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March 30, 2024

**Chad Stobbe
Energy and Waste Management Bureau
Iowa Department of Natural Resources
Wallace State Office Building
502 E. 9th ST.
Des Moines, IA 50319**

**Re: Cherokee County Sanitary Landfill - Cherokee County Solid Waste
Commission
Financial Assurance Report
Permit # 18-SDP-010-75**

Dear Mr. Stobbe:

I represent the Cherokee County Solid Waste Commission, operator of the Cherokee County Sanitary Landfill. Enclosed please find the following:

- Municipal Solid Waste Sanitary Landfill Local Government Guarantee Financial test and CFO Letter**
- Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form- Revised**

I believe this should satisfy the current fiscal year Financial Assurance requirements for Cherokee County. If anything, else is needed, please advise and thank you.

Very truly,

**LOUGHLIN LAW FIRM
BY: John P. Loughlin
JPL/lw**

**Tim Buelow, Evora Consulting, 1801 Industrial Cir, W. Des Moines, IA 50265
Cherokee County Solid Waste Commission, %Tony Agnitsch, 1705 Linden St, Cherokee,
IA 51012**

MUNICIPAL SOLID WASTE SANITARY LANDFILL LOCAL GOVERNMENT FINANCIAL TEST & CFO LETTER

[Enter Date]

Iowa Department of Natural Resources
Planning, Permitting & Engineering Services
Wallace State Office Building
502 East 9th Street
Des Moines, IA 50319

Dear Sir or Madam:

I am the chief financial officer for Cherokee County, Iowa ~~MSWLF Owner Name~~, herein referred to as the "Owner". This letter is in support of the Owner's use of the Financial Test to demonstrate financial assurance for closure and/or postclosure care costs, as specified in IAC 567 Chapter 113.14(3) and 113.14(4).

The Owner is the owner and operator of the following municipal solid waste sanitary landfill(s) for which financial assurance for closure and/or postclosure care is demonstrated through the financial test, as specified in IAC 567 Chapter 113.14(6)"f":

Facility Name: Cherokee County Landfill

Address: 1805 Linden St. Cherokee, Iowa 51012

Permit No: 18-SDP-01-75

The current closure and/or postclosure care cost estimate, in accordance with IAC 567 Chapter 113.14(3) and 113.14(4), are shown below for each facility covered by the Financial Test:

Closure cost to be assured: \$ 2,797,181 (less any accumulated payments by CCSWC to Closure)

Postclosure cost to be assured: \$ 1,766,216 (less accumulated payments by CCSWC to post-closure)

The Owner meets or exceeds the financial test criteria as shown below in [insert Alternative I or Alternative II] and agrees to comply with the requirements, as specified in subrule 113.14(6)"f".

[Note: Fill in and attach either Alternative I if meeting the bond ratings or Alternative II if meeting the financial ratios of IAC 567 113.14(6)"f"(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 IAC 567 Chapter 113.14(6)"f" for the Local Government Financial Test.

Signature: Kris Glienke

Name: Kris Glienke

Date: 3/25/2024

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 [Fiscal year end date].

Alternative I

1. Sum of the current closure and/or postclosure cost estimates being assured by the Financial Test	\$3,521,339	\$
	From most recent annual auditor's report	From 2nd most recent annual auditor's report
2. Total Revenues	\$ 15,667,643	\$12,984,689
3. Total Expenditures	\$ 17,826,932	\$12,141,330
4. Current bond rating of most recent outstanding general obligation bonds		AA/Aa
Must be able to answer "Yes" or "True" to the following		
	Yes/ True	No/ False
5. Has evidence been provided of most recent bond rating?	x	
6. Are outstanding general obligation bonds rated at least Aaa, Aa, A, or Baa, as issued by Moody's or AAA, AA, A or BBB, as issued by Standard & Poor's?	x	
7. There are no outstanding general obligation bonds that are currently in default.	x	
8. 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	
9. Have financial statements (audit) been prepared in conformity with Generally Accepted Accounting Principles or with Other Comprehensive Basis of Accounting?	x	
10. Is line 3 less than line 2 in each of the past two years?	x	
11. If answered "no" to line 10, line 3 does not exceed line 2 by more than 5 percent in each of the past two years.	-----	
12. Is line 1 less than 43 percent of line 2?	x	
13. 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	
14. 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.

