

HENRY COUNTY, OHIO LANDFILL

Agreed-Upon Procedures

Year Ended December 31, 2017





Dave Yost • Auditor of State

County Commissioners
Henry County
660 N. Perry Street
P.O. Box 546
Napoleon, Ohio 43545

We have reviewed the *Independent Accountant's Report on Applying Agreed-Upon Procedures* of the Henry County Landfill, Henry County, prepared by Clark, Schaefer, Hackett & Co., for the period January 1, 2017 through December 31, 2017. 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. Henry County is responsible for compliance with these laws and regulations.

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

Dave Yost
Auditor of State

August 31, 2018

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Henry County, Ohio
660 N. Perry St., P.O. Box 546
Napoleon, Ohio 43545
and
Director
Ohio Environmental Protection Agency

We have audited, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Henry County, Ohio (the "County") for the year ended December 31, 2017, and have separately issued our unmodified report thereon dated June 29, 2018. These statements present the landfill as a major enterprise fund and also within the County's business-type activities.

In a letter to the Ohio Environmental Protection Agency dated June 29, 2018 (the "Letter"), Kevin, Finance Director, 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 enumerated below as agreed to by the County 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 for the year ended December 31, 2017. The County's management is responsible for the information presented in the Letter. We followed the American Institute of Certified Public Accountants' attestation standards for agreed-upon procedures engagements and applicable attestation engagement standards included in the Comptroller General of the United States' *Government Auditing Standards*. The sufficiency of the procedures is solely the responsibility of the addressees. 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) and 3745-27-16(L)(5)(c) we have agreed the following amounts included in the Letter to the audited financial statements:

Alternative 1, Line No.

2	Sum of cash and marketable securities
3	Total expenditures
4	Annual debt service
5	Long term debt
6	Capital expenditures
7	Total assured environmental costs
8	Total annual revenue

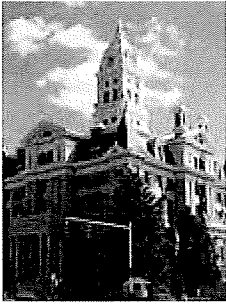
The amounts on lines 2 through 6 and 8 agree to the basic fund financial statements of the County, or can be computed from amounts appearing therein. We followed the definitions for lines 2 through 6 and 8 included in the *State Support Document for the Local Government Financial Test*, issued November 27, 1996 by the USEPA. Line 7 includes total assured environmental costs reported in the financial statements following Governmental Accounting Statement Number 18.

We were not engaged to, and did not conduct an examination, 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 we would have 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.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
June 29, 2018



HENRY COUNTY AUDITOR

Kevin Garringer, Auditor

660 North Perry Street, P.O. Box 546 Napoleon, Ohio 43545
Phone: 419-592-1956 Fax: 419-592-4024

Director
Ohio Environmental Protection Agency
c/o DMWM
P.O. Box 1049
Columbus, OH 43216-1049

I am the chief financial officer of *(name and address of local government)*

Henry County, Ohio, 660 N. Perry St., P.O. Box 546, Napoleon, OH 43545

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.

Instructions: Fill out the following paragraphs regarding facilities and scrap tire transporters and the associated cost estimates in the space provided. If there are no facilities or scrap tire transporters that belong in a particular paragraph, write "none" in the space indicated. For each solid waste facility or scrap tire transporter, include its name, address, county, and current final closure, post-closure care, scrap tire transporter final closure, and/or corrective measures cost estimates, and any other environmental obligations. Identify each cost estimate as to whether it is for final closure, post-closure care, scrap tire transporter final closure, and/or corrective measures, and all other environmental obligations.

(1) This local government is the owner or operator of the following facilities or scrap tire transporters for which financial assurance for final closure, post-closure care, scrap tire transporter final closure, 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 environmental obligations are assured by a financial test. The current final closure, post-closure care, scrap tire transporter final closure, and/or corrective measures cost estimates, and any other environmental obligations provided for by a test are shown:

Name: Henry County Landfill

Address: L-622 County Road 11 County Henry

City: Napoleon State: OH Zip: 43545 -

Final Closure: \$ 282,500 Corrective Measures: \$ 0

Post Closure Care: \$ 2,270,105 Scrap Tire Transporter Final Closure: \$ 0

Other Environmental Obligation: \$ 0

(2) This local government is the owner or operator of the following facilities or scrap tire transporter for which financial assurance requirements for final closure, post-closure care, scrap tire transporter final closure, 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, scrap tire transporter final closure, and/or corrective measures cost estimates, and/or any environmental obligation covered by such financial assurance are shown for each facility or scrap tire transporter:

