

December 5, 2023
File No. 27223271.00

Mr. Bill Blum
Iowa Department of Natural Resources
Land Quality Bureau
Wallace State Office Building
502 East 9th Street
Des Moines, Iowa 50319

Subject: 2023 Financial Assurance
Guthrie County Sanitary Landfill
Permit No. 39-SDP-01-73C

Dear Bill:

SCS Engineers, on behalf of Guthrie County Environmental Health, has completed the attached Iowa Department of Natural Resources (DNR) Municipal Solid Waste Sanitary Landfill Financial Assurance Annual Report Form for the Guthrie County Sanitary Landfill (Landfill) for the year 2023. The previously certified cost estimates were utilized with the application of the inflation factor (1.063) for 2022 over 2021.

In order to incorporate the inflation factor and reduction of postclosure years, the 2022 postclosure cost estimate of \$172,000 was divided by 2022's remaining years in postclosure (10) to determine the annual cost. The inflation factor was applied to this cost to determine the annual cost for the 2023 estimate (\$18,284). The 2023 annual cost estimate was multiplied by 2023's remaining years in postclosure (9) to determine the total postclosure cost estimate for 2023 (\$164,556). The values for the previous and current estimates are provided in the table below.

Table 1. 2023 Postclosure Cost Estimate using Inflation Factor

	2022	Inflation Factor	2023
Total Cost	\$172,000		\$164,556
Units	10		9
Annual Cost	\$17,200	1.063	\$18,284

Attachment A includes a statement and documentation of the local government financial test for coverage of the post-closure costs. The Landfill closed prior to the effective date of regulations requiring set aside funds for post-closure financial assurance. The Local Government Financial Test and CFO Letter and excerpts from the audit providing the numbers for the financial test are attached. A copy of the owner's most recent annual audit report in the form prescribed by the Office of the Auditor of the State of Iowa as described in Iowa Administrative Code (IAC) 567 Chapter 113 is located at <https://auditor.iowa.gov/audit-reports>.



If you have any questions regarding this report, please contact Nathan Ohrt at (319) 331-9613.

Sincerely,

A handwritten signature in blue ink, appearing to read "Nathan Ohrt".

Nathan Ohrt
Senior Project Professional
SCS Engineers

NPO/TCB

A handwritten signature in blue ink, appearing to read "Timothy C. Buelow".

Timothy C. Buelow, P.E.
Project Director
SCS Engineers

Copies: Mr. Jotham Arber, Guthrie County Environmental Health

Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form

Section 1: FACILITY INFORMATION *(please print or type)*

Information Requested	
Facility Name	Guthrie County Sanitary Landfill
Permitted Agency/Entity	Guthrie County
Permit Number	39-SDP-01-73C

Section 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate		
Updated Post Closure Cost Estimate	\$ 164,556	March 1, 2023
Initial or Updated Corrective Action Cost Estimate		

*Attach closure/postclosure cost estimate(s) signed and certified by an Iowa-licensed professional engineer. Cost estimates shall include, at a minimum, each of the cost line items defined in 113.14(3)"c" for closure and 113.14(4)"c" for postclosure. Please provide closure and/or postclosure site area acreage information with the estimates.

Provide a cost estimate for corrective action only if corrective action is required and a corrective action plan has been approved by the Department. Attach the corrective action cost estimate signed and certified by an Iowa-licensed professional engineer. The cost estimate shall account for total costs of the activities described in the approved corrective action plan for the corrective action period.

Section 3: FACILITY WASTE TONNAGE INFORMATION

Information Requested	Tons
Remaining permitted capacity as of the beginning of permit holder's current fiscal year	-
Amount of waste disposed of at the facility during the prior year	-

Section 4: PROOF OF COMPLIANCE

Publicly Owned Municipal Solid Waste Landfills	<i>(ATTACH AUDIT REPORT)</i>
Owner's Most Recent Annual Audit Report	
Prepared by: Auditor of the State of Iowa	
For fiscal year ending: June 30, 2022	
Privately Owned Municipal Solid Waste Landfills	<i>(ATTACH AFFIDAVIT)</i>
Attach owner/operator's affidavit indicating that an annual review has been performed by a certified public accountant to determine whether the privately owned landfill is in compliance with IAC 567 Chapter 113. The affidavit shall state the name of the certified public accountant, the dates and conclusions of the review, and the steps taken to rectify any deficiencies identified by the accountant.	

