

**DELAWARE COUNTY SOLID WASTE AUTHORITY
MEETING
ROSE TREE PARK
May 17, 2023
3:00 PM**

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. **Approval** of the Minutes of the Board of Directors Meeting held at Rose Tree Park on April 19th, 2023.
5. Public Comment
6. Report: Interim CEO, Jim Warner
 - Updates:** Pension, Folcroft Landfill
 - Review:** 2022 Recycling Data and 2022 HHW Summary
7. Facility Operations
 - Review:** April 2023 Tonnage Summary
8. Accounting and Finance
 - Review:** April 2023 and YTD Operating and Capital Budget Report
 - Action Item:** Approval of the Accounts Payable List for April 2023
 - Action Item:** Audit Committee Recommendation
 - Action Item:** Approve Acceptance of 2022 Audit
9. Strategic Planning, Administration and Policy
 - Action Item with Issue Paper:** Appointment of three Pension Plan Trustees
10. Other Business
 - Action Item:** Approve \$7,000 Sponsorship for 2nd Annual Delaware County Sustainability Conference on June 8th at Widener College
11. Solicitor Report
12. Executive Session: Personnel
13. Adjournment

DELAWARE COUNTY SOLID WASTE AUTHORITY
Rose Tree Park
April 19, 2023

The meeting was called to order at 3:00 PM.

The pledge of Allegiance was said.

Roll Call

Board Member Attendance:

- James McLaughlin, Chairman
- William Silverstein, Vice Chairman
- William Jones, Secretary
- Steven Goldfield, Treasurer/Asst. Secretary
- James P. Kelly, Member
- John Butler, Member
- Christine Reuther, Ex-Officio
- Don Vymazal, Ex-Officio

Others In attendance:

- James Warner, Interim CEO
- Michael Clarke, Solicitor
- Samantha Newell, Solicitor
- Wendy Marburger, CAO
- Jeff Munster, COO
- Angela Nash, Accounting Manager

Upon motion duly made and seconded, and by unanimous vote **Approval** of the Minutes of the Board of Directors Meeting held at Rose Tree Park on March 15, 2023. Motion made by James Kelly Seconded by John Butler; motion was passed with no dissenting votes.

Jim Warner, Interim CEO updates on:

- Meetings with Chester and Marple Townships
- Landfill Gas RFP
- Public Dumping at Transfer Stations
- WM Meeting Summary
- Employee Pension Plan

March 2023 Tonnage Summary reviewed.

Facility Operations Quarter 1 2023 vs. Quarter 1 2022 Tonnage Summary reviewed.

Upon motion duly made and seconded, and by unanimous vote **Approval** to Replace the Roof on Rolling Hills Landfill Office Building by Bachman's Roofing Building & Remodeling for a total price of \$ 74,548.00 Motion made by James Kelly; Seconded by William Silverstein, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Contract to Remodel Rolling Hills Landfill Maintenance Building by SJ Thomas Company, Inc. for a total price of \$ 137,296.99. Motion made by James Kelly; Seconded by William Silverstein, motion was passed with no dissenting votes.

March 2023 and YTD Operating and Capital Budget Reports reviewed and discussed.

Accounting and Finance Quarter 1 2023 vs. Quarter 1 2022 Operating Reports reviewed.

Accounting and Finance Quarter 1 2023 vs. Quarter 1 2022 Operating Budget Performance by location Delco vs. RHL reviewed.

Upon motion duly made and seconded, and by unanimous vote **Approval** of Payment of Bills For the month of March 2023. Motion made by James Kelly; Seconded by William Jones, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** to Appoint Steven Goldfield, William Jones, John Butler, and Christine Reuther to the Audit Committee. Motion made by William Silverstein; Seconded by James Kelly, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by unanimous vote **Approval** to hire ARM Group as Rolling Hills Landfill Engineering Firm. Motion made by Steven Goldfield; Seconded by James Kelly, motion was passed with no dissenting votes.

Upon motion duly made and seconded, and by a vote of 5 to 1 **Approval** was granted to Authorize the Interim CEO to enter an office lease for space located at 610 E. Baltimore Pike, Media, PA. Motion made by Steven Goldfield; Seconded by William Jones, motion was passed with one dissenting vote by John Butler.

Solicitor: No Report

There being no further business, the meeting was adjourned at 3:45 PM.

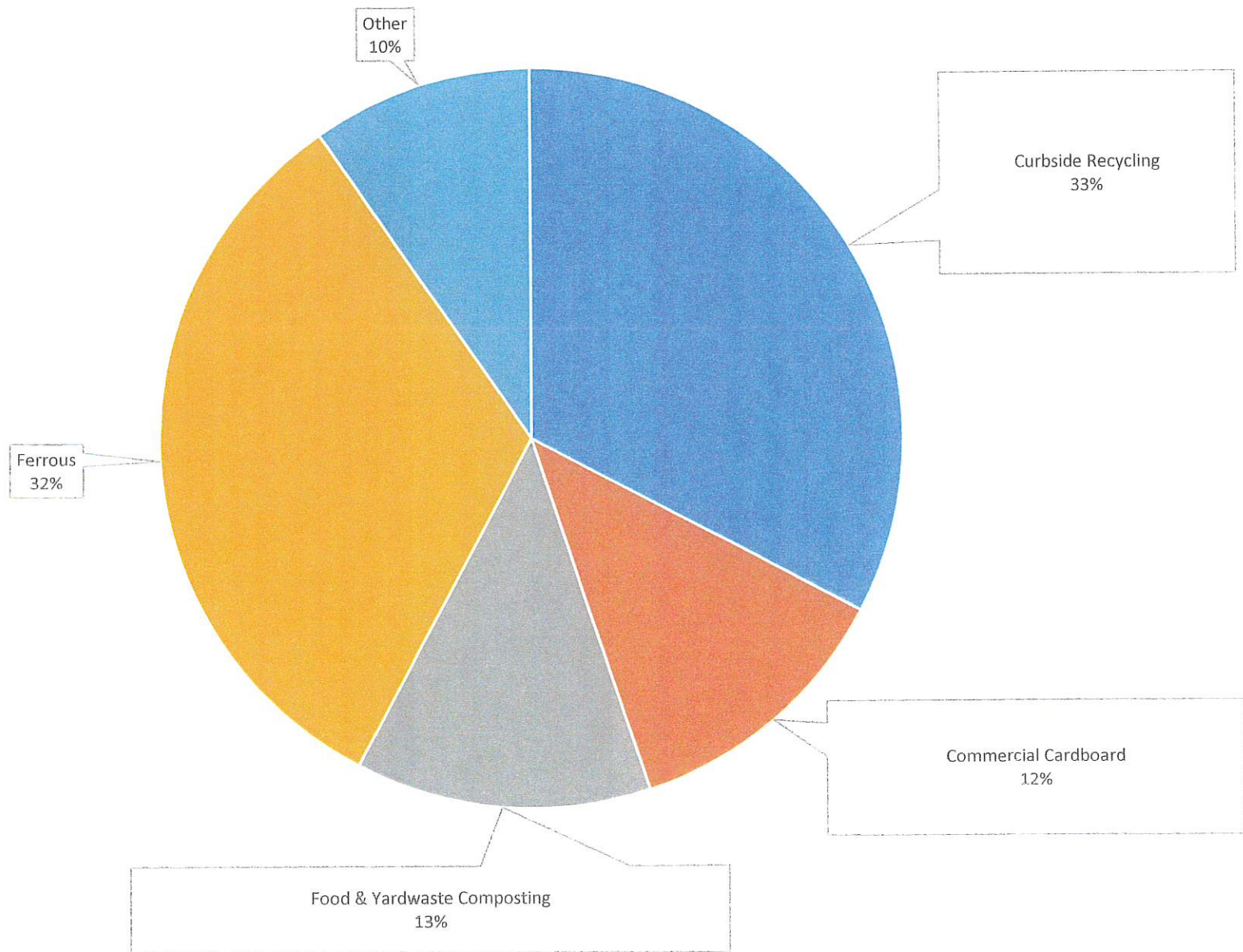


Delaware County - 2022 Recycling Breakdown

Recycling

	<u>Tons</u>
Curbside Recycling	55,381
Composting	21,773
Commercial Cardboard	20,571
Ferrous	55,102
<u>Other Recycling</u>	<u>16,283</u>
Total Recycling	169,110
Total Trash	381,793
Total Trash & Recycling	550,903
Delaware County's Overall Recycling Rate	31%

Delaware County 2022 Recycling



DELAWARE COUNTY RESIDENTIAL 2022 RECYCLING DATA

MUNICIPALITIES	RECYCLING TOTAL	RESIDENTIAL TRASH TOTAL	RECYCLING & TRASH TOTAL	RECYCLING RATE
ALDAN	36.41	1,970.49	1,970.49	2%
ASTON	1,245.26	7,014.16	8,259.42	15%
BETHEL	813.27	3,244.34	4,057.61	20%
BROOKHAVEN	812.48	3,591.37	4,403.85	18%
CHADDS FORD	304.87	1,401.07	1,705.94	18%
CHESTER CITY	182.82	13,378.24	13,561.06	1%
CHESTER HEIGHTS	157.41	679.43	862.25	18%
CHESTER TOWNSHIP	120.79	2,186.91	2,307.70	5%
CLIFTON HEIGHTS	265.92	2,869.51	3,135.43	8%
COLLINGDALE	145.4	4,126.59	4,271.99	3%
COLWYN	-	1,184.55	1,184.55	0%
CONCORD	1,132.95	5,540.47	6,673.42	17%
DARBY BOR.	287.14	4,997.75	5,284.89	5%
DARBY TOWNSHIP	107.75	4,874.04	4,981.79	2%
EAST LANSDOWNE	-	1,363.36	1,363.36	0%
EDDYSTONE	278.25	1,102.02	1,380.27	20%
EDGMONT	409.85	1,022.13	1,431.98	29%
FOLCROFT	247.54	3,092.50	3,340.04	7%
GLENOLDEN	319.62	2,668.62	2,988.24	11%
HAVERFORD	6,587.38	16,876.72	23,464.10	28%
LANSDOWNE	1,021.30	3,849.78	4,871.08	21%
LOWER CHICHESTER	-	1,750.48	1,750.48	0%
MARCUS HOOK	80.04	1,248.11	1,328.15	6%
MARPLE TWP.	5,200.44	8,990.69	14,191.13	37%
MEDIA	695	1,010.63	1,705.63	41%
MIDDLETOWN	1,187.76	4,073.15	5,260.91	23%
MILLBOURNE	-	580.26	580.26	0%
MORTON	-	1,021.40	1,021.40	0%
NETHER PROVIDENCE	2,484.57	4,298.25	6,782.82	37%
NEWTOWN	3,872.43	5,826.30	9,698.73	40%
NORWOOD	-	2,694.46	2,694.46	0%
PARKSIDE	211.08	1,182.48	1,393.56	15%
PROSPECT PARK	408.74	2,542.26	2,951.00	14%
RADNOR TWP.	6,211.34	6,884.98	13,096.32	47%
RIDLEY PARK	1,017.56	2,307.76	3,325.32	31%
RIDLEY TWP.	2,420.47	14,393.71	16,814.18	14%
ROSE VALLEY	-	865.08	865.08	0%
RUTLEDGE	213.46	582.91	796.37	27%
SHARON HILL	168	2,561.29	2,729.29	6%
SPRINGFIELD	3,116.80	10,958.89	14,075.69	22%
SWARTHMORE	1,765.41	1,221.23	2,986.64	59%
THORNBURY	648.28	1,526.42	2,174.70	30%
TINICUM	-	2,393.28	2,393.28	0%
TRAINER	0	1,139.28	1,139.28	0%
UPLAND BOROUGH	25.87	1,465.10	1,490.97	2%
UPPER CHICHESTER	1,865.05	6,287.26	8,152.31	23%
UPPER DARBY	4,739.10	32,652.37	37,391.47	13%
UPPER PROVIDENCE	1,104.51	3,632.25	4,736.76	23%
YEADON	31.62	4,378.68	4,410.30	1%
DELAWARE COUNTY	-	1,113.74	-	-
MUNICIPAL TOTALS	51,943.94	216,616.75	267,435.95	19%



2022 HHW Recap

Listed below please find information relative to Delaware County's four 2022 HHW Collection Events.

