



DEPT. OF ENVIRONMENT AND ENERGY

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Revised September, 2021

## Letter from Chief Financial Officer for the Local Government Financial Test

Nebraska Department of Environment and Energy  
Director  
P.O. Box 98922  
Lincoln, NE 68509-8922

Dear Director:

As the *(insert title i.e. Chief Financial Officer or City Administrator; of the [insert name of local government])*, this letter is in support of the use of the financial test to demonstrate financial assurance for closure, post-closure care, and/or remedial action cost estimates covered by the local government financial test are shown for each facility.

*(For each facility, fill in the following paragraph, including its permit identification number, name, address, and current closure and/or post-closure cost estimates. Identify each cost estimate as to whether it is for closure or post-closure care.)*

**Part I.**

The *(name of local government)* is the owner or operator of the following facilities for which financial assurance for closure, post-closure care, and/or remedial action is demonstrated through the local government financial test. The current closure and/or post-closure cost estimates covered by the test are shown for each facility. *(Include any underground injection control facilities, petroleum underground storage tank facilities, PCB storage facilities, and hazardous waste treatment, storage, and disposal facilities.)*

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Permit No: \_\_\_\_\_

Closure Cost Estimate: \_\_\_\_\_ Post-Closure Cost Estimate: \_\_\_\_\_

Total of all current closure and post-closure cost estimates from all facilities listed above:

\$ \_\_\_\_\_

The fiscal year of *(name of local government)* ends on *(month, day)*. The *(name of local government)* independently audited, fiscal year-end financial statements for the latest completed fiscal year, have been placed in the facilities operating record. *(A copy of the financial statements and the auditor's special report should be attached to this letter).*

*{Fill in all of Alternative I or Alternative II below}*

**Part II Alternative I - Bond Rating**

The figures for the following items marked with an asterisk are derived from the *(name of local government)* independently audited, fiscal year-end financial statements for the latest completed fiscal year, ended *(date)*.

Current bond rating of most recent rated general obligation bonds that are not secured by insurance, a letter of credit, or other collateral guarantee for *(name of local government)*.

- 1. *(Name of rating service and rating)* \_\_\_\_\_
- 2. Date of issuance of bond \_\_\_\_\_
- 3. Date of maturity of bond \_\_\_\_\_

**Alternative II - Financial Ratios**

- 1. \*Total of Cash and Securities \$ \_\_\_\_\_
- 2. \*Total Expenditures \$ \_\_\_\_\_
- 3. \*Annual Debt Service \$ \_\_\_\_\_

Is line 1 divided by line 2 greater than or equal to .05? \_\_\_\_\_

Is line 3 divided by line 2 less than or equal to .20? \_\_\_\_\_

I hereby certify that *{name of local government}* meets the requirements of *{Fill in Alternative I or Alternative II}*.

**Part III**

In addition, I hereby certify that *(name of local government)* meets the following conditions:

- *(name of local government)* financial statement's are prepared in conformity with Generally Accepted Accounting Principles for governments;
- *(name of local government)* has not operated at a deficit greater than 5% in each of the past two fiscal years;

- *(name of local government)* is not in default on any outstanding general obligation bonds and does not have any outstanding general obligation bonds rated lower than Baa as issued by Moody's or BBB as issued by Standard and Poor's;
- *(name of local government)* most recent fiscal year-end financial statements have not received an adverse opinion, a disclaimer of opinion, or a qualified opinion from the independent certified public accountant that audits the financial statements, *(qualified opinions will be reviewed on case-by-case basis)*, and
- *(name of local government)* financial statements comply with the requirements of Statement #18 of the Governmental Accounting Standards Board (GASB).

**Part IV**

*(Fill in the following items to verify the use of the financial test mechanism)*

- *(Name of local government)* total annual revenue (*general fund*) \$\_\_\_\_\_X .43 =
- Amount that can be assured by the local government financial test \$\_\_\_\_\_
- Total of all assured environmental costs (*list*) \$\_\_\_\_\_ *(UIC, UST, hazardous TSD, and solid waste management facilities)*

I hereby certify that *(name of local government)* meets the conditions of assuring *(all/a portion)* of the assured costs for closure, post-closure care, and/or remedial action for the above named facilities. *(If less than 100% indicate the other financial assurance mechanism(s) to be used).*

*(Signature)*

*(Name)*

*(Title)*

*(Date)*