\$	1,267,233

Actuarial Assumptions

The total pension liability at March 31, 2023 and 2022 was determined by using actuarial valuations as of April 1, 2022 and 2021, respectively, with update procedures used to roll forward the total pension liability to March 31, 2023 and 2022. The actuarial valuations used the following actuarial assumptions. The assumptions are consistent year to year, unless otherwise noted:

Actuarial Cost Method	Entry age normal
Inflation Rate	2.9% (2023); 2.7% (2022)
Salary Scale	4.4%, indexed by service
Investment rate of return, including inflation	5.90% compounded annually, net of expenses
Cost of living adjustment	1.4% (2023) 1.4% (2022), annually
Decrement	Based on FY 2016-2020 experience
Mortality improvement	
2023	Society of Actuaries Scale MP-2021
2022	Society of Actuaries Scale MP-2020

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 7 - New York State and Local Employees' Retirement System - Continued

Actuarial Assumptions - Continued

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, 2023 are summarized below:

Asset Type	Target Allocation	Long-Term Expected Real Rate
Domestic equity	32.0%	4.30%
International equity	15.0%	6.85%
Private equity	10.0%	7.50%
Real estate	9.0%	4.60%
Opportunistic/absolute return strategies	3.0%	5.38%
Credit	4.0%	5.43%
Real assets	3.0%	5.84%
Fixed income	23.0%	1.50%
Cash	1.0%	0.00%
	100.0%	

Discount Rate

The discount rate used to calculate the total pension liability as of December 31, 2023 and 2022 was 5.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially. Based upon the assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the Authority's proportionate share of the net pension liability as of December 31, 2023 calculated using the discount rate of 5.90%, as well as what the Authority's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current rate:

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Notes to Financial Statements December 31, 2023 and 2022

Note 7 - New York State and Local Employees' Retirement System - Continued

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

	1% Decrease (4.90%)	Current Discount (5.90%)	1% Increase (6.90%)
Authority's proportionate share of the net pension liability (asset)	\$ 4,926,789	\$ 2,038,752	\$ (374,539)

Pension Plan Fiduciary Net Position

The components of the net pension liability (asset) of the Employee's Retirement System as of March 31 were as follows (amounts in thousands):

	2023	2022
Employers' total pension liability	\$ 232,627,259	\$ 223,874,888
Plan net position	(211,183,223)	(232,049,473)
Employers' net pension liability (asset)	\$ 21,444,036	\$ (8,174,585)
Ratio of plan net position to the employers' total pension liability	90.78%	103.65%

Note 8 - 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, 2023 is as follows:

Actives	36
Retirees	6
Total	42

Rockland County Solid Waste Management Authority

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Notes to Financial Statements December 31, 2023 and 2022

Note 8 - Other Postemployment Benefits (OPEB) - Continued

The contribution requirements of benefit plan members and the Authority are established pursuant to applicable collective bargaining and employment agreements. The required rates of the employer and the members may vary depending on the applicable agreement. The Authority is not required to fund the benefit plan other than the pay-as-you-go amount necessary to provide current benefits to retirees. For the years ended December 31, 2023 and 2022, the Authority paid \$115,153 and \$96,699 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, 2023 and 2022, the Authority reported a liability of \$8,869,997 and \$7,778,986 for its OPEB liability, respectively. The OPEB liability was measured as of December 31, 2023 by an actuarial valuation as of January 1, 2022. For the years ended December 31, 2023 and 2022, the Authority recognized OPEB expense of \$336,625 and \$556,879, respectively. At December 31, 2023 and 2022, the Authority reported deferred outflows and inflows of resources related to OPEB from the following sources:

	December 31, 2023		December 31, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 1,948,251	\$ 3,238,061	\$ 1,521,497	\$ 3,573,608

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

For the year ending December 31,	
2024	\$ 46,018
2025	(89,331)
2026	(89,331)
2027	(89,331)
2028	(89,331)
Thereafter	<u>(978,504)</u>
	<u><u>\$ (1,289,810)</u></u>

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Notes to Financial Statements December 31, 2023 and 2022

Note 8 - Other Postemployment Benefits (OPEB) - Continued

Actuarial Assumptions

The total OPEB liability in the December 31, 2023 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, 2022
Measurement Date	December 31, 2023
Reporting Date	December 31, 2023
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	
2023	3.88%
2022	4.18%
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-2021

The discount rate used to measure the liability was 3.88% and 4.18% for 2023 and 2022, respectively, based on the Bond Buyer 20-year general obligation bond index.