Collection Date	Collection Site	Participants	Pounds Collected	Invoice	Average Cost per Participant
April 23, 2022	Emergency Serv Training Ctr.	481	35,983	\$34,993.00	\$72.75
June 11, 2022	Rose Tree Park	573	34,645	\$45,914.03	\$80.13
Sept. 10, 2022	Emergency Serv Training Ctr.	368	23,186	\$25,762.73	\$70.01
Oct. 15, 2022	Upper Chichester Mun. Bldg.	410	28,311	\$28,893.34	\$70.47
Totals for 2022		1,832	122,125	\$135,563.10	\$73.34

	Submitted	Minus other Depts. Expenses	Reimbursements
Covanta	\$ 59,647.76		\$ 59,647.76
PA DEP	\$144,065.72*	\$139,348.62	\$ 72,032.36
Total			\$131,680.12
Reimburse Emergency Services Training Center			(\$ 872.56)
Reimburse Park Police			(\$ 1,485.98)
			\$129,321.58

DCSWA's HHW Out-of-Pocket Expense was \$10,027.04 or 7.7%

*Included in the PA DEP Grant was \$2,971.97 for Park Police and \$1,745.13 for Emergency Service Employees' help with traffic, directions, handing out flyers, etc. for a total of \$4,717.10. Each have agreed to accept PA DEP's reimbursement. Also included were hydration and event supplies.

DELAWARE COUNTY SOLID WASTE AUTHORITY
APRIL 2023
TONNAGE SUMMARY
Month

YTD

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Variance %</u>
Delaware County Refuse								
Delco Residential	11,348	12,946	1,598	14%	42,529	49,213	6,683	16%
Delco Commercial	9,354	10,162	808	9%	36,043	37,262	1,220	3%
Delco Direct Residential	6,127	4,802	(1,325)	-22%	24,034	17,499	(6,535)	-27%
Delco Direct Commercial	4,615	4,032	(583)	-13%	17,361	15,604	(1,757)	-10%
Total Tons	31,444	31,942	498	2%	119,967	119,579	(389)	0%
Rolling Hills Landfill								
Covanta Ash	29,528	29,573	46	0%	124,017	120,675	(3,342)	-3%
Plymouth Ash	3,150	3,495	345	11%	13,229	13,621	393	3%
Berks County	4,102	6,593	2,491	61%	17,229	24,913	7,684	45%
Montgomery County	8,661	7,817	(844)	-10%	36,377	26,501	(9,877)	-27%
Residual	0	3,481	3,481		0	17,714	17,714	
Total Tons	45,441	50,960	5,519	12%	190,852	203,424	12,572	7%
System Tons	76,885	82,902	6,017	8%	310,819	323,002	12,183	4%
Delco Tons to RHL	3,360	3,473	113	3%	13,440	13,036	(404)	-3%

**DELAWARE COUNTY SOLID WASTE AUTHORITY
APRIL 2023
OPERATING BUDGET SUMMARY**

	Month				YTD			
	Budget	Monthly	Variance	Variance %	YTD Budget	YTD	Variance	Variance %
REVENUE								
Delco Residential	\$ 898,152	\$ 1,074,515	\$ 176,363	20%	\$ 3,365,893	\$ 4,084,667	\$ 718,774	21%
Delco Commercial	\$ 754,394	\$ 843,424	\$ 89,030	12%	\$ 2,906,960	\$ 3,092,777	\$ 185,816	6%
Delco Direct Residential	\$ 476,594	\$ 398,605	\$ (77,989)	-16%	\$ 1,869,483	\$ 1,403,721	\$ (465,762)	-25%
Delco Direct Commercial	\$ 381,277	\$ 334,672	\$ (46,605)	-12%	\$ 1,434,253	\$ 1,276,032	\$ (158,221)	-11%
Covanta Ash	\$ 651,673	\$ 601,838	\$ (49,835)	-8%	\$ 2,737,028	\$ 2,456,755	\$ (280,273)	-10%
Plymouth Ash	\$ 68,882	\$ 76,428	\$ 7,546	11%	\$ 289,304	\$ 297,387	\$ 8,083	3%
Berks County	\$ 214,184	\$ 379,375	\$ 165,191	77%	\$ 899,574	\$ 1,376,919	\$ 477,345	53%
Montgomery County	\$ 518,126	\$ 467,543	\$ (50,583)	-10%	\$ 2,176,129	\$ 1,594,209	\$ (581,920)	-27%
Residual	\$ -	\$ 154,987	\$ 154,987		\$ -	\$ 788,075	\$ 788,075	
Grants	\$ 4,167	\$ 72,032	\$ 67,866	1629%	\$ 16,667	\$ 174,106	\$ 157,440	945%
Miscellaneous	\$ 5,000	\$ 81,331	\$ 76,331	1527%	\$ 20,000	\$ 145,463	\$ 125,463	627%
Total Revenue	\$ 3,972,448	\$ 4,484,749	\$ 512,300	13%	\$ 15,715,291	\$ 16,690,112	\$ 974,821	6%
Discounts		\$ 79,689	\$ 79,689			\$ 302,859	\$ 302,859	
Total Net Revenue	\$ 3,972,448	\$ 4,405,059	\$ 432,611	11%	\$ 15,715,291	\$ 16,387,253	\$ 671,962	4%
EXPENSES								
Administration	\$ 232,149	\$ 198,925	\$ (33,224)	-14%	\$ 981,790	\$ 853,286	\$ (128,504)	-13%
Operations	\$ 473,281	\$ 376,171	\$ (97,109)	-21%	\$ 1,944,047	\$ 1,769,638	\$ (174,408)	-9%
Contract Hauling	\$ 732,850	\$ 797,747	\$ 64,898	9%	\$ 2,781,441	\$ 3,018,841	\$ 237,400	9%
Covanta Processing	\$ 1,273,374	\$ 1,236,679	\$ (36,695)	-3%	\$ 4,830,310	\$ 4,667,371	\$ (162,939)	-3%
Delco Host Fees	\$ 56,222	\$ 56,405	\$ 183	0%	\$ 213,268	\$ 212,879	\$ (389)	0%
RHL Host Fees	\$ 366,233	\$ 360,886	\$ (5,347)	-1%	\$ 1,530,612	\$ 1,397,484	\$ (133,128)	-9%
HHW Events/Recycling	\$ 7,046	\$ 2,035	\$ (5,011)	-71%	\$ 28,183	\$ 10,940	\$ (17,243)	-61%
Total Expenses	\$ 3,141,154	\$ 3,028,849	\$ (112,305)	-4%	\$ 12,309,650	\$ 11,930,439	\$ (379,211)	-3%
Debt P & I Payments	\$ 60,950	\$ 60,950	\$ -		\$ 243,800	\$ 243,800	\$ -	
Operating Surplus (Deficit)	\$ 770,344	\$ 1,315,260	\$ 544,916	71%	\$ 3,161,841	\$ 4,213,014	\$ 1,051,173	33%

**DELAWARE COUNTY SOLID WASTE AUTHORITY
BUDGET PERFORMANCE SUMMARY
APRIL 2023**

Capital Budget 2023	\$6,280,000
Capital Expense YTD 2023	<u>\$769,372</u>
Capital Budget Balance 2023	\$5,885,302

Summary

Net Operating Surplus April 2023	\$1,315,260
Capital Expense April 2023	\$374,674
Capital Reserve Contribution	\$0
Operating Account Contribution from Operating Surplus	\$940,586
Capital Reserve Account Beginning Balance as of 04/01/23	\$5,734,117
Capital Reserve Account Interest	\$23,327
Capital Reserve Account Ending Balance as of 04/30/23	\$5,757,444
Republic Operating Account Balance as of 04/30/23	\$4,299,855
PLGIT Short-Term Account Balance as of 04/30/23	\$60,710
Total Account Balances	<u>\$10,118,009</u>
Restricted Accounts	
PLGIT Landfill Closure/PC Account Balance as of 04/30/23	\$403,321

Delaware County Solid Waste Authority
Invoices Selected for Payment

Invoice Number	Ve...	Vendor Name	Invoice Description	Invoice Amount
I903979	A ...	A Royal Flush Environmental	4/27-5/24/23 Portable Restroom Rental-Plt.#3	126.52
I903814	A ...	A Royal Flush Environmental	4/26-5/23/23 Portable Restroom Rental(2) Plt.#1	253.05
	Tot...	A Royal Flush Environmental		379.57
A14302	A. ...	A. N. Lynch Co., Inc.	4/24/23 Telemetry for Berm Expansion	849.50
A14303	A. ...	A. N. Lynch Co., Inc.	4/24,25/23 LTP Gas Detection & Pump Feeder Conduit Repair	2,933.00
	Tot...	A. N. Lynch Co., Inc.		3,782.50
1050-1000174...	Abila	Abila	5/2-6/1/23 MIP Cloud Conversion Subscription	740.75
	Tot...	Abila		740.75
IN85188	AG...	AG Industrial Inc.	L & R Glass, Seal, Hinge & Pin - New Holland Backhoe	486.40
	Tot...	AG Industrial Inc.		486.40
9136342324	AL...	Airgas USA, LLC	AED Defibrillation Adult Electrodes #9131-001	63.95
9137267773	AL...	Airgas USA, LLC	XL Black Nitrile Disposable Gloves (24 pr.)	46.15
	Tot...	Airgas USA, LLC		110.10
0008420	AR...	ARM Group LLC	DCSWA Transfer Station Minor PMA (3/1-31/23)	3,362.70
	Tot...	ARM Group LLC		3,362.70
01P3843	AS...	Associated Truck Parts	Baldwin Lube Filter #B160/B7449 (6 ea.)	65.10
	Tot...	Associated Truck Parts		65.10
52746	Atl...	Atlantic Nuclear Corp.	Calibrate Ludlum 375P-1000 S/N 272059/285109&375-30 S/N 3047	1,300.00
	Tot...	Atlantic Nuclear Corp.		1,300.00
042023	BL...	Blazosky Associates, Inc.	2022 AIMS and GHG Reporting	2,214.00
	Tot...	Blazosky Associates, Inc.		2,214.00
109852	BO...	Borough of Pottstown	4/23 Leachate Treatment (2,648,092 gals.)	42,104.66
	Tot...	Borough of Pottstown		42,104.66
5156664035	Cin...	Cintas First Aid & Supplies	Acct. #10511656 Misc. First Aid Supplies - RT	67.03
4153513595	Cin...	Cintas First Aid & Supplies	Employee Weekly Uniform Rentals (15)	448.27
4152866279	Cin...	Cintas First Aid & Supplies	Employee Weekly Uniform Rentals (15)	448.27
4154211326	Cin...	Cintas First Aid & Supplies	Employee Weekly Uniform Rentals (15)	448.27
	Tot...	Cintas First Aid & Supplies		1,411.84
063023	CO...	Com. of PA - DBP	2022 Annual Operations Report	2,800.00
	Tot...	Com. of PA - DEP		2,800.00
063023A	CO...	Commonwealth of PA - DEP	2022 Annual Operation Report	1,400.00
	Tot...	Commonwealth of PA - DEP		1,400.00
48971	Co...	Continental Concrete Products	6' Bike Safe Grate - Plant #1	425.00
	Tot...	Continental Concrete Products		425.00
0423_DCSWA	Co...	Covanta Delaware Valley	April, 2023 Waste Disposal	634,841.43
0423_DCSWA	Co...	Covanta Delaware Valley	April, 2023 Waste Disposal	56,404.98