CHEROKEE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

Exhibit E

	<u>General</u>	<u>Special Revenue</u>			<u>Nonmajor</u>	<u>Total</u>
		<u>Rural Services</u>	<u>Secondary Roads</u>	<u>American Rescue Plan</u>		
Revenues:						
Property and other County tax	\$ 3,725,119	\$ 2,766,094	\$ -	\$ -	\$ 278,751	\$ 6,769,964
Interest and penalty on property tax	43,652	-	-	-	-	43,652
Intergovernmental	747,872	99,400	5,190,239	1,764,277	9,762	7,811,550
Licenses and permits	5,475	4,157	147,027	-	-	156,659
Charges for services	467,291	700	-	-	2,468	470,459
Use of money and property	294,022	-	-	-	355	294,377
Miscellaneous	91,555	-	8,156	-	21,311	121,022
Total revenues	<u>5,374,986</u>	<u>2,870,351</u>	<u>5,345,422</u>	<u>1,764,277</u>	<u>312,647</u>	<u>15,667,683</u>
Expenditures:						
Operating:						
Public safety and legal services	2,133,309	524,794	-	-	13,181	2,671,284
Physical health and social services	646,090	-	-	-	1,500	647,590
County environment and education	672,322	361,072	-	-	124,668	1,158,062
Roads and transportation	-	91,786	5,746,480	-	-	5,838,266
Governmental services to residents	688,555	-	-	-	-	688,555
Administration	1,514,139	-	-	1,764,192	156,155	3,434,486
Capital projects	-	-	2,695,680	-	93,009	2,788,689
Total expenditures	<u>5,654,415</u>	<u>977,652</u>	<u>8,442,160</u>	<u>1,764,192</u>	<u>388,513</u>	<u>17,226,932</u>
Excess (deficiency) of revenues over expenditures	<u>(279,429)</u>	<u>1,892,699</u>	<u>(3,096,738)</u>	<u>85</u>	<u>(75,866)</u>	<u>(1,559,249)</u>
Other financing sources (uses):						
Sale of capital assets	5,375	-	137,863	-	-	143,238
Operating transfers in (out)	(50,000)	(2,000,000)	2,000,000	-	50,000	-
Total other financing sources (uses)	<u>(44,625)</u>	<u>(2,000,000)</u>	<u>2,137,863</u>	<u>-</u>	<u>50,000</u>	<u>143,238</u>
Net change in fund balances	<u>(324,054)</u>	<u>(107,301)</u>	<u>(958,875)</u>	<u>85</u>	<u>(25,866)</u>	<u>(1,416,011)</u>
Fund balances, beginning of year	<u>2,456,067</u>	<u>557,972</u>	<u>12,640,925</u>	<u>-</u>	<u>1,001,269</u>	<u>16,656,233</u>
Fund balances, end of year	<u>\$ 2,132,013</u>	<u>\$ 450,671</u>	<u>\$ 11,682,050</u>	<u>\$ 85</u>	<u>\$ 975,403</u>	<u>\$ 15,240,222</u>



Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form

SECTION 1: FACILITY INFORMATION

(please print or type)

Information Requested

Facility Name: Cherokee County Landfill Permit Number: 18-SDP-010-75
 Permitted Agency/Entity: Cherokee County Solid Waste Commission

SECTION 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	\$ 2,797,181	03/13/2024
Updated Postclosure Cost Estimate	\$ 1,766,216	03/13/2024
Initial or Updated Corrective Action Cost Estimate	\$ 49,963	03/13/2024

*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	2,875,255
Amount of waste disposed of at the facility during the prior fiscal year	2,857,180

SECTION 4: PROOF OF COMPLIANCE

Publicly Owned Municipal Solid Waste Landfills

(ATTACH AUDIT REPORT)

Owner's Most Recent Annual Audit Report

Prepared by: Williams & Company PC

For fiscal year ending: June 30, 2023

Privately Owned Municipal Solid Waste Landfills

(ATTACH AFFIDAVIT)

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)

(ATTACH INSTRUMENT(S))

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"	July 10, 1997	Closure <input checked="" type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input checked="" type="checkbox"/>	\$ 3,521,339
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 567 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:

New Mechanism

Previously Submitted

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.

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.

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.

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>	\$ 497.794	\$ 510.553	\$ 14.344
Postclosure Account Balance <i>(see formula below)</i>	\$ 512.335	\$ 521.159	\$ 7.793
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

$$\frac{CE - CB}{RPC} \times TR$$

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.

Dedicated/Trust Fund

$$\frac{CE - CB}{Y}$$

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.

If needed, the space below can be used to show calculations for projected deposits

<p>Closure 2,797,181 – 515,460 _____ X 18.075 = \$14,344 2,875,255</p>	<p>Postclosure 1,766,216 – 526,598 _____ X 18.075 = \$7,793 2,875,255</p>
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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.

Name of Official: Roman Redig Title: Chairman

Agency/Entity: Cherokee County Solid Waste Commission

Address: 1805 Linden St

City: Cherokee State: IA Zip: 51012

Telephone: 712-225-3749 Fax: 712-225-2515

Email Address: jploughlinlaw@gmail.com

Signature of Official:  Date: 3-28-24

Questions? Contact Chad Stobbe at (515) 201-8272 or Chad.Stobbe@dnr.iowa.gov