

**AUGUSTA REGIONAL LANDFILL  
VERONA, VIRGINIA**

**ANNUAL  
FINANCIAL REPORT**

**YEARS ENDED JUNE 30, 2024 AND 2023**

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(Hybrid Undivided Interest and Joint Venture  
for the Cities of Staunton and Waynesboro  
and the County of Augusta)

**Prepared by Fiscal Agent:**

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Brent N. Canterbury, CPA  
Director of Finance  
Augusta Water

## **INTRODUCTORY SECTION**

**AUGUSTA REGIONAL LANDFILL**  
**ANNUAL FINANCIAL REPORT**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

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View of Shenandoah National Park from the top of Permit #21.

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## **AUGUSTA REGIONAL LANDFILL**

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(A hybrid undivided interest and joint venture formed by contractual agreement September 21, 1999 for the Cities of Staunton and Waynesboro and the County of Augusta)

### EXECUTIVE COMMITTEE MEMBERS

Michael G. Hamp, II; Chairman  
City of Waynesboro, City Manager

Leslie Beauregard  
City of Staunton, City Manager

Timothy K. Fitzgerald  
County of Augusta, County Administrator

(Operating Management Agreement with  
Augusta Water,  
renewed March 4, 2021)

### OPERATORS AND FISCAL AGENTS: AUGUSTA WATER

Executive Director  
Director of Solid Waste Management

Phillip A. Martin, P.E., L.S.  
Cole Seldomridge

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## **FINANCIAL SECTION**



## **INDEPENDENT AUDITOR'S REPORT**

To the Executive Committee  
Augusta Regional Landfill

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Augusta Regional Landfill (Landfill), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Landfill's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Landfill as of June 30, 2024 and 2023, and respective changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards and specifications 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 Landfill 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 opinion.

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

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

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



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

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4-10 and the required supplementary information on pages 46-53 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Landfill's basic financial statements. The schedules listed in the table of contents as supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedules listed in the table of contents as supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 November 12, 2024 on our consideration of the Landfill's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Landfill's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Landfill's internal control over financial reporting and compliance.

*PBMares, LLP*

Harrisonburg, Virginia  
November 12, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### To the Board of Supervisors of Augusta County, The City Councils of the Cities of Staunton and Waynesboro And Interested Parties to the Augusta Regional Landfill

The Augusta Regional Landfill (Landfill) is a solid waste disposal enterprise jointly owned by the City of Staunton (Staunton), the County of Augusta (Augusta), and the City of Waynesboro (Waynesboro). It is located near the intersection of I64 and I81 in the center of the County of Augusta. The solid waste comes from residents and businesses within the boundaries of the three governments as well as residents of Highland County. The agreement that Highland County would pay commercial tipping fees for its residential solid waste was approved in April 2004.

Permit 21 landfill, contractually formed by Staunton and Augusta in an agreement dated December 11, 1970, was fully closed (capped) in 2005 with final Virginia Department of Environmental Quality (DEQ) certification obtained on December 15, 2005. This date is the official start of the 30-year post-closure care period. Permit 585 landfill, contractually formed on adjacent property by the three governments, amended this original agreement on September 21, 1999 and has been in use since 1998. Under a Landfill Management Agreement renewed on March 4, 2021, Augusta Water continues to contractually operate the Landfill and act as its fiscal agent. The financial statements are presented as a hybrid entity composed of both undivided interests and joint ventures. For more information on the formation of the Landfill and the allocation of revenue, expenses, assets, and liabilities between the governments, please refer to Note 1 of the Notes to the Financial Statements.

This report offers readers of these financial statements a narrative overview and analysis of the financial activities of the Landfill for the fiscal years ended June 30, 2024 and 2023.

### Overview of the Financial Statements

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the Landfill's basic financial statements.

Since the Landfill is engaged only in business-type activities, its basic financial statements are comprised of only two components: 1) enterprise fund financial statements and 2) notes to the financial statements. This report also contains required supplementary information and supplementary schedules in addition to the basic financial statements.

- **Enterprise fund financial statements.** The enterprise fund financial statements are designed to provide readers with a broad overview of the Landfill's finances, in a manner similar to a private-sector business. They can be found following the MD&A.

The *statements of net position* present information on the Landfill's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. However, since portions of the Landfill statements are reported as an "undivided interest" between three governments, there is no true equity or net position; therefore, the Landfill assets and deferred outflows of resources equal their liabilities and deferred inflows of resources and the equity for the Landfill owners can be seen in the various *due to* accounts. The two joint ventures, representing the two permitted areas, however, retain their equity as net position. Over time, increases or decreases in *net position* or the *due to* accounts may serve as a useful indicator of whether the financial position of the Landfill is improving or declining.

## Overview of the Financial Statements (continued)

The *statements of revenues, expenses and changes in net position* present information indicating how the Landfill's net position changed during the most recent fiscal years. However, since portions of the Landfill statements are reported as an "undivided interest" the net position change is zero for this portion of the Landfill and comparisons can only be made between specific revenue or expense lines from one year to the next. Revenues and expenses are reported as soon as the underlying event giving rise to the financial transaction occurs, regardless of the timing of the cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave, post-employment benefits, or landfill closure and post-closure costs).

The *statements of cash flows* disclose net cash provided by or used for operating activities, capital and non-capital financing activities, and investing activities.

- **Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements follow the basic financial statements.
- **Other information.** In addition to the basic financial statements and accompanying notes, the Required Supplementary Schedules presents OPEB and pension information. The Supplementary Schedules section present budget and actual expenses for fiscal year 2024 for the undivided interest portion of the Landfill and present each of the basic financial statements as a combination undivided interest and joint venture from the Landfill owners' perspective. The Statistical Section includes tables that indicate financial, revenue and operational trend data and the underlying basis for the expense allocations between the localities as well as a map of the landfill.

## Financial Summary

The Landfill's net position decreased and the total "due to participating localities" increased this fiscal year. A further summary of the Landfill's financials is provided below:

- Net position increased approximately \$3,378,000 in fiscal year 2024. Higher operating expenses of approximately \$299,000 offset by lower closure and post-closure costs of approximately \$353,000 related to the estimated capacity used for Permit 585 Phases 1-4 and an increase in capital contributions of \$4,068,000 were mainly responsible for the increase in net position.
- The "due to/ (from) participating localities" decreased by \$340,827 indicating the sum of the locality's undivided financial interest decreased in the Landfill. The County of Augusta's due to account decreased by \$328,726, the City of Staunton's due to account increased by \$12,763 and the City of Waynesboro's due to account decreased by \$24,864.
- During fiscal year 2024 the percentage billable waste from Augusta County, Staunton, and Waynesboro were 57%, 53%, and 63%, respectively. The overall percentage billable waste for the landfill was 57% for fiscal year 2024 which was an increase from 56% billable waste during fiscal year 2023. A higher percentage of billable waste at the locality level causes that owner locality to gain financial interest in the Landfill.

## Financial Summary (continued)

- Overall, operating activities provided approximately \$894,000 of cash in fiscal year 2024 which is a decrease of approximately \$393,000 in comparison to fiscal year 2023. Net capital and related financing activities used approximately \$4,807,000 of cash in fiscal year 2024, an approximate \$3,875,000 increase in comparison to fiscal year 2023. This increase was mainly due to capital asset acquisitions of approximately \$8,875,000 offset by capital contributions of approximately \$4,068,000. Investing activities provided approximately \$378,000 of cash in fiscal year 2024, an increase of approximately \$54,000 in comparison to fiscal year 2023, due to higher interest rates for cash deposits. Cash and cash equivalents for fiscal year 2024 decreased approximately \$3,680,000, mainly attributed to an increase in cash used by net capital and related financing activities and a decrease in cash provided by operating activities.

Tipping fees for solid waste brought to the landfill from commercial and industrial customers increased approximately \$33,000 but were insufficient for fiscal year 2024 to cover operating expenses including the non-cash expenses of landfill closure and post-closure and landfill depreciation and amortization. Other income decreased 24.7% and interest earned increased by 16.7%. The decrease in other income is due to lower scrap metal prices while the increase in interest earned is due to higher interest rates for cash deposits.

## Capital Assets

Phases 1 - 3 of Permit #585 landfill are 90.4% full as of June 30, 2024. Phase 4 of Permit #585 was 93.3% full as of June 30, 2024. The Phase 4 cell, which was permitted for use in fiscal year 2010 and can operate concurrently with the final usage of Phases 1 - 3, was utilized in 2018. The opening of Phase 4 provided an additional 17.2 acres for solid waste disposal. Some residual capacity will remain until the Phase 7 overlay is completed.

In fiscal year 2024 capital expenditures were \$9,176,947, an increase of approximately \$7,696,429 from fiscal year 2023. Phase 1 & 3 partial closure costs and the construction of Phase 5 were responsible for the majority of the expenditures.

In fiscal year 2023 capital expenditures were \$1,480,518, an increase of approximately \$461,000 from fiscal year 2022. Phase 1 & 3 partial closure costs and the construction of Phase 5 were responsible for the majority of the expenditures.

Below is a summary comparison of Capital Assets as of June 30, 2024, 2023 and 2022 with a further presentation of changes in Note 4, following the Financial Statements.

	<b>Capital Assets</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Land	\$ 2,243,101	\$ 2,243,101	\$ 2,243,101
Landfill site	13,859,844	13,859,844	13,859,844
Buildings and improvements	2,884,429	2,874,468	2,815,046
Operating equipment and software	7,617,569	7,334,283	7,295,264
Transportation equipment	267,815	267,815	267,815
Construction in progress	11,136,947	2,253,247	871,170
Less: Accumulated depreciation and amortization	(20,825,924)	(19,328,890)	(17,801,476)
Total Capital Assets, net	\$ 17,183,781	\$ 9,503,868	\$ 9,550,764

## Capital Assets (continued)

Each participating government has a choice on major purchases or projects to use any available funds from their portion of the Landfill's cash reserves that have accumulated from tipping fees and other Landfill-generated revenue (and held by the fiscal agent of the Landfill) or contribute additional capital.

The construction in progress is mainly comprised of the wetland stream mitigation from the Phase 4 – 7 permitting process, the landfill gas project, Phase 1 & 3 partial closure and Phase 5 design and construction costs. The wetland stream mitigation project will be removed from the construction in progress and capitalized once DEQ's success criteria have been met.

The Augusta Regional Landfill solicited private developer interest through a Request for Proposal (RFP) in 2010 after conducting greenhouse gas reduction and landfill gas beneficial use feasibility studies in 2009. The selected developer from the landfill gas RFP has withdrawn from the Augusta Regional Landfill gas project. Depressed natural gas prices and the lack of a viable end user have been the major hurdles to the project. No other developers have recently expressed interest in installing a landfill gas collection system at the Augusta Regional Landfill.

The private developer registered the Augusta Regional Landfill gas project with the Climate Action Reserve and installed two vertical wells in Phases 1-3 of Permit No. 585. At this point, Augusta Water and the owner localities believe the Landfill should self-develop the landfill gas collection and control system as part of the next partial closure. The Landfill could then find a developer to convert the collected gas into electricity as a new revenue source for the landfill.

## Net Position

The following table reflects the Landfill's condensed summary of the Statement of Net Position for the Landfill as of June 30, 2024, 2023 and 2022.

	Net Position			2024 to 2023	
	2024	2023	2022	Increase (Decrease)	% Change
Current assets	\$ 992,443	\$ 1,226,563	\$ 992,897	\$ (234,120)	-19.1%
Permit 585 closure sinking fund	7,909,245	11,225,712	10,926,985	(3,316,467)	-29.5%
Capital assets, net	17,183,781	9,503,868	9,550,764	7,679,913	80.8%
Pension asset	-	-	87,300	-	0.0%
Total assets	26,085,469	21,956,143	21,557,946	4,129,326	
Deferred outflows of resources	282,740	319,251	190,292	(36,511)	-11.4%
Total assets and deferred outflows of resources	<u>\$ 26,368,209</u>	<u>\$ 22,275,394</u>	<u>\$ 21,748,238</u>	<u>\$ 4,092,815</u>	18.4%
Current liabilities	\$ 4,305,200	\$ 5,777,158	\$ 1,149,273	\$ (1,471,958)	-25.5%
Noncurrent:					
Compensated absences	58,397	35,756	62,957	22,641	63.3%
Other post-employment benefit obligation	179,575	174,824	204,254	4,751	2.7%
GLI post-employment benefit obligation	43,861	41,407	39,553	2,454	5.9%
Pension obligation	101,077	4,132	-	96,945	2346.2%
Due to/(from) participating localities	(163,280)	177,547	(209,156)	(340,827)	-192.0%
Closure/Post-closure costs	8,979,923	6,444,250	9,390,167	2,535,673	39.3%
Total liabilities	13,504,753	12,655,074	10,637,048	849,679	
Deferred inflows of resources	259,186	393,715	354,567	(134,529)	-34.2%
Total liabilities and deferred inflows of resources	<u>\$ 13,763,939</u>	<u>\$ 13,048,789</u>	<u>\$ 10,991,615</u>	<u>\$ 715,150</u>	5.5%
Net investment in capital assets	\$ 16,242,027	\$ 8,864,457	\$ 9,460,329	\$ 7,377,570	83.2%
Unrestricted net position	(3,637,757)	362,148	1,296,294	(3,999,905)	-1104.5%
Total net position	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>	<u>\$ 10,756,623</u>	<u>\$ 3,377,665</u>	36.6%

## **Net Position (continued)**

Current assets are composed of 53% cash and cash equivalents (not including the sinking fund) in fiscal year 2024 with the remaining balance in accounts receivable. Current assets indicate a decrease of 19.1% compared to the prior year's 23.5% increase. Cash, excluding the sinking fund deposits, decreased approximately \$364,000 while accounts receivable increased approximately \$151,000.

The sinking fund (for the Permit # 585 landfill closure and post-closure costs) decreased 29.5% in fiscal year 2024 compared to a 2.7% increase in fiscal year 2023. This fund may be drawn down by approximately \$2,892,000 in engineering fees and construction costs related to Permit 585 landfill partial closure costs in fiscal year 2025. This is displayed on the full Statement of Net Position as current liability-closure costs.

The 80.8% increase in capital assets was primarily due to asset acquisitions of \$9,176,947 in fiscal year 2024.

Current liabilities decreased 25.5% in fiscal year 2024 compared to a 402.7% increase in fiscal year 2023.

Closure costs related to the Phase 1 & 3 partial closure and gas collection system decreased approximately \$1,678,000 and accounts payable related to operations and capital increased by approximately \$218,000.

The 63.3% increase in noncurrent compensated absences was primarily due to employee elections to use less vacation and sick leave during fiscal year 2024.

The 2.7% increase in the other post-employment benefit obligation, 5.9% increase in GLI post-employment benefit obligations and the 2,346.2% increase in the pension obligation were primarily due to changes in the actuarial estimates.

The decrease of 192.0% in the "Due to/(from) participating localities" liability is an indication the localities lost financial interest in the Landfill, seen more clearly in the Supplementary Schedules that show this "liability" as a sum of each locality's "undivided interest net position". As previously discussed, the County of Augusta's due to account decreased, the City of Staunton's due from account decreased and the City of Waynesboro due to account decreased in fiscal year 2024.

The long-term closure and post-closure cost liabilities increased 39.3% this year due mainly to the increase in the percent full percentage of the Phase 4 of the Permit #585 landfill.

The 34.2% decrease in the deferred inflows was primarily the result of changes in actuarial estimates.

## Revenues, Expenses and Changes in Net Position

The results of the Landfill's operations are reported in the Statement of Revenues, Expenses and Changes in Net Position. The following table presents a condensed summary of this information for the Landfill for years ended June 30, 2024, 2023 and 2022.

	Revenues, Expenses and Changes in Net Position			2024 to 2023	
	2024	2023	2022	Increase (Decrease)	% Change
Revenues					
Tipping fees	\$ 3,694,109	\$ 3,660,833	\$ 3,227,210	\$ 33,276	0.9%
Other income	181,885	241,445	255,118	(59,560)	-24.7%
Nonoperating:					
Interest earned	377,538	323,456	28,612	54,082	16.7%
Gain on disposal of asset	-	-	60,000	-	0.0%
Owner subsidies	340,827	(386,703)	14,555	727,530	-188.1%
Capital contributions	4,068,000	-	450,000	4,068,000	100.0%
Total revenues	<u>8,662,359</u>	<u>3,839,031</u>	<u>4,035,495</u>	<u>4,823,328</u>	125.6%
Expenses					
Operating expenses	2,778,646	2,479,406	2,307,186	299,240	12.1%
Depreciation and amortization expense	1,497,034	1,527,414	1,112,579	(30,380)	-2.0%
Closure/Post-closure costs	1,009,014	1,362,229	891,448	(353,215)	-25.9%
Total expenses	<u>5,284,694</u>	<u>5,369,049</u>	<u>4,311,213</u>	<u>(84,355)</u>	-1.6%
Change in net position	3,377,665	(1,530,018)	(275,718)	4,907,683	-320.8%
Net position, beginning of year	9,226,605	10,756,623	11,032,341	(1,530,018)	-14.2%
Net position, end of year	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>	<u>\$ 10,756,623</u>	<u>\$ 3,377,665</u>	36.6%

Tipping fee revenue increased 0.9% during fiscal year 2024 after increasing 13.4% during fiscal year 2023. Other income decreased 24.7% due to lower scrap quantities and prices in fiscal year 2024.

Operating expenses increased 12.1% in fiscal year 2024 due mainly to an increase in salaries and benefits costs of approximately \$166,000, pension expense of approximately \$37,000, wood waste processing cost of approximately \$31,000 and permit costs of approximately \$31,000.