Delaware County Solid Waste Authority
Invoices Selected for Payment

Invoice Number	Ve...	Vendor Name	Invoice Description	Invoice Amount
	Tot...	Covanta Delaware Valley		691,246.41
19888157 042223	CR...	Crystal Springs	Spring Water Supply & Mthly. Rental (Site/Office)	312.74
	Tot...	Crystal Springs		312.74
25790	EH...	EHD (Engle-Hambright & Davies)	Fiduciary Crime - Increased Employee Theft Limit Premium	105.00
25483A	EH...	EHD (Engle-Hambright & Davies)	Multiple Pieces of Equipment Added - Commercial Insurance	18.00
25921	EH...	EHD (Engle-Hambright & Davies)	Added Stewart-Amos Sweeper & JD Gator(2) Commercial Insuranc	530.00
	Tot...	EHD (Engle-Hambright & Davies)		653.00
0913589-IN	EX...	Excelsior Blower Systems, Inc.	On-Site Preventive Maintenance ROOTS 624 RAM J Blower	475.00
	Tot...	Excelsior Blower Systems, Inc.		475.00
8-111-19780	FE...	Federal Express Corporation	Fedex Envelope - LF & Fedex Custom - RT	10.35
8-111-19780	FE...	Federal Express Corporation	Fedex Envelope - LF & Fedex Custom - RT	34.59
8-118-38186	FE...	Federal Express Corporation	Fedex Envelope - LF	8.17
	Tot...	Federal Express Corporation		53.11
02002250	Flo...	Colliflower, Inc.	Various Crimp Fittings (20)	835.30
	Tot...	Colliflower, Inc.		835.30
INV1265808	FR...	Fraser Advanced Info. System	Contract CT10446-01 4/25-5/24/23 - Sharp MX3071 Copier+Usage	1,411.32
INV1269658	FR...	Fraser Advanced Info. System	Contract CT5955-01 5/13-6/12/23 - Sharp MX3050V Copier/Scann	160.00
	Tot...	Fraser Advanced Info. System		1,571.32
2023-423	Ge...	Geotechnics	Subbase Standard Proctor (5 Points) Pad 107 & 2023 Cap Const	155.00
	Tot...	Geotechnics		155.00
182294	GL...	Gilbertsville Auto Supply	Lower Ball Joint #260-1745 (2) PU#7 2011 F150 Truck	86.22
182289	GL...	Gilbertsville Auto Supply	Sway Bar Link #265-3103 (2) PU#7 2011 F150 Truck	76.02
182288	GL...	Gilbertsville Auto Supply	Sensor-ABS Speed #532702 & ET CVAXL #94-1523 - PU#7 2011 F15	281.78
182247	GL...	Gilbertsville Auto Supply	Control Arm & Ball #2605243 - PU#7 2011 F150 Truck	99.64
182451	GL...	Gilbertsville Auto Supply	Control Arm & Ball #2605244 & Strut #SR4171 - PU#7 2011 F150	382.46
183756	GL...	Gilbertsville Auto Supply	Fender #FO1240272PP/1272PP & Rocker #RRP3253/3254-2011 F150	740.00
186236	GL...	Gilbertsville Auto Supply	Wiper Blades(10),Brake Cleaner(24),Lubricant(6)&Fuel Additiv	248.94
187259	GL...	Gilbertsville Auto Supply	2in.-2-1/2in. Hitch Spacers #58102 (2) Silverado Trks.	70.00
185310	GL...	Gilbertsville Auto Supply	Front End & Exhaust Parts - 2008 Ford Explorer	528.05
185534	GL...	Gilbertsville Auto Supply	Fog Lamp #FO2595100 - 2008 Ford Explorer	40.00
186210	GL...	Gilbertsville Auto Supply	Stud Nut Kit #600-2604 - 2008 Ford Explorer	28.18
187311	GL...	Gilbertsville Auto Supply	Exhaust Gasket #31658 & Spring Bolt Kit #36129 - 2008 Explor	27.48
042523	GL...	Gilbertsville Auto Supply	Misc. Equip. Parts - April, 2023 (less discount)	0.19
	Tot...	Gilbertsville Auto Supply		2,608.96
INV0043332	GL...	Foley, Inc.	Bracket Assembly #5390824/5390823 - #4 D-6 Dozer	277.93
INV0041486	GL...	Foley, Inc.	Cartridge AS,Hydra/Element/AS-X/Primary/Lube/Fuel/AS/Separat	828.24
INV0043737	GL...	Foley, Inc.	AS-X Element #5715253	78.74
INV0041660	GL...	Foley, Inc.	AS-LU Filter #1R1808 (4)	150.76
INV0042525	GL...	Foley, Inc.	Track Bolt #9W9058/6V1723 (4 ea.) #3 D7-17 Dozer	44.68
INV0042356	GL...	Foley, Inc.	Track Bolt #7H3599 (20) #3 D7-17 Dozer	71.23
INV0042399	GL...	Foley, Inc.	Nut #2S2140 (20) #3 D7-17 Dozer	33.83
INV0047424	GL...	Foley, Inc.	Gasket #3483425(2) & Primary Element #5771435(3) #4 D-6 Doza	372.37
INV0035203	GL...	Foley, Inc.	Rear Axle Seal,Spindle Seal & O Ring Kit (2 ea.) Telehandler	701.56
INV0038399	GL...	Foley, Inc.	Grab Handle Assembly #5399045 - #3 D7-17 Dozer	689.43

Delaware County Solid Waste Authority
Invoices Selected for Payment

Invoice Number	Ve...	Vendor Name	Invoice Description	Invoice Amount
INV0044892	GL...	Foley, Inc.	Coil Assembly, Spark Plug & Wire Assembly - #3 D7-17 Dozer	335.48
INV0045480	GL...	Foley, Inc.	Heat Wire Assembly, Hex Bolt & Wire Clamp - #3 D7-17 Dozer	135.62
INV0046379	GL...	Foley, Inc.	Catch, Screw(2) & Nut(2) #2 349FL Excavator Sun Roof Latch	<u>103.04</u>
	Tot...	Foley, Inc.		3,822.91
DCSWA-4302	HE...	Health Physics Assoc., Inc.	Calibrate Ludlum Model 19 S/N 209711	<u>104.69</u>
	Tot...	Health Physics Assoc., Inc.		104.69
B60935	HL...	Highway Equip. & Supply Co.	Evaluate & Service 1000 Hour Service - #3 Volvo A30G Art. Tr	<u>3,221.79</u>
	Tot...	Highway Equip. & Supply Co.		3,221.79
8071771	HO...	Home Depot	1/2in.X12in.Antisiphon,Alum. D Handle Scoop(2)&Broom-Plt.#3	186.56
83363	HO...	Home Depot	33-39 gal. Blk. Trash Bags(2) & 3/4in.X75ft. HP Hose-Plt.#3	<u>103.92</u>
	Tot...	Home Depot		290.48
82090028	Int...	Interstate Battery System of R	Battery MTP-78DT - #1 Godwin Generator	<u>144.95</u>
	Tot...	Interstate Battery System of R		144.95
PHI05230308	JA...	Jani-King of Phila., Inc.	5/23 Cleaning Service (RT)	<u>403.33</u>
	Tot...	Jani-King of Phila., Inc.		403.33
92	Kat...	Kathryn Sandoe LLC	March/April, 2023 Consulting	<u>900.00</u>
	Tot...	Kathryn Sandoe LLC		900.00
CO#1	Ki...	Kinsley Construction Inc.	Access Road, Additional Storm Piping & Temp. Berm RX Constru	64,005.00
124109	Ki...	Kinsley Construction Inc.	Pad 107 & 2023 Cap Construction - Project No. 234030	155,212.92
192719	Ki...	Kinsley Construction Inc.	3/31-4/13/23 Operator Rental (83.5 hrs. @ \$60/hr.)	<u>5,010.00</u>
	Tot...	Kinsley Construction Inc.		224,227.92
14576	La...	Land Air Water Legal Solutions	Prof. Services 4/13, 4/21 & 4/24/23	<u>522.50</u>
	Tot...	Land Air Water Legal Solutions		522.50
183192	Lev...	Levan Machine Co., Inc.	Terex Lift Cylinder Rebuild (2) Telehandler	<u>878.20</u>
	Tot...	Levan Machine Co., Inc.		878.20
23D1473	M....	M. J. Reider Associates, Inc.	Private Well Testing - L. Davis	959.95
23D1471	M....	M. J. Reider Associates, Inc.	Private Well Testing - M. Miller	<u>959.95</u>
	Tot...	M. J. Reider Associates, Inc.		1,919.90
234701	M...	Martin Stone Quarries, Inc.	Topsoil (30 loads @ \$275/load)	<u>8,250.00</u>
	Tot...	Martin Stone Quarries, Inc.		8,250.00
S-2221721	Mc...	Wm. P. McGovern, Inc.	Pump Out Disposal Tank (1892 gals.) Plt.#1	245.25
S-2222241	Mc...	Wm. P. McGovern, Inc.	Pump Out Disposal Tank (3731 gals.) Plt.#1	<u>381.50</u>
	Tot...	Wm. P. McGovern, Inc.		626.75
300132-4	Mo...	Moyer Indoor/Outdoor	4/23 Pest Control Service - LF	<u>289.50</u>
	Tot...	Moyer Indoor/Outdoor		289.50
1130	Ott'...	Ott's Lawn Service & Landscapi	Lawn Service (4/4,10,17,24/23)	<u>1,340.00</u>

Delaware County Solid Waste Authority
Invoices Selected for Payment

Invoice Number	Ve...	Vendor Name	Invoice Description	Invoice Amount
	Tot...	United Concordia Co., Inc.		1,791.28
9679226838	W....	W. W. Grainger, Inc.	20 GPM Fuel Transfer Pump #48YA20/38NH87&4-Wheel Mech. Meter	2,384.81
9669214786	W....	W. W. Grainger, Inc.	Cordless Circular Saw/Angle Grinder,Rubber Mallet&Caster(4)	538.78
9675350574	W....	W. W. Grainger, Inc.	2in. Aluminum Cam & Groove Coupling & Saw Blade(25)	130.48
9680646917	W....	W. W. Grainger, Inc.	6ft. Endless Round Sling #4A768 (5) Maint. Blding.	178.70
	Tot...	W. W. Grainger, Inc.		3,232.77
April2023	W...	Waste Management	April, 2023 Contract Hauling-Plt.#1	362,908.81
April23	W...	Waste Management	April, 2023 Contract Hauling-Plt.#3	265,431.79
April23RH	W...	Waste Management	April, 2023 Rolling Hills Landfil-Plt.#3	169,406.60
	Tot...	Waste Management		797,747.20
885039	Wh...	Whitetail Disposal	4/6,7,12,18,21,26/23 30 Yd. Roll Off Disposal	330.00
	Tot...	Whitetail Disposal		330.00
77317	Wil...	William R. Gift	Off Road Diesel Fuel (1467.2 gals.)	4,284.22
77316	Wil...	William R. Gift	Off Road Diesel Fuel (275.2 gals.)	803.58
77355	Wil...	William R. Gift	Unleaded Gasoline (297.9 gals.)	884.76
77378	Wil...	William R. Gift	Off Road Diesel Fuel (380 gals.)	1,064.00
77379	Wil...	William R. Gift	Off Road Diesel Fuel (1615.1 gals.)	4,522.28
77410	Wil...	William R. Gift	Off Road Diesel Fuel (1517.2 gals.)	4,035.75
77409	Wil...	William R. Gift	Off Road Diesel Fuel (348.4 gals.)	926.74
	Tot...	William R. Gift		16,521.33
5841791	Wi...	Wind River Environmental LLC	Leachate Hauling 4/15-4/30/23 (1,134,640 gals.)	52,874.30
	Tot...	Wind River Environmental LLC		52,874.30
1001075	Wi...	Winzer	Misc. Site Supplies	1,055.75
1011384	Wi...	Winzer	16-14 GA Heat Seal Butt Connector #549.50.1600 (25)	42.99
	Tot...	Winzer		1,098.74
1196	Wir...	Wireback Works	4/1-4/30/23 HR Consulting Services	1,237.50
	Tot...	Wireback Works		1,237.50
Report Total				1,938,690.71

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**DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)
MEDIA, PENNSYLVANIA**

BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)
MEDIA, PENNSYLVANIA

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INDEPENDENT AUDITOR'S REPORT

(to be determined)

To the Board of Directors
Delaware County Solid Waste Authority
Media, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and fiduciary fund of the Delaware County Solid Waste Authority ("the Authority"), a component unit of Delaware County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities and fiduciary fund of the Authority as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

The Authority's 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,

To the Board of Directors
Seward County Solid Waste Authority

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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 one year after the date that the financial statements are issued.

