



February 27, 2026

Iowa DNR-Wallace State Office Building
502 East 9th Street
Des Moines, IA 50319
Attn: Mary Klemesrud

Dear Mary,

Enclosed are the following documents, being submitted pertaining to the Cedar Rapids Linn County Solid Waste Agency's financial assurance requirement:

1. Municipal Waste Sanitary Landfill Financial Assurance Report (Form 542-8090) for the Cedar Rapids Linn County Solid Waste Agency Site #2 Sanitary Landfill
2. Municipal Solid Waste Sanitary Landfill Local Government Financial Test & CFO Letter for the Cedar Rapids Linn County Solid Waste Agency Site #2 sanitary landfill
3. Closure/post-closure cost estimates dated 02/17/26 for the Cedar Rapids Linn County Solid Waste Agency Site #2 sanitary landfill
4. Site 2 airspace analysis memorandum dated 12/16/25 for airspace survey updated 09/17/25.
5. Municipal Waste Sanitary Landfill Financial Assurance Report (Form 542-8090) for the Cedar Rapids Linn County Solid Waste Agency Site #1 sanitary landfill
6. Post-Closure cost estimate dated 02/17/26 for the Cedar Rapids Linn County Solid Waste Agency Site #1 sanitary landfill
7. Closure cost estimate dated 02/17/26 for the Cedar Rapids Linn County Solid Waste Agency Site #3 composting location
8. Closure cost estimate dated 08/02/24 for the Cedar Rapids Linn County Solid Waste Agency Site #2 Transfer Station, along with an email copy from the engineer stating no new cost estimate was needed. Inflation factor of 1.033 used in calculations.
9. Solid Waste Agency's independent auditor's report for fiscal year ending June 30, 2025

A deposit of \$360,952 is needed prior to June 30, 2026, to the Cedar Rapids Linn County Solid Waste Agency Local Government Dedicated Fund.

The consolidated closure/post-closure ending fund balance on June 30, 2026 of \$23,524,850 will be reflected in the fiscal year end 2026 independent audit report.

If you have any other questions or comments regarding this subject matter, please contact me at you earliest convenience.

Sincerely,

A handwritten signature in blue ink that reads "Celia M. Van Alst".

Celia M. Van Alst
Accounting Manager



Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form

SECTION 1: FACILITY INFORMATION

(please print or type)

Information Requested

Facility Name: Cedar Rapids Linn County Solid Waste Agency Site 2 Permit Number: 57-SDP-01-72P
Permitted Agency/Entity: Cedar Rapids Linn County Solid Waste Agency

SECTION 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	\$ 7,375,885	02/17/2026
Updated Postclosure Cost Estimate	\$ 11,176,500	02/17/2026
Initial or Updated Corrective Action Cost Estimate	\$ N/A	N/A

*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	824,819
Amount of waste disposed of at the facility during the prior fiscal year	181,910

SECTION 4: PROOF OF COMPLIANCE

Publicly Owned Municipal Solid Waste Landfills

(ATTACH AUDIT REPORT)

Owner's Most Recent Annual Audit Report

Prepared by: Eide Bailly LLP

For fiscal year ending: June 30, 2025

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)	<i>(ATTACH INSTRUMENT(S))</i>
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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 30, 2025	Closure <input checked="" type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$1,636,635
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”	July 01, 2010	Closure <input checked="" type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$16,606,940

*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
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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>	\$ 6,757,741	\$ 6,830,896	\$ 120,194.79
Postclosure Account Balance <i>(see formula below)</i>	\$ 9,035,393	\$ 9,776,044	\$ 240,757.46
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 CE \$7,375,885; RPC 824,819; TR 181,910 CB \$6,830,896 [(7,375,885-6,830,896)/824,819]x181,910 = \$120,194.79</p>	<p>Postclosure CE \$11,176,500; RPC 824,819; TR 181,910 CB \$9,776,044 + \$324,220 excess site 1 - \$15,410 for transfer station closure = \$10,084,854 [(11,176,500-10,084,854)/824,819]x181,910 = \$240,757.46</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: Celia M. Van Alst Title: Accounting Manager

Agency/Entity: Cedar Rapids Linn County Solid Waste Agency

Address: 1954 County Home Road

City: Marion State: IA Zip: 52302

Telephone: 319-777-2595 Fax: 319-377-5480

Email Address: cvanalst@solidwasteagency.org

Signature of Official: Celia M. Van Alst Digitally signed by Celia M. Van Alst
Date: 2026.02.27 11:17:28 -06'00' Date: 02/27/2026

Questions? Contact Mary Klemesrud at (515) 802-8835 or Mary.Klemesrud@dnr.iowa.gov

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

02/27/2026

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 Accounting Manager for the Cedar Rapids Linn County Solid Waste Agency, 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 post-closure 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 post-closure care is demonstrated through the financial test, as specified in IAC 567 Chapter 113.14(6)"f":

Facility Name: Cedar Rapids Linn County Solid Waste Agency--Sanitary Landfill (Site #2)

Address: 1954 County Home Road, Marion, IA 52302

Permit No: 57-SDP-01-72P

The current closure and/or post-closure 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: \$544,989

Post-closure cost to be assured: \$1,091,646

The Owner meets or exceeds the financial test criteria as shown below in Alternative II and agrees to comply with the requirements, as specified in sub-rule 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 Accounting Manager 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: 

Name: Celia M. Van Alst

Date: 02/27/2026

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, 2024].

Alternative II

1. Sum of the current closure and/or postclosure cost estimates being assured by the Financial Test	\$ 1,636,635	\$1,675,974
	From most recent annual auditor’s report	From 2nd most recent annual auditor’s report
2. Total Revenues for past two years	\$13,538,358	\$11,917,8433
3. Total Expenditures for past two years	\$8,691,31515	\$7,268,1011
4. Cash plus marketable securities (see definition below)	\$41,393,180	\$36,857,063
5. Annual debt service	\$0	\$ 0
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.	N/A	
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.

Closure/Post Closure Cost Update
CRLCSWA Site 2 Closure/Post Closure Cost Estimate Update
Cedar Rapids Linn County Solid Waste Agency

Site No. 2
Permit No. 57-SDP-01-72P
Site 2 Closure Cost Estimate Update
February 17, 2026

	I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.			
	<i>Brian K. Harthun</i>			Date: 2/17/2026
	My renewal date is December 31, 2026			
	Pages or sheets covered by this seal: ALL			

Summary Sheet

CRLCSWA Site 2 Closure/Post Closure Cost Estimate Update
Cedar Rapids Linn County Solid Waste Agency

2/17/2026

Project: CRLCSWA Site 2 Closure/Post Closure Cost Estimate Update

Site 2 Closure Cost Estimate Update

February 17, 2026

Site No. 2	2025 Update	2026 Update ¹	Percent Increase/Decrease
Closure Cost Estimate	\$ 7,154,020	\$ 7,375,885	3.10%
Post Closure Cost Estimate	\$ 10,819,500	\$ 11,176,500	3.30%
Total*	\$ 17,973,520	\$ 18,552,385	3.22%

* Estimate Update utilized current industry prices

2026 IDNR Inflation Factor	-
Remaining Constructed Capacity in tons	781,121
Remaining Construction Capacity in Years (200,000 Tons Per Year)	4.3

Cedar Rapids Linn County Solid Waste Agency
CRLCSWA Site 2 Closure/Post Closure Cost Estimate Update

2/17/2026

2026 IDNR Inflation Factor -
 Remaining Constructed Capacity in tons 781,121 Tons
 Remaining Constructed Capacity in Years (180000 tons per year) 4.3 Years

Site 2 Closure Cost Estimate Update
February 17, 2026

Item	Quantity	Unit	Unit Price	Total	Method of Adjustment
Construction Initiation & Administration					
Mobilization/Demobilization	1	LS	\$ 175,000.00	\$ 175,000	Current Industry Prices
Bonds & Insurance	1	LS	\$ 50,000.00	\$ 50,000	Current Industry Prices
Submittals, Health & Safety Plan, Env. Protection	1	LS	\$ 5,000.00	\$ 5,000	Current Industry Prices
Temporary Facilities	1	LS	\$ 31,000.00	\$ 31,000	Current Industry Prices
Field Engineering Layout & Control	1	LS	\$ 51,200.00	\$ 51,200	Current Industry Prices
Final Cover System Construction					
Subgrade Preparation / Grading layer	48	AC	\$ 2,200.00	\$ 104,940	Current Industry Prices
18" Recompacted Clay Cap	121,210	CY	\$ 6.00	\$ 727,260	Current Industry Prices
40-mil LLDPE Textured Geomembrane	2,181,700	SF	\$ 0.85	\$ 1,854,445	Current Industry Prices
Drainage Geocomposite	2,181,700	SF	\$ 1.00	\$ 2,181,700	Current Industry Prices
24" Soil Erosion Layer	161,610	CY	\$ 6.00	\$ 969,660	Current Industry Prices
Excavate and Tie-in Geomembrane to Bottom Liner and existing cap	5,800	LF	\$ 11.00	\$ 63,800	Current Industry Prices
Topsoil, Seed, Fertilize, & Temp. Erosion Controls	48	AC	\$ 2,500.00	\$ 119,250	Current Industry Prices
Access Road on Cap	630	LF	\$ 70.00	\$ 44,100	Current Industry Prices
Stormwater & Erosion Controls					
Letdown Structures - Open Channel w/ Riprap	1,300	LF	\$ 85.00	\$ 110,500	Current Industry Prices
Rip Rap Outlet Protection	120	Tons	\$ 75.00	\$ 9,000	Current Industry Prices
Drainage Terraces - Tack on Terraces	8,160	LF	\$ 18.00	\$ 146,880	Current Industry Prices
Environmental Controls & Miscellaneous					
Landfill Gas Well Installation and System Expansion	-		\$ -	\$ -	
LFG Header Installation	-		\$ -	\$ -	
Road Rock Surfacing - Improvements to Perimeter Road	6,900	SY	\$ 8.50	\$ 58,650	Current Industry Prices
Edge of Liner Signage	50	EA	\$ 30.00	\$ 1,500	Current Industry Prices
Engineering and Technical Services					
Engineering Design and Bid Document Development	1	LS	\$ 225,000.00	\$ 225,000	Current Industry Prices
Closure/Post-Closure Plan Update	1	LS	\$ 12,000.00	\$ 12,000	Current Industry Prices
Construction Contract Administration / Closure Certification Report	1	LS	\$ 150,000.00	\$ 150,000	Current Industry Prices
Construction Observation and Material Testing	1	LS	\$ 275,000.00	\$ 275,000	Current Industry Prices
Miscellaneous Legal and Financial Administrative Services	1	LS	\$ 10,000.00	\$ 10,000	Current Industry Prices