The Landfill's cash and investments earned 16.7% more interest in fiscal year 2024. This is attributable to an increase in interest rates on cash deposits.

Capital contributions increased approximately \$4,068,000 in fiscal year 2024.

During fiscal year 2024, depreciation and amortization expenses decreased 2.0%, while closure/post-closure costs decreased 25.9%, due mainly to the "percent full" figure which is the basis used to calculate depreciation and closure/post-closure costs. The percentage for Phases 1 – 3 decreased 0.6% in 2024 compared to an increase of 0.1% in 2023. Phase 4 increased 17.3% in 2024 compared to an increase of 14.0% in 2023.



## **Revenues, Expenses and Changes in Net Position (continued)**

On the Statement of Revenues, Expenses and Changes in Net Position operating loss for fiscal year 2024 is approximately \$1,409,000 compared to an operating loss of \$1,467,000 for fiscal year 2023. This decrease is mainly due to a decrease in landfill closure and post-closure costs of approximately \$353,000 which were offset by an approximately \$296,000 increase in daily operating expenses.

### **Contacting Landfill Fiscal Agent**

This financial report is designed to provide the landfill governing bodies, consumers and citizens of the three participating governments, investors, and creditors with a general overview of the Landfill's finances and to demonstrate the Landfill's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the fiscal agent for the Landfill: Director of Finance, Augusta Water, 18 Government Center Lane, P.O. Box 859, Verona, Virginia 24482.

## **BASIC FINANCIAL STATEMENTS**

**AUGUSTA REGIONAL LANDFILL****STATEMENTS OF NET POSITION  
JUNE 30, 2024 AND 2023**

<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Current assets:		
Cash and cash equivalents	\$ 529,784	\$ 893,328
Cash and cash equivalents - Landfill closure sinking fund deposits	7,909,245	11,225,712
Accounts receivable, net of allowance for uncollectibles	462,659	311,554
Miscellaneous receivable	-	2,405
Prepaid expenses	-	19,276
Total current assets	<u>8,901,688</u>	<u>12,452,275</u>
Noncurrent assets:		
Capital assets:		
Land	2,243,101	2,243,101
Landfill site	13,859,844	13,859,844
Buildings and improvements	2,884,429	2,874,468
Operating equipment and software	7,617,569	7,334,283
Transportation equipment	267,815	267,815
Construction in progress	11,136,947	2,253,247
	<u>38,009,705</u>	<u>28,832,758</u>
Less: accumulated depreciation and amortization	<u>(20,825,924)</u>	<u>(19,328,890)</u>
Total capital assets, net	<u>17,183,781</u>	<u>9,503,868</u>
Total noncurrent assets	<u>17,183,781</u>	<u>9,503,868</u>
Total assets	<u>26,085,469</u>	<u>21,956,143</u>
Deferred outflows of resources:		
Pension Plan	240,706	270,565
OPEB - Health care	30,950	40,325
OPEB - GLI	11,084	8,361
Total deferred outflows of resources	<u>282,740</u>	<u>319,251</u>
Total assets and deferred outflows of resources	<u>26,368,209</u>	<u>22,275,394</u>

The accompanying notes to financial statements are an integral part of this financial statement.

**AUGUSTA REGIONAL LANDFILL**

**STATEMENTS OF NET POSITION (CONTINUED)**  
**JUNE 30, 2024 AND 2023**

<b><u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u></b>	<b>2024</b>	<b>2023</b>
Current liabilities:		
Accounts payable-operating	\$ 195,142	\$ 108,130
Accounts payable-capital	909,259	609,235
Due to other governments	107,576	279,298
Due to other governments-capital	32,495	30,176
Compensated absences	52,584	70,881
Closure costs	2,892,194	4,570,000
Post-closure monitoring costs	115,950	109,438
Total current liabilities	<u>4,305,200</u>	<u>5,777,158</u>
Noncurrent liabilities:		
Compensated absences	58,397	35,756
OPEB - Health care	179,575	174,824
OPEB - GLI	43,861	41,407
Pension obligation	101,077	4,132
Amounts due to (from) participating localities:		
County of Augusta	(174,510)	154,216
City of Staunton	(57,786)	(70,549)
City of Waynesboro	69,016	93,880
Closure costs	5,484,985	3,108,863
Post-closure monitoring costs	3,494,938	3,335,387
Total noncurrent liabilities	<u>9,199,553</u>	<u>6,877,916</u>
Total liabilities	<u>13,504,753</u>	<u>12,655,074</u>
Deferred inflows of resources:		
Pension Plan	208,287	324,213
OPEB - Health care	44,780	60,922
OPEB - GLI	6,119	8,580
Total deferred inflows of resources	<u>259,186</u>	<u>393,715</u>
Total liabilities and deferred inflows of resources	<u>13,763,939</u>	<u>13,048,789</u>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	16,242,027	8,864,457
Unrestricted	<u>(3,637,757)</u>	<u>362,148</u>
Total net position	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>

The accompanying notes to financial statements are an integral part of this financial statement.

# AUGUSTA REGIONAL LANDFILL

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Operating revenues:		
Tipping fees:		
County of Augusta	\$ 2,343,807	\$ 2,267,436
City of Staunton	541,529	494,925
City of Waynesboro	808,773	898,472
Other income:		
County of Augusta	92,875	121,341
City of Staunton	81,826	117,679
City of Waynesboro	7,184	2,425
Total operating revenues	<u>3,875,994</u>	<u>3,902,278</u>
Operating expenses:		
Daily operations	2,676,815	2,380,703
County clean-up	15,716	15,619
Leachate management	86,115	83,084
Landfill closure and post-closure costs	1,009,014	1,362,229
Depreciation and amortization	<u>1,497,034</u>	<u>1,527,414</u>
Total operating expenses	<u>5,284,694</u>	<u>5,369,049</u>
Operating loss	<u>(1,408,700)</u>	<u>(1,466,771)</u>
Nonoperating revenues (expenses):		
Interest	377,538	323,456
Subsidies (to) from participating localities:		
County of Augusta	328,726	(381,182)
City of Staunton	(12,763)	77,092
City of Waynesboro	<u>24,864</u>	<u>(82,613)</u>
Total nonoperating revenues (expenses), net	<u>718,365</u>	<u>(63,247)</u>
Capital contributions:		
County of Augusta	1,970,000	-
City of Staunton	1,000,000	-
City of Waynesboro	<u>1,098,000</u>	<u>-</u>
Total capital contributions	<u>4,068,000</u>	<u>-</u>
Change in net position	3,377,665	(1,530,018)
Net position, beginning of year	<u>9,226,605</u>	<u>10,756,623</u>
Net position, end of year	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>

The accompanying notes to financial statements are an integral part of this financial statement.

# AUGUSTA REGIONAL LANDFILL

## STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Operating activities:		
Receipts from customers and users	\$ 3,827,508	\$ 4,023,966
Payments to suppliers	(1,571,899)	(1,520,314)
Payments to employees	(1,361,919)	(1,216,606)
Net cash provided by operating activities	893,690	1,287,046
Capital and related financing activities:		
Acquisition and construction of capital assets	(8,874,604)	(931,542)
Capital contributions from participating localities	4,068,000	-
Net cash used in capital and related financing activities	(4,806,604)	(931,542)
Non-capital and related financing activities:		
Payments to reduce post-closure liability	(144,635)	(122,746)
Cash used in non-capital and related financing activities	(144,635)	(122,746)
Investing activities:		
Investment income	377,538	323,456
Cash provided by investing activities	377,538	323,456
Increase (decrease) in cash and cash equivalents	(3,680,011)	556,214
Cash and cash equivalents, beginning of year	12,119,040	11,562,826
Cash and cash equivalents, end of year	\$ 8,439,029	\$ 12,119,040
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ (1,408,700)	\$ (1,466,771)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Pension expense	45,331	3,755
OPEB expense	(2,016)	3,219
GLI OPEB expense	2,002	1,246
Depreciation and amortization	1,497,034	1,527,414
Landfill closure and post-closure costs	1,009,014	1,362,229
Changes in operating assets and liabilities:		
(Increase) decrease in accounts and misc. receivables	(148,700)	24,638
(Increase) decrease in prepaid expenses	19,276	(817)
Decrease in accounts payable/due to other governments	(84,710)	(117,297)
(Decrease) increase in compensated absences	4,344	(16,395)
Decrease in pension costs	(34,453)	(29,690)
Decrease in GLI other post employment benefits	(4,732)	(4,485)
Net cash provided by operating activities	\$ 893,690	\$ 1,287,046
Significant noncash capital and financing activities:		
Capital assets purchased through accounts payable	\$ 941,754	\$ 639,411

The accompanying notes to financial statements are an integral part of this financial statement.

## **AUGUSTA REGIONAL LANDFILL**

### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **NOTE 1—FORMATION OF THE AUGUSTA REGIONAL LANDFILL:**

The Augusta Regional Landfill (Landfill) is a hybrid undivided interest and joint venture contractually formed by the City of Staunton, Virginia (Staunton), the County of Augusta, Virginia (Augusta) and the City of Waynesboro, Virginia (Waynesboro), pursuant to an agreement dated December 11, 1970, as amended on September 21, 1999 to include Waynesboro. The Landfill is formed to develop regional garbage and refuse disposal, including development of systems and facilities for recycling, waste reduction and disposal alternatives with the ultimate goal of acquiring, financing, constructing, and/or operating and maintaining regional solid waste disposal areas, systems and facilities. The Landfill provides these services to the citizens of its participating governments.

#### **Determination of the Reporting Entity**

The Landfill's governing body is composed of the Board of Supervisors of Augusta County and the City Councils of Staunton and Waynesboro. In accordance with an agreement dated September 21, 1999, by and between Augusta, Staunton and Waynesboro, an Executive Committee has been established to manage the Landfill. The Committee is comprised of the Augusta County Administrator and the Staunton and Waynesboro City Managers, each having one vote. The Committee determines all matters of operation and maintenance, including establishment of user fees and preparation of budget requests to the governing bodies of the three jurisdictions. Augusta, Staunton and Waynesboro have contracted with Augusta Water to operate the Landfill.

On September 21, 1999 representatives from Augusta, Staunton and Waynesboro signed a new landfill operating agreement effective July 1, 2000. The real estate formerly held jointly by Augusta and Staunton, known as Landfill #2, was conveyed to a land trust established by Augusta, Staunton, and Waynesboro for the duration of the landfill operation. The initial percentage ownership of Augusta, Staunton, and Waynesboro, respectively, of the beneficial interest in the land trust real estate and associated rolling stock and equipment was: Augusta, 55%; Staunton, 25%; and Waynesboro, 20%. At the end of the first calendar year, and each subsequent year, the percentages of ownership are adjusted based on respective cumulative tonnage used by each of the localities. A buy-in fee was paid by Waynesboro to Augusta and Staunton in the amount of \$1,542,720, split 55% to Augusta and 45% to Staunton. Initially, operating costs in excess of revenues were split as follows: Augusta, 50%; Staunton, 27.75%; and Waynesboro, 22.25%. Subsequent to the first full calendar year of operations, costs in excess of revenues are shared based on the respective tonnages used by each locality for the immediately preceding calendar year. For the year ended June 30, 2024, daily operation and capital costs were allocated as follows: Augusta, 56.50%; Staunton, 19.34%; and Waynesboro, 24.16%. For the year ended June 30, 2023, daily operation and capital costs were allocated as follows: Augusta, 56.06%; Staunton, 20.18%; and Waynesboro, 23.76%. Twenty percent of commercial and industrial hauling revenues and tipping fees are deposited into a sinking fund account held by the Trustees of the Augusta County Landfill Land Trust to be expended on future closure related costs for the Permit #585 landfill.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

#### **NOTE 1—FORMATION OF THE AUGUSTA REGIONAL LANDFILL (CONTINUED):**

The purpose of the joint landfill is to share costs between the three jurisdictions. This cost sharing is defined by a contractual agreement that the current accounting literature supports by treating this entity as a hybrid joint venture. There is an undivided interest in part of the assets and liabilities and equity interests in other resources. This reflects the complexity of the contractual agreement that recognizes two permitted areas under different terms with the three localities and a dedication of certain tipping fees to closure and post-closure monitoring costs for one of the permitted areas. Accordingly, two joint ventures retain specific noncurrent assets and liabilities for the two specific permitted areas. However, each participating government reports its share of the undivided interest assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses in its own financial statements and the landfill retains no equity in this undivided interest portion. Preparation of financial statements as discussed herein allows for inclusion of this information in the financial statements of the participating governments.

According to an agreement dated September 12, 1990 between Augusta and Staunton, the pro-rata share of closure of the old landfill (Permit #21) is Augusta, 60.33%; and Staunton, 39.67%. According to the agreement dated September 21, 1999, the initial pro-rata share of closure of the new landfill (Permit #585, for the first year of operation) was as follows: Augusta, 50%; Staunton, 27.75%; and Waynesboro, 22.25%. Thereafter, percentages of closure costs and post-closure monitoring costs are allocated based on tonnages of refuse deposited in the cell by each locality as adjusted for the 5% host fee allocated to Staunton and Waynesboro per Section 4-2 of the Agreement. For the year ended June 30, 2024, closure and post-closure monitoring costs were allocated as follows: Augusta, 53.26%; Staunton, 23.93%; and Waynesboro, 22.81%. For the year ended June 30, 2023, closure and post-closure monitoring costs were allocated as follows: Augusta, 53.10%; Staunton, 24.19%; and Waynesboro, 22.71%.

The financial responsibility (the post-closure monitoring and closure cost liabilities) retained by the participating governments at June 30, 2024 is as follows:

	Joint Ventures				Entity Total
	Allocations	Permit #21	Allocations	Permit #585	
County of Augusta	60.33%	\$ 804,457	53.26%	\$ 5,674,661	\$ 6,479,118
Cities of:					
Staunton	39.67%	528,970	23.93%	2,549,656	3,078,626
Waynesboro	0.00%	-	22.81%	2,430,323	2,430,323
Total		\$ 1,333,427		\$ 10,654,640	\$ 11,988,067



# AUGUSTA REGIONAL LANDFILL

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1—FORMATION OF THE AUGUSTA REGIONAL LANDFILL (CONTINUED):

The financial responsibility (the post-closure monitoring and closure cost liabilities) retained by the participating governments at June 30, 2023 is as follows:

	Joint Ventures				Entity Total
	Allocations	Permit #21	Allocations	Permit #585	
County of Augusta	60.33%	\$ 825,302	53.10%	\$ 5,180,281	\$ 6,005,583
Cities of:					
Staunton	39.67%	542,677	24.19%	2,359,906	2,902,583
Waynesboro	0.00%	-	22.71%	2,215,522	2,215,522
Total		\$ <u>1,367,979</u>		\$ <u>9,755,709</u>	\$ <u>11,123,688</u>

The same contractual agreement allocations for net position attributed to each of the joint ventures and the specific “Amounts due to participating localities” from their undivided interests can also be used to determine the financial interests retained by the participating governments for the current and prior years:

As of June 30, 2024:

	Undivided Interests	Joint Ventures				Entity Total
		Allocations	Permit #21	Allocations	Permit #585	
County of Augusta	\$ (174,510)	60.33%	\$ (780,177)	53.26%	\$ 7,401,783	\$ 6,447,096
Cities of:						
Staunton	(57,786)	39.67%	(513,005)	23.93%	3,325,660	2,754,869
Waynesboro	69,016	0.00%	-	22.81%	3,170,009	3,239,025
Total	\$ <u>(163,280)</u>		\$ <u>(1,293,182)</u>		\$ <u>13,897,452</u>	\$ <u>12,440,990</u>

As of June 30, 2023:

	Undivided Interests	Joint Ventures				Entity Total
		Allocations	Permit #21	Allocations	Permit #585	
County of Augusta	\$ 154,216	60.33%	\$ (801,022)	53.10%	\$ 5,604,354	\$ 4,957,548
Cities of:						
Staunton	(70,549)	39.67%	(526,712)	24.19%	2,553,095	1,955,834
Waynesboro	93,880	0.00%	-	22.71%	2,396,890	2,490,770
Total	\$ <u>177,547</u>		\$ <u>(1,327,734)</u>		\$ <u>10,554,339</u>	\$ <u>9,404,152</u>

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 2—SIGNIFICANT ACCOUNTING POLICIES:**

**A. Basic Financial Statements**

Since the Landfill is only engaged in business-type activities, it is required to present only the financial statements required for enterprise funds. For the Landfill, the basic financial statements and required supplementary information consist of:

- Management's discussion and analysis
- Enterprise fund financial statements
  - Statements of Net Position
  - Statements of Revenues, Expenses and Changes in Net Position
  - Statements of Cash Flows
  - Notes to Financial Statements
  - Required Supplementary Schedules

The Augusta Regional Landfill operates as an enterprise activity and its financial statements are prepared on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Landfill accrues revenue for services rendered but not yet billed at the end of the fiscal year. The Landfill follows all applicable GASB pronouncements.

The Landfill distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Landfill's principal ongoing operations. The principal operating revenues of the Landfill are charges to customers for tipping fees. The Landfill also recognizes as operating revenue any movement of funds into or out of the participating jurisdiction's cash reserves for operating, closure, and post-closure expenses. Operating expenses include the cost of services, administrative expenses, closure and post-closure expenses, and depreciation and amortization on capital assets. Non-exchange transactions, in which the Landfill gives (or receives) value without directly receiving (or giving) equal value in exchange, include capital contributions, capital grants and donations. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

**B. Cash and Cash Equivalents**

The Landfill's cash and cash equivalents consist of cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

**C. Investments**

Investments are stated at fair market value. Investments in the Local Government Investment Pool (LGIP) are stated at amortized cost and are reported in the accompanying financial statements as cash equivalents since their average maturity may not exceed 90 days.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 2—SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

##### **D. Allowance for Doubtful Accounts**

The Landfill bills its customers monthly for substantially all of its services. An allowance for doubtful accounts on outstanding receivables has been estimated based on each participating jurisdiction's collection history and an estimate of uncollectible accounts.