Schedule of Changes in Net OPEB Liability

	December 31,	
	2023	2022
Beginning of the year	\$ 7,778,986	\$ 10,814,546
Charges for the year		
Service cost	368,952	333,024
Interest	299,591	450,027
Changes in assumption and other inputs	537,621	(3,721,912)
Benefit payments	(115,153)	(96,699)
Net changes	<u>1,091,011</u>	<u>(3,035,560)</u>
End of year	<u>\$ 8,869,997</u>	<u>\$ 7,778,986</u>

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Notes to Financial Statements December 31, 2023 and 2022

Note 8 - Other Postemployment Benefits (OPEB) - Continued

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, 2023 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	\$ 7,026,874	\$ 8,869,997	\$ 11,363,961

The following presents the OPEB liability of the plan as of December 31, 2023 calculated using the discount rate of 3.88%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.88%) or 1-percentage-point higher (4.88%) than the current rate:

	1% Decrease (2.88%)	Current Discount Rate (3.88%)	1% Increase (4.88%)
Authority's proportionate share of the OPEB liability	\$ 11,055,897	\$ 8,869,997	\$ 7,232,768

Note 9 - 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 \$4,424,036 and \$4,397,064 for the years ended December 31, 2023 and 2022, respectively.

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Notes to Financial Statements December 31, 2023 and 2022

Note 10 - Subsequent Event

In January 2024, the Authority issued Series 2024A bond anticipation notes totaling \$10,000,000 in connection with the purchase and renovations of the animal shelter building. The Series 2024A bond anticipation notes have an interest rate of 5.5% and mature in January 2025. The animal shelter building was purchased in January 2024 for \$3,800,000.

Note 11 - Accounting Standards Issued But Not Yet Implemented

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

GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and change to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting – understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements. This statement prescribes the accounting and financial reporting for (1) each type of accounting changes and (2) error corrections. This statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

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Notes to Financial Statements December 31, 2023 and 2022

Note 11 - Accounting Standards Issued But Not Yet Implemented - Continued

This statement requires disclosures in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about quantitative effects of beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information and supplementary information. For periods that are earlier than those included in the basic financial statements, information presented as required supplementary information and supplementary information should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*. This Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. This Statement is effective for reporting periods beginning after June 15, 2024, and all reporting periods thereafter.

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

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

	<u>2023</u>	<u>2022</u>	<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 (asset)	0.0095073%	0.0087820%	0.0081803%	0.0082872%	0.0076997%	0.007593%	0.0069780%	0.0067157%	0.0069737%
Authority's proportionate share of the net pension liability (asset)	\$ 2,038,752	\$ (717,894)	\$ 8,145	\$ 2,194,496	\$ 545,547	\$ 245,073	\$ 655,666	\$ 1,077,890	\$ 235,590
Authority's covered-employee payroll	\$ 3,226,832	\$ 3,030,333	\$ 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 (asset) as a percentage of its covered-employee payroll	63.18%	-23.69%	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	90.78%	103.65%	99.95%	86.39%	96.27%	98.24%	94.70%	94.70%	97.65%

Schedule is intended to show information for 10 years. 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

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Required Supplementary Information Schedule of Local Government Pension Contributions

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 395,209	\$ 329,374	\$ 437,080	\$ 391,777	\$ 375,252	\$ 356,472	\$ 341,880	\$ 322,880	\$ 344,675
Contributions in relation to the contractually required contribution	395,209	329,374	437,080	391,777	375,252	356,472	341,880	322,880	344,675
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-
Authority's covered-employee payroll	3,226,832	3,030,333	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	12.25%	10.87%	15.30%	14.24%	14.21%	14.32%	14.80%	15.32%	17.29%

Schedule is intended to show information for 10 years. 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

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Required Supplementary Information Schedule of Other Postemployment Benefits Liability