Section 5: FINANCIAL ASSURANCE INSTRUMENT

Type and Value of Financial Assurance Instrument(s) <i>(ATTACH INSTRUMENT(S))</i>			
Assurance Instrument	Establishment Date	Mechanism Covers	Instrument Value*
Trust Fund 567 IAC 113.14(6)"a"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Surety Bond 567 IAC 113.14(6)"b"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Letter of Credit 567 IAC 113.14(6)"c"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Insurance 567 IAC 113.14(6)"d"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Corporate Financial Test 567 IAC 113.14(6)"e"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't. Financial Test 567 IAC 113.14(6)"f"	June 2001	Closure <input type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$164,556
Corporate Guarantee 567 IAC 113.14(6)"g"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't Guarantee 567 IAC 113.14(6)"h"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	
Local Gov't. Dedicated Fund 56+7 IAC 113.14(6)"i"		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	

*Pursuant to IAC 567 113.14(9), if account(s) are restricted/reserved to pay for closure, postclosure or corrective action costs, then the amount of the financial assurance instrument may be reduced by the sum of the cash balance of the account(s) established to comply with subrule 113.14(8).

Section 6: INITIAL PROOF OF ESTABLISHMENT OF ACCOUNTS

Check Which Applies:
<input type="checkbox"/> New Mechanism <input checked="" type="checkbox"/> Previously Submitted
<p>Pursuant to IAC 567 Chapter 113.14(8)"f", documentation of the establishment of accounts is to be submitted to the department by April 1, 2003 for currently permitted MSWLFs. Permit holders for MSWLFs permitted after April 1, 2003, shall submit documentation of the establishment of accounts prior to the MSWLF's initial receipt of waste.</p> <p>Please attach documentation indicating accounts/fund have been established for closure and postclosure care and if the account(s) are restricted/reserved for closure or postclosure care. Examples of documentation include bank statements for closure/postclosure accounts, letter signed by the chief financial officer, letter from certified public accountant, etc.</p> <p>Accounts established pursuant to paragraph 113.14(6)"a" for trust funds or paragraph 113.14(6)"i" for local government dedicated funds also satisfies the requirements of this subrule, and the permit holder shall not be required to establish additional closure and postclosure accounts.</p>

Section 7: CLOSURE AND POSTCLOSURE ACCOUNTS

Completion of the following closure and postclosure account information complies with the annual financial statement requirements of IAC 567 113.14(3)“a” and 113.14(4)“a” by indicating the current balance(s) of the closure/postclosure account(s) or dedicated/trust fund and the projected amount(s) to be deposited in the account(s).


Under “Beginning Balance”, please state the account/fund balance 30 days after the start of the previous fiscal year, for “Ending Balance”, indicate the account balance 30 days after the close of the previous fiscal year, and for “Projected Deposit”, indicate the amount to be deposited within 30 days of the close of the permit holder’s fiscal year.