TOTAL 2026 CLOSURE COST ESTIMATE UPDATE **\$ 7,375,885**

2025 Closure Cost Estimate \$ 7,154,020
 Percent Increase/(Decrease) 3.10%
 Method of Update - Current Industry Prices

ASSUMPTIONS:

Closure and Post Closure Cost based on constructed cells thru Phase 5A

Cedar Rapids Linn County Solid Waste Agency
CRLCSWA Site 2 Closure/Post Closure Cost Estimate Update

2/17/2026

2026 IDNR Inflation Factor	-	
Remaining Constructed Capacity in tons	781,151	Tons
Remaining Constructed Capacity in Years (200,000 tons per year)	4.3	Years

Site 2 Post Closure Cost Estimate Update
February 17, 2026

Item	Quantity	Unit	Unit Price	Total	Method of Adjustment
Site Maintenance					
Mowing	30	Year	\$ 5,000	\$ 150,000.00	Current Industry Prices
Weed Control & Tree Eradication	30	Year	\$ 3,600	\$ 108,000.00	Current Industry Prices
Erosion repair	30	Year	\$ 25,000	\$ 750,000.00	Current Industry Prices
Reseeding	30	Year	\$ 5,000	\$ 150,000.00	Current Industry Prices
Fence Repair & Replacement	30	Year	\$ 5,000	\$ 150,000.00	Current Industry Prices
Biennial Survey Monument Inspections	15	Event	\$ 700	\$ 10,500.00	Current Industry Prices
Roadway Maintenance	30	Year	\$ 2,500	\$ 75,000.00	Current Industry Prices
Drainage and Erosion Control System Maintenance					
Letdown Structures Repair	15	Event	\$ 5,000	\$ 75,000.00	Current Industry Prices
Sediment Pond Dredging	6	Event	\$ 25,000	\$ 150,000.00	Current Industry Prices
Culvert Repair & Replacement	15	Event	\$ 5,000	\$ 75,000.00	Current Industry Prices
Terrace Repairs	15	Event	\$ 7,500	\$ 112,500.00	Current Industry Prices
Misc. Rock and Rip Rap Maintenance	15	Event	\$ 3,500	\$ 52,500.00	Current Industry Prices
Gas Control System					
Gas Collection System Monitoring & Maintenance	30	Year	\$ 50,000	\$ 1,500,000.00	Current Industry Prices
LFG Flare Monitoring & Maintenance	30	Year	\$ 20,000	\$ 600,000.00	Current Industry Prices
Methane Migration Monitoring	30	Year	\$ 6,500	\$ 195,000.00	Current Industry Prices
Perimeter Gas Probe Maintenance & Repair	15	Event	\$ 2,000	\$ 30,000.00	Current Industry Prices
Annual Gas Monitoring Report	30	Year	\$ 3,200	\$ 96,000.00	Current Industry Prices
Title V and GHG Reporting	30	Year	\$ 25,000	\$ 750,000.00	Current Industry Prices
Groundwater Monitoring & Control System					
Pumping Systems Maintenance and Replacement	30	Year	\$ 10,000	\$ 300,000.00	Current Industry Prices
Well Maintenance (Mowing, Casing Painting/Repair, Lock Replacement, etc.)	30	Year	\$ 2,100	\$ 63,000.00	Current Industry Prices
Field Sample Collection	30	Year	\$ 32,000	\$ 960,000.00	Current Industry Prices
Sample Analysis	30	Year	\$ 25,000	\$ 750,000.00	Current Industry Prices
Semi-Annual Statistics & Spring Statistical Reporting	30	Year	\$ 11,000	\$ 330,000.00	Current Industry Prices
Annual Water Quality Report	30	Year	\$ 15,000	\$ 450,000.00	Current Industry Prices
Assessment of Corrective Measures Remedial Action					
Field Sample Collection	10	Event	\$ 2,500	\$ 25,000.00	Current Industry Prices
Sample Analysis	10	Event	\$ 2,500	\$ 25,000.00	Current Industry Prices
Annual Update (Assume a 5-year Period)	5	Event	\$ 15,000	\$ 75,000.00	Current Industry Prices
Leachate Control System					
Monthly Leachate Levels Monitoring (Gas Wells)	360	Event	\$ 1,800	\$ 648,000.00	Current Industry Prices
Clean Collection Lines	10	Event	\$ 13,000	\$ 130,000.00	Current Industry Prices
Pump/Controls Maintenance & Replacement	30	Year	\$ 20,000	\$ 600,000.00	Current Industry Prices
Electric Utilities	30	Year	\$ 2,500	\$ 75,000.00	Current Industry Prices
Sanitary Sewer Leachate Disposal Fee	30	Year	\$ 15,000	\$ 450,000.00	Current Industry Prices
Annual Leachate Control System Performance Evaluation Report	30	Year	\$ 4,000	\$ 120,000.00	Current Industry Prices
Facility Inspections and Professional Services					
Monthly Site Inspections	360	Event	\$ 600	\$ 216,000.00	Current Industry Prices
Annual Site Inspections by PE	30	Year	\$ 2,000	\$ 60,000.00	Current Industry Prices
Miscellaneous Site Engineering	30	Year	\$ 25,000	\$ 750,000.00	Current Industry Prices
Financial Assurance Updates	30	Year	\$ 2,000	\$ 60,000.00	Current Industry Prices
Legal, Financial and Admin. Services	30	Year	\$ 2,000	\$ 60,000.00	Current Industry Prices

TOTAL 2026 POST CLOSURE COST ESTIMATE UPDATE **\$ 11,176,500**

2025 Post Closure Cost Estimate	\$ 10,819,500
Percent Increase/(Decrease)	3.30%
Method of Update - Current Industry Prices	

ASSUMPTIONS:
 Closure and Post Closure Cost based on constructed cells thru Phase 5A



Memorandum

411 6th Avenue SE, Suite 400
Cedar Rapids, IA 52401
(319) 365-9565
foth.com

December 16, 2025

TO: Garrett Prestegard

CC: Karmin McShane
Jason Evans

FR: Brian Harthun

RE: Fall 2025 Compaction/Airspace Update
Cedar Rapids Linn County Solid Waste Agency Site 2

Site 2 annual site survey was updated on September 17, 2025. The survey utilized a lidar mounted unmanned aerial vehicle (UAV) or drone to capture the survey data. The previous survey was performed on October 15, 2024.

Compaction

The compaction rate update is performed to analyze a key indicator in landfill operations. Compaction rates are affected by both controllable and non-controllable variables.

The controllable variables include:

- Equipment utilized
- Waste placement and thickness of waste layers
- Compaction of the waste
- Daily cover soil utilization

The uncontrollable variables include

- Type of waste
- Moisture content
- Temperature and weather conditions
- Waste settlement

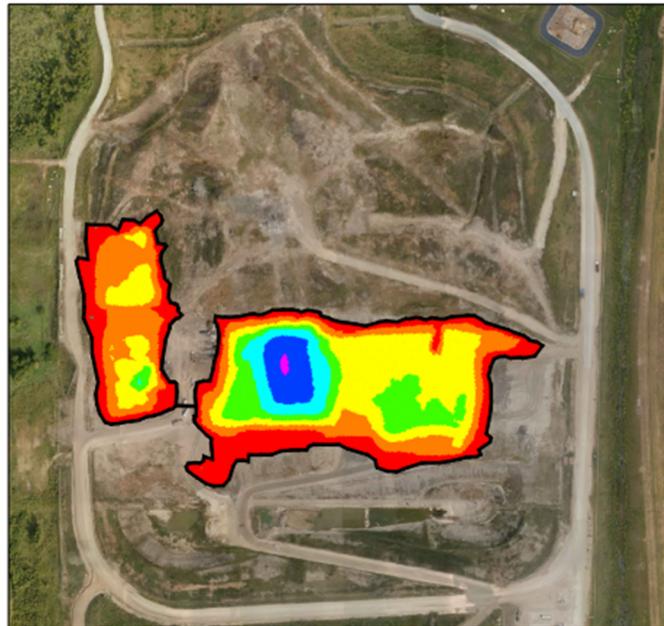
Between October 15, 2024 and September 17, 2025, the Agency buried 168,979 tons of material in the landfill utilizing 240,769 cubic yards of airspace resulting in a compacted in-place waste density of 1,404 pounds per cubic yard (lbs/cy). The 1,404 lbs/cy density is an increase from the running average since 2021 of 1,293 lbs/cy. Table 1 below shows the historical compaction rates from January 2021 through October 15, 2025. Figure 1 below shows locations and depths of waste fill during this update period.