##### **E. Capital Assets**

Capital assets are defined by the Landfill as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost. Donated capital assets are recorded at their estimated acquisition value on the date donated. Depreciation and amortization are computed using the straight-line method over the assets' estimated useful lives as follows:

Buildings and improvements	5-15 years
Transportation equipment	5 years
Operating equipment	5-20 years
Software	5 years

Depreciation of landfill cell development and site costs is recorded based on remaining units of capacity. There were no impaired assets at year end.

##### **F. Closure and Post-Closure Obligations**

The Landfill records all estimated closure costs for existing cells as a liability. Upon closure the Landfill is then responsible, under Federal regulations, for monitoring the closed cell for a period of thirty years.

##### **G. Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenditure) until then. The Landfill currently has several items that qualify for reporting in this category. See Notes 9, 10 and 11 for details regarding these items.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Landfill currently has several items that qualify for reporting in this category. See Notes 9, 10 and 11 for details regarding these items.

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 2—SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

**H. Other Post-Employment Benefits-Health Care**

The Health Care Plan is a single-employer plan. Differences between expected and actual experience and actuarial assumptions are amortized over the average of the expected remaining service lives of all employees covered through this plan, which is 6.30 years. Plan amendments are recognized immediately.

**I. Group Life Insurance Program**

The Virginia Retirement System (VRS) Group Life Insurance Program is a multiple employer, cost sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The Group Life Insurance Program was established pursuant to §51.1-500 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. The Group Life Insurance Program is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the net Group Life Insurance Program OPEB liability, deferred outflows of resources and deferred inflows of resources related to the Group Life Insurance Program OPEB, and Group Life Insurance Program OPEB expense, information about the fiduciary net position of the VRS Group Life Insurance program OPEB and the additions to/deductions from the VRS Group Life Insurance Program OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**J. Pensions**

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Virginia Retirement System (VRS) Landfill Retirement Plan and the additions to/deductions from the VRS Landfill Retirement Plan net fiduciary position has been determined on the same basis as they were reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**K. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**L. Subsequent Event**

The Landfill has evaluated subsequent events through November 12, 2024 which was the date the financial statements were available to be issued.

**NOTE 3—DEPOSITS AND INVESTMENTS:**

**Deposits**

All cash of the Landfill is maintained in accounts covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (a multiple financial institution collateral pool), Section 2.2-4400 et. seq. of the *Code of Virginia* or covered by federal depository insurance. Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% to 130% of excess deposits to a collateral pool in the name of the State Treasury Board or, if they opt out of the collateral pool, collateralize from 105% to 130% of the excess in an escrow account held by the State Treasury Board in accordance with Section 2.2-4404. Savings and Loan institutions are required to collateralize 100% of deposits in excess of FDIC limits. Deposits covered by the Act are considered insured since the Treasury Board is authorized to make additional assessments.

**Custodial Credit Risk (Deposits)**

This is the risk that in the event of a bank failure, the Landfill's deposits may not be returned to it. The 2015 Management Agreement states "Augusta Water shall be the fiscal agent for the Owners, managing both deposit and investment accounts of the Owners relating to the landfills." Augusta Water's investment policy requires all deposits to be insured under FDIC or comply with the Virginia Security for Public Deposits Act. At June 30, 2024 none of the Landfill's deposits, held by Augusta Water in the name of the Augusta Regional Landfill, are exposed to custodial credit risk.

**Investments**

Augusta Water, acting under the 2021 Management Agreement as the Landfill's fiscal agent, has issued an investment policy consistent with state statutes that authorize the Landfill to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, bankers' acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP). Pursuant to Section 2.2-4605 *Code of Virginia*, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. Investments in the LGIP are stated at amortized cost and classified as cash and cash equivalents. The Landfill's \$3,867,686 of investments are held in the LGIP with a rating of AAAM, using the Standard & Poor's rating scale, and are reflected on the accompanying financial statements as cash equivalents. The maturity of the LGIP is less than one year.

**Custodial Credit Risk (Investments)**

The 2021 Management Agreement states "Augusta Water shall be the fiscal agent for the Owners, managing both deposit and investment accounts of the Owners relating to the landfills." Therefore, the securities purchased for the Landfill are to be held by Augusta Water in the name of the Augusta Regional Landfill. At June 30, 2024 all of the Landfill's investments were held in accordance with this agreement.

**Credit Risk of Debt Securities**

Augusta Water's investment policy for credit risk is consistent with the investments allowed by state statute as detailed above.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 3—DEPOSITS AND INVESTMENTS (CONTINUED):**

##### **Concentration of Credit Risk**

The Landfill's investment policy limits the investment in bankers' acceptances to 40% of total funds available for investment. Not more than 35% of the Landfill's total investments may be commercial paper and not more than 5% in the obligations of any one issuer in commercial paper. At June 30, 2024 all of the Landfill's investments were held in accordance with this policy.

##### **Interest Rate Risk**

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of limiting exposure to fair value losses arising from increasing interest rates and to comply with the laws of the Commonwealth, the Landfill's policy limits the investment of funds to investments with a stated maturity of no more than five years from the date of purchase. Interest rate risk does not apply to LGIP since it is an external investment pool classified in accordance with GASB Statement No. 79.

	Fair Value	Less Than 1 Year
LGIP	\$ 3,867,686	\$ 3,867,686
Certificates of deposit	4,041,559	4,041,559

The Landfill categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The Landfill has the following recurring fair value measurements as of June 30, 2024:

- Certificates of deposit in the amount of \$4,041,559 are valued using quoted market prices (Level 1 inputs).

#### **NOTE 4—CAPITAL ASSETS AND DEPRECIATION AND AMORTIZATION:**

The Permit #21 landfill site is considered to be substantially utilized and amortized for accounting purposes, and, therefore, the reported book value of the landfill site is \$0 at June 30, 2024 and 2023. The Permit #585 landfill site began accepting waste during the fiscal year ended June 30, 1999.

# AUGUSTA REGIONAL LANDFILL

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4—CAPITAL ASSETS AND DEPRECIATION AND AMORTIZATION (CONTINUED):

A summary of changes in capital assets for the current and prior year follows:

	Balance July 1, 2023	Increases	Decreases/ Transfers	Balance June 30, 2024
<b>Joint Venture for Permit #585</b>				
Capital assets not being depreciated / amortized:				
Land	\$ 2,202,856	\$ -	\$ -	\$ 2,202,856
Construction in progress	2,253,247	8,948,053	(64,353)	11,136,947
Total capital assets not being depreciated / amortized	4,456,103	8,948,053	(64,353)	13,339,803
Capital assets being depreciated and amortized:				
Landfill site	13,859,844	-	-	13,859,844
Buildings and improvements	2,874,468	-	9,961	2,884,429
Operating equipment and software	7,334,283	228,894	54,392	7,617,569
Transportation equipment	267,815	-	-	267,815
Total capital assets being depreciated/amortized	24,336,410	228,894	64,353	24,629,657
Less accumulated depreciation and amortization for:				
Landfill site	(11,205,966)	(841,172)	-	(12,047,138)
Buildings and improvements	(2,367,525)	(57,450)	-	(2,424,975)
Operating equipment and software	(5,527,670)	(585,050)	-	(6,112,720)
Transportation equipment	(227,729)	(13,362)	-	(241,091)
Total accumulated depreciation and amortization	(19,328,890)	(1,497,034)	-	(20,825,924)
Total capital assets being depreciated and amortized, net	5,007,520	(1,268,140)	64,353	3,803,733
Total capital assets, net	\$ 9,463,623	\$ 7,679,913	\$ -	\$ 17,143,536
<b>Joint Venture for Permit #21</b>				
Capital assets not being depreciated:				
Land	\$ 40,245	\$ -	\$ -	\$ 40,245
<b>Grand Total for both Joint Ventures</b>				
Total capital assets, net	\$ 9,503,868	\$ 7,679,913	\$ -	\$ 17,183,781

# AUGUSTA REGIONAL LANDFILL

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 4—CAPITAL ASSETS AND DEPRECIATION AND AMORTIZATION (CONTINUED):

	Balance July 1, 2022	Increases	Decreases/ Transfers	Balance June 30, 2023
<b>Joint Venture for Permit #585</b>				
Capital assets not being depreciated / amortized:				
Land	\$ 2,202,856	\$ -	\$ -	\$ 2,202,856
Construction in progress	871,170	1,480,518	(98,441)	2,253,247
Total capital assets not being depreciated / amortized	3,074,026	1,480,518	(98,441)	4,456,103
Capital assets being depreciated and amortized:				
Landfill site	13,859,844	-	-	13,859,844
Buildings and improvements	2,815,046	-	59,422	2,874,468
Operating equipment and software	7,295,264	-	39,019	7,334,283
Transportation equipment	267,815	-	-	267,815
Total capital assets being depreciated/amortized	24,237,969	-	98,441	24,336,410
Less accumulated depreciation and amortization for:				
Landfill site	(10,435,707)	(770,259)	-	(11,205,966)
Buildings and improvements	(2,228,021)	(139,504)	-	(2,367,525)
Operating equipment and software	(4,923,380)	(604,290)	-	(5,527,670)
Transportation equipment	(214,368)	(13,361)	-	(227,729)
Total accumulated depreciation and amortization	(17,801,476)	(1,527,414)	-	(19,328,890)
Total capital assets being depreciated and amortized, net	6,436,493	(1,527,414)	98,441	5,007,520
Total capital assets, net	\$ 9,510,519	\$ (46,896)	\$ -	\$ 9,463,623
<b>Joint Venture for Permit #21</b>				
Capital assets not being depreciated:				
Land	\$ 40,245	\$ -	\$ -	\$ 40,245
<b>Grand Total for both Joint Ventures</b>				
Total capital assets, net	\$ 9,550,764	\$ (46,896)	\$ -	\$ 9,503,868

### NOTE 5—DUE TO OTHER GOVERNMENTS:

The details of the Due to Other Government accounts are as follows as of June 30, 2024 and 2023:

	2024	2023
Due to other governments-current liability:		
Due to Augusta Water for vendor payments made on the Landfill's behalf	\$ 98,920	\$ 270,702
Due to Augusta Water for accrued payroll	41,151	38,772
	<u>\$ 140,071</u>	<u>\$ 309,474</u>

Employees at the Landfill site are Augusta Water employees under preceding informal arrangements and the current Operating Management Agreement signed in March 2021 between Augusta Water and the participating localities. Therefore, Augusta Water covers personnel-related accruals such as those described below and direct Landfill expenses are passed on to the participating owners as recognized.



## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 5—DUE TO OTHER GOVERNMENTS (CONTINUED):**

##### **Compensated Absences**

Landfill employees earn vacation and sick leave each month at a scheduled rate in accordance with the years of service. Accumulated unpaid vacation and other compensatory leave amounts are accrued when incurred. Sick leave vests at twenty-five percent of the value with a cap of 1,040 hours. The vested amount is recorded as a liability in the financial statements. At June 30, 2024 and 2023 liabilities attributed to the full-time Landfill on-site employees were \$110,981 and \$106,637, respectively.

#### **NOTE 6—CLOSURE AND POST-CLOSURE CARE COSTS:**

State and federal laws and regulations require the Landfill to place a final cover or cap on a landfill cell when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Landfill reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each fiscal year ending date.

The \$8,377,179 reported as landfill closure liability at June 30, 2024 represents the cumulative amount reported to date based on the use of 90.4% of the estimated capacity of the Permit #585 (Phases 1-3) landfill, 93.3% of the estimated capacity of the Permit #585 Phase 4 landfill and the stockpile financial assurance liability. The \$3,610,888 reported as post-closure monitoring liability at June 30, 2024, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the Permit #21 landfill, 90.4% of the estimated capacity of the Permit #585 (Phases 1-3) landfill and 93.3% of the estimated capacity of the Permit #585 Phase 4 landfill. Total closure and post-closure care costs and post-closure monitoring costs accrued at June 30, 2024 for both joint ventures are \$11,988,067. The Landfill will recognize the majority of the remaining estimated cost of closure and post-closure care and post-closure monitoring of \$578,106 for the Permit #585 (Phases 1-3) landfill as the remaining estimated capacity is filled over the next 18 to 24 months and \$202,993 for the newly opened Phase 4 cell as it is filled in the next 2 to 5 years. The amount for the Permit #21 landfill is based on what it would have cost to perform all post-closure care in 2004 and has been inflated annually at the DEQ-approved inflation rate. The amounts for the Permit #585 landfill were re-evaluated in March 2008 based on what it would cost to perform all closure and post-closure care in 2008 and approved by the Virginia Department of Environmental Quality as part of a permit to expand the landfill beyond the first three phases. These costs have been inflated at the DEQ-approved inflation rate since 2009. Actual costs for both permitted landfills may be different due to actual inflation or deflation, changes in technology, or changes in laws or regulations.

Each participating locality is required to submit to the Virginia Department of Environmental Quality by December 30 of each year financial assurance they can meet their allocated financial responsibility for the Augusta Regional Landfill (see Note 1). Each locality met this requirement for calendar year 2023.

# AUGUSTA REGIONAL LANDFILL

## NOTES TO THE FINANCIAL STATEMENTS

### **NOTE 6—CLOSURE AND POST-CLOSURE CARE COSTS (CONTINUED):**

The following is a summary of closure and post-closure transactions for the current and prior year:

	Balance July 1, 2023	Increases	Retirements	Balance June 30, 2024	Due within one year
Landfill closure costs:					
Permit #585 Landfill joint venture	\$ 7,678,863	\$ 698,316	\$ -	\$ 8,377,179	\$2,892,194
Post-closure monitoring costs:					
Permit #585 Landfill joint venture	2,076,846	200,615	-	2,277,461	-
Permit #21 Landfill joint venture	1,367,979	110,083	(144,635)	1,333,427	115,950
Total Post-closure monitoring costs	3,444,825	310,698	(144,635)	3,610,888	115,950
Total Long-Term Liabilities (partial)	<u>\$11,123,688</u>	<u>\$1,009,014</u>	<u>\$ (144,635)</u>	<u>\$11,988,067</u>	<u>\$3,008,144</u>

	Balance July 1, 2022	Increases	Retirements	Balance June 30, 2023
Landfill closure costs:				
Permit #585 Landfill joint venture	\$6,780,986	\$ 897,946	\$ (69)	\$ 7,678,863
Post-closure monitoring costs:				
Permit #585 Landfill joint venture	1,833,707	243,139	-	2,076,846
Permit #21 Landfill joint venture	1,269,512	221,144	(122,677)	1,367,979
Total Post-closure monitoring costs	3,103,219	464,283	(122,677)	3,444,825
Total Long-Term Liabilities (partial)	<u>\$9,884,205</u>	<u>\$1,362,229</u>	<u>\$ (122,746)</u>	<u>\$11,123,688</u>

### **NOTE 7—RISK MANAGEMENT:**

The Landfill is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Landfill carries commercial insurance for these risks of loss including general liability and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### **NOTE 8—COMMITMENTS AND CONTINGENCIES:**

The Landfill is obligated under professional and equipment contracts at year-end, as follows:

Project	Spent- to-date	Remaining Commitment
Phase 5 Construction, Phase 1 & # Partial Closure and Gas Collection System	\$8,282,607	\$ 2,810,690
Roll-Off Trucks	-	446,950
	<u>\$8,282,607</u>	<u>\$ 3,257,640</u>

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 9—OTHER POSTEMPLOYMENT BENEFITS-HEALTH CARE:**

The Landfill participates in a defined benefit single-employer health plan and Landfill employees are eligible for a limited amount of post-employment health and dental benefits as defined in the Augusta Water's Board-approved Personnel Policy Manual. An actuarial study was conducted in fiscal year 2023 and, based on a percentage of full-time employees, the Landfill has been allocated an obligation for on-site Landfill employees.

GASB Statement 75 addressed how local governments should account for and report their costs related to post-employment health care and other non-pension benefits. Historically, the Landfill funded any retiree health benefit subsidies on a pay-as-you-go basis but GASB Statement 75 required the Landfill accrue the cost of the retiree health subsidy and other post-employment benefits during the period of employees' active employment, while the benefits are earned, and record the unfunded actuarial accrued liability in order to account for the total future cost of post-employment benefits. This funding methodology mirrors the funding approach used for pension benefits.

**A. Plan Description**

Augusta Water administers a single-employer defined benefit healthcare plan that provides healthcare insurance for eligible retirees and their dependents through the Landfill's group health insurance plan, which covers both active and retired members. Retirees who have five or more years of service with the Landfill and are age 55 or older with full or reduced retirement benefits from the VRS Retirement System are eligible to remain in the healthcare plan at the blended premium rate with a \$2,500 per year maximum subsidy (paid by the Landfill) until they are eligible for Medicare or unsubsidized when Medicare is available. Retirees and terminated employees can also elect COBRA coverage for up to eighteen months if previously enrolled in Augusta Water's health or dental insurance plans.

Eligible employees must elect coverage immediately upon retirement. Employees who terminate prior to retirement eligibility are not eligible for the health insurance. Dependents, including surviving spouses, are permitted access to medical coverage also. As of the end of the current fiscal year, there were no employees who participated in the Landfill's group insurance plan.

The plan does not issue a publicly available financial report. The contribution requirements of plan members are established and may be amended by the Augusta Water's Board of Directors.