	December 31,					
	2023	2022	2021	2020	2019	2018
Beginning of the year	\$ 7,778,986	\$ 10,814,546	\$ 10,339,134	\$ 9,930,076	\$ 7,088,643	\$ 6,639,551
Charges for the year						
Service cost	368,952	333,024	423,886	414,998	270,761	224,255
Interest	299,591	450,027	211,153	199,883	272,581	251,791
Changes in assumption and other inputs	537,621	(3,721,912)	(81,668)	(136,107)	2,323,341	-
Benefit payments	(115,153)	(96,699)	(77,959)	(69,716)	(25,250)	(26,954)
Net changes	1,091,011	(3,035,560)	475,412	409,058	2,841,433	449,092
End of year	\$ 8,869,997	\$ 7,778,986	\$ 10,814,546	\$ 10,339,134	\$ 9,930,076	\$ 7,088,643
Covered payroll	\$ 2,989,370	\$ 2,989,370	\$ 2,606,031	2,606,031	2,535,739	2,535,739
OPEB liability as a percentage of covered payroll	296.72%	260.22%	414.98%	396.74%	391.60%	279.55%

Schedule is intended to show information for 10 years. 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*.

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Supplementary Information – Schedule of Budget to Actual

	<u>Final Budget 2023</u>	<u>Actual 2023</u>	<u>Variance</u>
OPERATING REVENUES			
Solid waste disposal charges			
User fees	\$ 13,756,210	\$ 13,756,210	\$ -
Ad valorem	19,336,512	19,350,928	14,416
Co-compost facility user charges	2,071,819	3,044,152	972,333
Solid waste collection and disposal charges			
Town of Stony Point	490,452	490,452	-
Village of Spring Valley	1,932,825	1,932,825	-
Village of Haverstraw	1,063,544	1,063,544	-
Village of Sloatsburg	493,619	493,619	-
Village of New Hempstead	788,568	788,568	-
Village of Wesley Hills	962,250	962,250	-
Village of Airmont	1,561,295	1,561,295	-
River Villages	258,983	258,983	-
Rockland County	336,723	378,777	42,054
Transfer station tipping fees/sales	37,785,120	37,824,931	39,811
Other unclassified	-	66,963	66,963
Recycling facility revenues	1,386,240	1,089,013	(297,227)
Animal management unit charge	-	1,709,624	1,709,624
Total operating revenues	<u>82,224,160</u>	<u>84,772,134</u>	<u>2,547,974</u>
NON-OPERATING REVENUES			
Interest			
Bank	25,000	715,091	690,091
Restricted funds	25,000	511,557	486,557
Environmental protection facility grants	-	617,604	617,604
Gain on disposal of assets	-	84,000	84,000
Other income	177,943	161,356	(16,587)
Total non-operating revenues	<u>227,943</u>	<u>2,089,608</u>	<u>1,861,665</u>
Total revenues	<u>\$ 82,452,103</u>	<u>\$ 86,861,742</u>	<u>\$ 4,409,639</u>
OPERATING EXPENSES			
Personal services			
Salaries	\$ 3,482,235	\$ 3,531,807	\$ (49,572)
Fringe benefits			
Health and dental	1,154,805	1,113,088	41,717
Retirement	390,438	783,317	(392,879)
Other postemployment benefit obligations	16,124	336,625	(320,501)
Social security	263,456	249,852	13,604
Worker's compensation benefits	103,318	161,944	(58,626)
Metropolitan commuter transportation mobility tax	11,330	11,156	174
Employee testing	2,500	1,459	1,041
Total fringe benefits	<u>1,941,971</u>	<u>2,657,441</u>	<u>(715,470)</u>
Contractual services			
Supplies expense			
Books and publications	7,500	1,572	5,928
Motor fuel	15,000	9,100	5,900
Office supplies and printing	77,000	72,222	4,778
Operational supplies (leaf bags, recycling bins, etc.)	963,200	840,327	122,873
Uniforms	15,000	11,265	3,735
	<u>1,077,700</u>	<u>934,486</u>	<u>143,214</u>

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Supplementary Information – Schedule of Budget to Actual - Continued