Memorandum

Table 1

Cedar Rapids Linn County Solid Waste Agency Site 2					
Date of Survey	Reporting Period (Days)	Amount of MSW/Period (Tons)	Yearly Rate (Tons/year)	Volume Used/Period (cy)	Density (lbs/cy)
Jan 2021					
	85	67,709	290,750	100,930	1,342
April 2021					
	193	156,280	295,555	243,838	1,282
Oct 2021					
	180	99,347	201,454	151,001	1,316
April 2022					
	175	121,234	252,859	191,568	1,266
Oct 2022					
	187	89,583	174,855	158,640	1,129
April 2023					
	184	99,355	197,090	164,646	1,207
Oct 2023					
	182	86,749	173,975	127,464	1,361
April 2024					
	183	102,856	205,150	154,589	1,331
Oct 2024					
	337	168,979	183,019	240,769	1,404
Sept 2025					

Figure 1



PERIOD WASTE FILL DEPTHS			
Number	Minimum Elevation	Maximum Elevation	Color
1	0.000	5.000	Red
2	5.000	10.000	Orange
3	10.000	15.000	Yellow
4	15.000	20.000	Green
5	20.000	30.000	Cyan
6	30.000	40.000	Blue
7	40.000	45.000	Magenta

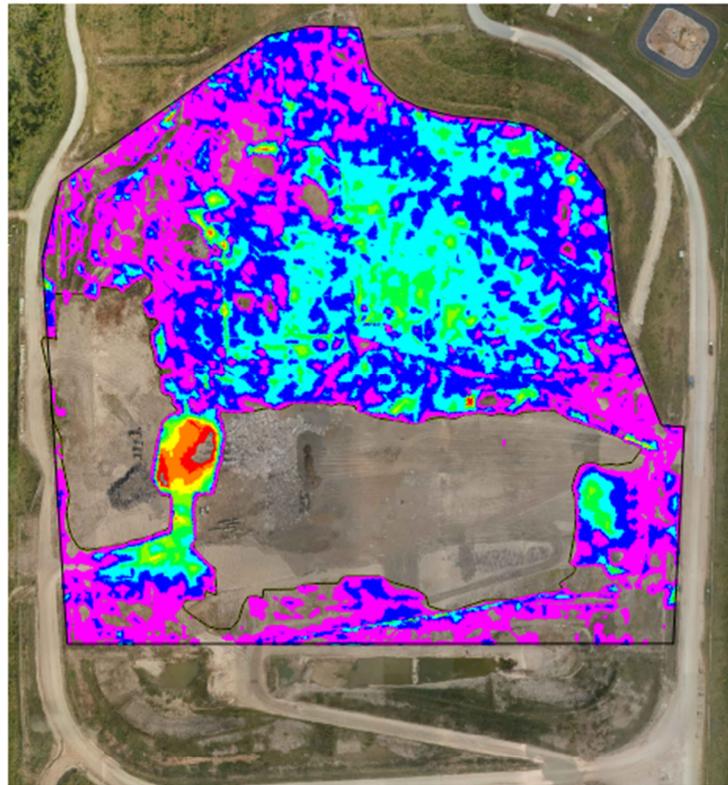
Airspace

Remaining airspace in cubic yards is the difference between the current active fill space to the permitted design elevation. Estimating the remaining airspace in tons of waste requires applying estimated future compaction or density rates to estimated future waste flows.

As of September 17, 2025, the Agency had 1,144,298 cubic yards of remaining constructed airspace. Adding the last permitted cell 5B, adds 2,311,458 cubic yards of airspace for a total remaining permitted airspace of 3,455,756 cubic yards.

Estimating future compaction rates includes estimating waste settlement that recaptures airspace through waste degradation which induces waste settlement. The active fill area is settling on the average between 0 and 1.5 feet. Figure 2 below shows measured waste settlement between October 15, 2024 and September 17, 2025.

Figure 2



PERIOD WASTE SETTLEMENT DEPTHS				
Number	Minimum Elevation	Maximum Elevation	Area	Color
1	-4.00	-3.50	5232.32	Red
2	-3.50	-3.00	9823.55	Orange
3	-3.00	-2.50	8097.85	Yellow
4	-2.50	-2.00	20012.86	Light Green
5	-2.00	-1.50	88868.07	Green
6	-1.50	-1.00	324542.37	Cyan
7	-1.00	-0.50	411685.39	Blue
8	-0.50	0.00	336351.50	Magenta

Factoring current rate of settlement and average in-place measured waste densities, the density of future waste placement is based on the utilizing the last survey of 1,404 lbs/cy. Applying this density rate to the remaining constructed airspace through Phase 5A and prorating the amount of waste to be collected through the end of 2025, there will be 781,121 tons available through Phase 5A and a total of 2,403,764 tons through Phase 5B. Assuming an annual waste placement of 180,000 tons per year, the Agency has 4.3 years of constructed airspace and a total of 13.4 years through Phase 5B. Table 2 below shows the remaining life in cubic yards, tons and years. Chart 1 below illustrates the remaining capacity in tons per year.

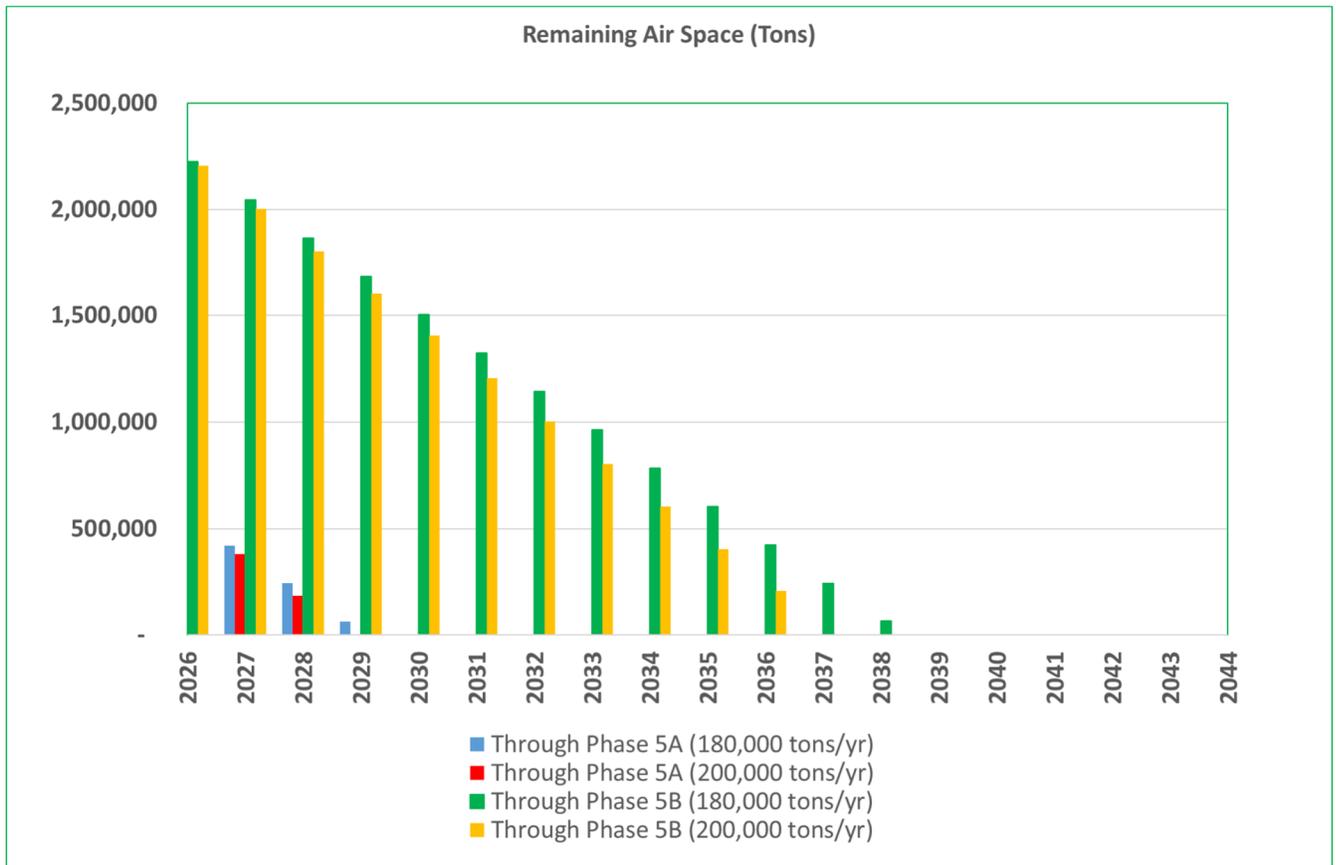
Table 2

Area	Remaining Airspace*		Remaining Life**
	Cubic Yards	Tons	Years
Through Phase 5A	1,112,708	781,121	4.3
Through Phase 5B	3,424,165	2,403,764	13.4

* Based on Density of 1,404 lbs/cy

** As of 1/1/2026

Chart 1





Memorandum

Cover Soil Usage

Efficient use of cover soil which includes daily and intermediate soil cover and internal haul road construction is one of two primary factors impacting in-place waste densities. Waste compaction being the other. Between October 2024 and September 2025, 32,190 cubic yards of soil material were used. Based on the 169,979 tons of waste buried, the soil to waste cover ratio was 0.189 cy of soil per ton of waste. This ratio is significantly less than the industry standard of 0.25. The difference between the current soil to waste ratio of 0.192 and the industry standard of 0.25 correlates to an annually gained air space of approximately 10,980 cubic yards or 7,707 tons of waste.