As of the June 30, 2024 actuarial valuation, the following employees were covered by the benefit terms:

	<u>Number</u>
Active members	111
Inactive members or beneficiaries currently receiving benefits	<u>1</u>
Total covered employees	<u><u>112</u></u>

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 9—OTHER POSTEMPLOYMENT BENEFITS-HEALTH CARE (CONTINUED):**

##### **B. Total OPEB Liability (TOL)**

The Landfill's OPEB liability was measured as of June 30, 2024, and the total OPEB Liability was determined by an actuarial valuation as of July 1, 2023.

##### **Actuarial Assumptions**

The total OPEB liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.50%
Discount rate*	3.86%
Healthcare trend costs	6.50% for fiscal year 2024, decreasing 0.25% per year to an ultimate rate of 4.50%
Mortality Rates	RP-2014 Fully Generational Mortality Table, with base year 2006, using two-dimensional improvement scale MP-2021.

\*Discount rates used to measure TOL were based on the Municipal GO AA 20-year yield curve rate as of the measurement date.

##### **C. Changes in the Total OPEB Liability**

	Total OPEB Health Care Liability
Balance at June 30, 2023	\$ 174,824
Changes for the Year:	
Service cost	4,366
Interest	3,338
Differences between expected and actual experience	(2,311)
Changes in assumptions	(642)
Net changes	4,751
Balance at June 30, 2024	\$ 179,575

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 9—OTHER POSTEMPLOYMENT BENEFITS-HEALTH CARE (CONTINUED):****C. Changes in the Total OPEB Liability (Continued)****Sensitivity of the total OPEB liability to changes in the discount rate.**

The following presents the Landfill's Total OPEB Liability, calculated using the discount rate of 3.86%. It also presents what the Landfill's Total OPEB Liability would be if it were calculated using a discount rate one percentage point lower (2.86%) and one percentage point higher (4.86%) than the current rate.

	1% Decrease (2.86%)	Current Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB Liability	\$ 198,760	\$ 179,575	\$ 162,692

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate.**

The following presents the Landfill's Total OPEB Liability, calculated using the current healthcare trend rate of 6.50%. It also presents what the Landfill's Total OPEB Liability would be if it were calculated using healthcare trend rate one percentage point lower (5.50%) and one percentage point higher (7.50%) than the current rate.

	1% Decrease (5.50%)	Current Trend Rate (6.50%)	1% Increase (7.50%)
Total OPEB Liability	\$ 162,948	\$ 179,575	\$ 198,760

**D. OPEB Expense and Deferred Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2024, the Landfill recognized OPEB-Health Care income of \$2,016. At June 30, 2024, the employer reported deferred outflows of resources and deferred inflows of resources related to the OPEB-Health Care from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	\$ 18,890	\$ 11,023
Changes of assumptions	12,060	33,757
Total	<u>\$ 30,950</u>	<u>\$ 44,780</u>

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 9—OTHER POSTEMPLOYMENT BENEFITS-HEALTH CARE (CONTINUED):**

##### **D. OPEB Expense and Deferred Inflows of Resources Related to OPEB (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB Health Care will be recognized in the OPEB-Health Care expense in future reporting periods as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ (8,887)
2026	(4,471)
2027	(2,442)
2028	2,356
2029	(386)
	<u>\$ (13,830)</u>

The OPEB Health Care plan issues a stand-alone report that can be obtained by writing the Director of Finance of Augusta Water at P.O. Box 859, Verona, VA 24482 or by email at [finance@augustawater.com](mailto:finance@augustawater.com).

#### **NOTE 10—GROUP LIFE INSURANCE PROGRAM:**

##### **A. Plan Description**

All full-time, salaried permanent employees of the Landfill are automatically covered by the VRS Group Life Insurance Program (GLI) upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia.

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI program. For members who elect the optional GLI coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from the members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI OPEB.

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****A. Plan Description**

The specific information for GLI OPEB, including eligibility, coverage and benefits is set out in the table below:

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
<p><b>Eligible Employees</b> The GLI was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program.</p> <p>Basic GLI coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their accumulated retirement member contributions and accrued interest.</p>
<p><b>Benefit Amounts</b> The benefits payable under the GLI have several components.</p> <ul style="list-style-type: none"> <li>• Natural Death Benefit – The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.</li> <li>• Accidental Death Benefit – The accidental death benefit is double the natural death benefit.</li> <li>• Other Benefit Provisions – In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include: <ul style="list-style-type: none"> <li>○ Accidental dismemberment benefit</li> <li>○ Safety belt benefit</li> <li>○ Repatriation benefit</li> <li>○ Felonious assault benefit</li> <li>○ Accelerated death benefit option</li> </ul> </li> </ul>
<p><b>Reduction in Benefit Amounts</b> The benefit amounts provided to members covered under the GLI are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.</p>
<p><b>Minimum Benefit Amount and Cost-of-Living Adjustment (COLA)</b> For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the GLI program. The minimum benefit was set at \$8,000 by statute in 2015.. This amount will be increased annually based on the VRS Plan 2 COLA. The minimum benefit adjusted for COLA was \$9,254 as of June 30, 2024.</p>

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****B. Contributions**

The contribution requirements for the GLI are governed by Sections 51.1-506 and 51.1-508 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI was 1.34% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.80% (1.34% X 60%) and the employer component was 0.54% (1.34% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2024 was .54% of covered employee compensation. This rate was the final approved General Assembly rate which was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI from the Landfill were \$4,445 and \$3,601 for the years ended June 30, 2024 and June 30, 2023, respectively.

In June 2023, the Commonwealth made a special contribution of approximately \$10.1 million to the Group Life Insurance plan. This special payment was authorized by Chapter 2 of the Acts of Assembly of 2022, Special Session I, as amended by Chapter 769, 2023 Acts of Assembly Reconvened Session, and is classified as a special employer contribution. Our proportionate share of \$287 is reflected in Other Income on the Statements of Revenues, Expenses and Changes in Net Position of our financial statements.

**C. GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB**

At June 30, 2024, the Landfill reported a liability of \$43,861 for its proportionate share of the net GLI OPEB liability. The net GLI OPEB liability was measured as of June 30, 2023 and the total GLI OPEB liability used to calculate the net GLI OPEB liability was determined by an actuarial valuation performed as of June 30, 2022, and rolled forward to the measurement date of June 30, 2023. The covered employer's proportion of the net GLI OPEB liability was based on the covered employer's actuarially determined employer contributions to the GLI for the year ended June 30, 2023 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2023, the participating employer's proportion was \$43,861 or 0.00366% as compared to \$41,407 or 0.00344% at June 30, 2022.

For the year ended June 30, 2024, the Landfill recognized GLI OPEB expense of \$2,002. Since there was a change in the proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.



## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****C. GLI OPEB Liabilities, GLI OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Group Life Insurance Program OPEB (Continued)**

At June 30, 2024, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 3,935	\$ 1,196
Net difference between projected and actual earnings on GLI OPEB program investments	-	1,583
Changes of assumptions	842	2,730
Changes in proportion	1,862	610
Employer contributions subsequent to the measurement date	4,445	-
Total	<u>\$ 11,084</u>	<u>\$ 6,119</u>

The information above is derived from the actuarial valuation report for Augusta Water. No separate data on funding progress is available solely for the Landfill. The Landfill has recorded a net GLI OPEB liability of \$43,861 on its Statements of Net Position based on a percentage of creditable compensation to the plan for fiscal years 2014-2023. The Landfill's percentage of creditable compensation to the plan was 11.36 percent. This percentage was used to allocate a portion of the net GLI OPEB liability to the Landfill.

The \$4,445 reported as deferred outflows of resources related to the GLI OPEB resulting from the employer's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ending June 30,	Amount
2025	\$ 104
2026	104
2027	104
2028	104
2029	104
	<u>\$ 520</u>

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****D. Actuarial Assumptions**

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method. The following assumptions, which applied to all periods included in the measurement, were used to roll the valuation forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation:	
Locality – general employees	3.5%-5.35%
Investment rate of return	6.75%, net of investment expenses, including inflation

**Mortality Rates – Largest 10 Locality Employers - General Employees**

Pre-Retirement: Pub-2010 Amount Weighted Safety Employee Rates projected generationally; males set forward 2 years; 105% of rates for females set forward 3 years.

Post-Retirement: Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 95% of rates for males set forward 2 years; 95% of rates for females set forward 1 year.

Post-Disablement: Pub-2010 Amount Weighted General Disabled Rates projected generationally; 110% of rates for males set forward 3 years; 110% of rates for females set forward 2 years.

Beneficiaries and Survivors: Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally.

Mortality Improvement Scale: Rates projected generationally with Modified MP-2020 Improvement Scale that is 75% of the MP-2020 rates.

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****D. Actuarial Assumptions (Continued)****Mortality Rates – Largest 10 Locality Employers - General Employees (Continued)**

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period from July 1, 2026 through June 30, 2020, expect the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Updated to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each age and service decrement through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change

**E. Net GLI OPEB Liability**

The net OPEB liability (NOL) for the GLI represents the program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2023, NOL amounts for the GLI is as follows (expressed in thousands):

	<u>GLI OPEB Program</u>
Total GLI OPEB Liability	\$ 3,907,052
Plan fiduciary net position	<u>2,707,739</u>
Employers' net GLI OPEB liability	<u><u>\$ 1,199,313</u></u>
Plan fiduciary net position as a percentage of the total GLI OPEB liability	69.30%

The total GLI OPEB liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****F. Long-Term Expected Rate of Return**

The long-term expected rate of return on the System's investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
	Inflation		2.50%
	* Expected arithmetic nominal return		8.25%

\*The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%.

On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 10—GROUP LIFE INSURANCE PROGRAM (CONTINUED):****G. Discount Rate**

The discount rate used to measure the total GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made in accordance with the VRS funding policy and at rates equal to the actuarially determined contribution rates adopted by the VRS Board of Trustees. Through the fiscal year ending June 30, 2023, the rate contributed by the Landfill for the VRS GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly, which was 113% of the actuarially determined contribution rate. From July 1, 2023 on, employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

**H. Sensitivity of the Landfill's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the Landfill's proportionate share of the net GLI OPEB liability using the discount rate of 6.75%, as well as what the Landfill's proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Landfill's proportionate share of the GLI net OPEB liability	\$ 65,016	\$ 43,861	\$ 26,757

**I. Group Life Insurance Program Fiduciary Net Position**

Detailed information about the GLI's Fiduciary Net Position is available in the separately issued VRS 2023 *Annual Comprehensive Financial Report* (Annual Report). A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2023-annual-report.pdf](http://varetire.org/pdf/publications/2023-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 11—PENSION PLAN:**

Name of Plan: Virginia Retirement System (VRS)

Identification of Plan: Agent Multiple-Employer Pension Plan

Administering Entity: Virginia Retirement System (System)

#### **A. Plan Description**

All full-time, salaried permanent employees of the Landfill are automatically covered by VRS Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

#### **B. Employees Covered by Benefit Terms (All Augusta Water employees including the Landfill)**

As of the June 30, 2022 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Retirees and Beneficiaries	71
Inactive Vested Members	18
Inactive Nonvested Members	32
Long Term Disability	19
Active Members	105
Total Covered Employees	245

The totals above are reflective of both Landfill and Augusta Water employees. Separate data is not available for each entity.

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 11—PENSION PLAN (CONTINUED):****C. Contributions**

The contribution requirement for active employees is governed by Section 51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The Landfill's contractually required contribution rate for the year ended June 30, 2024 was 5.45% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2021.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by an employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Landfill were \$34,464 and \$29,682 for the years ended June 30, 2024 and 2023, respectively.

**D. Net Pension Liability**

The Landfill's net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2022, rolled forward to the measurement date of June 30, 2023.

**E. Actuarial Assumptions**

The total pension liability for the Landfill's retirement plan was based on an actuarial valuation as of June 30, 2022, using the Entry Age Normal actuarial cost method and the following assumptions, applied to periods included in the measurement and rolled forward to the measurement date of June 30, 2023.

Inflation	2.50%
Salary increases, including inflation	3.50% – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 11—PENSION PLAN (CONTINUED):****E. Actuarial Assumptions (Continued)**

Mortality Rates:	
– Pre-retirement:	Pub-2010 Amount Weighted Safety Employee Rates projected generationally; 95% of rates for males; 105% of rates for females set forward 2 years.
– Post-retirement:	Pub-2010 Amount Weighted Safety Healthy Retiree Rates projected generationally; 110% of rates for males; 105% of rates for females set forward 3 years.
– Post-disablement:	Pub-2010 Amount Weighted General Disabled Rates projected generationally; 95% of rates for males set back 3 years; 90% of rates for females set back 3 years.
– Beneficiaries and Survivors:	Pub-2010 Amount Weighted Safety Contingent Annuitant Rates projected generationally; 110% of rates for males and females set forward 2 years.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016 through June 30, 2020, except the change in the discount rate which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age.
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	No change
Salary Scale	No change
Discount Rate	No change



## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 11—PENSION PLAN (CONTINUED):****F. Long-Term Expected Rate of Return**

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return*
Public Equity	34.00%	6.14%	2.09%
Fixed Income	15.00%	2.56%	0.38%
Credit Strategies	14.00%	5.60%	0.78%
Real Assets	14.00%	5.02%	0.70%
Private Equity	16.00%	9.17%	1.47%
MAPS - Multi-Asset Public Strategies	4.00%	4.50%	0.18%
PIP - Private Investment Partnership	2.00%	7.18%	0.14%
Cash	1.00%	1.20%	0.01%
Total	100.00%		5.75%
	Inflation		2.50%
	* Expected arithmetic nominal return		8.25%

\*The above allocation provides a one-year return of 8.25%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 7.14%, including expected inflation of 2.50%.

On June 15, 2023, the VRS Board elected a long-term rate of 6.75% which is roughly at the 45<sup>th</sup> percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.14%, including expected inflation of 2.50%.

## NOTES TO THE FINANCIAL STATEMENTS

**NOTE 11—PENSION PLAN (CONTINUED):****G. Discount Rate**

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the Employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions; political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2023, the alternate rate was the employer contribution rate used in fiscal year 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2022, actuarial valuations, whichever was greater. From July 1, 2023 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension asset/liability.

**H. Changes in the Net Pension Liability**

	Total Liability	Plan Net Position	Net Pension Liability
Balance at June 30, 2022	\$ 2,668,815	\$ 2,664,683	\$ 4,132
Changes for the Year:			
Service cost	64,842	-	64,842
Interest	170,832	-	170,832
Difference between expected and actual experience	83,063	-	83,063
Contributions – employer	-	29,682	(29,682)
Contributions – employee	-	30,410	(30,410)
Net investment income	-	163,264	(163,264)
Benefit payments, including refunds of employee contributions	(118,659)	(118,659)	-
Administrative expense	-	(1,630)	1,630
Other changes	-	66	(66)
Net changes	200,078	103,133	96,945
Balance at June 30, 2023	\$ 2,868,893	\$ 2,767,816	\$ 101,077

# AUGUSTA REGIONAL LANDFILL

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 11—PENSION PLAN (CONTINUED):

#### I. Sensitivity of the Net Pension (Asset)/Liability to Changes in the Discount Rate

The following presents the net pension (asset)/liability of the Landfill, using the discount rate of 6.75%, as well as what the Landfill's net pension (asset)/liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Plan's net pension (asset)/liability	\$462,059	\$101,077	\$(246,741)

#### J. Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the Landfill recognized pension expense of \$45,331. At June 30, 2024, the Landfill reported deterred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on plan investments	\$ 133,451	\$ 175,962
Differences between expected and actual experience	56,693	32,325
Changes of assumptions	16,098	-
Employer contributions subsequent to the measurement date	34,464	-
Total	<u>\$ 240,706</u>	<u>\$ 208,287</u>

The \$34,464 reported as deferred outflows of resources related to pensions resulting from the Landfill's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2025	\$ (11,420)
2026	(33,044)
2027	41,130
2028	1,289
	<u>\$ (2,045)</u>

NOTES TO THE FINANCIAL STATEMENTS

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**NOTE 11—PENSION PLAN (CONTINUED):**

**K. Pension Plan Data**

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2023 Annual Report. A copy of the 2023 VRS Annual Report may be downloaded from the VRS website at [varetire.org/pdf/publications/2023-annual-report.pdf](http://varetire.org/pdf/publications/2023-annual-report.pdf), or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

**NOTE 12—PENDING GASB STATEMENTS:**

At June 30, 2024, the Governmental Accounting Standards Board (GASB) had issued statements not yet implemented by the Landfill. The statements which might impact the Landfill are as follows:

GASB Statement No. 101, Compensated Absences, is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement 101 will be effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 102, Certain Risk Disclosures, requires the Landfill to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires the Landfill to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If the Landfill determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. Statement 102 will be effective for the Landfill beginning with its year ending June 30, 2025.

GASB Statement No. 103, Financial Reporting Model Improvements, provides guidance to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. Statement 103 will be effective for the Landfill beginning with its year ending June 30, 2026.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 12—PENDING GASB STATEMENTS (CONTINUED):**

GASB Statement No. 104, Disclosures of Certain Capital Assets, requires the Landfill to provide users of government financial statements with essential information about certain types of capital assets. This statement requires certain types of capital assets to be disclosed separately in the capital assets not disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnership and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Statement 104 will be effective for the Landfill beginning with its year ending June 30, 2026.

