

OAK GROVE MULTI-MUNICIPAL COMPOST  
PROCESSING BOARD

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
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As of December 31, 2021

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Oak Grove Multi-Municipal Compost Processing Board  
Stroudsburg, PA

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

#### ***Disclaimer of Opinion***

We were engaged to audit the financial statements of the governmental activities and each major fund of Oak Grove Multi-Municipal Compost Processing Board, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Oak Grove Multi-Municipal Compost Processing Board's basic financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of Oak Grove Multi-Municipal Compost Processing Board. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

#### ***Basis for Disclaimer of Opinion***

There are inadequate accounting records to support completeness of cash, accounts receivable and program revenues. We believe the issue to be pervasive throughout the financial statements. As a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded cash, receivables, and the elements making up the statements of activities, nor the statements of revenues, expenditures, and changes in fund balance for governmental funds.

### ***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 Oak Grove Multi-Municipal Compost Processing Board'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 responsibility is to conduct an audit of Oak Grove Multi-Municipal Compost Processing Board's financial statements in accordance with auditing standards generally accepted in the United States of America. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of Oak Grove Multi-Municipal Compost Processing Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit.

*Billy and Company, Inc.*

Stroudsburg, PA  
January 7, 2026

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OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Governmental Funds Balance Sheet/Statement of Net Position  
As of December 31, 2021

Exhibit A  
Page 1

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>Assets:</b>			
<b>Current Assets:</b>			
Cash and equivalents	\$2,947	\$0	\$2,947
Grant receivable	354,745	0	354,745
Prepaid expenses	<u>2,745</u>	<u>0</u>	<u>2,745</u>
<b>Total Current Assets</b>	<u>360,437</u>	<u>0</u>	<u>360,437</u>
<b>Noncurrent Assets:</b>			
Capital assets - Net of accumulated depreciation	0	865,590	865,590
Right to use leased asset - Net of amortization	<u>0</u>	<u>6,379</u>	<u>6,379</u>
<b>Total Noncurrent Assets</b>	<u>0</u>	<u>871,969</u>	<u>871,969</u>
<b>Total Assets</b>	<u><u>\$360,437</u></u>	<u><u>\$871,969</u></u>	<u><u>\$1,232,406</u></u>
<b>Liabilities:</b>			
<b>Current Liabilities:</b>			
Due to Middle Smithfield Township	169,037	0	169,037
Current portion of finance lease	0	116,305	116,305
Current portion of site lease	<u>0</u>	<u>2,756</u>	<u>2,756</u>
<b>Total Current Liabilities</b>	<u>169,037</u>	<u>119,061</u>	<u>288,098</u>
<b>Long-Term Liabilities</b>			
Finance lease	0	372,404	372,404
Site lease	<u>0</u>	<u>4,595</u>	<u>4,595</u>
<b>Total Long-Term Liabilities</b>	<u>0</u>	<u>376,999</u>	<u>376,999</u>
<b>Total Liabilities</b>	<u>169,037</u>	<u>496,060</u>	<u>665,097</u>
<b>Fund Balance/Net Position:</b>			
Net investment in capital assets	0	375,909	375,909
Restricted	217,602	0	217,602
Unassigned/Unrestricted	<u>(26,202)</u>	<u>0</u>	<u>(26,202)</u>
<b>Total Fund Balance/Net Position</b>	<u><u>\$191,400</u></u>	<u><u>\$375,909</u></u>	<u><u>\$567,309</u></u>

The "Notes to Financial Statements" are in integral part of these statements and should be read in conjunction therewith.