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

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

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

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

To the Board of Directors
Berkshire County Solid Waste Authority

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the schedule of changes in the Authority's net pension liability, investment returns, and related ratios and schedule of Authority contributions on pages 30 and 31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the schedule of expenses – budget to actual and capital projects fund – budget to actual but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated (to be determined) 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 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.

BARBACANE, THORNTON & COMPANY LLP

DELAWARE COUNTY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

This section presents management's discussion and analysis of the Delaware County Solid Waste Authority's ("the Authority") financial performance during the fiscal year ended on December 31, 2022. This information should be read in conjunction with the Authority's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS AND FUTURE ACTIVITIES / ECONOMIC EVENTS

Throughout 2022, the new executive leadership of the Authority established new goals, budgets and programs while planning for its long-term future needs to fulfill its mission to the communities that it serves. Numerous positives resulted from these changes including significant enhancements to its financial results and general business outlook. Highlights of the Authority's activities and business results in 2022 include the following:

- The Authority's operating revenue increased during the period by \$5,518,493, to \$47,554,025, primarily due to increased tipping fees in its Delco segment. Operating expenses (not including depreciation, depletion, interest payments, or post closure costs) increased by \$1,851,284 (4.92 percent) to \$39,493,688. (+ 11.6%)
- The Authority disposed of 571,879 tons of waste at the Rolling Hills Landfill including 412,872 tons of ash (72.2%) and 159,007 tons of other waste (27.8%), a decrease of 3.4% in total waste received the prior year. The Authority intends to reduce ash intake and increase trash in future years to narrow the percentage difference.
- The Authority received 381,793 tons of municipal waste from its Delaware County customers, a decrease of 5.8% from the prior year. Approximately 96.6% of this waste was delivered to the Covanta plant in Chester, Pennsylvania. The remaining tons were disposed of at other facilities in the region.
- Effective May 1, the Authority and Covanta initiated a 3-year extension to their disposal agreement which also includes two one-year options. The negotiation amended contract language that now allows flexibility (without financial penalty) to address anticipated county municipal waste initiatives throughout the duration of the contract. There is no longer a "put or pay" requirement which had been a long-standing contractual provision since the facility began operation in 1992.
- The Authority hired Public Resource Advisory Group (PRAG), who is a financial advisory company that specializes in governmental clients. PRAG will advise the Authority on the issue of issuing future debt to build new landfill capacity and replace two transfer stations in Delaware County in the next few years.
- Tipping fees in Delaware County were adjusted to \$78/ton for residential waste and \$80/ton for commercial waste, an increase of \$20/ton and \$10/ton respectively.
- Total assets and deferred outflows of resources at year-end were \$44,786,659 and exceeded liabilities and deferred inflows of resources in the amount of \$9,762,084 (i.e., net position).

DELAWARE COUNTY SOLID WASTE AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)
FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

- Total net position increased from 2021 to 2022 in the amount of \$2,929,504, which includes non-cash items such as depreciation and depletion costs of \$4,195,739, and post closure costs of \$799,299. Actual operational costs, without regard to the above, resulted in an operational surplus of \$8,060,337.
- The Authority spent \$8,776,882 in cash to build Phase 1 of the Rolling Hills Landfill southern expansion in 2022. The new capacity is the first of a four-phase build-out that will ultimately provide the Authority with an additional 15 to 20 years of landfill capacity.
- The Authority provides a pension plan for its employees. The Plan is funded annually, and its actuarial obligations are shown on these statements in the amount of \$1,481,980.
- Municipal Waste Management Plan ("MWMP") Update: DEP requires that every county in Pennsylvania update its MWMP every 10 years. Delaware County ("the County") initiated this process in 2021 and completed a draft plan in 2022. In the past, the Authority has always had responsibility for implementing the primary components of the MWMP. Prior to initiating the MWMP, the County expressed a clear desire to address waste reduction, sustainability, and environmental impact as concepts to be incorporated in the resulting plan. As a result, the draft plan includes a Zero Waste Initiative to be implemented over the next 10 years.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Authority is a single enterprise fund and is a component unit of the County of Delaware with the purpose of acquiring, holding, improving, maintaining, operating, and owning solid waste disposal facilities and entering into waste disposal agreements. This financial report consists of three parts: Management's Discussion and Analysis (MD&A), the basic financial statements, and supplementary information. This MD&A represents management's analysis of the Authority's financial condition and performance. Summary financial statement data and other management tools were utilized for analysis. These financial statements report information about the Authority using the full accrual accounting methods as utilized by similar businesses in the private sector. These statements offer short and long-term financial information about its activities. Detailed sub-fund information is not presented in the basic financial statements; however, separate accounts are maintained for each program to control and manage revenue and expenses for specific purposes such as landfill operations, solid waste management, and capital projects. Budget to actual expense comparatives are presented as supplementary information.

The *Statement of Net Position* includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the liabilities to Authority creditors at year-end. It provides the financial position on a full accrual historical cost basis.

All the current year's revenue and expenses are accounted for in the *Statement of Revenue, Expenses, and Changes in Net Position*. This statement presents the results of the business activities over the course of the fiscal year and how our financial position has changed during that year.

DELAWARE COUNTY SOLID WASTE AUTHORITY
 MANAGEMENT'S DISCUSSION AND ANALYSIS - UNAUDITED (CONT'D)
 FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

The *Statement of Cash Flows* is prepared on the direct method and is designed to provide information about the Authority's cash receipts and cash disbursements during the period.

The notes to the financial statements provide required disclosures and other information essential to a full understanding of the material data provided in the financial statements. The notes present information about the Authority's accounting policies, significant accounts and activities, obligations, commitments, and subsequent events, if any. As noted above, supplementary information is provided comparing budget to actual expenses for each of the sub-funds.

SUMMARY OF ORGANIZATION AND BUSINESS

The Authority was created pursuant to an ordinance of the County of Delaware and incorporated in 1954 in accordance with the Municipal Authorities Act of 1945, as amended. The Authority is empowered to acquire, hold, improve, maintain, operate, and own solid waste disposal facilities and to enter into waste disposal agreements. The Authority, in concurrence with service agreements with the County of Delaware, is responsible for the operation and maintenance of the Delaware County-owned transfer stations for the purpose of facilitating solid waste disposal in the County.

The Authority does not have taxing power. Operations are funded from revenues derived by the Authority functions including the disposal of solid waste and recycling projects. The Authority, through current operating revenues, has developed a capital projects and equipment fund and periodically transfers surplus funds to the capital fund to be available for continuing capital projects and equipment purchases.

FINANCIAL ANALYSIS OF THE AUTHORITY

The following comparative condensed financial data serve as indicators of the Authority's financial health or financial position. The Authority's net position, as shown below, increased by \$2,929,504. Table 1 below shows a comparative of the Authority's net position for the two-year period. The component change in net assets is shown below in Table 2 as a condensed *Statement of Revenue, Expenses, and Changes in Net Assets*. Table 3 provides a comparative of the components of the capital assets from 2021 to 2022.

**TABLE 1
 SUMMARY STATEMENT OF NET POSITION
 DECEMBER 31**

	<u>2022</u>	<u>2021</u>	<u>% Increase/ (Decrease)</u>
Current assets	\$13,301,973	\$15,115,738	-12.00%
Non-current assets	30,110,778	25,207,870	19.45%
Net pension asset	-	222,219	-100.00%
Deferred outflows	1,373,908	571,088	140.58%
Total Assets and Deferred Outflows of Resources	<u>44,786,659</u>	<u>41,116,915</u>	8.93%

DELAWARE COUNTY SOLID WASTE AUTHORITY
 MANAGEMENT'S DISCUSSION AND ANALYSIS UNAUDITED (CONT'D)
 FOR THE YEAR ENDED DECEMBER 31, 2021

DRAFT - FOR DISCUSSION PURPOSES ONLY

**TABLE 1
 SUMMARY STATEMENT OF NET POSITION
 DECEMBER 31**

	<u>2022</u>	<u>2021</u>	<u>% Increase/ (Decrease)</u>
(cont'd)			
Current liabilities	4,254,251	4,203,965	1.20%
Noncurrent liabilities	30,748,430	29,445,182	4.43%
Deferred inflows	21,894	635,188	-96.55%
Total Liabilities and Deferred Inflows of Resources	<u>35,024,575</u>	<u>34,284,335</u>	2.16%
Net investment in capital assets	24,177,961	17,326,309	39.54%
Restricted	-	1,472,219	-100.00%
Unrestricted (deficit)	<u>(14,415,877)</u>	<u>(11,965,948)</u>	20.47%
Total Net Position	<u>\$ 9,762,084</u>	<u>\$ 6,832,580</u>	42.88%

**TABLE 2
 SUMMARY STATEMENT OF ACTIVITIES
 FOR THE YEARS ENDED DECEMBER 31,**

	<u>2022</u>	<u>2021</u>	<u>% Increase/ (Decrease)</u>
Revenue			
Commercial waste	\$ 24,260,768	\$ 21,577,240	12.44%
Covanta ash disposal	8,554,165	8,535,295	0.22%
Delco municipal waste disposal	14,171,886	11,238,864	26.10%
Recycling and other grant revenue	71,284	99,791	-28.57%
Other revenue	495,922	584,342	-15.13%
Gain (loss) on sale of capital assets	(32,234)	165,016	-119.53%
Investment income	50,116	83,792	-40.19%
Total Revenue	<u>47,571,907</u>	<u>42,284,340</u>	12.50%
Expenses			
Salaries, wages, and employee benefits	2,863,957	2,533,643	13.04%
Contractual services, maintenance, and supplies	3,964,479	3,078,645	28.77%
Contract hauling fees	10,890,048	9,582,245	13.65%
Host fees	4,337,411	4,925,254	-11.94%
Covanta - waste processing	17,437,793	17,522,617	-0.48%
Depreciation and depletion	4,195,739	4,848,795	-13.47%
Post closure costs	799,299	(2,768,953)	128.87%
Debt service payment	153,677	168,521	-8.81%
Total Expenses	<u>44,642,403</u>	<u>39,890,767</u>	11.91%
Excess of total revenue over (under) expenses	<u>2,929,504</u>	<u>2,393,573</u>	
Change in Net Position	<u>\$ 2,929,504</u>	<u>\$ 2,393,573</u>	22.39%

**TABLE 3
 CHANGES IN CAPITAL ASSETS
 YEAR-TO-YEAR COMPARISON
 DECEMBER 31,**

CAPITAL INVESTMENT	<u>2022</u>	<u>2021</u>	% Increase/ (Decrease)
Land	\$ 7,000,000	\$ 7,000,000	0.00%
Construction-in-progress	-	3,135,213	-100.00%
Landfill site	51,135,989	51,135,989	0.00%
Plant and equipment	113,512,663	101,471,263	5.47%
Totals	<u>171,648,652</u>	<u>162,742,465</u>	
Less: accumulated depreciation and depletion	<u>(141,773,691)</u>	<u>(139,141,156)</u>	1.89%
	<u>\$ 29,874,961</u>	<u>\$ 23,601,309</u>	26.58%

LONG-TERM DEBT

As of December 31, 2022, the Authority had \$5,697,000 in notes outstanding – a decrease of \$578,000 from the prior year.

