WAC 173-360A-1090 Appendix K—Local government financial test—Letter from chief financial officer.

I am the chief financial officer of [insert: name and address of the owner or operator]. This letter is in support of the use of the local government financial test to demonstrate financial responsibility for [insert: "taking remedial action" and/or "compensating third parties for bodily injury and property damage"] caused by [insert: "sudden accidental releases" or "nonsudden accidental releases" or "accidental releases"] in the amount of at least [insert: dollar amount] per occurrence and [insert: dollar amount] annual aggregate arising from operating [an] underground storage tank[s].

Underground storage tanks at the following facilities are assured by this financial test [List for each facility: the name and address of the facility where tanks assured by this financial test are located. If separate mechanisms or combinations of mechanisms are being used to assure any of the tanks at this facility, list each tank assured by this financial test by the tank identification number provided in the notification submitted pursuant to WAC 173-360A-0200.]

This owner or operator has not received an adverse opinion, or a disclaimer of opinion from an independent auditor on its financial statements for the latest completed fiscal year. Any outstanding issues of general obligation or revenue bonds, if rated, have a Moody's rating of Aaa, Aa, A, or Baa or a Standard & Poor's rating of AAA, AA, A, or BBB; if rated by both firms, the bonds have a Moody's rating of Aaa, Aa, A, or Baa and a Standard & Poor's rating of AAA, AA, A, or BBB.

Worksheet for Municipal Financial Test
Part I – Basic Information

1. Total Revenues
a. Revenues (dollars): _____
Value of revenues excludes liquidation of investments and issuance of debt. Value includes all general fund operating and non-operating revenues, as well as all revenues from all other governmental funds including enterprise, debt service, capital projects, and special revenues, but excluding revenues to funds held in a trust or agency capacity.
b. Subtract interfund transfers (dollars): _____
c. Total Revenues (dollars): _____
2. Total Expenditures
a. Expenditures (dollars): _____
Value consists of the sum of general fund operating and non-operating expenditures including interest payments on debt, payments for retirement of debt principal, and total expenditures from all other governmental funds including enterprise, debt service, capital projects, and special revenues.
b. Subtract interfund transfers (dollars): _____
c. Total Expenditures (dollars): _____
3. Local Revenues
a. Total Revenues (from 1c) (dollars): _____
b. Subtract total intergovernmental transfers (dollars): _____
c. Local Revenues (dollars): _____
4. Debt Service
a. Interest and fiscal charges (dollars): _____
b. Add debt retirement (dollars): _____

c. Total Debt Service (dollars): _____
5. Total Funds (Dollars): _____
Sum of amounts held as cash and investment securities from all funds, excluding amounts held for employee retirement funds, agency funds, and trust funds.
6. Population (Persons): _____

Part II – Application of Test

7. Total Revenues to Population
a. Total Revenues (from 1c): _____
b. Population (from 6): _____
c. Divide 7a by 7b: _____
d. Subtract 417: _____
e. Divide by 5,212: _____
f. Multiply by 4.095: _____
8. Total Expenses to Population
a. Total Expenses (from 2c): _____
b. Population (from 6): _____
c. Divide 8a by 8b: _____
d. Subtract 524: _____
e. Divide by 5,401: _____
f. Multiply by 4.095: _____
9. Local Revenues to Total Revenues
a. Local Revenues (from 3c): _____
b. Total Revenues (from 1c): _____
c. Divide 9a by 9b: _____
d. Subtract 0.695: _____
e. Divide by 0.205: _____
f. Multiply by 2.840: _____
10. Debt Service to Population
a. Debt Service (from 4c): _____
b. Population (from 6): _____
c. Divide 10a by 10b: _____
d. Subtract 51: _____
e. Divide by 1,038: _____
f. Multiply by −1.866: _____
11. Debt Service to Total Revenues
a. Debt Service (from 4c): _____
b. Total Revenues (from 1c): _____
c. Divide 11a by 11b: _____
d. Subtract 0.068: _____
e. Divide by 0.259: _____
f. Multiply by −3.533: _____
12. Total Revenues to Total Expenses
a. Total Revenues (from 1c): _____
b. Total Expenses (from 2c): _____
c. Divide 12a by 12b: _____
d. Subtract 0.910: _____
e. Divide by 0.899: _____
f. Multiply by 3.458: _____
13. Funds Balance to Total Revenues
a. Total Funds (from 5): _____
b. Total Revenues (from 1c): _____
c. Divide 13a by 13b: _____
d. Subtract 0.891: _____
e. Divide by 9.156: _____
f. Multiply by 3.270: _____

14. Funds Balance to Total Expenses
a. Total Funds (from 5): _____
b. Total Expenses (from 2c): _____
c. Divide 14a by 14b: _____
d. Subtract 0.866: _____
e. Divide by 6.409: _____
f. Multiply by 3.270: _____
15. Total Funds to Population
a. Total Funds (from 5): _____
b. Population (from 6): _____
c. Divide 15a by 15b: _____
d. Subtract 270: _____
e. Divide by 4,548: _____
f. Multiply by 1.866: _____
16. Add 7f + 8f + 9f + 10f + 11f + 12f + 13f + 14f + 15f + 4.937: _____

I hereby certify that the financial index shown on line 16 of the worksheet is greater than zero and that the wording of this letter is identical to the wording specified in WAC 173-360A-1090 as such regulations were constituted on the date shown immediately below.

[Date]
[Signature]
[Name]
[Title]

[Statutory Authority: Chapter 90.76 RCW. WSR 18-15-083 (Order 16-02), § 173-360A-1090, filed 7/18/18, effective 10/1/18.]

Reviser's note: The brackets and enclosed material in the text of the above section occurred in the copy filed by the agency.