The Landfill has not yet determined the effect of these statements on its financial statements.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

# AUGUSTA REGIONAL LANDFILL

## SCHEDULE OF CHANGES IN TOTAL OPEB HEALTH CARE LIABILITY AND RELATED RATIOS

	Fiscal Year June 30,						
	2018	2019	2020	2021	2022	2023	2024
Total OPEB Health Care liability:							
Service cost	\$ 9,643	\$ 8,864	\$ 7,189	\$ 7,062	\$ 8,371	\$ 9,679	\$ 4,366
Interest	6,077	5,555	4,919	3,593	3,008	2,747	3,338
Changes of benefit terms	-	(14,486)	-	-	-	-	-
Differences between expected and actual experience	-	(11,464)	(28,378)	9,664	17,266	8,764	(2,311)
Changes in assumptions	-	(19,973)	5,170	7,805	12,818	(50,620)	(642)
Benefit payments	(1,899)	1,700	(290)	-	-	-	-
Net change in total OPEB liability	13,821	(29,804)	(11,390)	28,124	41,463	(29,430)	4,751
Total OPEB Health Care liability - beginning	162,040	175,861	146,057	134,667	162,791	204,254	174,824
Total OPEB Health Care liability - ending	\$ 175,861	\$ 146,057	\$ 134,667	\$ 162,791	\$ 204,254	\$ 174,824	\$ 179,575
Plan fiduciary net position:							
Contributions - employer	\$ 1,899	\$ (1,700)	\$ 290	\$ -	\$ -	\$ -	\$ -
Benefit payments, including refunds of employee	(1,899)	1,700	(290)	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Health Care liability - ending (a) - (b)	\$ 175,861	\$ 146,057	\$ 134,667	\$ 162,791	\$ 204,254	\$ 174,824	\$ 179,575
Plan fiduciary net position as a percentage of the total liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 675,559	\$ 604,475	\$ 714,608	\$ 702,141	\$ 774,990	\$ 774,990	\$ 1,003,318
Total OPEB liability as a percentage of covered payroll	26.03%	24.16%	18.84%	23.18%	26.36%	22.56%	17.90%

Note to schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Landfill will present information for those years which information is available.



## AUGUSTA REGIONAL LANDFILL

### SCHEDULE OF THE LANDFILL'S CONTRIBUTIONS – OPEB – HEALTH CARE

	Fiscal Year June 30,						
	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contributions (ADC)	\$ 8,580	\$ 11,465	\$ 4,666	\$ 17,594	\$ 31,523	\$ 22,236	\$ 3,338
Contributions in relation to the ADC	1,899	(1,700)	290	-	-	-	-
Contribution deficiency	<u>\$ 6,681</u>	<u>\$ 9,765</u>	<u>\$ 4,376</u>	<u>\$ 17,594</u>	<u>\$ 31,523</u>	<u>\$ 22,236</u>	<u>\$ 3,338</u>
Covered payroll	\$ 675,559	\$ 604,475	\$ 714,608	\$ 702,141	\$ 774,990	\$ 774,990	\$ 1,003,318
Contributions as a percentage of covered-employee payroll	0.28%	-0.28%	0.04%	0.00%	0.00%	0.00%	0.00%

Note to Schedule:

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Landfill will present information for those years which information is available.

# AUGUSTA REGIONAL LANDFILL

## SCHEDULE OF CHANGES IN THE LANDFILL'S NET PENSION (ASSET)/LIABILITY AND RELATED RATIOS – VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total pension liability										
Service cost	\$ 56,591	\$ 54,535	\$ 54,996	\$ 55,224	\$ 53,451	\$ 56,518	\$ 61,863	\$ 61,430	\$ 55,117	\$ 64,842
Interest	114,486	120,595	127,080	135,847	139,807	145,669	149,764	160,653	171,318	170,832
Changes of assumptions	-	-	-	(40,199)	-	65,599	-	53,935	-	-
Difference between expected and actual experience	-	788	16,486	5,349	(11,318)	(22,930)	74,797	(16,351)	(71,588)	83,063
Benefit payments, including refunds of employee contributions	(78,052)	(72,304)	(75,643)	(81,105)	(87,895)	(90,876)	(104,453)	(133,507)	(111,400)	(118,659)
Net change in total pension liability	93,025	103,614	122,919	75,116	94,045	153,980	181,971	126,160	43,447	200,078
Total pension liability - beginning	1,674,538	1,767,563	1,871,177	1,994,096	2,069,212	2,163,257	2,317,237	2,499,208	2,625,368	2,668,815
Total pension liability - ending (a)	\$ 1,767,563	\$ 1,871,177	\$ 1,994,096	\$ 2,069,212	\$ 2,163,257	\$ 2,317,237	\$ 2,499,208	\$ 2,625,368	\$ 2,668,815	\$ 2,868,893
Plan fiduciary net position										
Contributions - employer	\$ 49,337	\$ 46,310	\$ 47,045	\$ 39,124	\$ 38,214	\$ 31,029	\$ 31,003	\$ 40,029	\$ 37,575	\$ 29,682
Contributions - employee	28,152	28,507	29,086	30,947	30,317	30,965	31,002	31,471	30,270	30,410
Net investment income	227,208	76,131	30,414	214,229	143,564	137,201	40,931	582,905	(2,851)	163,264
Benefit payments, including refunds of employee contributions	(78,052)	(72,304)	(75,643)	(81,105)	(87,895)	(90,876)	(104,453)	(133,507)	(111,400)	(118,659)
Administrative expense	(1,211)	(1,024)	(1,060)	(1,225)	(1,230)	(1,352)	(1,410)	(1,469)	(1,640)	(1,630)
Other	12	(16)	(13)	(191)	(128)	(86)	(49)	55	61	66
Net change in plan fiduciary net position	225,446	77,604	29,829	201,779	122,842	106,881	(2,976)	519,484	(47,985)	103,133
Plan fiduciary net position - beginning	1,431,779	1,657,225	1,734,829	1,764,658	1,966,437	2,089,279	2,196,160	2,193,184	2,712,668	2,664,683
Plan fiduciary net position - ending (b)	\$ 1,657,225	\$ 1,734,829	\$ 1,764,658	\$ 1,966,437	\$ 2,089,279	\$ 2,196,160	\$ 2,193,184	\$ 2,712,668	\$ 2,664,683	\$ 2,767,816
Landfill's net pension (asset)/liability - ending (a) - (b)	\$ 110,338	\$ 136,348	\$ 229,438	\$ 102,775	\$ 73,978	\$ 121,077	\$ 306,024	\$ (87,300)	\$ 4,132	\$ 101,077
Plan fiduciary net position as a percentage of the total pension liability	93.8%	92.7%	88.5%	95.0%	96.6%	94.8%	87.8%	103.3%	99.8%	96.5%
Covered payroll	\$ 553,136	\$ 572,267	\$ 607,808	\$ 627,584	\$ 621,523	\$ 637,908	\$ 640,531	\$ 649,248	\$ 625,357	\$ 666,768
Landfill's net pension (asset)/liability as a percentage of covered payroll	19.95%	23.83%	37.75%	16.38%	11.90%	18.98%	47.78%	-13.45%	0.66%	15.16%

### Notes to schedule:

- (1) The information on this schedule is derived from the actuarial valuation report for the Augusta Water, which consolidated information for both Augusta Water and Landfill employees. Amounts have been allocated between Augusta Water and the Landfill based on the contributions for each entity.

## AUGUSTA REGIONAL LANDFILL

### SCHEDULE OF LANDFILL CONTRIBUTIONS – VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution (CRC)	\$ 46,310	\$ 47,045	\$ 39,124	\$ 38,214	\$ 31,029	\$ 31,003	\$ 40,029	\$ 37,576	\$ 29,682	\$ 34,464
Contributions in relation to the CRC	46,310	47,045	39,124	38,214	31,029	31,003	40,029	37,576	29,682	34,464
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 572,267	\$ 607,808	\$ 627,584	\$ 621,523	\$ 637,908	\$ 640,531	\$ 649,248	\$ 625,357	\$ 666,768	\$ 823,123
Contributions as a percentage of covered payroll	8.09%	7.74%	6.23%	6.15%	4.86%	4.84%	6.17%	6.01%	4.45%	4.19%

Notes to schedule:

- (1) The information on this schedule is derived from the actuarial valuation report for Augusta Water, which consolidated information for both Augusta Water and Landfill employees. Amounts have been allocated between Augusta Water and the Landfill based on the contributions for each entity.

## AUGUSTA REGIONAL LANDFILL

### SCHEDULE OF LANDFILL CONTRIBUTIONS – OPEB – GROUP LIFE INSURANCE PROGRAM

	Fiscal Year June 30,							
	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contribution (CRC)	\$ 3,280	\$ 3,232	\$ 3,317	\$ 3,331	\$ 3,506	\$ 3,377	\$ 3,601	\$ 4,445
Contributions in relation to the CRC	3,280	3,232	3,317	3,331	3,506	3,377	3,601	4,445
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 627,584	\$ 621,523	\$ 637,908	\$ 640,531	\$ 649,248	\$ 625,357	\$ 666,768	\$ 823,123
Contributions as a percentage of covered payroll	0.52%	0.52%	0.52%	0.52%	0.54%	0.54%	0.54%	0.54%

Notes to schedule:

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Landfill will present information for those years for which information is available.
- (2) The information on this schedule is derived from the actuarial valuation report for the Augusta Water, which consolidated information for both Augusta Water and Landfill employees. Amounts have been allocated between Augusta Water and the Landfill based on the contributions for each entity.

## AUGUSTA REGIONAL LANDFILL

### SCHEDULE OF THE LANDFILL SHARE OF NET OPEB LIABILITY - GROUP LIFE INSURANCE PROGRAM FOR THE YEAR ENDED JUNE 30, 2024

	Fiscal Year June 30,						
	2017	2018	2019	2020	2021	2022	2023
Total Group Life Insurance OPEB Liability							
Landfill's Portion of the Net GLI OPEB Liability	0.00342%	0.00344%	0.00343%	0.00332%	0.00340%	0.00344%	0.00366%
Landfill's Proportionate Share of the Net GLI OPEB Liability	\$ 51,540	\$ 52,239	\$ 55,755	\$ 55,481	\$ 39,553	\$ 41,407	\$ 43,861
Landfill's Covered Payroll	\$ 627,584	\$ 621,523	\$ 637,908	\$ 640,531	\$ 649,248	\$ 625,357	\$ 666,768
Landfill's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	8.21%	8.40%	8.74%	8.66%	6.09%	6.62%	6.58%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	48.86%	51.22%	52.00%	52.00%	67.45%	67.21%	69.30%

Notes to schedule:

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Landfill will present information for those years for which information is available.
- (2) The information on this schedule is derived from the actuarial valuation report for the Augusta Water, which consolidated information for Augusta Water and Landfill employees. Amounts have been allocated between Augusta Water and the Landfill based on the contributions for each entity.

## AUGUSTA REGIONAL LANDFILL

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – VIRGINIA RETIREMENT SYSTEM YEAR ENDED JUNE 30, 2024

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#### **NOTE 1—CHANGE IN BENEFIT TERMS**

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

#### **NOTE 2—CHANGES IN ASSUMPTIONS**

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumption as a result of the experience study and VRS Board action are as follows:

#### **Non-Hazardous Duty**

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to Pub-2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Adjusted rates to better fit experience for Plan 1; set separate rates based on experience for Plan 2/Hybrid; changed final retirement age from 75 to 80 for all
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through nine years of service
Disability Rates	No change
Salary Scale	No change
Line of Duty Disability	No change
Discount Rate	No change

## AUGUSTA REGIONAL LANDFILL

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – OTHER POSTEMPLOYMENT BENEFITS YEAR ENDED JUNE 30, 2024

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#### **NOTE 1—HEALTH CARE**

##### A. Changes of Benefit Terms

There have been no actuarially material changes to the Health Care benefit provisions since the prior actuarial valuation.

##### B. Changes of Assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

2023

6.75%

#### **NOTE 2—GROUP LIFE INSURANCE PROGRAM**

##### A. Changes of Benefit Terms

There have been no actuarially material changes to the Virginia Retirement System benefit provisions since the prior actuarial valuation.

##### B. Changes of Assumptions

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2021. Changes to the actuarial assumption as a result of the experience study and VRS board action are as follows:

Mortality Rates (pre-retirement, post-retirement healthy, and disabled)	Update to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020
Retirement Rates	Decreased rates for ages 60-66 and 70-72
Withdrawal Rates	No change
Disability Rates	No change
Salary Scale	Reduce increases across all ages by 0.50%
Discount Rate	No change

## **SUPPLEMENTARY SCHEDULES**



**SUPPLEMENTARY SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL**

**(UNDIVIDED INTEREST ONLY: EXCLUDING NON-CASH ITEMS)**

**YEAR ENDED JUNE 30, 2024**

	<b>Original Budget</b>	<b>Revised Budget</b>	<b>Actual</b>	<b>Variance with Revised Budget Positive (Negative)</b>
Operating revenues:				
Tipping fees:				
County of Augusta	\$ 1,943,400	\$ 1,943,400	\$ 2,343,807	\$ 400,407
City of Staunton	503,600	503,600	541,529	37,929
City of Waynesboro	757,400	757,400	808,773	51,373
Other income:				
County of Augusta	69,000	69,000	92,875	23,875
City of Staunton	64,000	64,000	81,826	17,826
City of Waynesboro	4,000	4,000	7,184	3,184
Total operating revenues	<u>3,341,400</u>	<u>3,341,400</u>	<u>3,875,994</u>	<u>534,594</u>
Operating expenses:				
Daily operations and open face leachate management:				
Salaries and Benefits	1,475,656	1,475,656	1,371,214	104,442
Contractual services	709,060	709,060	796,214	(87,154)
Utilities	112,100	112,100	105,770	6,330
Insurance & Workers' compensation	90,417	90,417	89,046	1,371
Materials and supplies	339,700	339,700	331,004	8,696
Gov't Payments & Miscellaneous	49,950	49,950	59,019	(9,069)
Leases and rentals	5,700	5,700	485	5,215
Total operating expense	<u>2,782,583</u>	<u>2,782,583</u>	<u>2,752,752</u>	<u>29,831</u>
Augusta County Spring Clean-up:				
Salaries and Benefits	13,528	13,528	4,756	8,772
Contractual services	12,000	12,000	10,960	1,040
Total Augusta County clean-up	<u>25,528</u>	<u>25,528</u>	<u>15,716</u>	<u>9,812</u>
Joint Venture 21:				
Landfill closure and post- closure expense	<u>148,000</u>	<u>148,000</u>	<u>144,635</u>	<u>3,365</u>
Total operating expenses	<u>2,956,111</u>	<u>2,956,111</u>	<u>2,913,103</u>	<u>43,008</u>
Operating income	<u>385,289</u>	<u>385,289</u>	<u>962,891</u>	<u>577,602</u>

**SUPPLEMENTARY SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (CONTINUED)**  
**(UNDIVIDED INTEREST ONLY: EXCLUDING NON-CASH ITEMS)**  
**YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance with Revised Budget Positive (Negative)</u>
Nonoperating revenues:				
Interest earned:				
County of Augusta	\$ 100	\$ 100	\$ 13,109	\$ 13,009
City of Staunton	-	-	11,521	11,521
City of Waynesboro	-	-	7,101	7,101
Total nonoperating revenues	<u>100</u>	<u>100</u>	<u>31,731</u>	<u>31,631</u>
Transfers for nonoperating expenses (capital projects):				
Joint Venture 585: Sinking fund transfers	-	-	657,954	(657,954)
Total nonoperating expenses	<u>-</u>	<u>-</u>	<u>657,954</u>	<u>(657,954)</u>
Capital contributions:				
County of Augusta	2,622,000	2,622,000	1,970,000	(652,000)
City of Staunton	1,132,000	1,132,000	1,000,000	(132,000)
City of Waynesboro	1,124,000	1,124,000	1,098,000	(26,000)
	<u>4,878,000</u>	<u>4,878,000</u>	<u>4,068,000</u>	<u>(810,000)</u>
Change in net position (partial)	<u>\$ 5,263,389</u>	<u>\$ 5,263,389</u>	<u>\$ 4,404,668</u>	<u>\$ (858,721)</u>

Note: Non-cash OPEB, GLI OPEB, pension, depreciation and amortization, and closure and post-closure care expenses are not included in this schedule.