	Final Budget 2023	Actual 2023	Variance
Other operating expenses			
Advertising	262,800	206,855	55,945
Association dues	7,500	3,670	3,830
Bid advertising	3,000	1,626	1,374
Certiorari payments	50,000	46,743	3,257
Cleaning contractor	50,000	30,494	19,506
Community partnerships	192,550	106,196	86,354
Conferences and schools	25,000	1,849	23,151
Data processing equipment	82,787	42,312	40,475
Engineering and other professional fees	1,681,500	838,054	843,446
Equipment repair	167,000	225,508	(58,508)
Fees for services- non employees	1,708,479	1,689,507	18,972
Household hazardous waste	1,317,165	1,226,201	90,964
Legal fees	2,635,000	4,035,843	(1,400,843)
Maintenance agreements	153,918	73,546	80,372
Meals	5,000	2,106	2,894
Office furniture and fixtures	95,000	33,504	61,496
Other equipment	-	16,396	(16,396)
Painting and building repair	200,000	316,650	(116,650)
Postage	10,000	5,441	4,559
Rental of equipment	50,000	23,079	26,921
Repairs to vehicle	25,000	19,125	5,875
Telephone	85,000	63,839	21,161
Travel	25,000	1,627	23,373
Utilities	618,000	574,886	43,114
Water and sewer	152,000	49,617	102,383
	<u>9,601,699</u>	<u>9,634,674</u>	<u>(32,975)</u>
Revenue generating operating expenses			
Co-composting operating and maintenance fee	2,217,585	2,255,222	(37,637)
Host community fee	4,417,589	4,424,036	(6,447)
MRF operating and maintenance fee	4,108,053	3,618,058	489,995
Recycling rebates	833,991	685,700	148,291
Solid waste collection and disposal:			
Town of Stony Point	476,167	476,075	92
Village of Spring Valley	1,876,529	1,848,216	28,313
Village of Haverstraw	1,032,567	992,567	40,000
Village of Slootsburg	479,242	479,242	-
Village of New Hempstead	769,800	769,800	-
Village of Wesley Hills	934,224	934,224	-
Village of Airmont	1,487,634	1,473,208	14,426
River Villages	251,440	251,471	(31)
Rockland County	326,915	387,263	(60,348)
Transfer station fees	36,607,615	34,122,013	2,485,602
Yard waste composting fee	2,300,587	1,585,491	715,096
	<u>58,119,938</u>	<u>54,302,586</u>	<u>3,817,352</u>
Other costs			
Tax related costs	30,000	23,944	6,056
Insurance premiums	323,536	578,877	(255,341)
Miscellaneous	5,000	20,449	(15,449)
Contingency	225,000	-	225,000
	<u>583,536</u>	<u>623,270</u>	<u>(39,734)</u>
Total contractual services	<u>\$ 69,382,873</u>	<u>\$ 65,495,016</u>	<u>\$ 3,887,857</u>
Animal shelter expenses	<u>-</u>	<u>1,709,624</u>	<u>(1,709,624)</u>
DEBT SERVICE			
Principal	5,860,000	\$ 5,860,000	\$ -
Interest	1,942,908	1,498,422	444,486
Interest subsidy	(157,883)	(180,492)	(22,609)
Total debt service	<u>\$ 7,645,025</u>	<u>\$ 7,177,930</u>	<u>\$ 421,877</u>