Summary

Compaction – the current compaction rate of 1,404 is a 5.5% increase over the last period and 7.7% over the 5-year running average. This is 204 lbs/cy higher than the industry standard of 1,200 lbs/cy.

Airspace - Assuming an annual waste tonnage of 180,000, there is 13.4 years of remaining capacity through Phase 5B. To allow construction of the adjacent next phase and access to the remaining space in Phase 5A, Phase 5B will need to be constructed and accepting waste by the fall of 2027.

Cover Soil Usage – Current cover soil to waste ratio of 0.189 is below the industry limit goal of 0.25. It is anticipated that this ratio will increase slightly over the remaining 13.4 years due to the remaining configuration and amount of increased final outer slopes as the site reaches the design capacity.



Municipal Solid Waste Sanitary Landfill Financial Assurance Report Form

SECTION 1: FACILITY INFORMATION

(please print or type)

Information Requested

Facility Name: Cedar Rapids Linn County Solid Waste Agency Site 1 Permit Number: 57-SDP-03-75C
 Permitted Agency/Entity: Cedar Rapids Linn County Solid Waste Agency

SECTION 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate
Updated Closure Cost Estimate	\$ 0	02/17/2026
Updated Postclosure Cost Estimate	\$ 5,701,820	02/17/2026
Initial or Updated Corrective Action Cost Estimate	\$ N/A	N/A

*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	0
Amount of waste disposed of at the facility during the prior fiscal year	0

SECTION 4: PROOF OF COMPLIANCE

Publicly Owned Municipal Solid Waste Landfills

(ATTACH AUDIT REPORT)

Owner's Most Recent Annual Audit Report

Prepared by: Eide Bailly LLP

For fiscal year ending: June 30, 2025

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)	<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”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
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”	June 2016	Closure <input type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$6,026,040

*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
-----------------------------	--	--

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>	\$ 0	\$ 0	\$ 0
Postclosure Account Balance <i>(see formula below)</i>	\$ 6,545,370	\$ 6,020,040	\$ 0
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</p>	<p>Postclosure The annual audit p.15 has site #1 restricted cash & cash equivalents at \$6,026,040. Current CE of \$5,701,820 must be fully funded. \$6,026,040-\$5,701,820 means we are \$324,220 over CE.</p>
----------------	---

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: Celia M. Van Alst Title: Accounting Manager

Agency/Entity: Cedar Rapids Linn County Solid Waste Agency

Address: 1954 County Home Road

City: Marion State: IA Zip: 52302

Telephone: 319-777-2595 Fax: 319-377-5480

Email Address: cvanalst@solidwasteagency.org

Signature of Official: Celia M. Van Alst Digitally signed by Celia M. Van Alst
Date: 2026.02.27 09:32:17 -06'00' Date: 02/27/2026

Questions? Contact Mary Klemesrud at (515) 802-8835 or Mary.Klemesrud@dnr.iowa.gov

CLOSURE POST CLOSURE COST ESTIMATE UPDATE

FOR THE

CRLCSWA SITE NO. 1

CEDAR RAPIDS, IOWA

February 17, 2026

Permit No. 57-SDP-03-75C

Closure Permit issued September 21, 2006

Permit Expiration date September 21, 2036

	<p>I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.</p> <p><i>Brian K. Harthun</i></p> <p>Date: <u>2/17/2026</u></p>
	<p>My renewal date is December 31, 2026</p> <p>Pages or sheets covered by this seal: ALL</p>

**CRLCSWA Site No. 1
CLOSURE POST CLOSURE COST ESTIMATE UPDATE
2/17/2026**

CLOSURE COMPONENT

Closed (9/16/2006)

POSTCLOSURE COMPONENT

General Site Facilities, access roads and Fencing Maintenance	\$ 233,640.00
Cap and Vegetative Cover Maintenance	\$ 248,600.00
Drainage and Erosion Control Systems Maintenance	\$ 59,050.00
Gas Control Systems Maintenance	\$ 29,150.00
Gas Control Systems Monitoring and Reports	\$ 845,680.00
Groundwater and Surface Water Monitoring Systems Maintenance	\$ 33,000.00
Groundwater and Surface Water Quality Monitoring Reports	\$ 1,331,000.00
Groundwater Monitoring Systems Performance Evaluations and Reports	\$ 369,000.00
Leachate Control Systems Maintenance	\$ 36,000.00
Leachate Management, Transportation and Disposal	\$ 528,000.00
Leachate Control Systems Performance Evaluations and Reports	\$ 93,500.00
Facility Inspections and Reports	\$ 83,600.00
Assessment of Corrective Measures	\$ 600,000.00
Engineering and Technical Services	\$ 550,000.00
Legal, Financial, and Administrative Services	\$ 44,000.00
Financial Assurance, Accounting, Audits, and Reports	\$ 17,600.00
Expenditures to Final Cover System Associated with Trail Beneficial Use	<u>\$ 600,000.00</u>
SUBTOTAL	\$ 5,701,820.00

SUMMARY

CLOSURE COSTS	\$ -
POSTCLOSURE COSTS	<u>\$ 5,701,820.00</u>
 2025 UPDATED CLOSURE/POST CLOSURE COST ESTIMATE	 \$ 5,701,820.00
2024 CLOSURE/POST CLOSURE COST ESTIMATE	\$ 6,026,040.00

**Appendix A
CRLCSWA Site No. 1
Closure Cost Estimate
2/17/25**

	Quantity	Units	\$ per unit	Extension		
1 Closure and postclosure Plan Document Revisions					\$	-
43866 Site Preparation, Grubbing and clearing					\$	-
3 Drainage Control Culverts, Piping and Structures					\$	-
4 Erosion Control Structures, Sediment Ponds and Terraces					\$	-
5 Final Cap Construction					\$	-
6 Gas Vapor Layer					\$	-
7 Cap Vegetation Soil Placement					\$	-
8 Cap Seeding, Mulching and Fertilizing					\$	-
9 Gas System Modifications					\$	-
10 Facility Modifications to Effect Closed Status					\$	-
11 Engineering and Technical Services					\$	-
12 Legal, Financial and Administrative Services					\$	-
13 Closure Compliance Certifications and Documentation					\$	-
				Total	\$	-

CLOSURE POST CLOSURE COST ESTIMATE UPDATE
Post Closure Cost Estimate -11 years
2/17/26

				Extension	
1 General Site Facilities, access roads and Fencing Maintenance					
a. Site Buildings Maintenance and Utilities (1 per month)	132	events	\$ 520	\$	68,640.00
b. Access Roads Maintenance (2 per year)	22	events	\$ 6,000	\$	132,000.00
c. Fence Repair/Replacement (2 per year)	22	events	\$ 1,500	\$	33,000.00
					\$ 233,640.00
2 Cap and Vegetative Cover Maintenance					
a. Erosion Repair	11	events	\$ 21,000	\$	231,000.00
b. Re-seeding	11	events	\$ 1,600	\$	17,600.00
					\$ 248,600.00
3 Drainage and Erosion Control Systems Maintenance					
a. Letdown Structures Repair	11	events	\$ 850	\$	9,350.00
b. Sediment Pond Dredging	5	events	\$ 1,700	\$	8,500.00
c. Terrace Repairs	11	events	\$ 1,700	\$	18,700.00
d. Rip Rap Repair	5	events	\$ 4,500	\$	22,500.00
					\$ 59,050.00
4 Gas Control Systems Maintenance					
a. Well Maintenance	11	events	\$ 2,000	\$	22,000.00
b. Blower Assembly Maintenance	11	events	\$ 650	\$	7,150.00
					\$ 29,150.00
5 Gas Control Systems Monitoring and Reports					
a. Surface/Facility Monitoring	44	events	\$ 1,545	\$	67,980.00
b. Well Monitoring	132	events	\$ 5,100	\$	673,200.00
c. Annual GHG	11	events	\$ 9,500	\$	104,500.00
					\$ 845,680.00
6 Groundwater and Surface Water Monitoring Systems Maintenance					
a. Well Evaluations	6	events	\$ 5,500	\$	33,000.00
					\$ 33,000.00
7 Groundwater and Surface Water Quality Monitoring Reports					
a. Field Sample Collection	22	events	\$ 15,000	\$	330,000.00
b. Sample Analysis	22	events	\$ 36,000	\$	792,000.00
c. IDNR Sampling Reports	22	events	\$ 9,500	\$	209,000.00
					\$ 1,331,000.00
8 Groundwater Monitoring Systems Performance Evaluations and Reports					
a. Annual Water Quality Reports	11	each	\$ 33,000	\$	363,000.00
b. In-situ Tests	4	events	\$ 1,500	\$	6,000.00
					\$ 369,000.00
9 Leachate Control Systems Maintenance					
a. Leachate Collection Line Cleaning	3	each	\$ 12,000	\$	36,000.00
					\$ 36,000.00
10 Leachate Management, Transportation and Disposal					
a. Leachate Disposal Costs (via force main to sewer) (rate - 15 gpm at \$0.005/gal)	132	events	\$ 4,000	\$	528,000.00
					\$ 528,000.00
11 Leachate Control Systems Performance Evaluations and Reports					
a. LCSPER	11	events	\$ 8,500	\$	93,500.00
					\$ 93,500.00
12 Facility Inspections and Reports					
a. Monthly Site Inspections	132	events	\$ 400	\$	52,800.00
b. Semi-Annual Site Inspections by PE	22	events	\$ 1,400	\$	30,800.00
					\$ 83,600.00
13 Assessment of Corrective Measures					
a. Potential System Installation	1	event	\$ 600,000	\$	600,000.00
					\$ 600,000.00