Information Requested	Beginning Balance	Ending Balance	Projected Deposit			
Closure Account Balance <i>(see formula below)</i>			NA			
Postclosure Account Balance <i>(see formula below)</i>			NA			
Or						
Dedicated Fund Balance <i>(see formula below)</i>						
Trust Fund Balance <i>(see formula below)</i>						
Formula for Projected Deposits						
Closure or Postclosure Account $\frac{CE - CB}{RPC} \times TR$	Dedicated/Trust Fund $\frac{CE - CB}{Y}$					
<p>Where “CE” is the closure or postclosure cost estimate, “CB” is the balance 30 days after close of the previous fiscal year, “RPC” is the remaining permitted capacity in tons, of the landfill from the beginning of the current fiscal year, and “TR” is the total number of tons of solid waste disposed in the prior year.</p>	<p>Where “CE” is the closure or postclosure cost estimate, “CB” is the balance 30 days after close of the previous fiscal year, and “Y” is number of years remaining in the pay-in period.</p>					
If needed, the space below can be used to show calculations for projected deposits						

Section 8: PERMIT HOLDER ENDORSEMENT

SUBMITTAL OF THIS COMPLETED AND ENDORSED FORM ALONG WITH ALL REQUIRED DOCUMENTATION ESTABLISHES NOTIFICATION AND PROOF OF PERMIT HOLDER COMPLIANCE WITH IAC 567 CHAPTER 113.

Jotham Arber	Executive Director	
Name of Official	Title	
Guthrie County Environmental Health		
Agency/Entity		
2002 State Street		
Address		
Guthrie Center	Iowa	50115
City	State	Zip
(641) 747-3972		
Telephone	Fax	
j.arber@guthriecounty.gov		
Email Address		

	Executive Director	01/30/2023
Signature of Official	Title	Date

Questions? Contact Bill Blum at (515) 725-8376 or bill.blum@dnr.iowa.gov

IAC 567 113.6(f)(3)1: LETTER SIGNED BY LOCAL GOVERNMENT'S CHIEF FINANCIAL OFFICER FOR LOCAL GOVERNMENT FINANCIAL TEST

November 30, 2023

Iowa Department of Natural Resources
Wallace Building
502 E 9th Street
Des Moines, Iowa 50319

Dear Sir or Madam:

I am the chief financial officer for Guthrie County, hereby referred to as "Owner." This letter is in support of the Owner's use of the financial test to demonstrate financial assurance for postclosure costs as specified in IAC 567 113.14(3) and 113.14(4).

The Owner is the owner and operator of the following Municipal Solid Waste Landfill(s) for which financial assurance for postclosure care is demonstrated through the financial test specified in IAC 567 113.6(f):

Landfill name(s): Guthrie County Sanitary Landfill

Address: 2349 Jaguar Trail

Guthrie Center, Iowa 50115

Permit No: 39-SDP-01-73C

The current closure and/or postclosure cost estimates, in accordance with IAC 567 113.14(3)c and 113.14(4)c, covered by the financial test are shown below:

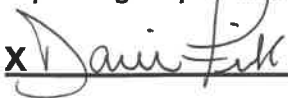
Closure cost to be assured: \$ NA

Postclosure cost to be assured: \$ 164,556

The Owner meets or exceeds the financial test criteria as shown below in Alternative II and agrees to comply with the reporting requirements as specified in subrule 113.6(f)(3).

Fill in and attach either Alternative I if meeting the bond ratings in accordance with IAC 567 113.6(f)(1)1 or Alternative II if meeting the financial ratios of IAC 567 113.6(f)(1)1.

As chief financial officer for the Owner, I hereby certify that the information provided in this letter is true to the best of my knowledge and that this letter is being submitted in accordance with Iowa Administrative Code Chapter 113 [subrule 113.6(f)(3)1] *Record-keeping and reporting requirements* for the "Local Government Financial Test".

X 

Date: 11/30/23

IAC 567 113.6(f)(3)1: LETTER SIGNED BY LOCAL GOVERNMENT'S CHIEF FINANCIAL OFFICER FOR LOCAL GOVERNMENT FINANCIAL TEST

The figures for the following items are derived from the Owner's independently audited, year-end financial statements/audit report for the latest completed fiscal year, ended June 30, 2022.