**SUPPLEMENTARY SCHEDULE OF NET POSITION  
(UNDIVIDED INTEREST/ JOINT VENTURE)**

**JUNE 30, 2024**

	Augusta Undivided Interest	Staunton Undivided Interest	Waynesboro Undivided Interest	Undivided Interest Total	Joint Venture #21	Joint Venture #585	Joint Venture Total	Entity Total
<b><u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u></b>								
Current assets:								
Cash and cash equivalents	\$ 187,349	\$ 111,589	\$ 218,345	\$ 517,283	\$ -	\$ 12,501	\$ 12,501	\$ 529,784
Cash and cash equivalents- Landfill closure sinking fund deposits	-	-	-	-	-	7,909,245	7,909,245	7,909,245
Accounts receivable - net of allowance for uncollectibles	290,404	63,131	121,625	475,160	-	(12,501)	(12,501)	462,659
Total current assets	477,753	174,720	339,970	992,443	-	7,909,245	7,909,245	8,901,688
Noncurrent assets--capital assets:								
Land	-	-	-	-	40,245	2,202,856	2,243,101	2,243,101
Landfill site	-	-	-	-	-	13,859,844	13,859,844	13,859,844
Buildings and improvements	-	-	-	-	-	2,884,429	2,884,429	2,884,429
Operating equipment and software	-	-	-	-	-	7,617,569	7,617,569	7,617,569
Transportation equipment	-	-	-	-	-	267,815	267,815	267,815
Construction in progress	-	-	-	-	-	11,136,947	11,136,947	11,136,947
	-	-	-	-	40,245	37,969,460	38,009,705	38,009,705
Less: accumulated depreciation and amortization	-	-	-	-	-	(20,825,924)	(20,825,924)	(20,825,924)
Total capital assets, net	-	-	-	-	40,245	17,143,536	17,183,781	17,183,781
Total noncurrent assets	-	-	-	-	40,245	17,143,536	17,183,781	17,183,781
Total assets	477,753	174,720	339,970	992,443	40,245	25,052,781	25,093,026	26,085,469
Deferred outflows of resources:								
Pension Plan	135,999	46,552	58,155	240,706	-	-	-	240,706
OPEB - Health care	17,487	5,985	7,478	30,950	-	-	-	30,950
OPEB - GLI	6,262	2,144	2,678	11,084	-	-	-	11,084
Total deferred outflows of resources	159,748	54,681	68,311	282,740	-	-	-	282,740
Total assets and deferred outflows of resources	637,501	229,401	408,281	1,275,183	40,245	25,052,781	25,093,026	26,368,209

**SUPPLEMENTARY SCHEDULE OF NET POSITION (CONTINUED)**  
**(UNDIVIDED INTEREST/ JOINT VENTURE)**

**JUNE 30, 2024**

	Augusta Undivided Interest	Staunton Undivided Interest	Waynesboro Undivided Interest	Undivided Interest Total	Joint Venture #21	Joint Venture #585	Joint Venture Total	Entity Total
<b>LIABILITIES</b>								
Current liabilities:								
Accounts payable-operating	\$ 112,495	\$ 42,197	\$ 40,450	\$ 195,142	\$ -	\$ -	\$ -	\$ 195,142
Accounts Payable-capital	141,743	51,590	56,444	249,777	-	659,482	659,482	909,259
Due to other governments	60,465	21,360	25,751	107,576	-	-	-	107,576
Due to other governments-capital	-	-	-	-	-	32,495	32,495	32,495
Compensated absences	27,981	11,432	13,171	52,584	-	-	-	52,584
Closure costs	-	-	-	-	-	2,892,194	2,892,194	2,892,194
Post-closure monitoring costs	-	-	-	-	115,950	-	115,950	115,950
Subsidy to (from) sinking fund	120,122	25,875	45,291	191,288	-	(191,288)	(191,288)	-
Total current liabilities	462,806	152,454	181,107	796,367	115,950	3,392,883	3,508,833	4,305,200
Noncurrent liabilities:								
Compensated absences	30,025	15,510	12,862	58,397	-	-	-	58,397
OPEB - Health care	97,454	38,767	43,354	179,575	-	-	-	179,575
OPEB - GLI	23,774	9,304	10,783	43,861	-	-	-	43,861
Pension obligation	51,512	21,025	28,540	101,077	-	-	-	101,077
Closure costs	-	-	-	-	-	5,484,985	5,484,985	5,484,985
Post-closure monitoring costs	-	-	-	-	1,217,477	2,277,461	3,494,938	3,494,938
Total noncurrent liabilities	202,765	84,606	95,539	382,910	1,217,477	7,762,446	8,979,923	9,362,833
Total liabilities	665,571	237,060	276,646	1,179,277	1,333,427	11,155,329	12,488,756	13,668,033
Deferred Inflows of Resources:								
Pension Plan	117,682	40,283	50,322	208,287	-	-	-	208,287
OPEB - Health care	25,301	8,660	10,819	44,780	-	-	-	44,780
OPEB - GLI	3,457	1,184	1,478	6,119	-	-	-	6,119
Total deferred inflows of resources	146,440	50,127	62,619	259,186	-	-	-	259,186
Total liabilities	812,011	287,187	339,265	1,438,463	1,333,427	11,155,329	12,488,756	13,927,219
<b>NET POSITION</b>								
Total net position*	\$ (174,510)	\$ (57,786)	\$ 69,016	\$ (163,280)	\$ (1,293,182)	\$ 13,897,452	\$ 12,604,270	\$ 12,440,990

\*The Statements of Net Position, as presented in the basic financial statements, present the net position for each undivided interest as "Due to/(from)" each locality so that liabilities equal equity for the undivided interest portion of this entity. Therefore, \$163,280 must be added from the total liabilities and subtracted from the net position to reconcile to the 2024 column of that statement.

# AUGUSTA REGIONAL LANDFILL

## SUPPLEMENTARY SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (UNDIVIDED INTEREST/ JOINT VENTURE)

YEAR ENDED JUNE 30, 2024

	Augusta Undivided Interest	Staunton Undivided Interest	Waynesboro Undivided Interest	Undivided Interest Total	Joint Venture #21	Joint Venture #585	Entity Total
Operating revenues:							
Tipping fees	\$ 2,343,807	\$ 541,529	\$ 808,773	\$ 3,694,109	\$ -	\$ -	\$ 3,694,109
Other income	92,875	81,826	7,184	181,885	-	-	181,885
(Transfers to) Closure revenues	(87,258)	(57,377)	-	(144,635)	144,635	-	-
Total operating revenues	2,349,424	565,978	815,957	3,731,359	144,635	-	3,875,994
Operating expenses:							
Daily operations	1,512,401	517,696	646,718	2,676,815	-	-	2,676,815
Augusta County clean-up	15,716	-	-	15,716	-	-	15,716
Leachate management	48,655	16,655	20,805	86,115	-	-	86,115
Landfill closure and post-closure costs	-	-	-	-	110,083	898,931	1,009,014
Depreciation and amortization	-	-	-	-	-	1,497,034	1,497,034
Total operating expenses	1,576,772	534,351	667,523	2,778,646	110,083	2,395,965	5,284,694
Operating income (loss)	772,652	31,627	148,434	952,713	34,552	(2,395,965)	(1,408,700)
Nonoperating revenues (expenses/transfers):							
Interest	13,109	11,521	7,101	31,731	-	345,807	377,538
(Transfers to) Contributions for capital assets	(2,678,095)	(929,826)	(1,127,396)	(4,735,317)	-	4,735,317	-
(Transfers to) Contributions for sinking fund	(406,392)	(100,559)	(151,003)	(657,954)	-	657,954	-
Total nonoperating revenues (expenses), net	(3,071,378)	(1,018,864)	(1,271,298)	(5,361,540)	-	5,739,078	377,538
Capital contributions	1,970,000	1,000,000	1,098,000	4,068,000	-	-	4,068,000
Change in net position*	(328,726)	12,763	(24,864)	(340,827)	34,552	3,343,113	3,036,838
Net position, beginning of year	154,216	(70,549)	93,880	177,547	(1,327,734)	10,554,339	9,404,152
Net position, end of year*	\$ (174,510)	\$ (57,786)	\$ 69,016	\$ (163,280)	\$ (1,293,182)	\$ 13,897,452	\$ 12,440,990

\*The Statements of Revenues, Expenses and Changes in Net Position, as presented in the basic financial statements, present the changes in net position for each undivided interest as "Subsidies (to)/from" each locality so that there is no "change in net position" for the undivided interest portion of this entity. Therefore, the Undivided interest total for Changes in Net Position, Beginning of year net position, and end of year net position must be subtracted from the Entity total to reconcile to the basic statement for 2024.

**SUPPLEMENTARY SCHEDULE OF CASH FLOWS  
(UNDIVIDED INTEREST/ JOINT VENTURE)**

**YEAR ENDED JUNE 30, 2024**

	Augusta Undivided Interest	Staunton Undivided Interest	Waynesboro Undivided Interest	Undivided Interest Total	Joint Venture #21	Joint Venture #585	Entity Total
Operating activities:							
Receipts from customers and users	\$ 2,323,027	\$ 603,108	\$ 756,980	\$ 3,683,115	\$ 144,635	\$ (242)	\$ 3,827,508
Payments to suppliers	(889,839)	(338,061)	(343,999)	(1,571,899)	-	-	(1,571,899)
Payments to employees	(769,484)	(263,395)	(329,040)	(1,361,919)	-	-	(1,361,919)
Net cash provided by (used in) operating activities	<u>663,704</u>	<u>1,652</u>	<u>83,941</u>	<u>749,297</u>	<u>144,635</u>	<u>(242)</u>	<u>893,690</u>
Capital and related financing activities:							
Acquisition and construction of capital assets	-	-	-	-	-	(8,874,604)	(8,874,604)
Capital contributions--transfers from agency funds	(2,589,874)	(897,502)	(1,093,636)	(4,581,012)	-	4,581,012	-
Capital contributions from participating localities	1,970,000	1,000,000	1,098,000	4,068,000	-	-	4,068,000
Net cash provided by (used in) capital and related financing activities	<u>(619,874)</u>	<u>102,498</u>	<u>4,364</u>	<u>(513,012)</u>	<u>-</u>	<u>(4,293,592)</u>	<u>(4,806,604)</u>
Non-capital and related financing activities:							
Sinking fund contributions	(386,787)	(99,397)	(145,134)	(631,318)	-	631,318	-
Payments to reduce post-closure liability	-	-	-	-	(144,635)	-	(144,635)
Net cash provided by (used in) non-capital and related financing activities	<u>(386,787)</u>	<u>(99,397)</u>	<u>(145,134)</u>	<u>(631,318)</u>	<u>(144,635)</u>	<u>631,318</u>	<u>(144,635)</u>
Investing activities:							
Investment income	13,109	11,521	7,101	31,731	-	345,807	377,538
Net cash provided by investing activities	<u>13,109</u>	<u>11,521</u>	<u>7,101</u>	<u>31,731</u>	<u>-</u>	<u>345,807</u>	<u>377,538</u>
Increase (decrease) in cash and cash equivalents	(329,848)	16,274	(49,728)	(363,302)	-	(3,316,709)	(3,680,011)
Cash and cash equivalents, beginning of year	517,197	95,315	268,073	880,585	-	11,238,455	12,119,040
Cash and cash equivalents, end of year	<u>\$ 187,349</u>	<u>\$ 111,589</u>	<u>\$ 218,345</u>	<u>\$ 517,283</u>	<u>\$ -</u>	<u>\$ 7,921,746</u>	<u>\$ 8,439,029</u>

**SUPPLEMENTARY SCHEDULE OF CASH FLOWS (CONTINUED)**  
**(UNDIVIDED INTEREST/ JOINT VENTURE)**

**YEAR ENDED JUNE 30, 2024**

	Augusta Undivided Interest	Staunton Undivided Interest	Waynesboro Undivided Interest	Undivided Interest Total	Joint Venture #21	Joint Venture #585	Entity Total
Reconciliation of operating income (loss) to net cash provided by operating activities:							
Operating income (loss)	\$ 772,652	\$ 31,627	\$ 148,434	\$ 952,713	\$ 34,552	\$ (2,395,965)	\$ (1,408,700)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Pension expense	25,612	8,767	10,952	45,331	-	-	45,331
OPEB expense	(1,139)	(390)	(487)	(2,016)	-	-	(2,016)
GLI OPEB expense	1,131	387	484	2,002	-	-	2,002
Depreciation and amortization	-	-	-	-	-	1,497,034	1,497,034
Landfill closure and post-closure costs	-	-	-	-	110,083	898,931	1,009,014
Changes in operating assets and liabilities:							
Increase in accounts and misc. receivables	(76,928)	(17,295)	(54,235)	(148,458)	-	(242)	(148,700)
Decrease in prepaid expenses	10,891	3,728	4,657	19,276	-	-	19,276
Decrease in accounts payable/due to other gov'ts	(49,366)	(17,413)	(17,931)	(84,710)	-	-	(84,710)
Increase in compensated absences	2,382	979	983	4,344	-	-	4,344
Decrease in pension costs	(18,828)	(7,881)	(7,744)	(34,453)	-	-	(34,453)
Increase (decrease) in other post employment benefits	(39)	75	(36)	-	-	-	-
Decrease in GLI other post employment benefits	(2,664)	(932)	(1,136)	(4,732)	-	-	(4,732)
Net cash provided by (used in) operating activities	\$ 663,704	\$ 1,652	\$ 83,941	\$ 749,297	\$ 144,635	\$ (242)	\$ 893,690

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## **STATISTICAL SECTION**

## **Statistical Section:**

This part of the Augusta Regional Landfill's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary schedules say about the Landfill's overall financial health. This information has not been audited by the independent auditor.

### **Contents**

#### Financial Trends - Tables 1-3

*These tables contain trend information to help the reader understand how the Landfill's financial performance and well-being have changed over time as well as a table that shows tonnage by calendar year--information that is used to determine expenditure allocations between the participating localities for operations and capital as well as non-cash depreciation, amortization, closure, and post-closure expenses.*

#### Revenue Trends and Capacity - Tables 4-9

*These tables contain trend information to help the reader assess the Landfill's tipping fees over time, waste received by the total landfill and each owner by fiscal year and type of waste, and the most significant revenue sources.*

#### Operating Information - Table 10

*This table provides the reader with additional Landfill operational statistics for a given fiscal year to help the reader understand how the information in the Landfill's financial report relates to the services the government provides and the activities it performs.*

AUGUSTA REGIONAL LANDFILL

TABLE 1

**CONDENSED SCHEDULE OF NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Assets and Deferred Outflows of Resources</b>										
Current assets:										
Operating cash	\$ 529,784	\$ 893,328	\$ 635,841	\$ 731,049	\$ 768,394	\$ 968,406	\$ 1,091,232	\$ 645,031	\$ 758,130	\$ 975,891
JV585 closure sinking fund	7,909,245	11,225,712	10,926,985	10,348,891	9,778,454	10,046,812	9,279,825	8,857,311	8,364,928	7,874,604
Accounts, misc. & interest receivables	462,659	313,959	338,597	315,339	327,385	355,801	348,909	318,999	309,038	262,106
Prepaid expenses	-	19,276	18,459	-	15,000	14,488	13,414	12,558	-	-
Noncurrent assets:										
Capital assets, net	17,183,781	9,503,868	9,550,764	9,644,138	9,637,123	8,927,083	9,440,534	10,415,137	10,314,268	10,071,270
Pension Asset	-	-	87,300	-	-	-	-	-	-	-
Total Assets	<u>26,085,469</u>	<u>21,956,143</u>	<u>21,557,946</u>	<u>21,039,417</u>	<u>20,526,356</u>	<u>20,312,590</u>	<u>20,173,914</u>	<u>20,249,036</u>	<u>19,746,364</u>	<u>19,183,871</u>
Deferred Outflows of Resources	<u>282,740</u>	<u>319,251</u>	<u>190,292</u>	<u>251,101</u>	<u>124,253</u>	<u>90,962</u>	<u>56,603</u>	<u>97,212</u>	<u>47,891</u>	<u>47,477</u>
Total assets and deferred outflows of resources	<u>26,368,209</u>	<u>22,275,394</u>	<u>21,748,238</u>	<u>21,290,518</u>	<u>20,650,609</u>	<u>20,403,552</u>	<u>20,230,517</u>	<u>20,346,248</u>	<u>19,794,255</u>	<u>19,231,348</u>
<b>Liabilities and Deferred Inflows of Resources</b>										
Current liabilities	4,305,200	5,777,158	1,149,273	1,130,780	1,203,894	884,535	1,256,221	1,084,728	825,404	774,635
Noncurrent liabilities										
Compensated absences	58,397	35,756	62,957	99,922	30,479	60,122	64,817	54,925	40,037	48,757
Other post-employment benefits obligations	223,436	216,231	243,807	218,272	190,422	198,296	227,401	101,378	96,974	83,082
Pension obligation	101,077	4,132	-	306,024	121,077	73,978	102,775	229,438	136,348	110,338
Amounts due to/(from) participating localities:										
County of Augusta	(174,510)	154,216	(226,966)	(35,436)	(101,765)	141,358	(5,031)	(171,046)	15,019	(22,547)
City of Staunton	(57,786)	(70,549)	6,543	(136,293)	(100,152)	(78,807)	(130,537)	(126,927)	(42,234)	146,596
City of Waynesboro	69,016	93,880	11,267	(22,872)	111,321	319,616	261,096	243,303	350,133	402,800
Closure costs	5,484,985	3,108,863	6,380,986	5,778,534	5,547,035	5,046,116	4,907,675	4,285,724	3,999,021	3,950,332
Post-closure monitoring costs	3,494,938	3,335,387	3,009,181	2,836,082	2,877,061	2,807,991	2,856,812	2,712,037	2,707,666	2,800,813
Total Liabilities	<u>13,504,753</u>	<u>12,655,074</u>	<u>10,637,048</u>	<u>10,175,013</u>	<u>9,879,372</u>	<u>9,453,205</u>	<u>9,541,229</u>	<u>8,413,560</u>	<u>8,128,368</u>	<u>8,294,806</u>
Deferred Inflows of Resources	<u>259,186</u>	<u>393,715</u>	<u>354,567</u>	<u>83,164</u>	<u>129,203</u>	<u>124,472</u>	<u>66,144</u>	<u>-</u>	<u>44,739</u>	<u>101,636</u>
Total liabilities and deferred inflows of resources	<u>13,763,939</u>	<u>13,048,789</u>	<u>10,991,615</u>	<u>10,258,177</u>	<u>10,008,575</u>	<u>9,577,677</u>	<u>9,607,373</u>	<u>8,413,560</u>	<u>8,173,107</u>	<u>8,396,442</u>
<b>Net Position</b>										
Net Investment in Capital Assets	16,242,027	8,864,457	9,460,329	9,644,138	9,637,123	8,927,083	9,440,534	10,415,137	10,314,268	10,071,270
Unrestricted	<u>(3,637,757)</u>	<u>362,148</u>	<u>1,296,294</u>	<u>1,388,203</u>	<u>1,004,911</u>	<u>1,898,792</u>	<u>1,182,610</u>	<u>1,517,551</u>	<u>1,306,880</u>	<u>763,636</u>
Total net position	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>	<u>\$ 10,756,623</u>	<u>\$ 11,032,341</u>	<u>\$ 10,642,034</u>	<u>\$ 10,825,875</u>	<u>\$ 10,623,144</u>	<u>\$ 11,932,688</u>	<u>\$ 11,621,148</u>	<u>\$ 10,834,906</u>

Notes: The "Amounts due to participating localities" are equivalent to the "net position" of each locality's undivided interest in supplementary schedule presentations.