CLOSURE POST CLOSURE COST ESTIMATE UPDATE
Post Closure Cost Estimate -11 years
2/17/26

14 Engineering and Technical Services							
a. Site Engineering	11	events	\$ 50,000	\$	550,000.00		
						\$	550,000.00
15 Legal, Financial, and Administrative Services							
a. Legal, Financial and Admin. Services	11	events	\$ 4,000	\$	44,000.00		
						\$	44,000.00
16 Financial Assurance, Accounting, Audits, and Reports							
a. Financial Assurance, Accounting, Audits, and Reports	11	events	\$ 1,600	\$	17,600.00		
						\$	17,600.00
17 Expenditures to Final Cover System Associated with Trail Beneficial Use							
	4	events	\$ 150,000	\$	600,000.00		
						\$	600,000.00
			Total	\$	5,701,820.00	\$	5,701,820.00



411 6th Avenue SE, Suite 400
Cedar Rapids, IA 52402
www.foth.com

February 17, 2026

Celia Van Alst
Accounting Manager
Cedar Rapids Linn County Solid Waste Agency
1954 County Home Road
Marion, Iowa 52302

Re: CRLCSWA Site 3– Financial Assurance 57-COM-20-95

Dear Celia,

Closure of Site 3 consists of processing remaining feed stock onsite which will be stockpiled and designated for end use at the Closed Site 1 Landfill. The facility has approximately a 6-month stockpile of material to be processed at any given time.

The costs to close this facility includes closure effort and perform minor site grading for storm water runoff. Below is the current cost to close the facility.

Closure Cost

Processing remaining material	\$450,000
Site Grading	\$60,000
IDNR Closure Documentation	<u>\$15,000</u>
	\$525,000

Sincerely,

Foth Infrastructure & Environment, LLC
Brian Harthun, P.E.
Senior Project Manager



I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.

Date 2/17/2026

Brian K. Harthun, P.E.

License Number 14049

My renewal date is December 31, 2026

Pages or sheets covered by this seal:

Financial Assurance

Site 2 Transfer Station Closure Cost Estimate

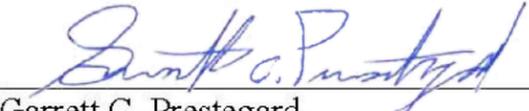
ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	AMOUNT
1	Disposal of Solid Waste ¹	TN	400	\$25.00	\$10,000.00
2	Cleaning Trasfer Station Building & Solid Waste Vehicles	HR	20	\$75.00	\$1,500.00
3	Jet and Vacuum Truck to Service Sanitary Lines	HR	4	\$600.00	\$2,400.00
4	Washwater Disposal ²	CCF	3	\$6.00	\$18.00
5	Reporting of Completion of Closure Activities	LS	1	\$1,000.00	\$1,000.00

Total Estimate \$14,918.00

Notes

- 1 - Solid waste may be disposed of onsite at the Site 2 facility's active sanitary landfill. Therefore, it is assumed that no additional tipping fee will be required to dispose of the material at a separate site.
- 2 - Washwater may be disposed of onsite at a rate of \$6.00 per CCF.

\$14,918 x 1.033 inflation factor = \$15,410

	I hereby certify that these engineering documents were prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.
	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  Garrett C. Prestegard Iowa License No. P22312 My license renewal date is December 31, 2025. </div> <div style="text-align: right;"> 08/02/2024 Date </div> </div>
Pages or sheets covered by this seal: Financial Assurance Cost Opinion	

Celia Van Alst

From: Garrett Prestegard
Sent: Tuesday, February 17, 2026 3:20 PM
To: Celia Van Alst; Harthun, Brian K
Cc: Karmin McShane; Joe Horaney; Wilming, Gina M
Subject: RE: Sites 1,2 and 3 CPC update

That number is still good for the transfer station.

14,918 x 1.033 = \$15,410

Thanks,

Garrett Prestegard, P.E.
Environmental Engineer
Cedar Rapids Linn County Solid Waste Agency
1954 County Home Road
Marion, IA 52302
Office: (319) 377-5290 x.116
Email: gprestegard@solidwasteagency.org
www.solidwasteagency.org



From: Celia Van Alst <cvanalst@solidwasteagency.org>
Sent: Tuesday, February 17, 2026 3:01 PM
To: Harthun, Brian K <Brian.Harthun@Foth.com>; Garrett Prestegard <GPrestegard@solidwasteagency.org>
Cc: Karmin McShane <kmcshane@solidwasteagency.org>; Joe Horaney <jhoraney@solidwasteagency.org>; Wilming, Gina M <Gina.Wilming@foth.com>
Subject: RE: Sites 1,2 and 3 CPC update

Thanks Brian!

Garrett, is \$14,918 still a good number for the closure of the transfer station? If not, can you please provide me with a new estimate for that as well?

Celia M Van Alst

Accounting Manager
Phone: 319-777-2595

SolidWaste

Cedar Rapids • Linn County

Agency

living. together. green

From: Harthun, Brian K <Brian.Harthun@Foth.com>

Sent: Tuesday, February 17, 2026 2:45 PM

To: Garrett Prestegard <GPrestegard@solidwasteagency.org>; Celia Van Alst <cvanalst@solidwasteagency.org>

Cc: Karmin McShane <kmcshane@solidwasteagency.org>; Joe Horaney <jhoraney@solidwasteagency.org>; Wilming, Gina M <Gina.Wilming@foth.com>

Subject: Sites 1,2 and 3 CPC update

Garrett and Celia,

Attached are the updated closure post closure updates for the 3 sites. Quick summary shown below. Please call if you have any questions.

Financial Assurance	February 2025	February 2026	% Change
Site 1 CPC	\$ 6,026,040	\$ 5,701,820	-5.4%
Site 2 CPC	\$ 17,973,520	\$ 18,552,385	3.2%
Site 3 CPC	\$ 516,000	\$ 525,000	1.7%

Brian

Brian K. Harthun, Iowa P.E.
Senior Project Manager



Foth Infrastructure & Environment, LLC
411 6th Ave SE, Suite 400
Cedar Rapids, Iowa 52401
Direct Dial: 319.297.2063
Main OfficePhone: 319.365.9565
Cell: 319.329.3225
Fax: 319.365.9631

CEDAR RAPIDS / LINN COUNTY
SOLID WASTE AGENCY

A Component Unit
of the
City of Cedar Rapids, Iowa

BASIC FINANCIAL STATEMENTS
for the fiscal year ended June 30, 2025
and
INDEPENDENT AUDITOR'S REPORT

PUBLISHED BY
FINANCE DEPARTMENT
CITY OF CEDAR RAPIDS, IOWA

CEDAR RAPIDS / LINN COUNTY SOLID WASTE AGENCY

A Component Unit of the
City of Cedar Rapids, Iowa

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**CEDAR RAPIDS / LINN COUNTY
SOLID WASTE AGENCY**

Board of Directors

Tyler Olson	Board Chair	Cedar Rapids
Sami Scheetz	Vice Chair	Linn County
Brandy Meisheid	Member	Linn County
Craig Adamson	Board Secretary	Marion
Roy Hesemann	Board Treasurer	Cedar Rapids
Scott Olson	Member	Cedar Rapids
Jennifer Pratt	Member	Cedar Rapids
Mike Duffy	Member	Cedar Rapids
Tiffany O'Donnell	Member	Cedar Rapids

Karmin McShane Executive Director



Independent Auditor's Report

To the Board of Directors of the
Cedar Rapids/Linn County Solid Waste Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Cedar Rapids/Linn County Solid Waste Agency (Agency), a component unit of the City of Cedar Rapids, Iowa, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency'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 Agency as of June 30, 2025, and the changes in financial position and its cash flows for the year 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards 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 Agency 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 these 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 Agency'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 opinions. 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 Agency'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 Agency'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, the Iowa Public Employees' Retirement System (IPERS) Schedule of the Agency's Proportionate Share of Net Pension Liability and Schedule of Agency Contributions as listed in the table of contents 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 GAAS, 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 audit 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 an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The Budgetary Reporting information is presented for purposes of additional analysis and is 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 Budgetary Reporting information is 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 Agency's Board of Directors but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the 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 December 17, 2025, on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.

Eide Bailly LLP

Dubuque, Iowa
December 17, 2025

Management's Discussion and Analysis (Unaudited)

As management of Cedar Rapids / Linn County Solid Waste Agency (Agency), we offer readers of the Cedar Rapids / Linn County financial statements this narrative overview and analysis of the financial statements of the Cedar Rapids / Linn County Solid Waste Agency for the fiscal year ended June 30, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the Agency exceeded its liabilities and deferred inflows of resources (net position) as of June 30, 2025 and 2024 by \$58,660,948 and \$57,570,246, respectively.
- The Agency's total assets increased by \$1,320,955 or 1.6% from the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Agency's basic financial statements. The Agency's basic financial statements are comprised of two components: 1) basic financial statements and 2) notes to the financial statements.