Alternative II

1. Sum of the current closure and postclosure cost estimates being assured by the financial test	\$ 164,556	\$ 172,000
	From most recent annual auditor's report	From 2nd most recent annual auditor's report
2. Total Revenues for past two years	\$19,612,679	\$19,075,386
3. Total Expenditures for past two years	\$14,213,357	\$15,798,359
4. Cash plus marketable securities (see definition below)	\$20,687,979	\$14,163,260
5. Annual debt service	\$1,657,680	\$1,706,098
Must be able to answer "yes" or "true" to the following	Yes/True	No/False
6. Is line 4 divided by line 3 greater than 5 percent?	X	
7. Is line 5 divided by line 3 less than 20 percent?	X	
8. There are no outstanding general obligation bonds that are currently in default.	X	
9. There are no outstanding general obligation bonds rated lower than Baa as issued by Moody's or BBB as issued by Standard & Poor's.	X	
10. Have financial statements (audit) been prepared in conformity with Generally Accepted Accounting Principles or with Other Comprehensive Basis of Accounting?	X	
11. Is line 3 less than line 2 in each of the past two years?	X	
12. If answered "no" to line 11, line 3 does not exceed line 2 by more than 5 percent in each of the past two years.		
13. Is line 1 less than 43 percent of line 2?	X	
14. Have not received an adverse opinion or disclaimer of opinion from the independent certified public accountant or office of the auditor of the state of Iowa.	X	
15. Have closure and postclosure costs being assured been referenced in the owner's most recent audit report or instead placed in the owner's files if timing did not permit reference in the most recent audit?	X	

Definitions:

"Deficit" means total annual revenues minus total annual expenditures.

"Total revenues" means revenues from all taxes and fees but does not include the proceeds from borrowing or asset sales, excluding revenue from funds managed by local government on behalf of a specific third party.

"Total expenditures" means all expenditures excluding capital outlays and debt repayment.

"Cash plus marketable securities" means all the cash plus marketable securities held by the local government on the last day of a fiscal year, excluding cash and marketable securities designated to satisfy past obligations such as pensions.

"Debt service" means the amount of principal and interest due on a loan in a given time period, typically the current year.



OFFICE OF AUDITOR OF STATE
STATE OF IOWA

State Capitol Building
Des Moines, Iowa 50319-0006
Telephone (515) 281-5834 Facsimile (515) 281-6518

Rob Sand
Auditor of State

NEWS RELEASE

FOR RELEASE

November 17, 2023

Contact: Ernest Ruben
515/281-5834

Auditor of State Rob Sand today released an audit report on Guthrie County, Iowa.

FINANCIAL HIGHLIGHTS:

The County's revenues totaled \$19,612,679 for the year ended June 30, 2022, a 2.8% increase over the prior year. Expenses for County operations for the year ended June 30, 2022, totaled \$14,213,357, a 10.0% decrease from the prior year. The increase in the revenues is due primarily to an increase in property tax revenue and the significant decrease in the expenses is due primarily to a decrease in rock and sand inventory purchased in fiscal year 2022.

AUDIT FINDINGS:

Sand reported seven findings related to the receipt and expenditure of taxpayer funds. They are found on pages 92 through 98 of this report. The findings address issues such as lack of segregation of duties, material amounts of accounts payable, prepaid expenses and infrastructure and capital asset additions not properly recorded in the County's financial statements. Sand provided the County with recommendations to address each of these findings.

Five of the seven findings discussed above are repeated from the prior year. The County Board of Supervisors and elected officials have a fiduciary responsibility to provide oversight of the County's operations and financial transactions. Oversight is typically defined as the "watchful and responsible care" a governing body exercises in its fiduciary capacity.

A copy of the audit report is available for review on the Auditor of State's website at [Audit Reports – Auditor of State](#).