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
As of December 31, 2021

Exhibit B

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Total Fund Balance - Governmental Funds	\$191,400
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.	865,590
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Right-to-use leased assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund balance sheet.	6,379
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The long-term operating and capital lease liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental fund balance sheet.	<u>(496,060)</u>
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Net Position - Governmental Activities	<u><u>\$567,309</u></u>
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OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund  
For the Year Ended December 31, 2021

Exhibit C

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Municipal contributions:			
Middle Smithfield Township	\$21,150	\$0	\$21,150
Lehman Township	13,950	0	13,950
Smithfield Township	9,900	0	9,900
Grinding services and drop-off fees	4,745	0	4,745
Mulch	5,335	0	5,335
Commercial permits and fees	2,250	0	2,250
State grant	350,000	0	350,000
<b>Total Revenues</b>	<u>407,330</u>	<u>0</u>	<u>407,330</u>
Expenditures:			
Site improvements	619,359	(618,707)	652
Salaries	46,369	0	46,369
Maintenance	4,516	0	4,516
Payroll taxes and benefits	7,026	0	7,026
Insurance	3,215	0	3,215
Legal	875	0	875
Electric	540	0	540
Office	264	0	264
Vehicle	80	0	80
Advertising	10,037	0	10,037
Debt service - Interest	3,207	0	3,207
Debt service - Principal	135,191	(135,191)	0
Depreciation	0	83,867	83,867
<b>Total Expenditures</b>	<u>830,679</u>	<u>(670,031)</u>	<u>160,648</u>
<b>Excess of Revenues over Expenditures</b>	<u>(423,349)</u>	<u>670,031</u>	<u>246,682</u>
Other Financing Sources (Uses):			
Proceeds of finance lease	618,707	(618,707)	0
Loss on disposal of capital asset	0	(36,667)	(36,667)
<b>Total Other Financing Sources (Uses)</b>	<u>618,707</u>	<u>(655,374)</u>	<u>(36,667)</u>
<b>Change in Fund Balance/Net Position</b>	195,358	14,657	210,015
<b>Fund Balance/Net Position at Beginning of Year</b>	<u>(3,958)</u>	<u>361,252</u>	<u>357,294</u>
<b>Fund Balance/Net Position at End of Year</b>	<u>\$191,400</u>	<u>\$375,909</u>	<u>\$567,309</u>

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund  
 Balances of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2021

Exhibit D

Change in Fund Balances - Total Governmental Funds	\$195,358
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Governmental funds report capital outlays as expenditures. However, in the government-wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This amount is additions to capital assets during the current period.</p>	618,707
<p>When capital assets are traded in or otherwise disposed of, a loss is recorded for the net book value of the disposed asset.</p>	(36,667)
<p>Depreciation is reported as an expense on the Statement of Activities but not on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances</p>	(81,398)
<p>Proceeds of long-term debt, including capital leases, are reported as financing sources in the governmental funds, but are recorded as long-term liabilities on the government-wide financial statements.</p>	(618,707)
<p>Principal payments on the site lease are reported as expenditures on the governmental funds but are recorded as a reduction of the lease liability on the governmental-wide statements.</p>	135,191
<p>Amortization of the right-to-use asset is recorded as an expenditure on the government-wide statement activities, but not on the governmental funds.</p>	<u>(2,469)</u>
Change in Net Position - Governmental Activities	<u><u>\$210,015</u></u>

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

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Note 1: Summary of Significant Accounting Policies:

Operations

Oak Grove Multi-Municipal Compost Processing Board (OGMMCPB) was formed in December 2013 through an Inter-municipal Agreement between the Townships of Middle Smithfield and Smithfield, Monroe County, and Lehman Township, Pike County, Pennsylvania, each a second-class Township. The participating municipalities recognized the establishment of an inter-municipal compost processing facility located at the Middle Smithfield Township municipal site which would provide efficient and economic services beneficial to their residents.

The financial statements of OGMMCPB have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. OGMMCPB applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Basis of Presentation

Government-wide Financial Statements

The statement of net position and the statement of activities display information about OGMMCPB as a whole.

The statement of net position presents the financial condition of the governmental activities of OGMMCPB at year-end and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and other obligations. OGMMCPB's net position is reported in three parts, when applicable - net investment in capital assets; restricted; and unrestricted. The restricted component of net position utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not properly included among program revenues are reported instead as general revenues.