Basic financial statements – The basic financial statements are designed to provide readers with a broad overview of the Agency's finances in a manner similar to a private-sector business. The basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. The Agency is operated under one enterprise fund. Under this method of accounting an economic resources measurement focus and an accrual basis of accounting is used. Revenue is recorded when earned and expenses are recorded when incurred. The basic financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows. These are followed by notes to the financial statements.

The statement of net position presents information on all of the Agency's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as useful indicator of whether the financial position of the Agency is improving or deteriorating.

The statement of revenues, expenses, and changes in net position reports the operating revenues and expenses and nonoperating revenues and expenses of the Agency for the fiscal year with the difference being the change in net position for the fiscal year.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on Pages 13-20 of this report.

The basic financial statements include only the Cedar Rapids / Linn County Solid Waste Agency, a component unit of the City of Cedar Rapids, Iowa. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the Agency.

Statement of Net Position

Condensed versions of the Statements of Net Position as of June 30, 2025 and 2024 follow:

	FY 2025	FY 2024
Cash and cash equivalents	\$ 41,393,180	\$ 36,857,063
Other assets	1,674,017	1,909,884
Capital assets	39,410,470	42,389,765
Total assets	<u>82,477,667</u>	<u>81,156,712</u>
Deferred outflows of resources	<u>374,455</u>	<u>550,457</u>
Other liabilities	1,371,704	1,919,464
Noncurrent liabilities	22,741,009	22,171,477
Total liabilities	<u>24,112,713</u>	<u>24,090,941</u>
Deferred inflows of resources	<u>78,461</u>	<u>45,982</u>
Net Position:		
Net investment in capital assets	39,410,470	42,389,765
Restricted, closure/postclosure care	971,775	1,573,132
Unrestricted	18,278,703	13,607,349
Total net position	<u>\$ 58,660,948</u>	<u>\$ 57,570,246</u>

Total assets increased 1.6% for fiscal year 2025. The increase in total assets is primarily due to an increase in cash and cash equivalents.

Statement of Revenues, Expenses, and Changes in Net Position

A summary version of the Statement of Revenues, Expenses, and Changes in Net Position for the years ending 2025 and 2024 follow:

	FY 2025	FY 2024
Revenues:		
Charges for services	\$ 9,166,813	\$ 8,102,285
Use of money and property	135,909	98,330
Other	2,229,626	1,853,885
Other nonoperating revenue		
Intergovernmental	160,819	145,058
Investment income	1,597,901	1,708,285
Gain on sale of capital assets	247,290	10,000
Total revenues	<u>13,538,358</u>	<u>11,917,843</u>

Table 2
Statement of Revenues, Expenses, and Changes in Net Position (Continued)

	FY 2025	FY 2024
Expenses:		
Personal services	3,484,565	3,619,891
Purchased services	2,669,733	2,474,810
Supplies and materials	1,167,531	1,108,181
Closure and postclosure care	1,321,176	1,771
Other	48,310	63,443
Depreciation and amortization	3,756,341	3,515,663
Other nonoperating expenses		
Interest	-	5
Total expenses	<u>12,447,656</u>	<u>10,783,764</u>
Change in net position	1,090,702	1,134,079
Total net position, beginning	<u>57,570,246</u>	<u>56,436,167</u>
Total net position, ending	<u>\$ 58,660,948</u>	<u>\$ 57,570,246</u>

As expected, charges for services are the primary revenue source for the Agency. This is 67.7% of the total revenues. Overall charges for services from the prior year increased 13.1% from the prior year due to increased tipping fees. Expenses increased by \$1,663,892 or 15.4% due to the change in the closure/postclosure liability increasing in the current year.

Budgetary Highlights

The Agency had one budget amendment during the fiscal year as is common practice. This amendment decreased the budget by \$2,013,400. This 13.0% decrease of the entire budget was due to a decrease in capital expenses.

Capital Assets

As of June 30, 2025, the Agency had invested \$39,410,470 in capital assets as are reflected in the following table. This investment includes land, buildings and structures, improvements other than buildings, machinery and equipment and construction in progress.

Table 3
Capital Assets at Fiscal Year-End
(Net of Depreciation)

	FY 2025	FY 2024
Land	\$ 6,039,313	\$ 6,039,313
Buildings and structures	7,026,531	7,746,919
Improvements other than buildings	22,663,037	23,810,309
Machinery and equipment	3,681,589	4,107,726
Construction in progress	-	685,498
	<u>\$ 39,410,470</u>	<u>\$ 42,389,765</u>

The following table reconciles the change in capital assets. The amount of decrease in capital assets net of depreciation/amortization and retirements is \$2,979,295 which is a 7.0% increase during the year. The decrease is due to current year additions to depreciation recorded during fiscal year 2025.

Table 4
Change in Capital Assets

	FY 2025
Beginning balance	\$ 42,389,765
Additions	762,046
Deletions	(744,467)
Depreciation/amortization, net	(2,996,874)
Ending balance	\$ 39,410,470

Additional information on the Agency’s capital assets can be found in Note 5 on page 16 of this report.

Long-Term Obligation

The Agency is liable for all closure and postclosure care costs at the two landfill sites. The Agency’s liability as of June 30, 2025 was \$22,192,123. This amount is based on the estimated cost to perform all closure and post-closure care costs as of June 30, 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Additional information on the Agency’s long-term obligation can be found in Note 3 on page 15 of this report.

Economic Factors

The Cedar Rapids median household income in 2025 was \$67,859 as compared to \$66,895 in 2024.

The total value of building permits in FY 2025 was approximately \$2.634 billion. This compares with an amount of \$417.3 million for FY 2024.

Programs will remain the same for fiscal year 2026, but tipping fees will increase \$2/ton.

Financial Information Contact

The Agency’s financial statements are designed to present users (citizens, customers, investors, and creditors) with a general overview of the Agency’s finances and to demonstrate the Agency’s accountability. If you have questions about the report or need additional financial information, please contact The Cedar Rapids / Linn County Solid Waste Agency at 1954 County Home Road, Marion, Iowa, 52302.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Statement of Net Position
June 30, 2025

ASSETS

Current assets:

Cash and cash equivalents	\$	18,229,282
Receivables:		
Accounts and unbilled usage, net		602,725
\$87,424 of allowance for doubtful accounts		460,242
Interest		266,769
Due from other governments		344,281
Prepaid items		<u>19,903,299</u>
Total current assets		<u>19,903,299</u>

Noncurrent assets:

Restricted cash and cash equivalents		23,163,898
Land		6,039,313
Buildings and structures		14,438,212
Improvements other than buildings		46,312,957
Machinery and equipment		11,595,516
Accumulated depreciation		<u>(38,975,528)</u>
Total noncurrent assets		<u>62,574,368</u>
Total assets		<u>82,477,667</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related deferred outflows		<u>374,455</u>
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LIABILITIES

Current liabilities:

Vouchers payable		352,396
Accrued expenses		63,106
Unearned revenue		9,064
Due to other governments		323,679
Security deposits		8,000
Closure/post closure landfill		450,000
Compensated absences		165,459
Total current liabilities		<u>1,371,704</u>

Noncurrent liabilities:

Closure/post closure landfill		21,742,123
Net pension liability		998,886
Total noncurrent liabilities		<u>22,741,009</u>
Total liabilities		<u>24,112,713</u>

DEFERRED INFLOWS OF RESOURCES

Pension related deferred inflows		<u>78,461</u>
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NET POSITION

Net investment in capital assets		39,410,470
Restricted, closure/postclosure care		971,775
Unrestricted		18,278,703
		<u>\$ 58,660,948</u>

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

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2025

Operating revenues:	
Charges for services	\$ 9,166,813
Use of money and property	135,909
Other	2,229,626
Total operating revenues	11,532,348
Operating expenses:	
Personal services	3,484,565
Purchased services	2,669,733
Supplies and materials	1,167,531
Closure and postclosure care	1,321,176
Other	48,310
Depreciation and amortization	3,756,341
Total operating expenses	12,447,656
Operating loss	(915,308)
Nonoperating revenues (expenses):	
Intergovernmental	160,819
Investment income	1,597,901
Gain on sale of capital assets	247,290
Total nonoperating revenue	2,006,010
Change in net position	1,090,702
Total net position, beginning	57,570,246
Total net position, ending	\$ 58,660,948

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

**Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Statement of Cash Flows
Year Ended June 30, 2025**

Cash flows from operating activities:	
Cash received from users	\$ 11,629,645
Cash paid to employees	(3,581,541)
Cash paid to suppliers	(4,925,205)
Net cash flows provided by operating activities	<u>3,122,899</u>
Cash flows from non-capital financing activities:	
Intergovernmental	<u>160,819</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	(762,046)
Proceeds from disposition of capital assets	232,290
Net cash flows (used in) capital financing activities	<u>(529,756)</u>
Cash flows from investing activities:	
Interest on investments	<u>1,782,155</u>
Net increase in cash and cash equivalents	4,536,117
Cash and cash equivalents, July 1, 2024	36,857,063
Cash and cash equivalents, June 30, 2025	<u>\$ 41,393,180</u>
Reconciliation of operating income to net cash flows from operating activities	
Operating loss	\$ (915,308)
Adjustments to reconcile operating loss to net cash flows provided by operating activities:	
Depreciation expense	3,756,341
Change in assets, deferred outflows, liabilities and deferred inflows:	
Decrease in accounts receivable	89,912
(Increase) in due from other governments	(39,041)
Decrease in pension deferred outflows	176,002
Decrease in prepaid items	742
(Decrease) in vouchers payable	(629,948)
Increase in accrued expenses	13,075
Increase in compensated absences	4,210
(Decrease) in security deposits	(9,959)
Increase in due to other governments	56,385
Increase in pension deferred inflows	32,479
(Decrease) in net pension liability	(322,742)
Increase in closure/postclosure payable	910,751
Net cash flows provided by operating activities	<u>\$ 3,122,899</u>