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GUTHRIE COUNTY
INDEPENDENT AUDITOR'S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS

JUNE 30, 2022

Exhibit A

Guthrie County
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>
Assets	
Cash, cash equivalents and pooled investments:	
County Treasurer	\$ 20,687,979
Held by component units	370,025
Receivables:	
Property tax:	
Delinquent	4,733
Succeeding year	8,412,000
Succeeding year tax increment financing	1,313,000
Interest and penalty on property tax	108,083
Accounts	32,615
Loans	520,000
Accrued interest	8,140
Opioid settlement	177,936
Lease	76,568
Due from other governments	658,600
Inventories	2,386,271
Prepaid expense	373,357
Capital assets, not being depreciated	15,243,559
Capital assets, net of accumulated depreciation	28,149,552
Net pension asset	872,368
Total assets	<u>79,394,786</u>
Deferred Outflows of Resources	
Pension related deferred outflows	975,323
OPEB related deferred outflows	30,996
Total deferred outflows of resources	<u>1,006,319</u>

Guthrie County

Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds

Year ended June 30, 2022

		Special	
	General	Mental Health	Rural Services
Revenues:			
Property and other county tax	\$ 5,044,916	217,740	2,888,542
Tax increment financing	-	-	-
Local option sales tax	-	-	869,178
Interest and penalty on property tax	44,620	-	-
Intergovernmental	1,252,652	14,753	200,280
Licenses and permits	49,782	-	-
Charges for service	891,558	-	1,478
Use of money and property	95,984	-	-
Miscellaneous	80,925	-	646,494
Total revenues	7,460,437	232,493	4,605,972
Expenditures:			
Operating:			
Public safety and legal services	2,420,498	-	-
Physical health and social services	1,627,166	-	-
Mental health	-	318,059	-
County environment and education	480,314	-	1,213,594
Roads and transportation	-	-	27,850
Governmental services to residents	445,840	-	4,620
Administration	1,685,460	-	-
Nonprogram current	4,602	-	-
Debt service	-	-	-
Capital projects	-	-	-
Total expenditures	6,663,880	318,059	1,246,064
Excess (deficiency) of revenues over (under) expenditures	796,557	(85,566)	3,359,908
Other financing sources (uses):			
General obligation bonds issued	-	-	-
Preimum	-	-	-
Transfers in	-	-	-
Transfers out	(278,262)	-	(2,756,005)
Total other financing sources (uses)	(278,262)	-	(2,756,005)
Change in fund balances	518,295	(85,566)	603,903
Fund balances beginning of year	3,098,935	85,566	1,051,541
Fund balances end of year	\$ 3,617,230	-	1,655,444

See notes to financial statements.

Revenue					
Secondary Roads	Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Total
-	-	628,405	-	-	8,779,603
-	1,007,617	-	-	-	1,007,617
-	-	-	-	-	869,178
-	-	-	-	-	44,620
4,287,227	39,240	61,664	-	353,946	6,209,762
14,305	-	-	-	-	64,087
187,132	-	-	-	4,320	1,084,488
1,368	-	-	6,204	3,913	107,469
234,488	-	-	-	11,769	973,676
4,724,520	1,046,857	690,069	6,204	373,948	19,140,500
-	-	-	-	1,785	2,422,283
-	-	-	-	344,333	1,971,499
-	-	-	-	-	318,059
-	-	-	-	10,826	1,704,734
6,010,290	-	-	-	-	6,038,140
-	-	-	-	1,774	452,234
102,769	-	-	-	-	1,788,229
-	-	-	-	-	4,602
-	957,391	700,289	-	-	1,657,680
1,287	-	-	5,609,781	-	5,611,068
6,114,346	957,391	700,289	5,609,781	358,718	21,968,528
(1,389,826)	89,466	(10,220)	(5,603,577)	15,230	(2,828,028)
-	-	-	8,500,000	-	8,500,000
-	-	-	39,990	-	39,990
2,824,267	-	-	210,000	-	3,034,267
-	-	-	-	-	(3,034,267)
2,824,267	-	-	8,749,990	-	8,539,990
1,434,441	89,466	(10,220)	3,146,413	15,230	5,711,962
5,255,200	35,268	609,389	6,730,021	502,518	17,368,438
6,689,641	124,734	599,169	9,876,434	517,748	23,080,400