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

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Note 1: Summary of Significant Accounting Policies: (Continued)

Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. For the classification of Governmental Funds, OGMMCPB considers an expenditure to be made from the most restrictive first, when more than one classification is available. OGMMCPB has one governmental fund:

General Fund

The General Fund is the general operating fund of OGMMCPB. It is used to account for all financial resources.

Basis of Accounting/Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets less total liabilities) is used as a practical measure of financial resources and the statement of activities includes all transactions and events that increased or decreased net position during the year. Depreciation and amortization are charged as expenses against current operations in the statement of activities and accumulated depreciation or amortization are reported on the statement of net position.

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Note 1: Summary of Significant Accounting Policies: (Continued)

Basis of Accounting/Measurement Focus (Continued)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities, generally, are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The governmental fund types follow the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. A one-year availability period is used for recognition of governmental fund revenues.

Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than principal and interest payments on long-term debt, which is recognized when due, are recorded when the related fund liability is incurred, if measurable. Expenditures for services to be performed in future years are recorded as prepayments. Materials and supplies are considered expenditures when purchased.

Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned because they are measurable and available.

Grant revenues are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Conversely, when such funds are received in advance, they are recorded as deferred revenues until earned.

Use of Estimates

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

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

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Note 1: Summary of Significant Accounting Policies: (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include demand and interest-bearing bank deposits and are carried at cost plus accrued interest, which approximates fair value.

Capital Assets

OGMMCPB provides for depreciation using the straight-line method. Capital assets are recorded at cost. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in the results of operations. Rates used to compute depreciation are based on the following estimated useful lives:

<u>Classification</u>	<u>Years</u>
Site improvements	25
Machinery	10

Right-to-use Assets

OGMMCPB has recorded a right-to-use lease asset for its site operating lease, as a result of implementing GASB 87. The right to use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use asset is amortized on a straight-line basis over the life of the related lease. See Notes 4 and 6 for additional information.

Equity Classification - Government-Wide Financial Statements

Equity is classified as net position and is displayed in three components for government-wide presentation:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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Note 1: Summary of Significant Accounting Policies: (Continued)

Equity Classification - Government-Wide Financial Statements (Continued)

Restricted Net Position - Consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of "net investment in capital assets."

Equity Classification - Governmental Fund Financial Statements

In the fund financial statements, OGMMCPB reports fund balance classifications in accordance with the provisions of GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The following are OGMMCPB's fund balance categories:

Non-Spendable - Not in spendable form or legally or contractually required to remain intact.

Restricted - Externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed – Can only be used for specific purposes pursuant to constraints by formal action of the highest level of decision-making authority. OGMMCPB's Committed Fund Balance is fund balance reporting required by OGMMCPB Board of Directors, either because of an OGMMCPB Policy or because of motions that passed at Board meetings.

Assigned - Constrained by intent to be used for a specific purpose. OGMMCPB Assigned Fund Balance is fund balance reported under the direction of authorized OGMMCPB Personnel.

Unassigned - Residual classification of OGMMCPB's general fund and includes all spendable amounts not contained in the other classifications.

Currently, OGMMCPB has Restricted and Unassigned Fund Balance.

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Note 1: Summary of Significant Accounting Policies: (Continued)

Equity Classification - Governmental Fund Financial Statements (Continued)

No minimum fund balance policies have been established.

For the General Fund, OGMMCPB's policy is to first use externally restricted resources and then use unrestricted resources - committed, assigned, and unassigned - in order as needed. When both restricted and unrestricted resources are available for use in funds other than the General Fund, it is OGMMCPB's policy to first use unrestricted resources - committed, and assigned - in order as needed, and then use externally restricted resources.

