

City of Shaker Heights Cuyahoga County

**Agreed-Upon Procedures Report
For the Year Ended December 31, 2015**



Dave Yost • Auditor of State

City Council
City of Shaker Heights Transfer Station
3400 Lee Rd
Shaker Heights, OH 44120

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the City of Shaker Heights Transfer Station, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the period January 1, 2015 through December 31, 2015. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The City of Shaker Heights Transfer Station is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

September 6, 2016

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City of Shaker Heights

For the Year Ended December 31, 2015

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SHAKER HEIGHTS

June 23, 2016

Mr. Craig Butler
Ohio Environmental Protection Agency
c/o DSIWM
P.O. Box 1049
Columbus, Ohio
43216-1049

Letter from Chief Financial Officer

Dear Mr. Butler

I am the Chief Financial Officer of the City of Shaker Heights, 3400 Lee Road, Shaker Heights, Ohio. This letter is in support of this local government's use of the financial test to demonstrate financial assurance, as specified in Chapter 3745-27 of the Administrative Code.

1. This local government is the owner or operator of the following facilities for which financial assurance for final closure or post-closure care or corrective measures is demonstrated through the financial test specified in Chapter 3745-27 of the Administrative Code and/or this local government is the owner or operator of the following facilities for which financial assurance for any other environment obligation are assured by a financial test. The current final closure, post-closure, and/or corrective measures costs estimates provided for by the test are shown for each facility:

City of Shaker Heights Transfer Facility
15600 Chagrin Blvd.
Shaker Heights, OH 44120
Cuyahoga County

Current closure cost estimate	\$80,694
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2. This firm is the owner or operator of the following facilities for which financial assurance requirements for final closure, post-closure care, or corrective measures and/or any other environmental obligations are satisfied through a financial test other than that required by chapter 3745-27 of the Administrative Code. The current final closure, post-closure care, final closure, and/or corrective measures cost estimates, and/or any other environmental obligations covered by such financial assurance are shown for each facility: None

The fiscal year of this local government ends on December 31. The figures for the following items marked with an asterisk are derived from this local government's independently audited, year-end financial statements for the most recently completed fiscal year, ended December 31, 2015.

1. Sum of current final closure, post-closure care, scrap tire transporter final closure, and/or corrective measures cost estimates, and any other environmental obligations assured by a financial test (total of all cost estimates shown in the two paragraphs above): \$80,694 *
2. Current bond rating of most recent issuance and name of rating service: AAA, Fitch
3. Date of issuance of bond: April 11, 2012
4. Date of maturity of bond: Various dates through December 1, 2031
5. Total assured environmental costs: \$80,694 *
6. Total annual revenue: \$63,192,378*
7. Is line 5 divided by line 6 less than or equal to 0.43? Yes

I hereby certify that the wording of this letter is identical to the wording specified in paragraph (H) of rule 3745-27-17 of the Administrative Code as such rule was constituted on the date shown immediately below. I further certify the following: (1) that the local government's financial statements are prepared in conformity with generally accepted accounting principles for governments; (2) that the local government has not operated at a deficit equal to five per cent or more of total annual revenue in either of the past two fiscal years; (3) that the local government is not in default on any outstanding general obligation bonds; and, (4) That the local government does not have outstanding general obligations rated less than BBB as issued by "Standard and Poor's" or Baa as issued by "Moody's."



Robert Baker
Interim Director of Finance
City of Shaker Heights
June 23, 2016

Independent Accountant's Report on Applying Agreed-Upon Procedures

Members of City Council
City of Shaker Heights
and
Craig W. Butler, Director
Ohio Environmental Protection Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Shaker Heights, Cuyahoga County, Ohio (the "City"), for the year ended December 31, 2015, and have separately issued our unmodified report thereon dated June 29, 2016.

In a letter to the Ohio Environmental Protection Agency dated June 29, 2016 (the "Letter"), Robert Baker, Interim Director of Finance of the City of Shaker Heights, specified that certain amounts disclosed in that Letter were derived from the independently audited financial statements referred to in the first paragraph above.

We have performed the procedures described below, which were agreed to by the City and by the Ohio Environmental Protection Agency, solely to assist you in determining that certain amounts reported in the Letter agreed to, or can be computed from, amounts presented in the audited basic financial statements. The City's management is responsible for the information presented in the Letter. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As required by Ohio Administrative Code Sections 3745-27-15(L)(5)(c), 3745-27-16(L)(5)(c), and 3745-27-18(M)(5)(c), we have agreed the following amounts included in the Letter to the audited basic financial statements:

Alternative 2, <u>Line No.</u>	
5	Total assured environmental costs: \$80,694
6	Total annual revenue: \$63,192,378

The amount on line 6 agrees to the audited basic financial statements of the City, or can be computed from amounts appearing therein. We followed the definition for line 6 included in the *State Support Document for the Local Government Financial Test*, issued November 27, 1996 by the USEPA. Line 5 includes total assured environmental costs reported in the audited basic financial statements following Governmental Accounting Standards Board Statement Number 18.

Members of City Council
City of Shaker Heights
and
Craig W. Butler, Director
Ohio Environmental Protection Agency

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Letter. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the addressees listed above and is not intended to be and should not be used by anyone other than those specified parties.

Ciuni + Panichi, Inc.

Cleveland, Ohio
June 29, 2016



Dave Yost • Auditor of State

CITY OF SHAKER HEIGHTS TRANSFER STATION

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
SEPTEMBER 15, 2016**