



MAKING
GREAT THINGS
HAPPEN...



TOGETHER



People.



Purpose.



Pride.

Making Great Things Happen... Together!

LCSWMA IS AN ORGANIZATION CENTERED ON PEOPLE—THOSE WE EMPLOY AND THOSE WE SERVE.

Our PURPOSE (our “Why”) is to safeguard those people, along with our beautiful environment. The way we serve and protect people (our “How”) is something we take great PRIDE in—an award-winning Integrated system that preserves land by minimizing waste to be landfilled, generates renewable energy to power our community, and creates opportunities to improve the livability of where we live, work, and play.

This 2019 Year in Review highlights the impacts (the “What”) of LCSWMA’s efforts last year. And while it’s a pleasure to share what we accomplished; these achievements are only possible thanks to the dedication and hard work of our employees and in partnership with the great people of Lancaster and Dauphin Counties.

So, we share this report with gratitude for your support and collaboration. The Susquehanna Valley is a special place, and we look forward to continue making great things happen... together!



Robert B. Zorbaugh
CEO



Joseph R. Deerin
2019 Board Chair

2019 OPERATIONAL HIGHLIGHTS

**979,353 TONS
MANAGED**

**43% RECYCLING
53% WTE
4% LANDFILLED**

(LANCASTER COUNTY WASTE)

**OUTSTANDING
ENVIRONMENTAL
COMPLIANCE**

2019 FINANCIAL HIGHLIGHTS

\$87M IN OPERATING REVENUES

(77% TIPPING FEES / 18% ENERGY / 5% OTHER)



**\$83M IN OPERATING AND
SUPPORT EXPENSES**

(INCLUSIVE OF DEPRECIATION)

**\$12.5M IN CAPITAL
EXPENDITURES**

(TO SUPPORT THE INTEGRATED SYSTEM)

AA+

**S&P RAISED LCSWMA'S
LONG-TERM RATING ON
REVENUE BONDS TO AA+**

2019 PROJECT HIGHLIGHTS



**COMMENCEMENT OF THE NEW
METALS RECOVERY FACILITY**

(PARTNERSHIP WITH BLUE PHOENIX INASHCO USA)

**COMPLETED PHASE 1
CONSTRUCTION FOR THE FREY
FARM VERTICAL EXPANSION**

**LAUNCHED OUR
EMPLOYER BRAND AND
NEW COMPANY TAGLINE:
“PEOPLE. PURPOSE. PRIDE.”**



**LAUNCHED OUR NEW
WEBSITE AND CONTINUED THE
RECYCLE RIGHT INITIATIVE**



PEOPLE:

SERVING OTHERS



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Working in the solid waste industry isn't glamorous. It's a hard and dirty job, but our staff lean into this challenge with purpose and enthusiasm.



We take great satisfaction in our responsibility to protect and serve others. For these reasons, we put safety as a top priority at LCSWMA—both protecting people and the environment. It's woven into the fabric of our culture. And in a dangerous industry, we celebrate the big milestones that demonstrate this commitment to safety. But we also celebrate the generous hearts of our staff who believe in contributing to a better, vibrant community. We do all this and have a lot of fun too!

SAFETY

1.25M MILES DRIVEN
WITHOUT AN
AT-FAULT ACCIDENT

Continued streak with
1,168 total days
without a lost time accident

HELPING HANDS

Our people collected
2,967 pounds
of litter

Our people donated
120 pounds
of clothing &
100 pounds
of food to the Food Hub



OUR PEOPLE DONATED
\$22,880 THROUGH THE
EXTRAORDINARY GIVE!



PURPOSE:

PROTECTING THE ENVIRONMENT

LCSWMA works hard to uphold the values of the people we serve.

And in the Susquehanna Valley, we cherish the beautiful environment in which our communities are situated. LCSWMA's role in protecting and preserving land is to employ a system that minimizes waste to be landfilled and contributes to a sustainable community through creating green energy and extracting value from the waste. We call this our "Integrated System" that includes recycling and household hazardous waste disposal, waste transfer, waste-to-energy processing, and (lastly) landfill disposal.



ENVIRONMENTAL
FOCUS

Outstanding environmental
compliance

Recertified LCSWMA's
Environmental
Management
System

Recertified the
Frey Farm and
Creswell Landfills as
Gold Standard Wildlife
at Work sites



RECYCLING IN
LANCASTER COUNTY

Recycled
256,443 tons
from residential and
commercial sources

Achieved **43%**
recycling rate



HHW FACILITY

Served
69,981 residents

Managed
3.4M pounds
of material



People



Purpose



Pride



WTE PRODUCTION
(LANCASTER WTE
AND SRMC COMBINED)

Processed

678,780 tons

Recovered and recycled

14,404 tons of metal

Delivered

379,481M pounds of steam
to the Perdue Soybean Processing Plant
(Lancaster WTE Facility only)



