



 **LCSWMA**TM

2020 YEAR IN REVIEW



As COVID-19 disrupted our community, nation, and world last year, people found themselves overwhelmed by the changes that impacted their lives and businesses. They also worried about, and continue to be concerned for, the health of their families and themselves.

While LCSWMA recognizes that trash is not the first thing on your mind (or perhaps not at all), we work hard to ensure that what happens to your waste is something you do *not* have to worry about.

This is why LCSWMA exists: **to serve you**. And since our inception in 1954, **we have remained steadfast in our commitment to protect the environment and serve our community with excellence**, through any challenge that we face as a community, including a life-altering pandemic.

This 2020 Annual Report highlights the various ways LCSWMA fulfilled its core mission, while also protecting our community and natural environment through a very challenging time.

Thank you for your ongoing support and collaboration. We celebrate how countless people and organizations came together last year and stay committed to growing even stronger during this time. We are grateful for all the ways you continue to be a champion of this amazing community.



Robert Zorbaugh
CEO



Joseph Deerin
2020 Board Chair

2020 OPERATIONAL HIGHLIGHTS

MANAGED **963,158** DIRECT TONS
(-1.6% VS. 2019)

52% WASTE-TO-ENERGY
44% RECYCLING
4% LANDFILLED

LANCASTER COUNTY MUNICIPAL SOLID WASTE



ACHIEVED OUTSTANDING ENVIRONMENTAL COMPLIANCE

ALL FACILITIES REMAINED OPEN THROUGH THE PANDEMIC

2020 FINANCIAL HIGHLIGHTS

\$4.9M CHANGE IN NET POSITION

\$88M OPERATING REVENUES
(+0.9% VS. 2019)

\$181M NET POSITION
(+2.8% VS. 2019)

DEBT SERVICE COVERAGE RATIO: 2.7

2020 PROJECT HIGHLIGHTS

STARTED USING PHASE 1 CAPACITY OF THE FREY FARM LANDFILL VERTICAL EXPANSION

INITIATED INSURANCE-RELATED UPGRADES TO LCSWMA FACILITIES FOR IMPROVED FIRE SUPPRESSION

ESTABLISHED FIRST AUTHORITY-OWNED PROPERTY INSURANCE CAPTIVE



LAUNCHED NEW VIRTUAL LEARNING INITIATIVE



Rethink.

Protecting People and the Environment

LCSWMA is committed to protecting people and the environment by managing waste through our nationally recognized, award-winning Integrated System. We do this using an innovative lens that ensures the optimal balance of resource conservation, cost-effectiveness, and attendance to our community's values.



ENVIRONMENTAL SAFETY

Continued outstanding environmental performance across all four facilities



PEOPLE SAFETY

LCSWMA drivers set a record for 3.7M miles driven without an at-fault incident.

LCSWMA employees achieved 1,440 days without a lost time incident.



RECYCLING IN LANCASTER COUNTY:

Recycled 261,909 tons

Achieved 44% recycling rate



HOUSEHOLD HAZARDOUS WASTE FACILITY:

Served 56,617 residents

Received and safely processed 1,648 tons (852 tons were electronics)

DISPOSAL TONS MANAGED SAFELY & EFFICIENTLY:



Transfer Station Complex received 379,475 tons



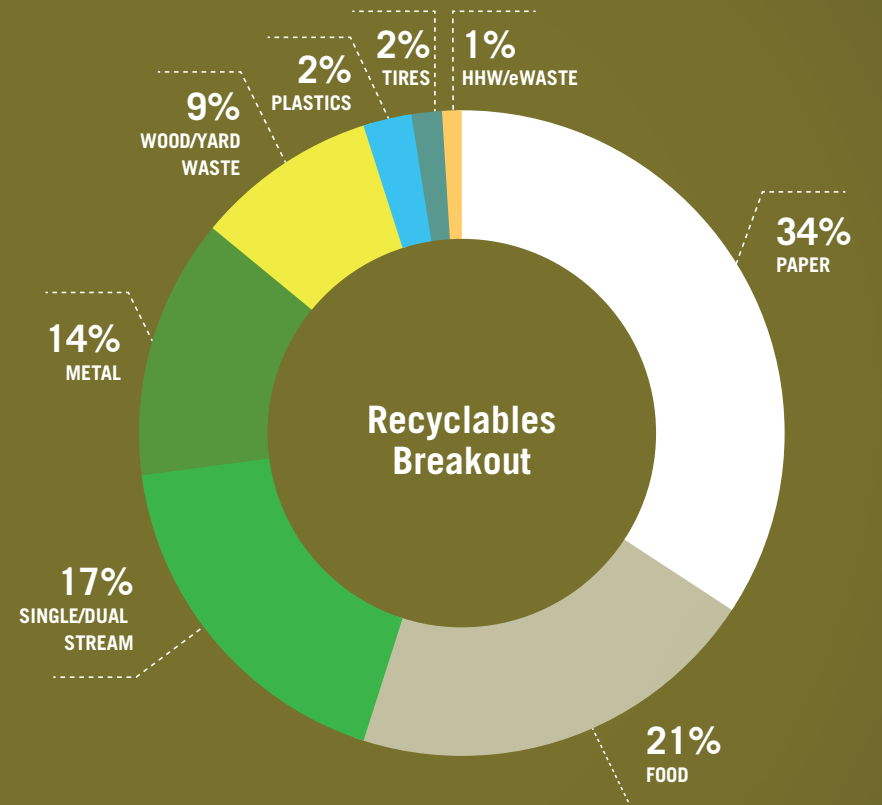
Susquehanna Resource Management Complex received 300,414 tons