Additional information about the Authority's long-term debt can be found in Note 7 of this report.

TO CONTACT AUTHORITY MANAGEMENT AND REQUESTS FOR INFORMATION

The Authority's financial report is intended to provide readers with a general overview of the Authority's financial operations. Questions concerning any of the information provided in this report or additional requests for financial information should be addressed to James D. Warner, Interim CEO, Delaware County Solid Waste Authority, Rose Tree Hunt Club, 1521 N Providence Road, Media, Pennsylvania, 19063 or by emailing jwarner@dcswa.net.

DELAWARE COUNTY SOLID WASTE AUTHORITY
STATEMENT OF NET POSITION

DRAFT - FOR DISCUSSION PURPOSES ONLY
DECEMBER 31, 2022

	<u>Business-type Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 7,947,995
Accounts receivable - haulers - net of allowance	4,824,109
Accounts receivable - others	183,803
Inventory	139,093
Prepaid expense	206,973
Total Current Assets	<u>13,301,973</u>
Noncurrent Assets:	
Environmental restricted cash account	225,317
Investments	10,500
Total Noncurrent Investments	<u>235,817</u>
Capital Assets:	
Land	7,000,000
Landfill site, net of depletion	1,350,599
Plant and equipment, net of depreciation	21,524,362
Net Capital Assets	<u>29,874,961</u>
Total Noncurrent Assets	<u>30,110,778</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows relating to pension	1,373,908
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,373,908</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 44,786,659</u>
LIABILITIES AND NET POSITION	
Current Liabilities:	
Accounts payable	\$ 3,382,164
Accrued expenses	279,087
Revenue notes payable, current	593,000
Total Current Liabilities	<u>4,254,251</u>
Noncurrent Liabilities and Postclosure:	
Accrued closure and postclosure costs	16,687,450
Due to County of Delaware	7,475,000
Net pension liability	1,481,980
Revenue notes payable, long-term	5,104,000
Total Noncurrent Liabilities	<u>30,748,430</u>
Total Liabilities	<u>35,002,681</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows relating to pension	21,894
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>21,894</u>
Net Position:	
Net investment in capital assets	24,177,961
Unrestricted (deficit)	(14,415,877)
Total Net Position	<u>9,762,084</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 44,786,659</u>

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY SOLID WASTE AUTHORITY
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2021

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Business-type Activities
OPERATING REVENUES:	
Commercial waste	\$ 24,260,768
Covanta ash disposal	8,554,165
Delco municipal waste disposal	14,171,886
Recycling and other grant revenue	71,284
Other revenues	495,922
TOTAL OPERATING REVENUES	47,554,025
OPERATING EXPENSES:	
Salaries, wages, and employee benefits	2,863,957
Contractual services, maintenance, supplies	3,964,479
Contract hauling fees	10,890,048
Host fees	4,337,411
Covanta - waste processing	17,437,793
Depreciation and depletion	4,195,739
Closure and post closure costs (see Note 8)	799,299
TOTAL OPERATING EXPENSES	44,488,726
OPERATING INCOME (LOSS)	3,065,299
NONOPERATING REVENUES (EXPENSES):	
Investment income	50,116
Interest payments	(153,677)
Gain (loss) on sale of capital assets	(32,234)
TOTAL NONOPERATING REVENUES (EXPENSES)	(135,795)
CHANGE IN NET POSITION	2,929,504
NET POSITION, BEGINNING OF YEAR	6,832,580
NET POSITION, END OF YEAR	\$ 9,762,084

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY SOLID WASTE AUTHORITY
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Business-type Activities
CASH FLOWS FROM OPERATING ACTIVITIES:	
Received from customers	\$ 46,517,765
Other operating cash receipts	71,284
Payments to suppliers	(36,792,102)
Payments to employees for salaries and benefits	(2,575,872)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	7,221,075
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment income	50,116
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	50,116
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases and construction of capital assets	(10,501,626)
Interest paid on revenue notes payable	(153,677)
Principal payments of notes payable	(578,000)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(11,233,303)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,962,112)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	12,135,424
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 8,173,312
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	\$ 3,065,299
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation and depletion	4,195,739
Closure and post closure costs	446,503
Gain on sale of capital assets	(32,234)
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable - haulers	(939,218)
(Increase) decrease in accounts receivable - others	(25,758)
(Increase) decrease in inventory	9,315
(Increase) decrease in prepaid expenses	178,058
Increase (decrease) in accounts payable	35,286
Net pension changes	288,085
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 7,221,075
Cash and cash equivalents	\$ 7,947,995
Environmental restricted cash account	225,317
	\$ 8,173,312

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY SOLID WASTE AUTHORITY
 STATEMENT OF NET POSITION - FIDUCIARY FUND
 DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

	<u>Employees Pension Plan</u>
ASSETS	
Cash and cash equivalents	\$ 62,182
Investments, at fair value:	
Fixed income funds	2,290,350
Equity funds	2,901,267
International funds	1,024,561
Mutual funds	<u>121,238</u>
TOTAL ASSETS	<u>\$ 6,399,598</u>
 LIABILITIES AND NET POSITION	
LIABILITIES	\$ -
 FIDUCIARY NET POSITION	
Assets held in trust for employee pension benefits	<u>6,399,598</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 6,399,598</u></u>

The accompanying notes are an integral part of these financial statements.

DELAWARE COUNTY SOLID WASTE AUTHORITY
 STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUND
 FOR THE YEAR END DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Employees Pension Plan
ADDITIONS	
Contributions:	
Participant	\$ 97,047
Employer	120,000
Total Contributions	217,047
Investment income (loss):	
Interest earnings	79,046
Dividend income	80,437
Net appreciation (depreciation) in fair value of investments	(1,335,899)
Investment expense	(34,751)
Net Investment Income (Loss)	(1,211,167)
TOTAL ADDITIONS	(994,120)
DEDUCTIONS	
Benefits paid and withdrawals	398,046
TOTAL DEDUCTIONS	398,046
CHANGE IN FIDUCIARY NET POSITON	(1,392,166)
FIDUCIARY NET POSITON, BEGINNING OF YEAR	7,791,764
FIDUCIARY NET POSITON, END OF YEAR	\$ 6,399,598

The accompanying notes are an integral part of these financial statements.

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 THE FINANCIAL REPORTING ENTITY

The Delaware County Solid Waste Authority ("the Authority") was created pursuant to an ordinance of the Board of Commissioners (currently "County Council") of the County of Delaware, Pennsylvania ("the County") and incorporated on April 22, 1954, in accordance with the Municipal Authorities Act of 1945, as amended ("the Act"). The Authority, under the terms of the Act as amended on March 8, 1985, has a term of existence to January 1, 2034. The Act empowers the Authority to acquire, hold, improve, maintain, operate, and own solid waste disposal facilities and to enter into waste disposal agreements. The Authority is not directly subject to federal and state income taxes. The Authority is a component unit of the County because of the significance of its operational and financial relationship with the County.

The Authority, on March 27, 1985, acquired the stock in a corporation that owned and operated a sanitary landfill in Berks County, Pennsylvania, at an acquisition price of \$36,000,000. The acquisition was originally financed by the assignment of a portion of a General Obligation Bond, Series of 1985, of the County of Delaware. The Authority concluded its payments on the bonds to the County in 1992. However, the County, from time-to-time, has made additional advances to the Authority, which were repaid from income derived from fees charged to the County and others for disposal of waste.

The Authority, pursuant to service agreements with the County, assumes the complete operation and maintenance of the County-owned transfer stations for the purpose of facilitating solid waste disposal in the County. Certain personnel remain under the general supervision of County Council but are assigned to perform services for the Authority. The Authority repays salaries and related benefits for these personnel to the County.

The Delaware County Solid Waste Authority Employees Pension Plan is a separate legal entity; however, it is reported as if it were part of the Authority as it is governed by the Authority, which may amend plan provisions and which is responsible for the management of plan assets. The Delaware County Solid Waste Authority Employees Pension Plan is reported as a fiduciary fund and issues separate financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Authority are described below.

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NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Measurement Focus and Basis of Accounting and Financial Statement Presentation

The term "measurement focus" is used to denote what is being measured and reported in the Authority's operating statement. The Authority is accounted for on the flow of economic resources measurement focus. The fundamental objective of this focus is to measure whether the Authority is better or worse off economically as a result of events and transactions of the period.

The term "basis of accounting" is used to determine when a transaction or event is recognized on the Authority's operating statement. The Authority uses the accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Authority adheres to the provisions of the GASB *Codification of Governmental Accounting and Financial Reporting Standards* ("the Codification"). The Codification established standards for external financial reporting for all state and local governmental entities.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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 period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash deposits consist of demand and time deposits and money market funds with financial institutions and are carried at cost. For purposes of the statement of cash flows, all cash deposits and highly liquid investments with an original maturity of three months or less when acquired are considered to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount the Authority expects to collect (net realizable value) and reported net of an allowance for doubtful accounts.

Investments

Delaware County Solid Waste Authority Employees Pension plan investments are reported at fair value. The Authority's certificate of deposit is reported at cost.

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Fair Value Measurements

The Authority measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;

Level 2: Observable inputs other than quoted market prices; and

Level 3: Unobservable inputs.

Inventory

The Authority maintains an inventory of purchased goods used in construction and capping activities, which are stated at cost.

Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current calendar year are recorded as prepaid items.

Net Position

The Authority's net position represents the excess of assets over liabilities and is categorized as follows:

Net Investment in Capital Assets – Net investment consists of unrestricted capital assets, net of accumulated depreciation/depletion and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets.

Restricted – Net positions restricted are representative of the collateral related to the letter of credit obtained for the surety bond and net pension assets. When an expense incurred for restricted purposes for which both restricted and unrestricted net position are available, restricted resources are applied first.

Unrestricted Net Position – Unrestricted net position is the remaining portion of net position and is categorized as designated or undesignated. Designated assets are committed for specific purposes pursuant to Authority policy and/or Board directives.

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY
NOTES TO FINANCIAL STATEMENTS

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenues and Expenses

Revenues and expenses are distinguished between operating and nonoperating items. Operating revenues generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are defined as all revenue received and related to charges for solid waste disposal.

Operating expenses include the costs associated with expenses paid and related to Authority solid waste disposal functions.