BENEFITS OF WTE

REDUCES THE VOLUME OF
WASTE BY 90%, SAVING
LANDFILL SPACE AND
PRESERVING LAND

GENERATES RENEWABLE
ENERGY TO POWER OUR
COMMUNITY

RECOVERS AND RECYCLES
VALUABLE METALS

REDUCES GREENHOUSE GAS
EMISSIONS BY COMBUSTING
THE WASTE (INSTEAD OF
DISPOSING IN A LANDFILL)



TRANSFER STATION

Received and transferred

384,662 tons

Achieved

86% reduction
in traffic to
disposal facilities

Generated

518,809 kWh
of solar energy



LANDFILL

Received

431,308 tons

Generated

11.4M kWh
of landfill gas energy

Generated

6.2M kWh
of wind energy



PRIDE:

LOVING OUR COMMUNITY





People. Purpose. Pride.



There is a special sense of community in the Susquehanna Valley.

One might say, there is a shared love and appreciation for the people, heritage, and culture in this region. This connection inspires people to take care of their neighbors and invest in their neighborhoods.

LCSWMA shares this sense of community. Our employees love our community and take pride in the many ways LCSWMA supports and gives back to the people, businesses, and organizations we serve. It's one of the many ways we work together to make great things happen.

MUNICIPAL SUPPORT

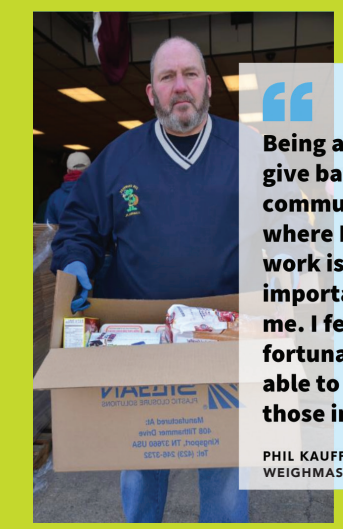
Secured **\$1.83M** in grant money for recycling programs throughout Lancaster County

Provided **750+ hours** of professional services to support collection and recycling programs

COMMUNITY SUPPORT

Partnered with **48 organizations** to improve the livability of our community, including investing \$181,760 in contributions and \$569,686 in community projects

Secured **\$225,000** in grant money for trail development



“Being able to give back to the community where I live and work is important to me. I feel fortunate to be able to help those in need.”
PHIL KAUFFMAN
WEIGHMASTER

FINANCIALS SNAPSHOT

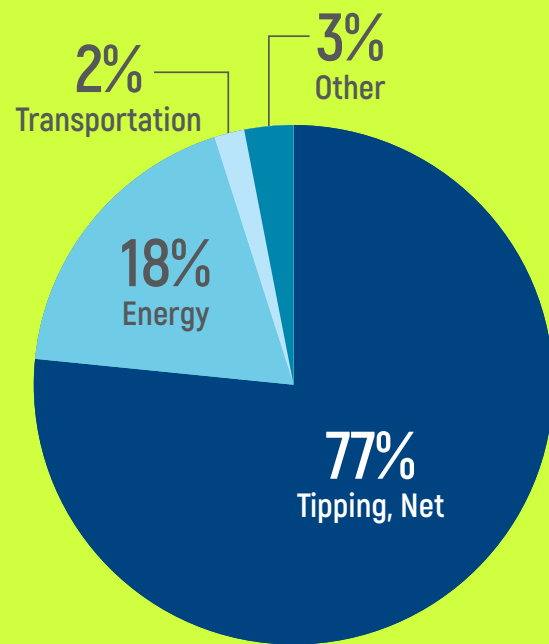
LCSWMA experienced reduced waste volumes in 2019, receiving 979,353 tons, a decrease of 4.7% as compared to the prior year. Strategic diversification of revenue sources provides fiscal strength in weathering market fluctuations as seen last year. The Metals Recovery Facility commenced

commercial operations on June 1, 2019, providing a new revenue source from the sale of recovered metal along with interest income from the loan to Blue Phoenix Inashco USA.

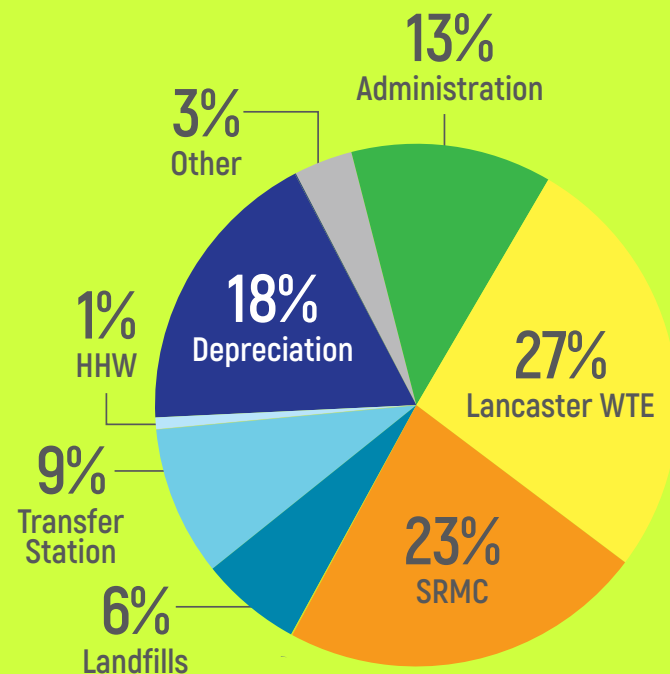
Capital expenditures of \$12.5M (less than the prior year) were covered through free cash flows.