Lancaster Waste-to-Energy Facility received 397,690 tons



Frey Farm Landfill received 258,761 tons





Recover.

Returning Value to Our Community

LCSWMA is committed to creating value from waste and returning that value as a benefit to our community. We do this by generating renewable energy (powering the equivalent of 1 in 5 area homes), recovering and recycling metals that would have otherwise been landfilled, reducing greenhouse gas emissions through various green projects, conserving land and water, and much more.



WASTE-TO-ENERGY (WTE):

Produced **304,159 MWhs of energy** from two WTE plants to power around 30,000 local homes & businesses.



SOLAR ENERGY:

Produced **514,622 kWhs of energy** to power 70% of the Transfer Station Complex.



WIND ENERGY:

Produced **6.5M kWhs of energy** for Turkey Hill Dairy's manufacturing plant. That's enough to make roughly 5.2M gallons of ice cream.



GREENHOUSE GAS REDUCTION:

Offset **297,570 metric tons of CO2** equivalent from our green energy portfolio. That's the equivalent of 64,715 passenger cars on the road each year.



STEAM-TO-ENERGY:

Provided **386M pounds of steam** to the Perdue Soybean Processing Plant (Lancaster WTE Facility only).



LANDFILL GAS-TO-ENERGY:

Produced **13.8M kWhs of energy** for the local power grid to power 1,370 local homes and businesses.

METALS RECOVERED & RECYCLED:

Recovered and recycled **16,264 tons of valuable metal** from two WTE plants.





Renew.

Serving You with Excellence

LCSWMA's dedication to our mission is exemplified in the direct and implicit ways we serve our community with excellence. From safely and efficiently managing almost 1M tons of waste each year, to generating renewable energy to power local homes and businesses, to reducing our own environmental footprint, LCSWMA believes in being stewards of our environment and natural resources. Additionally, we believe in upholding the values of our community, including contributing to the betterment of Lancaster and Dauphin counties through how we run our business and the ways we give back.



CONTINUITY

No interruption of service throughout the entire pandemic, including service to commercial haulers and residents delivering material to LCSWMA facilities.



ACHIEVEMENT

Achieved first full year of growth for Stage 1 of the Visual Landscape Synthesis Plan at the Frey Farm Landfill, consisting of 30+ acres of natural succession and 158 trees planted.



PROGRESS

Substantially completed work on the Northwest Lancaster County River Trail (Conoy section), which now offers a paved surface for all 14 miles of this public recreation trail.



OUTREACH

Overhauled our education and outreach to meet the digital needs of the educational community, families, and individuals, including launching a Virtual Tour Series, lesson plans for educators, @Home activities, and more.

FINANCIALS SNAPSHOT

LCSWMA was not immune to the challenges brought by the COVID-19 pandemic. From the onset of the widespread shelter-in-place order, LCSWMA was classified as an essential business and remained fully operational.

Despite a brief second-quarter volume and revenue dip, after which LCSWMA took immediate action to reduce costs and maintain liquidity, waste volumes gradually recovered throughout the balance of the year resulting in total of 963,158 tons received (-1.6% decrease vs. 2019).

Capital expenditures of \$14M were incurred to support infrastructure and equipment necessary to process waste volumes.

Finally, LCSWMA formed a property insurance captive, Sustainable Assurance Company, as a solution to combat an intensely hardening market for property underwriting, specifically within the power generation class of business.