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

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS

Note 1: Nature of Business and Reporting Entity and Significant Accounting Policies

Nature of Business and Reporting Entity—Effective July 1, 1994, the City of Cedar Rapids, Iowa (the “City”) and Linn County, Iowa (the “County”) entered into an agreement under Chapter 28E of the Code of Iowa creating the Cedar Rapids/Linn County Solid Waste Agency (the “Agency”). The Agency accounts for the disposal of solid waste into the combined City/County landfills in an integrated manner for the benefit of the public in Linn County. The Agency is a discretely presented component unit of the City of Cedar Rapids, Iowa. The City of Cedar Rapids, Iowa has the authority to appoint the majority of the Agency’s Board of Directors and is able to impose its will on the Agency’s operations. The Agency is an integral part of the City of Cedar Rapids, Iowa’s reporting entity. Accounting principles generally accepted in the United States of America require that the financial reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based on these criteria, there are no other organizations or agencies whose financial statements should be combined and presented with these basic financial statements.

In connection with the creation of the Agency, the City of Cedar Rapids, Iowa and Linn County, Iowa transferred their landfill sites and certain other assets to the Agency. The Agency assumed closure and postclosure liabilities related to such landfill sites in an amount equal to the estimated acquisition value of the assets transferred. The Agency has recorded the assets received from the County at their estimated fair value at the date of transfer. Since the City, through its authority to appoint the majority of the Agency’s Board of Directors, exercises control over the Agency, the assets received from the City were recorded at their carrying value at the date of transfer.

Summary of Significant Accounting Policies

The financial statements of the Agency are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with subsequent GASB pronouncements (statements and interpretations), constitutes GAAP for governmental units.

Basis of Accounting—The Agency uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Under this basis of accounting, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Agency are included in the Statement of Net Position.

Accounting 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 the reported amount of assets, deferred outflows of resources, deferred inflows of resources and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition—Charges for services and other revenues are recognized upon the receipt and acceptance of nonhazardous industrial and municipal waste at the Agency’s solid waste landfills. Other revenues include revenue sharing profit with Republic Services, DNR retainage, composted materials, scrap metals, waste tires, and other miscellaneous revenue from generating waste accepted by the Agency. Intergovernmental revenue is recognized when the Agency has done everything necessary to establish its right to revenue.

Cash and Cash Equivalents—For purposes of the reporting of cash flows, the Agency considers investments with original maturities of less than ninety days when purchased to be cash equivalents.

**Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS**

Note 2: Cash and Investments

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Agency will not be able to recover its deposits. Chapter 12C of the Code of Iowa requires all Agency funds be deposited into an approved depository and be either insured or collateralized. As of June 30, 2025, the Agency's deposits consist of cash deposits and certificates of deposit and are not exposed to custodial credit risk because they are entirely insured by federal depository insurance or insured by the state through pooled collateral, state sinking funds, and by the state's ability to assess for lost funds. The Agency held no investments in the current year.

The Agency also maintains a petty cash account. The total amount of petty cash is \$2,800.

Note 3: Closure and Postclosure Care Costs

State and federal laws and regulations require the Agency to place a final cover on the landfill sites when the Agency stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the liabilities of closure and postclosure care costs are to be expensed in each period the landfill accepts waste based upon landfill capacity used as of each statement date.

The City's and Linn County's liability for closure and postclosure care costs as of July 1, 1994 were fixed as part of the aforementioned Chapter 28E agreement based on estimated care costs and the percentage of landfill capacity utilized for each of the two respective landfill sites.

The Agency is liable for all closure and postclosure care costs at the two landfill sites. The Agency's liability as of June 30, 2025, is summarized below. These amounts are based on the estimated cost to perform all closure and postclosure care costs as of June 30, 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

	Former City Landfill	Former County Landfill	Total
Total care costs	\$ 6,542,040	\$ 17,988,438	\$ 24,530,478
Care costs remaining to be recognized attributable to unutilized capacity	-	(2,338,355)	(2,338,355)
Care costs recognized attributable to utilized capacity	<u>\$ 6,542,040</u>	<u>\$ 15,650,083</u>	<u>\$ 22,192,123</u>
Capacity utilized	<u>100.00%</u>	<u>86.99%</u>	
Estimated remaining life	<u>0 years</u>	<u>4.7 years</u>	

The Agency has identified funds that have been restricted for landfill closure and post-closure activities as of June 30, 2025. Restricted funds for landfill closure and post-closure are updated annually and comply with the statutory requirements enacted by the State of Iowa, (Administrative Code 567-Chapter 111). Financial Assurance Requirements for Municipal Solid Waste Landfills as of June 30, 2025 balances were as follows:

Restricted cash and cash equivalents for:	
Closure/post closure landfill #1	\$ 6,026,040
Closure/post closure landfill #2	16,606,940
Compost site closure	516,000
Transfer station closure	14,918
	<u>\$ 23,163,898</u>

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS

Note 4: Long-Term Liabilities

Changes in long-term liabilities:

Long term liability activity for the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Compensated absences	\$ 161,249	\$ 4,210		\$ 165,459	\$ 165,459
Closure/post closure landfill	21,281,372	1,321,176	(410,425)	22,192,123	450,000
Long-term liabilities	<u>\$ 21,442,621</u>	<u>\$ 1,497,162</u>	<u>\$ (582,201)</u>	<u>\$ 22,357,582</u>	<u>\$ 615,459</u>

Note 5: Capital Assets

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 6,039,313	\$ -	\$ -	\$ 6,039,313
Construction in progress	685,498	288,471	(973,969)	-
Total capital assets, not being depreciated	<u>6,724,811</u>	<u>288,471</u>	<u>(973,969)</u>	<u>6,039,313</u>
Capital assets, being depreciated/amortized:				
Buildings and structures	14,438,212	-	-	14,438,212
Improvements other than buildings	45,338,988	973,969	-	46,312,957
Machinery and equipment	11,866,408	473,575	(744,467)	11,595,516
Total capital assets being depreciated/amortized	<u>71,643,608</u>	<u>1,447,544</u>	<u>(744,467)</u>	<u>72,346,685</u>
Less accumulated depreciation/amortization for:				
Buildings and structures	(6,691,293)	(720,388)	-	(7,411,681)
Improvements other than buildings	(21,528,679)	(2,121,241)	-	(23,649,920)
Machinery and equipment	(7,758,682)	(914,712)	759,467	(7,913,927)
Total accumulated depreciation/depreciation	<u>(35,978,654)</u>	<u>(3,756,341)</u>	<u>759,467</u>	<u>(38,975,528)</u>
Total capital assets, being depreciated/amortized, net	35,664,954	(2,308,797)	15,000	33,371,157
Total capital assets, net	<u>\$ 42,389,765</u>	<u>\$ (2,020,326)</u>	<u>\$ (958,969)</u>	<u>\$ 39,410,470</u>

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS

Note 6: Iowa Public Employees Retirement System

Plan Description – Iowa Public Employees’ Retirement System (IPERS) membership is mandatory for employees of the Agency, except those covered by another retirement system. Employees of the Agency are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive P.O. Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general information purposes only. Refer to the plan documents for more information.

Pension Benefits – A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, anytime after reaching age 62 with 20 or more years of covered employment, or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member’s first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

- A multiplier based on years of service.
- The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member’s monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25 percent for each month that the member receives benefits before the member’s earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50 percent for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member’s lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS’ Contributions Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2025, pursuant to the required rate, Regular members contributed 6.29 percent of pay and the Agency contributed 9.44 percent for a total rate of 15.73 percent.

The Agency’s total contributions to IPERS for the year ended June 30, 2025 were \$242,293.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the Agency reported a liability of \$998,886 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency’s proportion of the net pension liability was based on the Agency’s share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the Agency’s collective proportion was 0.027050 percent which was a decrease of 0.001592 percent from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Agency recognized pension expense of \$114,808. At June 30, 2025, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 79,482	\$ 621
Changes in assumptions	-	14
Net difference between projected and actual earnings on pension plan investments	12,493	-
Changes in proportion and differences between Agency contributions and proportionate share of contributions	40,187	77,826
Agency contributions subsequent to the measurement date	242,293	-
Total	\$ 374,455	\$ 78,461

\$242,293 reported as deferred outflows of resources related to pensions resulting from the Agency contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction in pension expense over five years. The other deferred inflows and outflows will be recognized as a reduction of pension expense using the average expected remaining service lives of all IPERS members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees. Deferred outflows of resources and deferred inflows of resources will be recognized as pension expense as follows:

Year End June 30,	
2026	\$ (124,521)
2027	232,946
2028	(6,209)
2029	(44,585)
2030	(3,930)
	\$ 53,701

There were no non-employer contributing entities at IPERS.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2017)	2.60 percent per annum
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25 percent, average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00 percent, compounded annually, net of investment expense, including inflation
Wage growth (effective June 30, 2017)	3.25 percent per annum based on 2.60 percent inflation and 0.65 percent real wage inflation

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an economic assumption study dated July 1, 2017 and a demographic assumption study dated June 30, 2021.