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 2022</u>	<u>Actual 2022</u>	<u>Variance</u>
OPERATING REVENUES			
Solid waste disposal charges			
User fees	\$ 13,410,407	\$ 13,410,407	\$ -
Ad valorem	17,893,390	17,907,908	14,518
Co-compost facility user charges	381,502	2,926,665	2,545,163
Solid waste collection and disposal charges			
Town of Stony Point	458,308	458,308	-
Village of Spring Valley	1,777,342	1,775,543	(1,799)
Village of Haverstraw	999,527	999,527	-
Village of Sloatsburg	458,989	458,989	-
Village of New Hempstead	775,219	775,219	-
Village of Wesley Hills	942,492	942,705	213
Village of Airmont	1,402,323	1,349,331	(52,992)
River Villages	319,649	319,649	-
Rockland County	331,105	358,697	27,592
Transfer station tipping fees/sales	34,317,235	34,344,060	26,825
Other unclassified	-	107,554	107,554
Total operating revenues	<u>73,467,488</u>	<u>76,134,562</u>	<u>2,667,074</u>
NON-OPERATING REVENUES			
Interest			
Bank	25,000	189,911	164,911
Restricted funds	25,000	201,011	176,011
Environmental protection facility grants	-	708,372	708,372
Gain on disposal of assets	-	430	430
Other income	163,051	153,638	(9,413)
Total non-operating revenues	<u>213,051</u>	<u>1,253,362</u>	<u>1,040,311</u>
Total revenues	<u>\$ 73,680,539</u>	<u>\$ 77,387,924</u>	<u>\$ 3,707,385</u>
OPERATING EXPENSES			
Personal services			
Salaries	\$ 3,582,175	\$ 3,362,637	\$ 219,538
Fringe benefits			
Health and dental	1,223,317	923,869	299,448
Retirement	324,530	106,861	217,669
Other postemployment benefit obligations	12,564	556,879	(544,315)
Social security	269,986	239,273	30,713
Worker's compensation benefits	120,025	91,568	28,457
Metropolitan commuter transportation mobility tax	11,618	10,717	901
Employee testing	2,500	1,202	1,298
Total fringe benefits	<u>1,964,540</u>	<u>1,930,369</u>	<u>34,171</u>
Contractual services			
Supplies expense			
Books and publications	7,500	960	6,540
Motor fuel	6,000	9,849	(3,849)
Office supplies and printing	89,000	65,944	23,056
Operational supplies (leaf bags, recycling bins, etc.)	898,200	478,445	419,755
Uniforms	10,000	9,125	875
	<u>1,010,700</u>	<u>564,323</u>	<u>446,377</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 2022	Actual 2022	Variance
Other operating expenses			
Advertising	164,650	99,068	65,582
Association dues	5,000	3,689	1,311
Bid advertising	3,000	906	2,094
Certiorari payments	50,000	10,879	39,121
Cleaning contractor	50,000	26,256	23,744
Community partnerships	132,245	57,776	74,469
Conferences and schools	10,000	1,708	8,292
Data processing equipment	71,884	82,907	(11,023)
Engineering and other professional fees	669,150	516,880	152,270
Equipment repair	167,000	119,194	47,806
Fees for services- non employees	1,542,391	1,580,050	(37,659)
Household hazardous waste	1,482,611	1,125,872	356,739
Legal fees	2,475,000	2,254,316	220,684
Maintenance agreements	54,476	21,621	32,855
Meals	2,000	1,679	321
Office furniture and fixtures	5,000	885	4,115
Painting and building repair	200,000	100,767	99,233
Postage	25,500	25,248	252
Rental of equipment	50,000	45,043	4,957
Repairs to vehicle	25,000	19,331	5,669
Telephone	85,000	63,975	21,025
Travel	25,000	2,049	22,951
Utilities	604,500	487,964	116,536
Water and sewer	152,000	49,838	102,162
	<u>8,051,407</u>	<u>6,697,901</u>	<u>1,353,506</u>
Revenue generating operating expenses			
Co-composting operating and maintenance fee	2,121,920	2,058,159	63,761
Host community fee	4,239,089	4,397,064	(157,975)
MRF operating and maintenance fee	2,619,861	890,390	1,729,471
Recycling rebates	844,200	717,419	126,781
Solid waste collection and disposal:			
Town of Stony Point	444,959	444,959	-
Village of Spring Valley	1,725,575	1,697,756	27,819
Village of Haverstraw	970,415	930,415	40,000
Village of Sloatsburg	445,620	445,620	-
Village of New Hempstead	756,756	756,756	-
Village of Wesley Hills	915,041	915,041	-
Village of Airmont	1,335,546	1,440,006	(104,460)
River Villages	310,339	310,360	(21)
Rockland County	321,461	379,986	(58,525)
Transfer station fees	31,276,643	33,023,322	(1,746,679)
Yard waste composting fee	2,167,246	1,497,990	669,256
	<u>50,494,671</u>	<u>49,905,243</u>	<u>589,428</u>
Other costs			
Tax related costs	18,000	23,573	(5,573)
Insurance premiums	336,412	369,213	(32,801)
Miscellaneous	-	51,421	(51,421)
Contingency	225,000	-	225,000
	<u>579,412</u>	<u>444,207</u>	<u>135,205</u>
Total contractual services	<u>\$ 60,136,190</u>	<u>\$ 57,611,674</u>	<u>\$ 2,524,516</u>
DEBT SERVICE			
Principal	5,420,000	5,420,000	\$ -
Interest	2,763,538	1,669,583	1,093,955
Interest subsidy	(185,904)	(185,904)	-
Total debt service	<u>7,997,634</u>	<u>\$ 6,903,679</u>	<u>\$ 1,093,955</u>

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, 2023, 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 12, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

BST+Co.CPAs, LLP

Latham, New York
March 12, 2024