Note 2: Cash and Cash Equivalents:

Deposit and Investment Policy

OGMMCPB does not have a formally adopted deposit and investment policy that limits allowable deposits or investments and addresses the specific types of risk to which they are exposed.

Custodial Credit Risk to Deposits

Custodial Credit Risk is the risk that, in the event of a bank failure, OGMMCPB's deposits may not be recovered. OGMMCPB's policy for minimizing credit risk for bank balances exceeding Federal Deposit Insurance Corporation's (FDIC) insured limits relies upon Act 72 of 1971. The Act requires the financial institution to pool collateral for all of its government deposits in addition to having the collateral held by an approved custodian in the institution's name. At year-end, there were no deposits in excess of FDIC coverage.

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

Note 3: Capital Assets:

	<u>Balance 1/1/2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/2021</u>
Capital Assets Being Depreciated:				
Machinery and equipment	\$378,155	\$618,707	(\$154,000)	\$842,862
Site improvements	176,997	0	0	176,997
Less: Accumulated Depreciation	<u>(190,204)</u>	<u>(81,398)</u>	<u>117,333</u>	<u>(154,269)</u>
Capital Assets Net of Accumulated Depreciation	<u>\$364,948</u>	<u>\$537,309</u>	<u>(\$36,667)</u>	<u>\$865,590</u>

Note 4: Right-to-use Leased Asset:

	<u>Balance 1/1/2021</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance 12/31/2021</u>
Right-to-use Assets				
Site	\$22,224	\$0	\$0	\$22,224
Less: Accumulated Amortization	<u>(13,376)</u>	<u>(2,469)</u>	<u>0</u>	<u>(15,845)</u>
Total Right-to-use Assets, Net of Accumulated Amortization	<u>\$8,848</u>	<u>(\$2,469)</u>	<u>\$0</u>	<u>\$6,379</u>

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

Note 5: Finance Lease:

During 2021, OGMMCPB entered into a long-term finance lease for the acquisition of a grinder. Annual interest payments are \$132,398, including interest at 3.293%. Final payment is due on June 1, 2025.

	Beginning Balance	Additions	Repayments	Ending Balance	Current Portion
De Lage Landen Public Finance LLC - Vermeer Grinder	\$0	\$618,707	(\$129,998)	\$488,709	\$116,305

Schedule of Maturities:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2022	\$116,305	\$16,093	\$132,398
2023	120,135	12,263	132,398
2024	124,091	8,307	132,398
2025	128,178	4,220	132,398
Total	\$488,709	\$40,883	\$529,592

Note 6: Site Lease:

In July 2014, OGMMCPB entered into a lease with the Commonwealth of Pennsylvania, acting through the Department of Transportation, for use of the site for the compost processing facility. The lease agreement qualifies as other than short-term leases under GASB 87 and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The lease requires annual of \$3,000. The lease liability is measured at a discount rate of 4.00%. While this rate is not stated in the lease agreement, it was estimated based on the borrowing rates of Middle Smithfield Township, which acts as lead municipality. As a result of the lease, OGMMCPB has recorded a right to use asset with a net book value of \$6,379.

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

Note 6: Site Lease: (Continued)

Schedule of lease activity for the fiscal year is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Repayments</u>	<u>Ending Balance</u>	<u>Current Portion</u>
Site lease	\$14,989	\$0	(\$2,445)	\$12,544	\$2,545

Schedule of Maturities:

Year Ended December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$2,545	\$455	\$3,000
2021	2,648	352	3,000
2022	2,756	244	3,000
2023	2,868	132	3,000
2024	1,727	23	1,750
	<u>\$12,544</u>	<u>\$1,206</u>	<u>\$13,750</u>

Note 7: Municipal Contributions:

Per the intermunicipal agreement, the participating municipalities shall contribute to the overall annual operating costs of OGMMCPB, net of expected revenues, in accordance with the following formula, which is based on the relative populations of the participating municipalities, (as determined by the 2010 United States Census):

Middle Smithfield:	47%
Lehman:	31%
Smithfield:	22%

Middle Smithfield Township also receives a credit for expenses incurred in its day-to-day operation of the program. At December 31, 2021, OGMMCPB owed Middle Smithfield Township \$18,006 for the 4<sup>th</sup> Quarter 2021 operating expense reimbursements. This amount was repaid in early 2022.