Landfill Site Depletion

The estimated value of the landfill at acquisition and additional purchases for expanding capacity is being depleted over the projected life of the landfill. Depletion is charged annually against income in a manner consistent with the physical usage of the site based upon the site's estimated capacity. The estimated remaining landfill life is a minimum of ten years.

Capital Assets

The Authority defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year.

Capital assets of the Authority are recorded at either their actual cost or estimated historical cost. Donated assets are valued at their estimated fair value on the date donated. Depreciation of all exhaustible capital assets is charged as an expense against their operations. Depreciation is computed using the straight-line method over estimated asset lives, which range from two to thirty-seven years.

Deferred Inflows and Deferred Outflows of Resources

In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred inflows and deferred outflows of resources. These separate financial statement elements represent acquisition or use of net position that applies to a future period(s) and so will not be recognized as an inflow or outflow of resources (revenue or expense) until that time. The Authority currently has one item that qualifies for reporting in this category. Certain changes to the net pension asset are required to be amortized over a period of years; the unamortized portions of these changes are reflected as deferred outflows and inflows of resources on the statement of net position.

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTE 3 DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned. At December 31, 2022, the carrying amount of the Authority's deposits was \$8,173,312, and the bank balance was \$9,446,596. Of the bank balance, \$475,317 was covered by federal depository insurance, and \$8,971,279 was collateralized by pooled securities in accordance with the Commonwealth of Pennsylvania Act 72 of 1971 ("Act 72"). The deposits collateralized in accordance with Act 72 were exposed to custodial credit risk because they were uninsured, and the collateral held by the depository's agent was not in the Authority's name.

Investments

At December 31, 2022, the Authority's investments consisted solely of nonnegotiable certificates of deposits totaling \$10,500.

See Note 12 for pension deposit and investment disclosures.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. As of December 31, 2022 none of the Authority's investments were subject to custodial credit risk.

NOTE 4 ACCOUNTS RECEIVABLE - HAULERS

The Authority manages the County-owned transfer stations and is responsible for the receipt and transfer of solid waste materials as provided by commercial or private haulers. Beginning in January 1995, it was determined by agreement between the Authority and the County that the fees and permits collected from commercial and municipal government haulers would remain with the Authority and represent income. Fees that were due relative to the receipt of solid waste at December 31, 2022 are represented by receivables in the amount of \$3,615,987 (net of an allowance for doubtful accounts of \$153,833).

Commercial and government haulers that deposit waste at the Landfill are charged disposal fees that are reflected in the Authority's income. Receivables representing disposal fees at December 31, 2022 totaled \$1,208,122 (net of an allowance for doubtful accounts of \$109,525).

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)
DRAFT - FOR DISCUSSION PURPOSES ONLY
NOTES TO FINANCIAL STATEMENTS

NOTE 5 RESTRICTED CASH

The Authority has environmental restricted cash account totaling \$225,317 at December 31, 2022 related to a settlement with the Department of Environmental Protection ("DEP") as described in Note 9.

NOTE 6 CAPITAL ASSETS

Landfill – Depletion

As of December 31, 2022, the Authority has estimated that 30,180,696 cubic yards of capacity has been utilized. Approximately 65 percent of the existing landfill capacity has been utilized to date.

	As of December 31, 2022		
	Cost	Accumulated Depletion	Net Basis
Landfill	\$ 51,135,989	\$ 49,785,390	\$ 1,350,599

For the year ended December 31, 2022, depletion expense amounted to \$69,457. Depletion expense is estimated based on the net basis of the landfill as of the beginning of the year as a percentage of remaining capacity times capacity used in 2022.

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

	Balance 01/01/22	Additions	Deletions	Balance 12/31/22
Capital assets not being depreciated:				
Land	\$ 7,000,000	\$ -	\$ -	\$ 7,000,000
Construction-in-progress	3,135,213	-	3,135,213	-
Total capital assets not being depreciated	10,135,213	-	3,135,213	7,000,000
Capital assets being depreciated:				
Plan and equipment	101,471,263	13,636,839	1,595,439	113,512,663
Accumulated depreciation	89,425,223	4,126,282	1,563,204	91,988,301
Total capital assets being depreciated, net	12,046,040	9,510,557	32,235	21,524,362
Capital Assets, Net	\$22,181,253	\$ 9,510,557	\$ 3,167,448	\$28,524,362

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)
NOTES TO FINANCIAL STATEMENTS

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTE 7 LONG-TERM DEBT

On March 25, 2009, the Authority authorized the issuance of Guaranteed Revenue Notes, 2009 Series ("the 2009 Notes") totaling \$7,200,000. The 2009 Notes were used for certain capital projects consisting of a) the construction of leachate collection and treatment facilities, b) the acquisition of vehicles and equipment, c) the construction of and improvements to the Rolling Hills Landfill, d) the rehabilitation of wells, and e) the payment of the costs of issuance of the 2009 Notes. The 2009 Notes, A through C, were issued over a two-year period.

On March 25, 2009, the Delaware Valley Regional Finance Authority issued on behalf of the Authority, Guaranteed Revenues Notes, 2009 A Series ("the 2009 A Notes") in the amount of \$2,400,000, interest and principal payable annually from December 2010 through December 2029, 2009 B Series ("the 2009 B Notes") in the amount of \$2,400,000, interest and principal payable annually from December 2011 through December 2030, and the 2009 C Series ("the 2009 C Notes") in the amount of \$2,400,000, interest and principal payable annually from December 2012 through December 2031. Principal is payable on March 25, and interest is payable monthly at a rate of 3.38 percent for Series A, 1.28 percent for Series B, and 3.39 percent for Series C as per the Notice of Fixed Rate Conversion. The Notes are collateralized by the security interest in the revenue of the Authority.

On March 26, 2012, the Delaware Valley Regional Finance Authority issued on behalf of the Authority, Guaranteed Revenue Notes, 2012 Series ("the 2012 Notes") totaling \$4,000,000, interest and principal payable annually from June 2013 through June 2032. The 2012 Notes were used for certain capital projects consisting of a) the construction of leachate collection and treatment facilities, b) the acquisition of vehicles and equipment, c) the construction of and improvements to the Rolling Hills Landfill, d) the rehabilitation of wells, and e) the payment of the costs of issuance of Notes. Principal is payable annually on June 25 beginning on June 25, 2013. Interest is payable monthly at a rate of 2.485 percent as per the Notice of Fixed Rate Conversion. The Notes are collateralized by the security interest in the revenue of the Authority.

The Authority has an unused line of credit in the amount of \$2,000,000.

The Authority's outstanding notes from direct borrowings related to business-type activities that contain various provisions regarding events of default, termination events, and accelerated payment clauses that allow the lender to modify the repayment terms and accelerate payment of the entire principal amount to become immediately due if the lender determines that a material adverse change occurs. As of the date of these financial statements, there were no adverse changes which caused the acceleration of principal due by the Authority for outstanding notes.

A schedule of changes in the long-term liabilities is as follows:

DELAWARE COUNTY SOLID WASTE AUTHORITY
 (A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTES TO FINANCIAL STATEMENTS

NOTE 7 LONG-TERM DEBT (cont'd)

	Outstanding 01/01/22	Additions	Retirements	Outstanding 12/31/22	Amounts Due In One Year
Revenue Notes	\$ 6,275,000	\$ -	\$ 578,000	\$ 5,697,000	\$ 593,000
Due to Delaware County	7,475,000	-	-	7,475,000	-
Net Pension Liability	-	1,481,980	-	1,481,980	-
Accrued closure and postclosure costs	16,273,182	414,268	-	16,687,450	-
TOTAL	<u>\$30,023,182</u>	<u>\$ 1,896,248</u>	<u>\$ 578,000</u>	<u>\$31,341,430</u>	<u>\$ 593,000</u>

The notes mature as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 593,000	\$ 138,400
2024	608,000	122,705
2025	625,000	103,908
2026	641,000	86,791
2027	658,000	70,218
2028 - 2032	<u>2,572,000</u>	<u>124,011</u>
Totals	<u>\$ 5,697,000</u>	<u>\$ 646,033</u>

NOTE 8 CLOSURE AND POST CLOSURE COSTS

Municipal landfill owners and operators are required to incur costs to provide for protection of the environment both during the period of the landfill operation and during the post closure period. These costs are estimated annually, and current cost is adjusted for changes in landfill capacity, operating conditions, and increases or decreases in estimated costs. Closure and post closure costs include equipment installed and facilities constructed near or after the date of acceptance of solid waste, cost of the final capping, and the cost of monitoring and maintaining the area during the post closure period. The Authority has established an account to accumulate the anticipated cost of closure and post closure based on usage of the landfill. An amount is charged annually to operations to recognize the current cost and resultant liability based on landfill capacity used to date.

The estimates of closure and post closure costs were determined taking into account capping, revegetation, maintenance, leachate treatment, water quality monitoring, and gas control. In determining the closure and post closure costs, an inflation rate was utilized at the rate of 5.4 percent, plus administrative fees of 10 percent and \$956,623 contingency charge that would anticipate covering unexpected changes in technology, inflation, or applicable laws and regulations.

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTES TO FINANCIAL STATEMENTS

NOTE 8 CLOSURE AND POST CLOSURE COSTS (cont'd)

On October 5, 2022, the Authority obtained a surety bond amounting to \$25,871,605 to cover post closure costs. In 2022, the premium paid for the surety bond was \$258,716.

Pursuant to the Municipal Waste Planning, Recycling, and Waste Reduction Act of the Commonwealth of Pennsylvania, Act No. 101 of July 28, 198, P.L. 556, the Authority is required to pay to a trust on a quarterly basis \$.25 per ton of weighed waste to be used for remedial measures and emergency actions necessary to prevent or abate adverse effects on the environment subsequent to landfill closure. Any funds remaining in the trust subsequent to the final closure are divided between the host county and host authority.

Accrued closure and post closure costs, as reflected on the statement of net position, totaled \$16,687,450 as of December 31, 2022. Accrued closure and post-closure costs are estimated using the DEP's cost requirement to close the landfill as a percentage of landfill capacity used to date. Post-closure costs for the year ended 2022 amounted to \$799,299. The estimated closure and post closure costs total \$25,871,604, comprised of \$6,739,146 of closure costs and \$19,132,458 of post closure costs. At December 31, 2022, there remains \$9,184,154 in closure and post closure costs to be recognized in excess of the Act 101 requirements previously mentioned.

NOTE 9 ENVIRONMENTAL LIABILITY - DEPARTMENT OF ENVIRONMENTAL PROTECTION

In 2013, the Authority entered into a consent agreement with the DEP whereby the Authority agreed to update the leachate treatment facility to accommodate the treatment of the leachate. As a part of their settlement with the DEP regarding the treatment of leachate, the Authority established a reserve totaling \$500,000 as ordered by the DEP to be used to pay for future environmental projects in the neighborhood. Interest earned on the account has been included in the total reserve balance. In 2022, the Authority did not pay any costs for local environmental projects. The total liability at December 31, 2022 was \$225,317, which was included in accrued expenses on the statement of net position.

NOTE 10 DUE TO COUNTY OF DELAWARE

This indebtedness represents funds advanced to the Authority, which were used as a security deposit with the DEP relative to post-closure bonding. The advance is non-interest bearing, and there is no formal schedule for repayment. The balance totaled \$7,475,000 at December 31, 2022 and is not expected to be repaid in 2023.

NOTE 11 COVANTA DELAWARE VALLEY, LP - REVENUE AND EXPENSE

Effective May 1, 2022, the Authority and Covanta Delaware Valley LP (Covanta") entered into an Amended and Restated Service Agreement for a 3-year term, with two one-year term options.