Projects included the completion of the first phase of the Frey Farm Landfill Vertical Expansion project, along with functional upgrades and necessary site maintenance and equipment replacement to support the Integrated System.

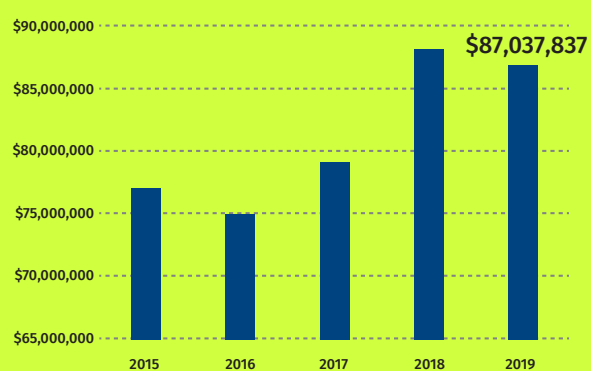
2019 OPERATING REVENUE



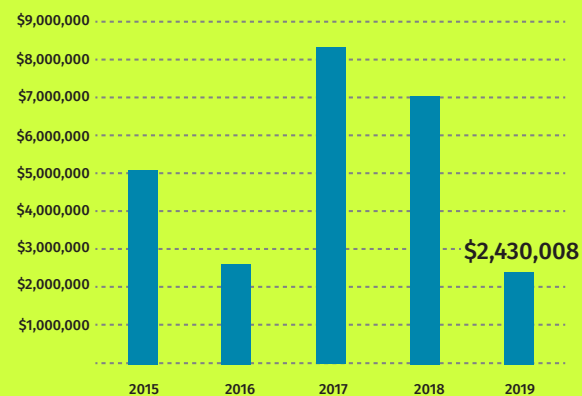
2019 EXPENSES



5-YEAR OPERATING REVENUES



5-YEAR CHANGE IN NET POSITION



For more detailed financial information, including LCSWMA's full audited financials, please visit www.lcswma.org.



STATEMENTS of NET POSITION

DECEMBER 31, 2019 AND 2018

	2019	Restated 2018
ASSETS		
Current Assets	\$ 39,957,753	\$ 39,558,739
Restricted Assets	30,126,456	29,967,763
Other Assets	11,151,178	11,050,744
Real Estate, Facilities, and Equipment	240,448,444	243,233,961
Deferred Outflows of Resources	1,594,364	2,126,814
Total Assets and Deferred Outflows of Resources	323,278,195	325,938,021
LIABILITIES AND NET ASSETS		
Current Liabilities	15,254,647	16,917,471
Long-Term Liabilities	131,586,256	135,006,742
Deferred Inflows of Resources	26,356	32,880
Total Liabilities and Deferred Inflows of Resources	146,867,259	151,957,093
Net Position	\$ 176,410,936	\$ 173,980,928

STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION

DECEMBER 31, 2019 AND 2018

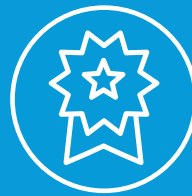
	2019	Restated 2018
OPERATING REVENUES	\$ 87,037,837	\$ 88,435,862
OPERATING AND SUPPORT EXPENSES	82,539,091	78,677,527
Operating Income	4,498,746	9,758,335
NET NONOPERATING EXPENSES	(2,068,738)	(2,659,329)
CAPITAL CONTRIBUTIONS	0	0
Changes in Net Position	\$ 2,430,008	\$ 7,099,006



People.



Purpose.



Pride.

VISION: RETHINKING WASTE FOR A SUSTAINABLE FUTURE

MISSION: MANAGING WASTE AS A RESOURCE TO PROTECT AND BENEFIT OUR COMMUNITY

CORE VALUES: STEWARDSHIP, SAFETY, EXCELLENCE, INNOVATION, LEADERSHIP, EDUCATION, COLLABORATION

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Lester O. Houck
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Alexander Henderson III, Esquire,
General Counsel
Thomas F. Adams,
Chief Operating Officer
Michelle A. Marsh,
Chief Business Development Officer
Kathryn J. Sandoe, Ed.D.,
Chief Commercial Officer
Leslie D. Wireback,
Chief Human Resources Officer
Daniel G. Youngs,
Chief Financial Officer

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