Source: Landfill audited financial statements.

AUGUSTA REGIONAL LANDFILL

TABLE 2

**CONDENSED SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Operating revenues</b>										
Tipping fees										
County of Augusta	\$ 2,343,807	\$ 2,267,436	\$ 1,943,445	\$ 1,880,373	\$ 1,993,512	\$ 1,902,493	\$ 1,745,145	\$ 1,466,668	\$ 1,407,295	\$ 1,249,023
City of Staunton	541,529	494,925	526,374	529,544	542,377	537,096	540,816	460,765	500,223	438,172
City of Waynesboro	808,773	898,472	757,391	689,173	677,513	773,356	728,729	706,647	731,978	690,095
Other income	181,885	241,445	255,118	120,195	101,017	170,554	141,732	82,646	89,839	91,519
Total operating revenues	<u>3,875,994</u>	<u>3,902,278</u>	<u>3,482,328</u>	<u>3,219,285</u>	<u>3,314,419</u>	<u>3,383,499</u>	<u>3,156,422</u>	<u>2,716,726</u>	<u>2,729,335</u>	<u>2,468,809</u>
<b>Operating expenses</b>										
Daily operations	2,676,815	2,380,703	2,195,344	2,129,754	2,408,061	2,075,998	1,906,288	1,848,851	1,811,620	1,631,268
Augusta County clean-up	15,716	15,619	24,208	-	3,167	13,228	9,625	13,753	15,494	13,359
Leachate management	86,115	83,084	87,634	121,669	100,295	164,783	96,666	67,196	116,566	79,888
Landfill closure and post-closure costs	1,009,014	1,362,229	891,448	382,986	701,859	268,385	901,474	393,001	89,056	130,539
Depreciation and amortization	1,497,034	1,527,414	1,112,579	1,036,713	1,141,078	719,975	1,412,596	852,143	552,740	606,516
Total operating expenses	<u>5,284,694</u>	<u>5,369,049</u>	<u>4,311,213</u>	<u>3,671,122</u>	<u>4,354,460</u>	<u>3,242,369</u>	<u>4,326,649</u>	<u>3,174,944</u>	<u>2,585,476</u>	<u>2,461,570</u>
Operating income (loss)	<u>(1,408,700)</u>	<u>(1,466,771)</u>	<u>(828,885)</u>	<u>(451,837)</u>	<u>(1,040,041)</u>	<u>141,130</u>	<u>(1,170,227)</u>	<u>(458,218)</u>	<u>143,859</u>	<u>7,239</u>
<b>Nonoperating revenues (expenses)</b>										
Interest earned by localities	31,731	4,843	246	740	3,422	11,022	2,622	1,889	2,534	2,808
Interest earned--585 closure sinking fund	345,807	318,613	28,366	22,399	180,015	207,218	93,298	40,281	30,092	23,502
Gain on disposal of assets	-	-	60,000	115,000	-	-	-	-	-	-
Subsidies (to) from participating localities:										
County of Augusta	328,726	(381,182)	191,530	(66,329)	243,123	(146,389)	(196,250)	186,065	(37,566)	(22,381)
City of Staunton	(12,763)	77,092	(142,836)	36,141	21,345	(51,730)	(8,031)	84,693	188,830	42,576
City of Waynesboro	24,864	(82,613)	(34,139)	134,193	208,295	(58,520)	(30,956)	106,830	52,667	(113,338)
Total nonoperating revenue (expenses), net	<u>718,365</u>	<u>(63,247)</u>	<u>103,167</u>	<u>242,144</u>	<u>656,200</u>	<u>(38,399)</u>	<u>(139,317)</u>	<u>419,758</u>	<u>236,557</u>	<u>(66,833)</u>
<b>Capital contributions</b>										
County of Augusta	1,970,000	-	26,000	400,000	-	-	-	200,000	405,826	-
City of Staunton	1,000,000	-	300,000	200,000	200,000	100,000	-	150,000	-	-
City of Waynesboro	1,098,000	-	124,000	-	-	-	-	-	-	-
Total capital contributions	<u>4,068,000</u>	<u>-</u>	<u>450,000</u>	<u>600,000</u>	<u>200,000</u>	<u>100,000</u>	<u>-</u>	<u>350,000</u>	<u>405,826</u>	<u>-</u>
Change in net position	3,377,665	(1,530,018)	(275,718)	390,307	(183,841)	202,731	(1,309,544)	311,540	786,242	(59,594)
Net position, beginning of year	9,226,605	10,756,623	11,032,341	10,642,034	10,825,875	10,623,144	11,932,688	11,621,148	10,834,906	10,894,500
Net position, end of year	<u>\$ 12,604,270</u>	<u>\$ 9,226,605</u>	<u>\$ 10,756,623</u>	<u>\$ 11,032,341</u>	<u>\$ 10,642,034</u>	<u>\$ 10,825,875</u>	<u>\$ 10,623,144</u>	<u>\$ 11,932,688</u>	<u>\$ 11,621,148</u>	<u>\$ 10,834,906</u>

Notes:

- The "Subsidies (to) from participating localities" is the equivalent to the "changes in net position" of each locality's undivided interest in supplementary schedule presentations. A negative number indicates that the locality had a surplus of revenues that year.

Source: Landfill audited financial statements.

# **CALENDAR YEAR TONNAGE CALCULATIONS FOR PERMIT #585 TO BE USED FOR MONTHLY REIMBURSEMENT & FINANCIAL ALLOCATIONS**

Calendar Year Statistics	Beginning of Year Cell Tonnage	Tons Received**	Adjustments*	End of Year Cell Tonnage	Operating/Capital Allocations (Based on Tons Rec'd) w/ 5% host fee		Land Acquisitions Depr/Closure Allocations (Based on EOY Tonnage) w/ 5% host fee	
2013--To be used for FY2015 allocations					FY2015		FY2015	
Augusta Co.	931,278.95	71,800.94	6,191.88	996,888.01	58.35%	53.35%	56.71%	51.71%
Staunton	393,519.15	23,622.58	1,893.84	415,247.89	19.20%	21.50%	23.62%	26.35%
Waynesboro	318,941.26	27,635.29	920.86	345,655.69	22.45%	25.15%	19.66%	21.94%
2013 total	1,643,739.36	123,058.81	9,006.58	1,757,791.59	100.00%	100.00%	100.00%	100.00%
2014--To be used for FY2016 allocations					FY2016		FY2016	
Augusta Co.	996,888.01	71,747.31	4,920.17	1,063,715.15	59.64%	54.64%	56.84%	51.84%
Staunton	415,247.89	22,783.24	1,201.84	436,829.29	18.94%	21.29%	23.34%	26.04%
Waynesboro	345,655.69	25,766.22	445.92	370,975.99	21.42%	24.07%	19.82%	22.12%
2014 total	1,757,791.59	120,296.77	6,567.93	1,871,520.43	100.00%	100.00%	100.00%	100.00%
2015--To be used for FY2017 allocations					FY2017		FY2017	
Augusta Co.	1,063,715.15	75,553.55	4,106.20	1,135,162.50	59.93%	54.93%	56.97%	51.97%
Staunton	436,829.29	23,645.05	749.76	459,724.58	18.76%	21.10%	23.07%	25.75%
Waynesboro	370,975.99	26,867.10	201.00	397,642.09	21.31%	23.97%	19.96%	22.28%
2015 total	1,871,520.43	126,065.70	5,056.96	1,992,529.17	100.00%	100.00%	100.00%	100.00%
2016--To be used for FY2018 allocations					FY2018		FY2018	
Augusta Co.	1,135,162.50	79,790.28	4,677.08	1,210,275.70	59.87%	54.87%	57.09%	52.09%
Staunton	459,724.58	23,995.33	738.63	482,981.28	18.01%	20.25%	22.78%	25.43%
Waynesboro	397,642.09	29,476.62	275.96	426,842.75	22.12%	24.88%	20.13%	22.48%
2016 total	1,992,529.17	133,262.23	5,691.67	2,120,099.73	100.00%	100.00%	100.00%	100.00%
2017--To be used for FY2019 allocations					FY2019		FY2019	
Augusta Co.	1,210,275.70	87,410.12	4,961.00	1,292,724.83	61.67%	56.67%	57.32%	52.32%
Staunton	482,981.28	25,150.35	1,013.92	507,117.70	17.74%	20.06%	22.48%	25.11%
Waynesboro	426,842.75	29,173.45	407.44	455,608.76	20.58%	23.27%	20.20%	22.57%
2017 total	2,120,099.73	141,733.92	6,382.36	2,255,451.29	100.00%	100.00%	100.00%	100.00%
2018--To be used for FY2020 allocations					FY2020		FY2020	
Augusta Co.	1,292,724.83	91,590.85	6,519.26	1,377,796.42	61.75%	56.75%	57.51%	52.51%
Staunton	507,117.70	26,276.44	1,135.52	532,258.62	17.71%	20.03%	22.22%	24.83%
Waynesboro	455,608.76	30,462.19	559.96	485,510.99	20.54%	23.22%	20.27%	22.66%
2018 total	2,255,451.29	148,329.48	8,214.74	2,395,566.03	100.00%	100.00%	100.00%	100.00%
2019--To be used for FY2021 allocations					FY2021		FY2021	
Augusta Co.	1,377,796.42	93,963.52	7,388.78	1,464,371.15	62.88%	57.88%	57.75%	52.75%
Staunton	532,258.62	27,025.19	1,077.97	558,205.85	18.08%	20.52%	22.01%	24.62%
Waynesboro	485,510.99	28,451.11	815.57	513,146.53	19.04%	21.60%	20.24%	22.63%
2019 total	2,395,566.03	149,439.82	9,282.32	2,535,723.53	100.00%	100.00%	100.00%	100.00%
2020--To be used for FY2022 allocations					FY2022		FY2022	
Augusta Co.	1,464,371.15	97,355.37	6,007.25	1,555,719.27	62.73%	57.73%	57.98%	52.98%
Staunton	558,205.85	27,934.78	1,159.37	584,981.26	18.00%	20.41%	21.80%	24.39%
Waynesboro	513,146.53	29,916.42	457.78	542,605.17	19.27%	21.86%	20.22%	22.63%
2020 total	2,535,723.53	155,206.57	7,624.40	2,683,305.70	100.00%	100.00%	100.00%	100.00%
2021--To be used for FY2023 allocations					FY2023		FY2023	
Augusta Co.	1,555,719.27	89,805.95	4,874.23	1,640,650.99	61.06%	56.06%	58.10%	53.10%
Staunton	584,981.26	26,298.81	1,141.29	610,138.78	17.88%	20.18%	21.61%	24.19%
Waynesboro	542,605.17	30,962.72	688.90	572,878.99	21.05%	23.76%	20.29%	22.71%
2021 total	2,683,305.70	147,067.48	6,704.42	2,823,668.76	100.00%	100.00%	100.00%	100.00%
2022--To be used for FY2024 allocations					FY2024		FY2024	
Augusta Co.	1,640,650.99	95,826.26	5,014.09	1,731,463.16	61.50%	56.50%	58.26%	53.26%
Staunton	610,138.78	26,668.99	1,809.51	634,998.26	17.12%	19.34%	21.37%	23.93%
Waynesboro	572,878.99	33,312.26	663.52	605,527.73	21.38%	24.16%	20.37%	22.81%
2022 total	2,823,668.76	155,807.51	7,487.12	2,971,989.15	100.00%	100.00%	100.00%	100.00%

\*Allocation for Closure-Post Closure is based on total tonnage received at the active landfill less biosolids, woodwaste, mulch, and heavy tires. Dirt and Highland County waste, however, are counted toward this allocation.

\*\*Beginning in 2004, Highland Co. tons are deducted from the tonnage received for operating/capital allocation purposes but not for closure allocations. Beginning in 2011, MR WWTP sludge reallocations were included in both allocations.

Source: Augusta Regional Landfill Operational records

**TIPPING FEE HISTORY**  
**UNAUDITED**

	Jul. 1st 2015	Sep. 1st 2007	Dec. 1st 2000	Jul. 1st 1996	Jul. 1st 1995	Jul. 1st 1993	Jul. 1st 1992
Commercial & Industrial waste (ton)	\$ 45.00	\$ 45.00	\$ 40.00	\$ 40.00	\$ 40.00	\$ 40.00	\$ 32.00
Commercial & Industrial waste (cubic yard)	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Other Government Agency waste (ton)	45.00	45.00	40.00	7.50	7.50	7.50	7.50*
Residential Waste (Augusta Co. Only)	15.00	7.50	7.50	7.50	7.50	7.50	7.50
Wood waste (brush & pallets, ton)	20.00	15.00	15.00	15.00	15.00	10.00	10.00
Appliances (each)	N/A	N/A	N/A	No Charge	N/A	4.00	4.00
Car tires/off rim (piece)	2.00	1.50	1.50	1.50	1.50	1.50	1.50
Car tires/on rim (piece)	4.00	3.00	3.00	3.00	5.00	N/A	N/A
Truck tires (piece)	N/A	N/A	N/A	N/A	3.00	3.00	3.00
Tractor trailer tires (piece)	8.00	8.00	8.00	8.00	8.00	N/A	N/A
Off road/heavy equipment tires **	168.00/ton	168.00/ton	168.00/ton	168.00/ton	8.00/tire	8.00/tire	8.00/tire
Grease trap pumpings (ton)	N/A	N/A	N/A	N/A	10.00	10.00	10.00
Mulch and wood chips (ton)	N/A	N/A	N/A	10.00	4.00	4.00	4.00

## Note:

- No change to tipping fee structure since July 1, 2015

\* Implemented January 1, 1991

\*\*\$110.00/piece or \$168.00/ton (whichever is less) as stated on schedule; generally, \$168/ton is used

N/A = Not Applicable, indicates that the category either 1) no longer exists or 2) is now included in another category.

Source: Augusta Regional Landfill correspondence files.

**TOP TEN BILLED CUSTOMERS – CURRENT YEAR  
UNAUDITED**

	Total	Augusta County	City of Staunton	City of Waynesboro
Waste Management	\$ 1,126,649	\$ 675,233	\$ 144,126	\$ 307,290
BTS	624,514	458,528	92,747	73,239
Republic Services	393,635	144,852	99,248	149,535
Augusta County Disposal	149,498	149,498	-	-
Highland County	83,459	47,153	16,142	20,164
Zero Waste Recycling LLC	73,285	73,285	-	-
Affordable Container Service	51,256	8,076	10,418	32,762
E Z Dumpster Services	49,490	49,490	-	-
Can-Tain-It LLC	47,432	28,412	15,308	3,712
Waste Operators	43,291	32,175	-	11,116
Total revenue from top 10 customers	<u>\$ 2,642,509</u>	<u>\$ 1,666,702</u>	<u>\$ 377,989</u>	<u>\$ 597,818</u>
Total tipping fee revenue, current year	<u>\$ 3,694,109</u>	<u>\$ 2,343,807</u>	<u>\$ 541,529</u>	<u>\$ 808,773</u>
% of tipping fee revenue from top 10 customers	71.5%	71.1%	69.8%	73.9%

Source: Landfill audited financial statements and billing records.

**WASTE BY TYPE – TOTAL FOR ALL OWNERS (TONS)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Residential</b>										
Residents Household	8,918	8,156	7,921	8,384	7,832	7,543	7,921	6,849	5,970	5,429
Residents Public Use Site	11,625	11,856	12,263	13,471	14,112	13,423	12,623	12,539	11,619	10,323
Residents Woodwaste	6,057	6,007	5,449	6,324	6,687	8,640	5,190	5,832	5,220	5,202
<b>Total Residential</b>	<b>26,600</b>	<b>26,019</b>	<b>25,633</b>	<b>28,179</b>	<b>28,631</b>	<b>29,606</b>	<b>25,734</b>	<b>25,220</b>	<b>22,809</b>	<b>20,954</b>
<b>Commercial</b>										
Gov't Hauled Household	29,420	29,981	32,160	33,149	32,104	31,195	31,440	31,511	31,258	31,050
Household Waste	12,297	11,832	12,333	12,151	11,396	10,828	10,629	10,273	10,061	9,457
Highland Clearing Acct.	1,855	1,606	1,628	1,620	1,668	1,585	1,525	1,464	1,446	1,455
Commercial Waste	40,219	38,883	37,448	35,648	37,282	36,607	35,530	34,018	33,679	31,616
Industrial Waste	9,369	10,251	10,175	10,435	9,496	11,262	10,115	8,428	6,829	6,652
Construction Demolition										
Debris (CDD)	26,083	27,309	17,679	17,702	19,906	18,564	19,162	13,137	14,549	12,059
Mulch	553	879	395	479	579	839	529	585	380	326
Woodwaste	3,085	3,024	2,081	1,882	1,951	3,133	1,679	1,580	1,183	1,540
Tires Heavy	1	1	-	2	5	4	3	7	7	2
Recycled Glass	404	470	499	571	673	153	-	-	-	-
<b>Total Commercial</b>	<b>123,286</b>	<b>124,236</b>	<b>114,398</b>	<b>113,639</b>	<b>115,060</b>	<b>114,170</b>	<b>110,612</b>	<b>101,003</b>	<b>99,392</b>	<b>94,157</b>
<b>Subtotal</b>	<b>149,886</b>	<b>150,255</b>	<b>140,031</b>	<b>141,818</b>	<b>143,691</b>	<b>143,776</b>	<b>136,346</b>	<b>126,223</b>	<b>122,201</b>	<b>115,111</b>
Biosolids	10,094	9,380	9,303	10,408	9,219	8,917	9,015	8,870	9,362	8,442
Dirt	30	34	13	128	396	1,364	1,490	1,174	1,629	478
<b>Grand Total</b>	<b>160,010</b>	<b>159,669</b>	<b>149,347</b>	<b>152,354</b>	<b>153,306</b>	<b>154,057</b>	<b>146,851</b>	<b>136,267</b>	<b>133,192</b>	<b>124,031</b>
Percent billed	57%	56%	52%	50%	51%	52%	50%	47%	49%	47%

Source: Augusta Regional Landfill Operational and Billing records.



