**LETTER FROM CHIEF FINANCIAL OFFICER**

*[Address to the Department of Environmental Quality, Division of Waste Management, Solid Waste Section, 1646 Mail Service Center, Raleigh, North Carolina 27699-1646.]*

I am the chief financial officer of *[name and address of unit of local government].* This letter is in support of this unit of local government's use of the financial test to demonstrate financial assurance, as specified in 15A NCAC 13B .1805(e)(6).

*[Fill out the following paragraph regarding the solid waste management facilities and associated cost estimates. For each facility, include its permit number, name, address and current closure, post-closure care, corrective action program, or potential assessment and corrective action cost estimates. Identify each cost estimate as to whether it is for closure, post-closure care, or a corrective action program.]*

This unit of local government is the owner or operator of the following facilities for which financial assurance for closure, post-closure care, corrective action programs, or potential assessment and corrective action is demonstrated through the financial test specified in 15A NCAC 13B .1805(e)(6). The current closure, post-closure care, corrective action programs, or potential assessment and corrective action cost estimates covered by the test are shown for each facility:

*[For Each Facility]*

Solid Waste Section Permit Number: *[insert NCDEQ issued permit number]*

Facility name: *[insert facility name]*

Facility address: *[insert physical address of facility]*

Closure cost: *[insert dollar amount of closure]*

Post-closure care cost: *[insert dollar amount of post-closure]*

Corrective action program cost: *[insert dollar amount of current corrective action]*

Potential assessment and corrective action cost: *[insert dollar amount of potential assessment and corrective action]*

Total Costs to be Assured: *[Total Costs to be Assured by this test – include costs for all facilities]:*

The fiscal year of this unit of local government ends on *[month, day, year]*. The Indicators of Financial Strength section below is based off of the local government's financial strength of the previous year, as indicated by general accounting practices.

*[Local Government completing the Local Government Test are to either complete the Ratio Indicator of Financial Strength or the Bond Rating Indicator of Financial Strength section below.]*

**RATIO INDICATORS OF FINANCIAL STRENGTH**

1. Sum of current closure, post-closure care, and corrective action program cost estimates *[total of all cost estimates shown in the paragraphs above]* $*[insert dollar amount of all cost estimates/environmental liability for solid waste management facilities]*

2. Sum of cash and investments: $ *[insert dollar amount]*

3. Total expenditures: $ *[insert dollar amount]*

4. Annual debt service: $ *[insert dollar amount]*

5. Assured environmental costs to demonstrate financial responsibility in the following amounts under Division rules:

Solid Waste Management Facilities under 15A NCAC 13B: $ *[insert dollar amount]*

Hazardous waste treatment, storage, and disposal facilities under 15A NCAC 13A .0109 and .0110: $ *[insert dollar amount]*

Petroleum underground storage tanks under 15A NCAC 02N .0100 - .0800: $ *[insert dollar amount]*

Underground injection control system facilities under 15A NCAC 02D .0400 and 15A NCAC 02C .0200: $ *[insert dollar amount]*

PCB commercial storage facilities under 15A NCAC 02O .0100 and 15A NCAC 02N .0100: $ *[insert dollar amount]*

Total assured environmental costs: $ *[insert total dollar amount]*

6. Total Annual Revenue: $ *[insert dollar amount]*

Circle either "yes" or "no" to the following questions.

7. Is line 5 divided by line 6 less than or equal to 0.43? yes/no

8. Is line 2 divided by line 3 greater than or equal to 0.05? yes/no

9. Is line 4 divided by line 3 less than or equal to 0.20? yes/no

**BOND RATING INDICATOR OF FINANCIAL STRENGTH**

1. Sum of current closure, post-closure care, and corrective action program cost estimates *[total of all cost estimates shown in the paragraphs above]*: $ *[insert dollar amount of all cost estimates/environmental liability for solid waste management facilities]*

2. Current bond rating of most recent issuance and name of rating service: [insert bond rating and name of rating service]

3. Date of issuance bond: *[insert date of issuance]*

4. Date of maturity of bond: *[insert date of maturity]*

5. Assured environmental costs to demonstrate financial responsibility in the following amounts under Division rules:

Solid Waste Management Facilities under 15A NCAC 13B: $ *[insert dollar amount]*

Hazardous waste treatment, storage and disposal facilities under 15A NCAC 13A .0109 and .0110: $ *[insert dollar amount]*

Petroleum underground storage tanks under 15A NCAC 02N .0100 - .0800: $ *[insert dollar amount]*

Underground injection control system facilities under 15A NCAC 02D .0400 and 15A NCAC 02C .0200: $ *[insert dollar amount]*

PCB commercial storage facilities under 15A NCAC 02O .0100 and 15A NCAC 02N .0100: $ *[insert dollar amount]*

Total assured environmental costs: $ *[insert dollar amount]*

6. Total Annual Revenue: $ *[insert dollar amount]*

Circle either "yes" or "no" to the following question.

7. Is line 5 divided by line 6 less than or equal to 0.43? yes/no

I hereby certify that the wording of this letter is identical to the wording specified in 15A NCAC 13B .1806(7) as such rules were constituted on the date shown immediately below. I further certify the following: (1) that the unit of local government has not operated at a total operating fund deficit equal to five percent or more of total annual revenue in either of the past two fiscal years, (2) that the unit of local government is not in default on any outstanding general obligations bonds or long-term obligations, and (3) does not have any outstanding general obligation bonds rated lower than Baa as issued by Moody's, BBB as issued by Standard & Poor's, BBB as issued by Fitch's, or 75 as issued by the Municipal Council.

*[Signature]*

*[Name]*

*[Title]*

*[Date]*