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

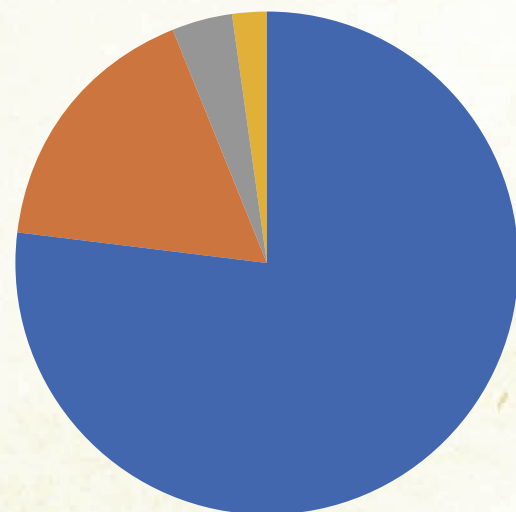


STATEMENTS OF NET POSITION

December 31, 2020 and 2019

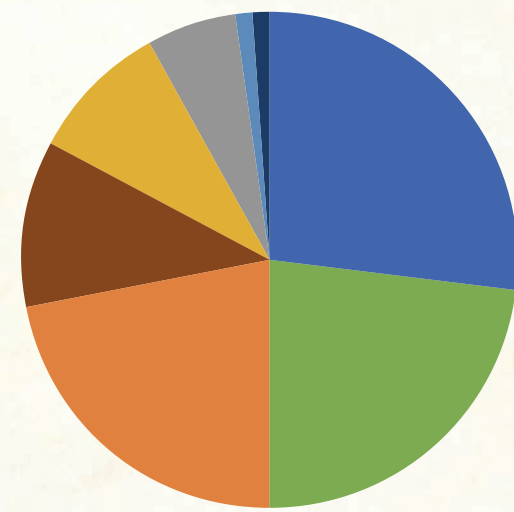
	2020	2019
ASSETS		
Current Assets	\$ 43,534,296	\$ 39,957,753
Restricted Assets	30,352,566	30,126,456
Other Assets	9,965,623	11,151,178
Real Estate, Facilities, and Equipment	236,236,550	240,448,444
Deferred Outflows of Resources	1,546,617	1,594,364
Total Assets and Deferred Outflows of Resources	321,635,652	323,278,195
LIABILITIES & NET POSITION		
Current Liabilities	15,225,839	15,221,722
Long-Term Liabilities	124,878,360	131,619,181
Deferred Inflows of Resources	213,000	26,356
Total Liabilities and Deferred Inflows of Resources	140,317,199	146,867,259
Net Position	\$ 181,318,453	\$ 176,410,936

2020 OPERATING REVENUE



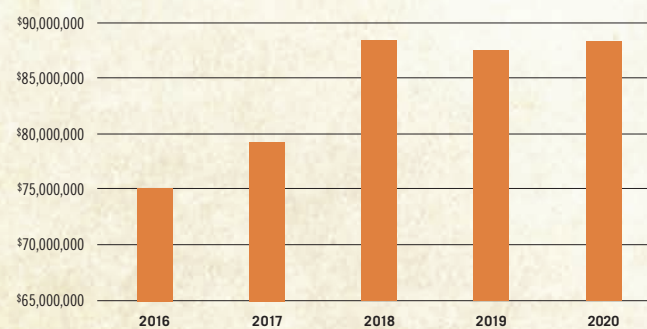
■ Tipping Net (77%) ■ Transportation (4%)
■ Energy (17%) ■ Other (2%)

2020 EXPENSES

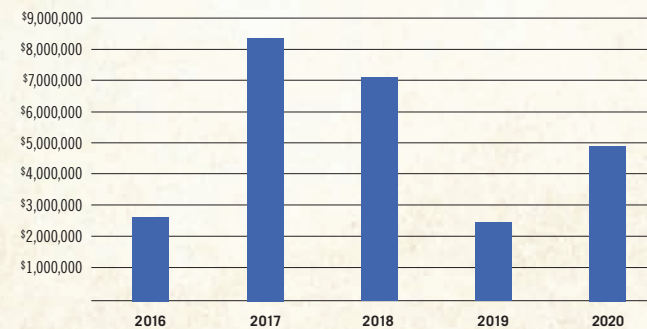


■ Lancaster WTE (27%) ■ Transfer Station (9%)
■ Depreciation (23%) ■ Landfills (6%)
■ SRMC (22%) ■ HHW (1%)
■ Administration (11%) ■ Closure & Post-Closure (1%)

5-YEAR YEAR OPERATING REVENUES



5-YEAR CHANGE IN NET POSITION



STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended December 31, 2020 and 2019

	2020	2019
OPERATING REVENUES	\$ 88,351,107	\$ 87,525,256
OPERATING & SUPPORTING EXPENSES	\$ 82,159,704	\$ 82,683,107
Operating Income	6,191,403	4,842,149
NET NON-OPERATING EXPENSES	(1,283,886)	(2,412,141)
Changes in Net Position	\$ 4,907,517	\$ 2,430,008

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

2020 BOARD OF DIRECTORS:

Joseph Deerin, *Chair*

Michael Brubaker, *Vice Chair*

R. Edward Gordon, *Treasurer*

Karen Weibel, *Secretary*

Steve Dzurik

Lester Houck

John Musser

George Rettew, Jr.

J. Scott Ulrich

EXECUTIVE MANAGEMENT TEAM:

Robert Zorbaugh, *Chief Executive Officer*

Alexander Henderson III, *Esquire, General Counsel*

Thomas Adams, *Chief Operating Officer*

Michelle Marsh, *Chief Business and Compliance Officer*

Daniel Youngs, *Chief Financial Officer*



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