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NOTES TO FINANCIAL STATEMENTS

NOTE 11 COVANTA DELAWARE VALLEY, LP – REVENUE AND EXPENSE (cont'd)

Under the revised agreement, the Authority has the right to deliver up to 375,000 tons of waste per year. Unlike previous years, the Authority is under NO obligation to deliver any minimum amounts of waste. The Authority is obligated to receive for disposal one ton of ash for each ton of waste they have processed by Covanta on an annual basis. The ash disposal commitment is subject to a 12-month renewal term. For cash management purposes the two parties have agreed that the party owing the net balance shall pay to the order of the other party the statement balance within 30 days. During 2022, the Authority paid to Covanta \$17,437,793 for its County waste processing expenses. Covanta paid to the Authority \$8,554,165 in ash disposal charges.

NOTE 12 PENSION PLAN

Plan Description and Provisions

The Delaware County Solid Waste Authority Employees Pension Plan (“the Plan”) is a single employer defined benefit pension plan controlled by the provisions of the plan document. The Plan is governed by the Authority, which may amend plan provisions and which is responsible for the management of Plan assets. The Authority has delegated the authority to manage certain plan assets to CBIZ InR.

The Authority filed Actual Valuation Report Form 203C with the Municipal Pension Reporting Program. The report dated January 1, 2022, was most recently certified by the Authority. This report indicated that the Authority maintains a pension plan to provide pension or retirement benefits for employees. A review of the plan documents as of December 31, 2022 disclosed that plan membership consisted of the following:

Active employees	19
Retirees and beneficiaries currently receiving benefits	
receiving benefits	16
Vested terminated members	-
	<hr/>
Total	<u>35</u>

Under the provisions of the Plan, the retirement date is the first day of the month following the attainment of age 60, or the attainment of age 55 with completion of 20 years of service. The benefit is equal to 2.0 percent of the average of the three highest consecutive years of the 10 calendar year period immediately preceding annual retirement. Death benefit is equal to the present value of the member's accrued benefit at the date of death. Trustees for the Plan have established an investment account for plan assets. The Authority has selected a retirement committee as administrator for the Plan, although the Authority maintains fiduciary responsibility for plan assets. Employees' contributions to the Plan and the deferred compensation amount are not available for withdrawal by the employees until termination, retirement, or death. There are no provisions in the Plan that allows partial refunds or loans.

DELAWARE COUNTY SOLID WASTE AUTHORITY
 (A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY

NOTES TO FINANCIAL STATEMENTS

NOTE 12 PENSION PLAN (cont'd)

Funding Policy and Status

Active plan members are required to contribute 7.0 percent of their annual covered salary. In addition, the Authority is required to make contributions at an actuarially determined rate in accordance with Pennsylvania Act 205 governing municipal pension plans.

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned. At December 31, 2022, the carrying amount of the plan's deposits was \$62,182. None of the Plan's deposits were subject to custodial credit risk.

Investments

As of December 31, 2022, the Plan had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>
Fixed income mutual funds	\$ 2,290,350	\$ 2,290,350
Equity mutual funds	2,901,267	2,901,267
International equity mutual funds	1,024,561	1,024,561
Treasury mutual funds	121,238	121,238
TOTAL	\$ 6,337,416	\$ 6,337,416

Investments in external investment pools, such as those in mutual funds, are disclosed but not subject to interest rate, custodial, credit, or concentration risks because they are not evidenced by securities that exist in physical or book entry form.

Investment Policy

The Plan's policy regarding the allocation of invested assets is established and may be amended by the Pension Board. The investment policy of the Plan is to maximize the total rate of return over the long term, subject to preservation of capital, by diversifying the allocation of capital amount various investments in domestic equity securities, internal equity securities, domestic fixed income instruments, and other asset classes as may be deemed prudent.

The Plan's investment policy establishes that the portfolio may be invested in the following asset classes with the following target asset allocation:

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NOTE 12 PENSION PLAN (cont'd)

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic Equity:	
Large Cap	33%
Mid Cap	7%
Small Cap	5%
International Equity	16%
Interim IG Corp	36%
Cash	3%

Rate of Return

For the year ended December 31, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (15.73) percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP)

The Plan does not provide a Deferred Retirement Option Program.

Net Pension Liability

The components of the net pension liability of the Authority as of December 31, 2022 were as follows:

Total Pension Liability (TPL)	\$ 7,881,578
Plan Fiduciary Net Position	6,399,598
Net Pension Liability	1,481,980
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.2%

Actuarial Assumptions

An actuarial valuation of the total pension liability is performed biennially. The total pension liability was determined as part of an actuarial valuation at January 1, 2022. Update procedures were used to roll forward to the Plan's fiscal year ending December 31, 2022. This report was based upon the Plan's actuarial assumptions, asset valuation method, and cost method.

Long-term Expected Rate of Return

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

DRAFT - FOR DISCUSSION PURPOSES ONLY
 NOTES TO FINANCIAL STATEMENTS

NOTE 12 PENSION PLAN (cont'd)

(expected returns, net of pension plan investment expense and inflation of 2.45 percent) 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 allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity:	
Large Cap	5.37%
Mid Cap	6.53%
Small Cap	6.53%
International Equity	6.22%
Fixed Income	2.09%
Real Estate	4.87%
Cash	-0.45%

Discount Rate

The discount rate used to measure the total pension liability was 7 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that municipal contribution rates and the member rate. Based on those assumptions, the fund'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.

Change in Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability(Asset) (a)-(b)</u>
Balances at December 31, 2021	\$ 7,569,545	\$ 7,791,764	\$ (222,219)
Service cost	181,442	-	181,442
Interest cost	528,637	-	528,637

DELAWARE COUNTY SOLID WASTE AUTHORITY
(A Component Unit of Delaware County)

DRAFT - FOR DISCUSSION PURPOSES ONLY
NOTES TO FINANCIAL STATEMENTS

NOTE 12 PENSION PLAN (cont'd)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a)-(b)
Contributions – employer	-	120,000	(120,000)
Contributions – member	-	97,047	(97,047)
Net investment income	-	(1,211,167)	1,211,167
Benefit payments	(398,046)	(398,046)	-
Net changes	<u>312,033</u>	<u>(1,392,166)</u>	<u>1,704,199</u>
Balances at December 31, 2022	<u>\$ 7,881,578</u>	<u>\$ 6,399,598</u>	<u>\$ 1,481,980</u>

Net Pension Liability Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability calculated using the discount rate of 7 percent as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6 percent) or 1 percentage point higher (8 percent) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Plan net pension liability	\$ 2,319,195	\$ 1,481,980	\$ 772,256

Deferred Outflows and Deferred Inflows of Resources

For the year ended December 31, 2022, the Authority recognized pension expense of \$408,085. At December 31, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	\$ -	\$ 21,894
Changes in assumptions	436,475	-
Net difference between projected and actual investment earnings	937,433	-
	<u>\$ 1,373,908</u>	<u>\$ 21,894</u>

DRAFT - FOR DISCUSSION PURPOSES ONLY
NOTES TO FINANCIAL STATEMENTS

NOTE 12 PENSION PLAN (cont'd)

These amounts will be reported as deferred outflows and inflows of resources related to the pension and will be recognized in pension expense as follows:

Year Ending December 31,

2023	\$ 182,177
2024	300,977
2025	406,395
2026	462,465
	<u>\$ 1,352,014</u>

NOTE 13 CONCENTRATIONS

The Authority received 18 percent of its total operating revenue from Covanta Delaware Valley, LP during the year ended December 31, 2022.

NOTE 14 SUBSEQUENT EVENTS

The Authority has evaluated all subsequent events through (to be determined), the date the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

**DELAWARE COUNTY SOLID WASTE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN AUTHORITY'S NET PENSION LIABILITY AND RELATED RATIOS

DRAFT - FOR DISCUSSION PURPOSES ONLY

	2022	2021	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY									
Service cost	181,442	\$ 174,463	\$ 161,428	\$ 153,741	\$ 185,275	\$ 176,452	\$ 151,239	\$ 144,037	\$ 128,743
Interest cost	528,637	504,581	469,396	443,352	437,526	404,976	383,615	355,173	327,941
Changes of benefit terms	-	-	-	-	-	-	-	-	23,975
Difference between expected and actual experience	-	179,554	-	(306,458)	-	(122,856)	-	(81,860)	-
Changes in assumptions	-	629,774	-	-	-	143,965	-	87,241	-
Benefit payments	(398,046)	(286,666)	(316,566)	(220,895)	(198,366)	(142,129)	(159,621)	(142,129)	(131,811)
NET CHANGE IN TOTAL PENSION LIABILITY	312,033	1,201,706	314,258	69,740	424,435	460,408	375,233	362,462	348,848
TOTAL PENSION LIABILITY, BEGINNING OF YEAR	7,569,545	6,367,839	6,053,581	5,983,841	5,559,406	5,098,998	4,723,765	4,361,303	4,012,455
TOTAL PENSION LIABILITY, END OF YEAR	\$ 7,881,578	\$ 7,569,545	\$ 6,367,839	\$ 6,053,581	\$ 5,983,841	\$ 5,559,406	\$ 5,098,998	\$ 4,723,765	\$ 4,361,303
PLAN FIDUCIARY NET POSITION									
Contributions:									
Employer	\$ 120,000	\$ 115,500	\$ 115,500	\$ 115,500	\$ 115,500	\$ 105,000	\$ 95,000	\$ 90,000	\$ 90,000
Member	97,047	100,660	95,381	96,285	90,502	95,108	100,035	95,787	89,456
Net investment income (loss)	(1,211,167)	773,592	907,706	1,013,027	(316,071)	704,734	333,462	(45,264)	293,218
Benefit payments	(398,046)	(286,666)	(316,566)	(220,895)	(198,366)	(217,702)	(159,621)	(142,129)	(131,811)
NET CHANGE IN PLAN FIDUCIARY NET POSITION	(1,392,166)	703,086	802,021	1,003,917	(308,435)	687,140	368,876	(1,606)	340,862
PLAN FIDUCIARY NET POSITION, BEGINNING OF YEAR	7,791,764	7,088,678	6,286,657	5,282,740	5,591,175	4,904,035	4,535,159	4,530,765	4,195,903
PLAN FIDUCIARY NET POSITION, END OF YEAR	\$ 6,399,598	\$ 7,791,764	\$ 7,088,678	\$ 6,286,657	\$ 5,282,740	\$ 5,591,175	\$ 4,904,035	\$ 4,535,159	\$ 4,536,765
AUTHORITY'S NET PENSION LIABILITY (ASSET)	\$ 1,481,980	\$ (222,219)	\$ (720,839)	\$ (233,076)	\$ 701,101	\$ (31,769)	\$ 194,963	\$ 188,606	\$ (175,462)
Plan fiduciary net position as a percentage of total pension liability	81.20%	102.94%	111.32%	103.85%	88.28%	100.57%	96.18%	96.01%	104.02%
Covered employee payroll	\$ 1,351,560	\$ 1,372,683	\$ 1,304,450	\$ 1,291,424	\$ 1,292,216	\$ 1,378,635	\$ 1,449,664	\$ 1,278,718	\$ 1,073,521
Authority's net pension liability as a percentage of covered payroll	109.65%	-16.19%	-55.26%	-18.05%	54.26%	-2.30%	13.45%	14.75%	-16.34%
Annual money-weighted rate of return, net of investment expense	-15.73%	10.97%	14.56%	19.19%	-5.65%	14.40%	7.34%	-0.99%	7.47%

Notes to Schedule

Cumulative Information: The requirement is to show information for 10 years; however, until a full 10-year trend is compiled, the Plan shall present information for the years for which information is available.