Mortality rates used in the 2024 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of pension plan 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	21.0%	3.52%
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.25
Private credit	5.5	6.62
	<u>100%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from the Agency will be made at contractually required rates, actuarially determined. 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 on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Agency’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Agency’s proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the Agency’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate.

**Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
NOTES TO FINANCIAL STATEMENTS**

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Agency's proportionate share of the net pension liability	\$ 2,451,249	\$ 998,886	\$ (217,475)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at www.ipers.org.

Payables to the Pension Plan – At June 30, 2025, the Agency reported payables to the defined benefit pension plan of \$19,882 for legally required employer contributions and \$13,247 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 7: Related Party Transactions

Accounts receivable at June 30, 2025 includes \$149,114 and \$1,163 due from the City of Cedar Rapids, Iowa and Linn County, respectively. Vouchers payable at June 30, 2025 includes \$105,773 and \$1,570 due to the City of Cedar Rapids, Iowa and Linn County, respectively. Revenue received for the year ended June 30, 2025 from the City of Cedar Rapids, Iowa and Linn County was \$1,637,949 and \$21,796, respectively while expenses paid were \$654,822 and \$13,662, respectively.

Note 8: Risk Management

The Agency is exposed to various risk of loss related to tort, theft, damage, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. These risks are covered by the purchase of commercial insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. In addition, the Agency pays premiums to the City of Cedar Rapids, Iowa for employee health and dental insurance through the City’s self-insurance plan. Premiums paid to the City in fiscal year 2025 for health and dental insurance were \$531,021. There were no additional premiums owed to the City for past claims as of June 30, 2025.

Note 9: Major Customers

The Agency had sales to one customer that amounted to approximately \$2,224,621 and comprised 16.4% of the Agency’s operating revenues for the year ended June 30, 2025.

Note 10: New Pronouncements

As of June 30, 2025, the GASB has issued several statements not yet implemented by the Agency. The Statements which might impact the Agency is as follows:

- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective for the Agency June 30, 2026. The objective of this Statement is 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.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets* will be effective for the Agency June 30, 2026. State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Required Supplementary Information
Schedule of the Agency's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System (Unaudited)
Year ended June 30, 2025

Iowa Public Employees' Retirement System

	2025	2024	2023	2022	2021
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Agency's proportion of the net pension liability (asset)	0.0270500%	0.0286420%	0.0289050%	0.0297810%	0.0273205%
Agency's proportionate share of the net pension liability	\$ 998,886	\$ 1,321,628	\$ 1,147,275	\$ 41,750	\$ 1,905,810
Agency's covered payroll	\$ 2,531,144	\$ 2,572,744	\$ 2,444,364	\$ 2,417,087	\$ 2,153,093
Agency's proportionate share of the net pension liability as a percentage of it's covered payroll	39.46%	51.37%	46.94%	1.73%	88.51%
Plan fiduciary net pension as a percentage of the total pension liability	92.30%	90.13%	91.41%	100.81%	82.90%
	2020	2019	2018	2017	2016
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Agency's proportion of the net pension liability (asset)	0.0276891%	0.0259650%	0.0259156%	0.0253421%	0.0247752%
Agency's proportionate share of the net pension liability	\$ 1,603,381	\$ 1,642,614	\$ 1,726,305	\$ 1,594,856	\$ 1,224,016
Agency's covered payroll	\$ 2,107,246	\$ 1,950,896	\$ 1,934,471	\$ 1,830,026	\$ 1,697,324
Agency's proportionate share of the net pension liability as a percentage of it's covered payroll	76.09%	84.20%	89.24%	87.15%	72.11%
Plan fiduciary net pension as a percentage of the total pension liability	85.45%	83.62%	82.21%	81.82%	85.19%

See note to required supplementary information.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Required Supplementary Information
Schedule of the Agency's Contributions
Iowa Public Employees' Retirement System (Unaudited)
Year ended June 30, 2025

Iowa Public Employees' Retirement System
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Statutorily required contribution	\$ 242,293	\$ 238,940	\$ 242,867	\$ 230,748	\$ 228,173
Contributions in relation to the statutorily required contribution	<u>(242,293)</u>	<u>(238,940)</u>	<u>(242,867)</u>	<u>(230,748)</u>	<u>(228,173)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Agency's covered payroll	\$ 2,566,663	\$ 2,531,144	\$ 2,572,744	\$ 2,444,364	\$ 2,417,087
Contribution as percentage of covered payroll	9.44%	9.44%	9.44%	9.44%	9.44%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contribution	\$ 203,252	\$ 198,924	\$ 174,215	\$ 172,748	\$ 163,421
Contributions in relation to the statutorily required contribution	<u>(203,252)</u>	<u>(198,924)</u>	<u>(174,215)</u>	<u>(172,748)</u>	<u>(163,421)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Agency's covered payroll	\$ 2,153,093	\$ 2,107,246	1,950,896	1,934,471	\$ 1,830,026
Contribution as percentage of covered payroll	9.44%	9.44%	8.93%	8.93%	8.93%

See note to required supplementary information.

**Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Required Supplementary Information
Notes to Other Information – Pension Liability
Iowa Public Employees’ Retirement System (Unaudited)
Year ended June 30, 2025**

Changes of benefit terms:

There are no significant changes in benefit terms.

Changes of assumptions:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of an experience study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00 percent to 2.60 percent.
- Decreased the assumed rate of interest on member accounts from 3.75 percent to 3.50 percent per year.
- Decreased the discount rate from 7.50 percent to 7.00 percent.
- Decreased the wage growth assumption from 4.00 percent to 3.25 percent.
- Decreased the payroll growth assumption from 4.00 percent to 3.25 percent.

Cedar Rapids / Linn County Solid Waste Agency
A Component Unit of the City of Cedar Rapids, Iowa
Supplementary Information
Budgetary Reporting (Unaudited)
Year ended June 30, 2025

The Agency prepares and adopts an annual program budget, as prescribed by the Code of Iowa, for its expenditures.

The Agency budget may be amended for any of the following purposes:

- a. To permit the appropriation and expenditure of unexpended unencumbered cash balances on hand at the end of the preceding fiscal year.
- b. To permit the appropriation expenditure of amounts anticipated to be available from sources other than taxation.
- c. To permit transfers between funds as prescribed by state law.
- d. To permit transfers between programs.

The budget amendment must be prepared and adopted in the same manner as the original budget. Management has no authority to amend the budget other than as directed by the Agency's Board of Directors; furthermore it is the Agency's Board of Directors policy that only state required budget amendments will be adopted. The Agency budget was amended as prescribed.

The Agency budgetary basis for actual expenditures include capital expenditures. The following table presented on a budgetary basis demonstrates the statutory compliance with the annual fiscal year 2025 budget:

Original Certified Budget	Budget Amendment	Final Certified Budget	Budgetary Basis Actual Expenditures
\$ 15,534,600	\$ (2,013,400)	\$ 13,521,200	\$ 13,209,702
			Budgetary Basis Actual Expenditures
			\$ 13,209,702
			Less: Capital Budgeted Expenditures
			(762,046)
			\$ 12,447,656
			Total expenses



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 Board of Directors of the
Cedar Rapids/Linn County Solid Waste Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Cedar Rapids/Linn County Solid Waste Agency (Agency), a component unit of the City of Cedar Rapids, Iowa, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements and have issued our report thereon dated December 17, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency'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 that a material misstatement of the entity'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 that 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 Agency'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 that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the Agency's operations for the year ended June 30, 2025 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Agency. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, professional style.

Dubuque, Iowa
December 17, 2025

Section I – Findings Related to the Basic Financial Statements

- A. Internal Control
None noted

- B. Instances of Noncompliance
None noted

Section II – Other Findings Related to Required Statutory Reporting

II-A-25

Questionable expenditures: We noted no expenditures that may not meet the requirements of public purpose as defined in the Attorney General’s opinion dated April 25, 1979.

II-B-25

Travel expenditures: No expenditures of money for travel expenses of spouses of Agency officials or employees were noted.

II-C-25

Board minutes: No transactions were found that we believe should have been approved in the Agency minutes but were not.

II-D-25

Business transactions: No business transactions between the Agency and officials or employees were noted.

II-E-25

Restricted donor activity: No transactions were noted between the Agency, officials, employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

II-F-25

Deposits and investments: We noted no instances of noncompliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City of Cedar Rapids, Iowa’s investment policy.

II-G-25

Solid waste tonnage fees retained: No instances of noncompliance with the solid waste fees used or retained in accordance with provisions of Chapter 455B.310 of the Code of Iowa were noted.

Cedar Rapids/Linn County Solid Waste Agency

Schedule of Findings
Year Ended June 30, 2025

II-H-25

Financial assurance: The Agency has demonstrated financial assurance for closure and postclosure care costs by establishing a local government dedicated fund as provided in Chapter 567-113.14(6) of the Iowa Administrative Code. The calculation is made as follows:

Total estimated costs for closure and postclosure care. Site #1	\$ 6,542,040
Total estimated costs for closure and postclosure care. Site #2	17,988,438
Less care costs remaining to be funded attributable to unutilized capacity	<u>(2,338,355)</u>
	<u>\$ 22,192,123</u>
Amount Agency has restricted for closure and postclosure care as of June 30, 2025	\$ 23,163,898
Amount City has restricted for closure and postclosure care as of June 30, 2025	<u>-</u>
	<u>\$ 23,163,898</u>