**AUGUSTA COUNTY WASTE BY TYPE (TONS)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Residential</b>										
Residents Household	8,045	7,543	7,399	7,848	7,374	7,135	7,469	6,404	5,703	5,208
Residents Public Use Site	9,142	9,633	10,067	11,074	12,278	11,860	11,610	11,449	10,664	9,432
Residents Woodwaste	4,286	4,420	4,176	5,006	5,544	7,359	4,464	4,941	4,418	4,367
<b>Total Residential</b>	<b>21,473</b>	<b>21,596</b>	<b>21,642</b>	<b>23,928</b>	<b>25,196</b>	<b>26,354</b>	<b>23,543</b>	<b>22,794</b>	<b>20,785</b>	<b>19,007</b>
<b>Commercial</b>										
Gov't Hauled Household	13,064	13,403	15,150	15,661	15,511	14,876	15,792	15,991	15,811	15,834
Household Waste	12,051	11,636	12,148	11,722	10,766	10,249	10,034	9,668	9,427	8,831
Highland Clearing Acct.	1,048	900	940	938	947	898	837	804	790	776
Commercial Waste	22,271	20,172	18,046	16,719	17,738	16,283	14,570	13,782	12,905	12,777
Industrial Waste	8,336	8,337	8,434	9,013	8,085	8,685	7,717	6,362	5,293	4,391
Construction Demolition										
Debris (CDD)	16,155	16,929	10,421	10,102	12,818	11,727	13,524	8,771	8,569	7,752
Mulch	341	643	277	257	421	574	357	181	206	184
Woodwaste	1,353	1,557	1,190	993	1,156	1,510	824	749	423	671
Tires Heavy	1	-	-	1	1	4	3	6	4	2
Recycled Glass	195	231	272	247	232	46	-	-	-	-
<b>Total Commercial</b>	<b>74,815</b>	<b>73,808</b>	<b>66,878</b>	<b>65,653</b>	<b>67,675</b>	<b>64,852</b>	<b>63,658</b>	<b>56,314</b>	<b>53,428</b>	<b>51,218</b>
<b>Subtotal</b>	<b>96,288</b>	<b>95,404</b>	<b>88,520</b>	<b>89,581</b>	<b>92,871</b>	<b>91,206</b>	<b>87,201</b>	<b>79,108</b>	<b>74,213</b>	<b>70,225</b>
Biosolids	6,340	6,122	6,155	6,698	6,318	5,692	6,000	5,866	6,288	5,591
Dirt	30	13	13	123	282	471	982	625	759	383
<b>Grand Total</b>	<b>102,658</b>	<b>101,539</b>	<b>94,688</b>	<b>96,402</b>	<b>99,471</b>	<b>97,369</b>	<b>94,183</b>	<b>85,599</b>	<b>81,260</b>	<b>76,199</b>
Percent billed	57%	54%	50%	48%	49%	49%	46%	42%	43%	41%

Source: Augusta Regional Landfill Operational and Billing records.

**CITY OF STAUNTON WASTE BY TYPE (TONS)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Residential</b>										
Residents Household	354	330	258	289	193	200	221	163	136	92
Residents Public Use Site	1,437	1,280	1,262	1,341	1,081	890	589	615	547	502
Residents Woodwaste	909	921	716	757	672	669	429	543	478	499
<b>Total Residential</b>	<b>2,700</b>	<b>2,531</b>	<b>2,236</b>	<b>2,387</b>	<b>1,946</b>	<b>1,759</b>	<b>1,239</b>	<b>1,321</b>	<b>1,161</b>	<b>1,093</b>
<b>Commercial</b>										
Gov't Hauled Household	8,682	8,984	9,178	9,548	9,193	9,219	8,734	8,748	8,645	8,588
Highland Clearing Acct.	359	324	332	332	334	318	309	309	308	313
Commercial Waste	6,687	7,344	8,422	8,138	8,618	8,856	8,900	8,372	8,611	8,383
Industrial Waste	178	159	198	201	125	245	83	43	50	134
Construction Demolition										
Debris (CDD)	4,564	3,405	2,756	3,413	3,566	3,392	3,578	2,086	2,702	1,638
Mulch	133	155	54	64	104	122	140	117	115	77
Woodwaste	852	1,119	662	586	545	901	639	577	583	660
Tires Heavy	-	-	-	-	4	-	-	1	3	-
Recycled Glass	111	117	122	204	251	63	-	-	-	-
<b>Total Commercial</b>	<b>21,566</b>	<b>21,607</b>	<b>21,724</b>	<b>22,486</b>	<b>22,740</b>	<b>23,116</b>	<b>22,383</b>	<b>20,253</b>	<b>21,017</b>	<b>19,793</b>
<b>Subtotal</b>	<b>24,266</b>	<b>24,138</b>	<b>23,960</b>	<b>24,873</b>	<b>24,686</b>	<b>24,875</b>	<b>23,622</b>	<b>21,574</b>	<b>22,178</b>	<b>20,886</b>
Dirt	-	-	-	-	75	81	52	171	69	50
<b>Grand Total</b>	<b>24,266</b>	<b>24,138</b>	<b>23,960</b>	<b>24,873</b>	<b>24,761</b>	<b>24,956</b>	<b>23,674</b>	<b>21,745</b>	<b>22,247</b>	<b>20,936</b>
Percent billed	53%	48%	50%	49%	51%	50%	52%	49%	51%	48%

Source: Augusta Regional Landfill Operational and Billing records.

**CITY OF WAYNESBORO WASTE BY TYPE (TONS)**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Residential</b>										
Residents Household	519	283	264	247	265	208	231	282	131	129
Residents Public Use Site	1,046	943	934	1,056	753	673	424	475	408	389
Residents Woodwaste	862	666	557	561	471	612	297	348	324	336
<b>Total Residential</b>	<b>2,427</b>	<b>1,892</b>	<b>1,755</b>	<b>1,864</b>	<b>1,489</b>	<b>1,493</b>	<b>952</b>	<b>1,105</b>	<b>863</b>	<b>854</b>
<b>Commercial</b>										
Gov't Hauled Household	7,674	7,594	7,832	7,940	7,400	7,100	6,914	6,772	6,802	6,628
Household Waste	246	196	185	429	630	579	595	605	634	626
Highland Clearing Acct.	448	382	356	350	387	369	379	351	348	366
Commercial Waste	11,261	11,367	10,980	10,791	10,926	11,468	12,060	11,864	12,163	10,456
Industrial Waste	855	1,755	1,543	1,221	1,286	2,332	2,315	2,023	1,486	2,127
Construction Demolition										
Debris (CDD)	5,364	6,975	4,502	4,187	3,522	3,445	2,060	2,280	3,278	2,669
Mulch	79	81	64	158	54	143	32	287	59	65
Woodwaste	880	348	229	303	250	722	216	254	177	209
Tires Heavy	-	1	-	1	-	-	-	-	-	-
Recycled Glass	98	122	105	120	190	44	-	-	-	-
<b>Total Commercial</b>	<b>26,905</b>	<b>28,821</b>	<b>25,796</b>	<b>25,500</b>	<b>24,645</b>	<b>26,202</b>	<b>24,571</b>	<b>24,436</b>	<b>24,947</b>	<b>23,146</b>
<b>Subtotal</b>	<b>29,332</b>	<b>30,713</b>	<b>27,551</b>	<b>27,364</b>	<b>26,134</b>	<b>27,695</b>	<b>25,523</b>	<b>25,541</b>	<b>25,810</b>	<b>24,000</b>
Biosolids	3,754	3,258	3,148	3,710	2,901	3,225	3,015	3,004	3,074	2,851
Dirt	-	21	-	5	39	812	456	378	801	45
<b>Grand Total</b>	<b>33,086</b>	<b>33,992</b>	<b>30,699</b>	<b>31,079</b>	<b>29,074</b>	<b>31,732</b>	<b>28,994</b>	<b>28,923</b>	<b>29,685</b>	<b>26,896</b>
Percent billed	63%	66%	62%	57%	58%	63%	64%	62%	63%	65%

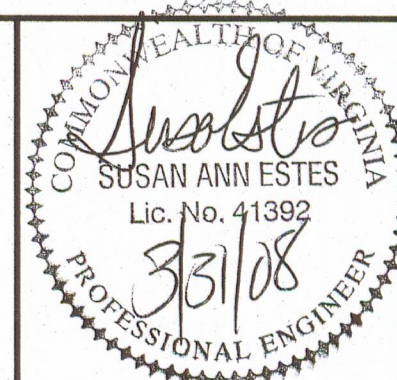
Source: Augusta Regional Landfill Operational and Billing records.

**MISCELLANEOUS OPERATIONAL STATISTICS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Trips to Landfill</b>										
Residents	168,179	155,016	156,638	165,666	162,258	151,735	132,481	129,382	123,956	114,660
Commercial	50,436	51,525	47,151	46,260	48,862	47,277	44,528	48,388	44,481	42,464
<b>Recycling Program</b>										
Woodwaste (tons)	9,695	9,910	7,925	8,685	9,216	12,612	7,398	7,413	6,403	7,068
Biosolids (tons)	10,094	9,380	9,303	10,408	9,219	8,917	9,015	8,870	9,362	8,442
Tires (piece, all types)	29,247	29,859	24,653	16,761	15,357	16,601	15,894	22,173	20,767	16,564
Appliances (piece)	4,038	3,625	3,600	4,055	4,320	3,600	3,513	3,440	2,928	2,223
Oil Recycled (gallons)	11,117	16,625	11,343	13,567	12,426	11,646	11,446	12,163	10,669	9,807
Oil Burned for Shop Heat (gallons)	3,500	3,450	3,500	3,500	3,600	3,600	3,500	3,500	3,600	3,600
Anti-Freeze (gallons)	1,221	1,461	1,393	1,615	1,330	1,496	955	1,824	916	880
Automotive Batteries (tons)	10	9	8	8	8	5	5	4	7	4
Scrap Metal (tons)	751	996	907	671	690	955	583	605	662	255
Cardboard (tons)	134	140	128	121	101	63	71	53	48	50
Electronics (tons)	-	-	-	7	63	69	63	60	60	50
<b>Public Use Site Container Loads</b>	3,066	3,369	5,165	6,667	5,840	5,307	4,803	5,057	4,794	4,101
<b>New Accounts</b>	94	74	118	58	59	67	77	108	97	133
<b>Total Accounts (active and inactive)</b>	4,054	3,960	3,863	3,761	3,703	3,644	3,577	3,500	3,392	3,295
<b>Employees (on-site, FTE at year end)</b>	14	14	14	14	14	14	14	14	15	14

Source: Augusta Regional Landfill Operational records.





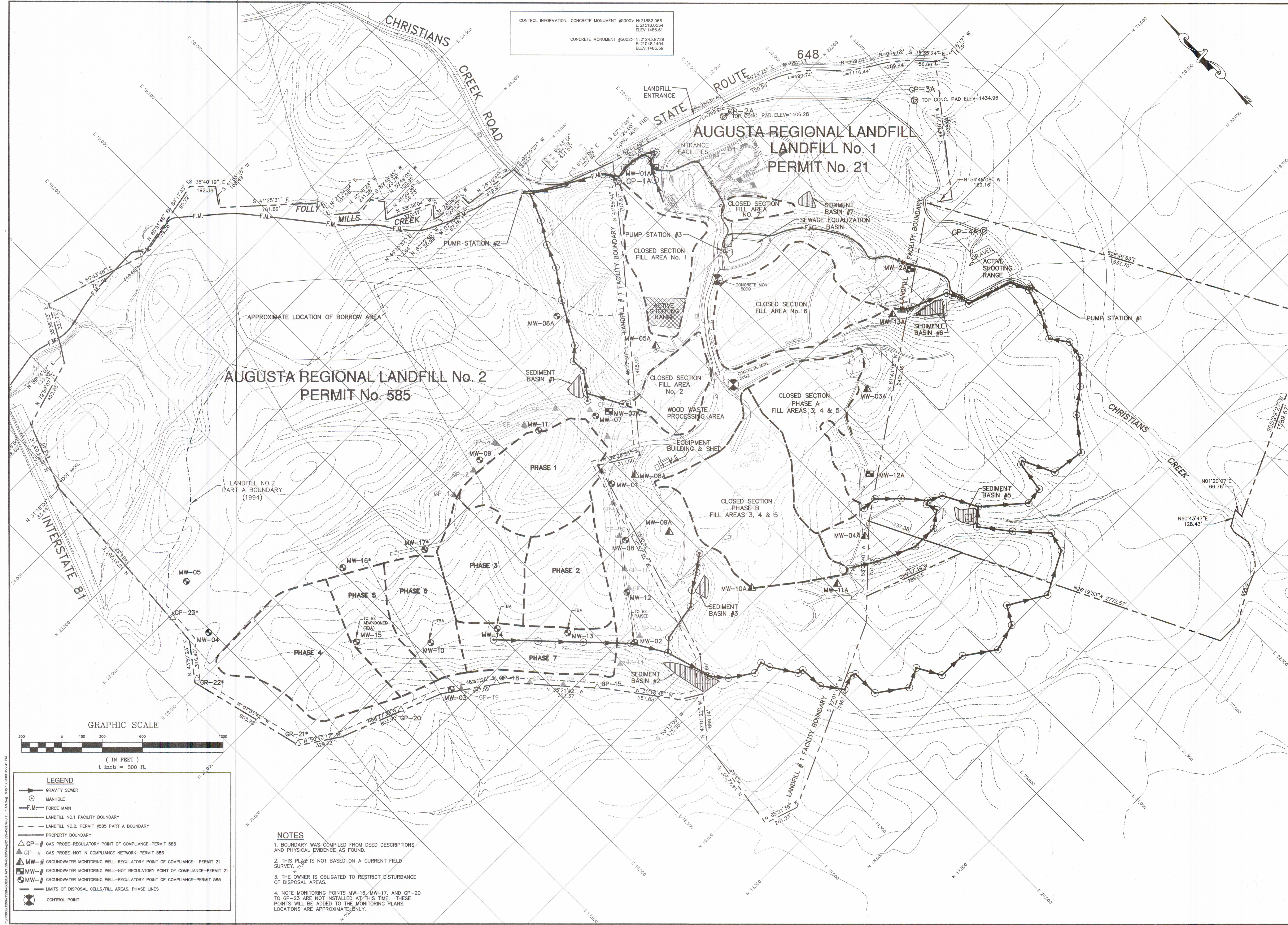
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**OVERALL SITE PLAN  
AUGUSTA REGIONAL LANDFILL, PERMIT #585  
PERMIT AMENDMENT, PART B  
AUGUSTA COUNTY, VIRGINIA**

REVISIONS	
REV 1 - JUNE 2007	BASE GRADE MODIFICATION
DESIGNED BY:	DCM/MAC
DRAWN BY:	KJS/LEF
CHECKED BY:	LPK
SCALE:	1"=300'
DATE:	NOVEMBER 1, 2006
PROJECT NUMBER:	21399-32W
2 OF 21	



CONTROL INFORMATION: CONCRETE MONUMENT #50002> N: 21862.966  
E: 21818.054  
ELEV: 1486.61  
CONCRETE MONUMENT #50022> N: 21243.9729  
E: 21048.1404  
ELEV: 1485.59

**LEGEND**

- GRAVITY SEWER
- MANHOLE
- FORCE MAIN
- LANDFILL NO.1 FACILITY BOUNDARY
- LANDFILL NO.2, PERMIT #585 PART A BOUNDARY
- PROPERTY BOUNDARY
- GP-# GAS PROBE-REGULATORY POINT OF COMPLIANCE-PERMIT 585
- GP-# GAS PROBE-NOT IN COMPLIANCE NETWORK-PERMIT 585
- MW-# GROUNDWATER MONITORING WELL-REGULATORY POINT OF COMPLIANCE- PERMIT 21
- MW-# GROUNDWATER MONITORING WELL-NOT REGULATORY POINT OF COMPLIANCE-PERMIT 21
- MW-# GROUNDWATER MONITORING WELL-REGULATORY POINT OF COMPLIANCE-PERMIT 585
- LIMITS OF DISPOSAL CELLS/FILL AREAS, PHASE LINES
- CONTROL POINT

**NOTES**

- BOUNDARY WAS COMPILED FROM DEED DESCRIPTIONS AND PHYSICAL EVIDENCE AS FOUND.
- THIS PLAN IS NOT BASED ON A CURRENT FIELD SURVEY.
- THE OWNER IS OBLIGATED TO RESTRICT DISTURBANCE OF DISPOSAL AREAS.
- NOTE MONITORING POINTS MW-16, MW-17, AND GP-20 TO GP-23 ARE NOT INSTALLED AT THIS TIME. THESE POINTS WILL BE ADDED TO THE MONITORING PLANS. LOCATIONS ARE APPROXIMATE ONLY.



## **COMPLIANCE**

**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 the Executive Committee  
Augusta Regional Landfill

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of Augusta Regional Landfill (Landfill), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Landfill's basic financial statements, and have issued our report thereon dated November 12, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Landfill'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 Landfill's internal control. Accordingly, we do not express an opinion on the effectiveness of the Landfill'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 a material misstatement of the Landfill's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Landfill'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 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 Landfill'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 Landfill's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*PBMares, LLP*

Harrisonburg, Virginia  
November 12, 2024