Assumption Changes: In 2015, the mortality assumption was changed from the Blue Collar RP-2000 Table to the Blue Collar RP-2000 Table projected to 2015 using Scale AA. In 2017, the mortality assumption was changed from the Blue Collar RP-2000 Table projected to 2015 to the Blue Collar RP-2000 Table projected to 2017 using Scale AA, and the interest rate was lowered from 8.0% to 7.75% per annum. In 2021, the interest rate assumption was lowered from 7.75% to 7.00% per annum, the salary scale was lowered from 5.00% to 4.00%, and the mortality assumption was changed from the RP-2000 Table projected to 2017 using Scale AA to the PubG-2010 projected 5 years past the 2021 valuation date using MP-2020.

DELAWARE COUNTY SOLID WASTE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF AUTHORITY CONTRIBUTIONS

DRAFT - FOR DISCUSSION PURPOSES ONLY

Year	Actuarial Determined Contribution	Contributions from Employer	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Payroll
2013	\$ 43,609	\$ 90,000	\$ (46,391)	\$ 1,167,677	7.71%
2014	86,241	90,000	(3,759)	1,073,521	8.38%
2015	55,970	90,000	(34,030)	1,278,718	7.04%
2016	74,957	90,000	(15,043)	1,449,664	6.21%
2017	71,030	105,000	(33,970)	1,378,635	7.62%
2018	88,171	115,500	(27,329)	1,292,216	8.94%
2019	88,118	115,500	(27,382)	1,291,424	8.94%
2020	70,848	115,500	(44,652)	1,304,450	8.85%
2021	75,099	115,500	(40,401)	1,372,683	8.41%
2022	118,208	120,000	(1,792)	1,351,560	8.88%

Notes to Schedule of Employer Contributions

Valuation Date:

Actuarially determined contribution rates are calculated as of January 1, two to four years prior to the end of the fiscal year in which the contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	11 years
Asset valuation method	Smoothing per Section 201 (a) of Act 44
Inflation	2.24%
Salary increases	4.00%
Investment rate of return	7.00%
Retirement age	55
Mortality	RP-2000 table - This table is projected to 2017 using Scale AA.

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SUPPLEMENTARY INFORMATION

DELAWARE COUNTY SOLID WASTE AUTHORITY
SUPPLEMENTARY INFORMATION
SCHEDULE OF EXPENSES - BUDGET TO ACTUAL (AUDITED)
FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Landfill Operating Fund		Rose Tree Fund		Total Funds	
	Budget	Actual	Budget	Actual	Budget	Actual
Operating Expenses:						
Payroll						
Payroll - fringe benefits, taxes, and pension	\$ 1,860,569	\$ 1,676,749	\$ 161,262	\$ 59,070	\$ 2,021,831	\$ 1,735,819
Administrative and office expense	828,864	1,128,138	-	-	828,864	1,128,138
Utilities	69,154	90,794	36,148	77,564	105,302	168,358
Fuels and oil	80,000	71,812	40,335	33,936	120,335	105,748
Recycling	230,000	584,091	5,000	27	235,000	584,118
Equipment, maintenance, and repairs	-	-	105,000	227,215	105,000	227,215
Rental equipment	215,000	241,355	35,000	29,339	250,000	270,694
Stone supplies	5,000	17,176	-	-	5,000	17,176
Leachate treatment and cleanout	275,000	43,444	-	-	275,000	43,444
Lab testing	635,000	538,265	-	-	635,000	538,265
Hydroseeding	92,500	99,590	-	-	92,500	99,590
Site supplies	40,000	33,734	-	-	40,000	33,734
Engineering	85,000	180,491	80,000	119,334	165,000	299,825
Host fees, inspection fees, closure	210,000	128,501	20,000	30,626	230,000	159,127
Insurance	4,580,000	4,065,937	1,000,000	282,990	5,580,000	4,348,927
Professional services	297,834	265,174	-	-	297,834	265,174
Public relations	375,000	873,429	100,000	115,967	475,000	989,396
Covanta - waste processing	20,000	36,359	-	-	20,000	36,359
Facility maintenance	-	-	19,000,000	17,437,793	19,000,000	17,437,793
Contract hauling fees	20,000	69,538	-	-	20,000	69,538
Post closure expense	1,900,000	2,222,382	8,500,000	8,667,666	10,400,000	10,890,048
Site supplies - Rose Tree	284,588	799,299	-	-	284,588	799,299
Total Operating Expenses	<u>12,103,509</u>	<u>13,167,434</u>	<u>29,082,745</u>	<u>27,081,527</u>	<u>41,186,254</u>	<u>40,248,961</u>
Non-Operating Expenses:						
Debt service	-	-	747,586	153,677	747,586	153,677
Total Non-Operating Expenses	<u>-</u>	<u>-</u>	<u>747,586</u>	<u>153,677</u>	<u>747,586</u>	<u>153,677</u>
Total Expenses	<u>\$ 12,103,509</u>	<u>\$ 13,167,434</u>	<u>\$ 29,830,331</u>	<u>\$ 27,235,204</u>	<u>\$ 41,933,840</u>	<u>\$ 40,402,638</u>

DELAWARE COUNTY SOLID WASTE AUTHORITY
 SUPPLEMENTARY INFORMATION
 CAPITAL PROJECTS FUND - BUDGET TO ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2022

DRAFT - FOR DISCUSSION PURPOSES ONLY

	Budget	Actual
Vehicles	\$ 67,271	\$ 75,005
Construction equipment	1,000,000	1,032,359
Equipment - capital repairs	165,000	162,523
Transfer station upgrades	275,000	114,457
Landfill gas upgrade	300,000	384,425
Southern area expansion	9,000,000	8,776,882
Subtotal	10,807,271	10,545,651
Depreciation expense	-	4,126,282
Depletion expense	-	69,457
Total Capital Projects Fund Expenses	\$ 10,807,271	\$ 14,741,390

DRAFT - FOR DISCUSSION PURPOSES ONLY

INDEPENDENT AUDITOR'S 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

(To be determined)

To the Board of Directors
Delaware County Solid Waste Authority
Media, Pennsylvania

We have audited the financial statements of the business-type activities and fiduciary fund of the Delaware County Solid Waste Authority ("the Authority"), a component unit of Delaware County, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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 Authority'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.

To the Board of Directors
Berkshire County Solid Waste Authority

DRAFT - FOR DISCUSSION PURPOSES ONLY

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BARBACANE, THORNTON & COMPANY LLP

ISSUE PAPER

Issue: Appointment of Pension Trustees

Background: We renewed our Travelers Fiduciary Liability Policy Effective May 1, 2023 to May 1, 2024. This policy provides Fiduciary Liability coverage for the Delaware County Solid Waste Authority Pension Plan specifically. Fiduciary Liability Coverage provides Errors and Omissions Liability coverage for those who act as Fiduciaries (people who have a part in the decision-making of an employee benefit plan, administering a plan or its assets, or whose name or title is included in the benefit plan documents). This typically encompasses the trustees, employers, fiduciaries, professional administrators, and the plan itself with respect to errors and omissions in the administration of the employee benefit programs as imposed by the Employee Retirement Income Security Act (ERISA).

Discussion: The previous members last appointed as Trustees to the Pension Plan are all deceased, therefore new Trustees need to be appointed.

Recommendation: The Authority hereby approve the Pension Plan Trustees shall consists of people serving in the following positions: Board Treasurer, Accounting Manager, and Interim CEO/CEO.

Approved: _____

James McLaughlin, Chairman

Date: May 17, 2023



Delaware County Sustainability Conference

[Agenda](#)

[Speakers](#)

[Info](#)

Agenda

Thursday, June 8th, 2023

Widener University, Alumni Auditorium, 1 University Place, Chester, PA 19013

The Conference is free of charge, vegan, zero waste, and accessible by public transit

8:00 to 9:00

Breakfast and Registration

Location: University Center Atrium and Pride Café

9:00 to 9:25

Welcome and Introductions

Location: Alumni Auditorium

- Dr. Stacey Robertson, *President of Widener University*
- Elaine Paul Schaefer, *Delaware County Vice Chair*
- Tim Kearney, *Senator*

9:25 to 10:05

Keynote Speaker – Justin J. Harris

Location: Alumni Auditorium



Delaware County Sustainability Conference

Agenda

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- *Dr. Auelina Voutchkova, Director of Sustainable Development at the American Chemical Society (ACS) and leads the ACS Green Chemistry Institute*

10:45 to 11:10

Illegal Dumping and Gun Violence Prevention

Location: Alumni Auditorium

- *Melissa Muroff, Chief Environmental Crimes Unit, Delaware County District Attorney's Office*

11:15 to 12:00

Panel Discussion 1: Creating Sustainable Communities through Partnerships and Resources

Location: Alumni Auditorium

Moderator: *Gina Burritt, Delaware County Planning Director*

- *Melody Mason, Commissioner, Chester Shade Tree Commission*
- *Adam Ortiz, Regional Administrator, Mid-Atlantic, U.S. Environmental Protection Agency*
- *Ariella Moran, Executive Director, Delaware Valley Regional Planning Commission*
- *Frances Sheehan, President, The Foundation for Delaware County*
- *Paul K Johnson, Assistant Professor, Montgomery County Community College*

12:00 to 1:00



Delaware County Sustainability Conference

Agenda

Speakers

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- Carol Martsolf, *Delaware County Sustainability Commission Chair*

1:20 to 1:40

Air Monitoring Research: Science to Inform Policy

Location: Alumni Auditorium

- Dr. Peter DeCarlo, *Johns Hopkins University, Professor*

1:45 to 2:15

Panel Discussion 2: Air Monitoring Research: Science to Inform Policy

Environmental Health, Justice and Sustainability — Air quality, interventions, and outcomes in environmental justice communities.

Location: Alumni Auditorium

Moderator: Lora Werner, Deputy Director, Delaware County Department of Health

- Dr. Peter DeCarlo, *Professor, Johns Hopkins University*
- Kearn Warren, *Political Coordinator, One PA*
- Dr. Kristin Motley, *Founder, Health Educated, Inc., Compliance Coordinator & Field Supervisor, Saint Joseph's University*
- Eve S. Miari, *Delaware County Programs Director, Clean Air Council*
- Justin Dula, *Director, Office of Environmental Justice, PA Department of Environmental Protection*



Delaware County Sustainability Conference

Agenda

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Composting: The intersection of waste + wonder

Location: Alumni Auditorium

- Gwenn Nolan, *Found & CEO, Mother Compost*

3:20 to 4:15

Panel Discussion 3: Sustainable Organization Leaders that are walking the walk

The panel discussion will center around Leaders who are implementing sustainability features into their organizational culture through the lens of a Non-Profit Organization (DCTMA), Government (Rutledge Borough), Academic (Penn State), and Business (Boiron).

Location: Alumni Auditorium

Moderator: **Caroline Hawkins**, *Strategic Advisor, Cogo*

- Tracy Brown Barusevicius, *Executive Director, Delaware County Transportation Management Association*
- Fabrice Figliolini, *Vice President of Finance, IT, Human Resources and Supply Chain, BOIRON USA*
- Gamal Sherif, *Mayor, Rutledge Borough, Delaware County*
- Stephanie Shirk, *Client Relationship Manager, Penn State, College of Agricultural Sciences*
- Richard Sikora, *Senior Director of Strategy in Boeing Defense, Space & Security*

4:05 to 4:20

Delaware County's First Ever Sustainability Plan



Delaware County

Sustainability Conference

[Agenda](#)

[Speakers](#)

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LOCATION: ALUMINI AUDITORIUM

- Elaine Schaefer, *Delaware County Council Vice Chair*