Name: _____
Address: _____ County _____
City: _____ State: _____ Zip: _____ - _____
Final Closure: \$ _____ Corrective Measures: \$ _____
Post Closure Care: \$ _____ Scrap Tire Transporter Final Closure: \$ _____
Other Environmental Obligation: \$ _____

The fiscal year of this local government ends on _____
(month, day)

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 12 / 31 / 2017

(Comment: the figures for the following items must be contained in the audited financial statements from the most recently completed fiscal year.)

Instructions: Choose only ONE of the following alternatives.

Fill in **Alternative I** if the criteria of paragraph (L)(1)(b) of rule 3745-27-15, 3745-27-16, or and/or paragraph (M)(1)(b) of rule 3745-27-18 of the Administrative Code are used.

OR

Fill in **Alternative II** if the criteria of paragraph (L)(1)(c) of rule 3745-27-15, 3745-27-16, or and/or paragraph (M)(1)(c) of rule 3745-27-18 of the Administrative Code are used.

Alternative I

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 (<i>total of all cost estimates shown in the two paragraphs above</i>):	\$ 2,552,605
*2) Sum of cash and marketable securities:	\$ 25,226,214
*3) Total expenditures:	\$ 29,637,639
*4) Annual debt service:	\$ 24,506
*5) Long-term debt:	\$ 33,020
*6) Capital expenditures:	\$ 4,858,651
*7) Total assured environmental costs:	\$ 2,552,605
*8) Total annual revenue:	\$ 31,807,188

9) Is line 2 divided by line 3 greater than or equal to 0.05?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
10) Is line 4 divided by line 3 less than or equal to 0.20?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
11) Is line 5 divided by line 6 less than or equal to 2.00?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
12) Is line 7 divided by line 8 less than or equal to 0.43? <i>If no, complete lines 13 and 14</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

13) Multiply line 8 by 0.43 = \$ _____

This is the maximum amount allowed to assure environmental costs.

14) Line 13 subtracted from line 7 = \$ _____

This amount must be assured by another financial assurance mechanism listed in paragraphs (F), (G), (I), and/or (J), in rules 3745-27-15, 3745-27-16, and paragraphs (G), (H), (J), and/or (K) in rule 3745-27-18 of the Administrative Code.

Alternative II

- 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*): \$ _____
- 2) Current bond rating of most recent issuance: _____
Name of rating service: _____
- 3) Date of issuance of bond: _____ / _____ / _____
- 4) Date of maturity of bond: _____ / _____ / _____
- 5) Total assured environmental costs: \$ _____
- *6) Total annual revenue: \$ _____

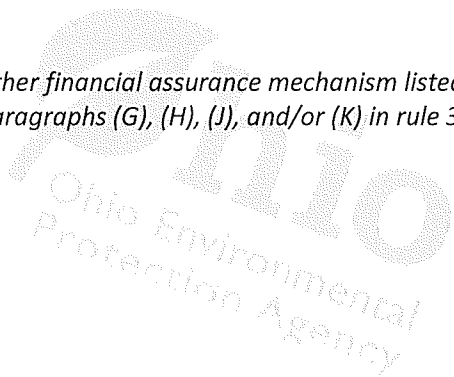
7) Is line 5 divided by line 6 less than or equal to 0.43? *If no, complete lines 8 and 9* Yes No

8) Multiply line 6 by 0.43 = \$ _____

This is the maximum amount allowed to assure environmental costs.

14) Line 8 subtracted from line 5 = \$ _____

This amount must be assured by another financial assurance mechanism listed in paragraphs (F), (G), (I), and/or (J), in rules 3745-27-15, 3745-27-16, and paragraphs (G), (H), (J), and/or (K) in rule 3745-27-18 of the Administrative Code.



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."

Signature	<u>Kevin Garringer</u>	Title	<u>County Auditor</u>
Name	<u>Kevin Garringer</u>	Date	<u>06 / 29 / 2018</u>







Dave Yost • Auditor of State

HENRY COUNTY LANDFILL

HENRY 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, 13 2018**