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Financial Statements  
As of December 31, 2021

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Note 7: Municipal Contributions: (Continued)

In addition, at times, Middle Smithfield Township has loaned OGMMCPB funds for the purchase of machinery and for capital site improvements. These funds are paid back to Middle Smithfield Township once OGMMCPB receives grant funds for the various projects. At December 31, 2021, OGMMCPB owed Middle Smithfield Township \$151,031 in such reimbursements. As of the date of these financial statements, \$132,398 of this amount has been repaid to Middle Smithfield Township.

Note 8: Grants:

During 2021, OGMMCPB entered into an agreement with the Pennsylvania Department of Environmental Protection for a municipal recycling grant in the amount of \$350,000. The grant was for the purchase of a grinder. The machinery was received by OGMMCPB during 2021. As such, the grant revenue and related grant expenditures have been recorded in the 2021 fiscal year.

Note 9: Going Concern Considerations:

Due to OGMMCPB's negative net position as of January 7, 2026, management plans to contract a third-party that can operate the facility more efficiently. Management will also increase annual contributions from the participating municipalities to meet OGMMCPB's financial needs, as necessary.

Note 10: Subsequent Events:

Management has evaluated subsequent events through January 7, 2026, the date the financial statements were available to be issued.

In June 2024, OGMMCPB entered into a new 10-year site lease for the compost facility. The lease requires annual payments of \$4,800.

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Required Supplementary Information

As of December 31, 2021

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Statement of Revenues, Expenditures and Changes in Fund  
Balance - Budget and Actual - General Fund  
For the Year Ended December 31, 2021

Schedule 1

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Municipal contributions:			
Middle Smithfield Township	\$21,785	\$21,150	(\$635)
Smithfield Township	10,197	9,900	(297)
Lehman Township	14,369	13,950	(419)
Grinding services and drop-off fees	13,905	4,745	(9,160)
Mulch	3,605	5,335	1,730
Commercial permits and fees	3,605	2,250	(1,355)
Grants	206,000	350,000	144,000
Total Revenues	<u>273,466</u>	<u>407,330</u>	<u>133,864</u>
Expenditures:			
Site improvements	0	619,359	(619,359)
Audit	1,133	0	1,133
Salaries	36,050	46,369	(10,319)
Maintenance	214,652	4,516	210,136
Payroll taxes and benefits	7,382	7,026	356
Insurance	3,090	3,215	(125)
Electric	2,472	540	1,932
Office	258	264	(6)
Vehicle	1,030	80	950
Advertising	515	10,037	(9,522)
Contracted services	103	0	103
Legal	515	875	(360)
Debt service - Interest	0	3,207	(3,207)
Debt service - Principal	3,090	135,191	(132,101)
Total Expenditures	<u>270,290</u>	<u>830,679</u>	<u>(560,389)</u>
Excess (Deficiency) of Revenues over Expenditures	3,176	(423,349)	(426,525)
Other Funding Sources (Uses):			
Proceeds of finance lease	<u>0</u>	<u>618,707</u>	<u>618,707</u>
Net Change in Fund Balance	<u>\$3,176</u>	<u>\$195,358</u>	<u>\$192,182</u>

OAK GROVE MULTI-MUNICIPAL COMPOST PROCESSING BOARD  
Notes to Statement of Revenues, Expenditures and Changes in Fund  
Balance - Budget and Actual - General Fund  
For the Year Ended December 31, 2021

Schedule 2

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For the year ended December 31, 2021, expenditures exceeded appropriations by \$560,389

These excess expenditures were funded by excess revenues and other financing sources.