



**CITY OF AVON LAKE LANDFILL
LORAIN COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

**CITY OF AVON LAKE LANDFILL
LORAIN COUNTY**

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Building Department
930-4102

Civil Service Commission
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Clerk of Council
930-4121

Council President
930-4120

Engineering Department
930-4101

Finance Department
930-4124

Fire Department
933-8305

Human Resources
933-6141

Law Director
930-4122

Mayor's Office
930-4100

Municipal Court
930-4103

Municipal Utilities
933-6226

Planning Department
930-4110

Police Department
933-4567

Recreation Department
930-4130

Service Department
930-4126

Zoning Department
930-4102

Christopher Jones, Director
Ohio Environmental Protection Agency
1800 Watermark Drive
Columbus, Ohio 43215-1099

Letter from Chief Financial Officer

Dear Mr. Jones:

I am the Director of Finance (chief financial officer) of the City of Avon Lake, 150 Avon Belden Road, Avon Lake, Ohio (City). This letter is in support of the City's use of the financial test to demonstrate financial assurance as specified in Ohio Administrative Code (OAC) Chapter 3745-27.

- (1) The City is the owner or operator of a municipal sanitary landfill for which financial assurance for final closure or post-closure care or corrective measures is demonstrated through the financial test specified in OAC Chapter 3745-27 and/or the City is the owner or operator of a municipal sanitary landfill for which financial assurance for any other environmental obligations are assured by a financial test. The current final closure, post-closure, and/or corrective measures cost estimates, and any other environmental obligations provided for by a test are shown below:

City of Avon Lake Sanitary Landfill
750 Avon Belden Road
Avon Lake, Ohio 44012
Lorain County

Current final closure cost estimate: \$0

Current post-closure cost estimate: \$1,040,000

- (2) None.

The fiscal year of the City ends on December 31. The figures for the following items marked with an asterisk are derived from the City's independently audited, year end financial statements for the most recently completed fiscal year, ended December 31, 2000.

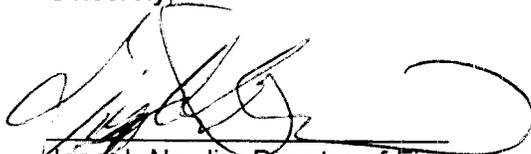
Alternative II

1. The sum of current final closure and post-closure cost estimates (total of all cost estimates shown in the two paragraphs above) is: \$1,040,000.
2. The current bond rating of the most recent debt issuance of the City is A1 as rated by Moody's Investor Services, Inc.
3. Date of issuance: March 28, 2001
4. Date of maturity: Various
5. *Total assured environmental costs: \$1,040,000
6. *Total annual revenue: \$15,161,254
7. Is line 5 divided by line 6 less than or equal to 0.43?: Yes

I believe the wording of this letter meets the requirements of the wording specified in OAC Chapter 3745-27-17, Paragraph (H) as such rule was constituted. I further certify the following: (1) the City's financial statements are prepared in conformity with generally accepted accounting principles for governments; (2) the City has not operated at a deficit equal to five percent or more of total annual revenue in either of the past two fiscal years; (3) the City is not in default on any outstanding general obligation debt; and, (4) the City does not have outstanding general obligation debt rated less than BBB as rated by Standard and Poor's or BAA as rated by Moody's Investor Services, Inc.

Finally, the City recognizes its environmental and financial responsibilities in maintaining the Avon Lake Municipal Sanitary Landfill and remains committed to continued compliance with all applicable rules and to cooperation with the Ohio Environmental Protection Agency; its staff and related enforcement officials.

Sincerely,



Joseph Newlin, Director of Finance,
City of Avon Lake

August 30, 2001



STATE OF OHIO
OFFICE OF THE AUDITOR

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING
AGREED-UPON PROCEDURES**

Christopher Jones, Director
Ohio Environmental Protection Agency
and
Members of City Council and the Board of Municipal Utilities
City of Avon Lake, Ohio

We have audited, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, the general purpose financial statements of the City of Avon Lake, Lorain County, Ohio, (the City) for the year ended December 31, 2000, and have separately issued our unqualified report thereon dated August 30, 2001.

In a letter to the Director of the Ohio Environmental Protection Agency dated August 30, 2001 (Letter), Joseph Newlin, Director of Finance, of the City, 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 as 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 general-purpose financial statements. The City'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. 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)(3)(c), 3745-27-16(L)(3)(c) and 3745-27-18(L)(3)(c), we have agreed the following amounts included in the Letter to the audited financial statements:

Alternative II, Line No.

- 5 Total assured environmental costs \$1,040,000
- 6 Total annual revenue \$15,161,254

The amounts on lines 5 and 6 agreed to the general purpose financial statements of the City, or can be computed from amounts appearing therein. Line 5 includes total assured environmental costs following Governmental Accounting Standards Board Statement No. 18. We followed the definitions for line 6 included in the *State Support Document for the Local Government Financial Test*, issued November 27, 1996 by the U.S. Environmental Protection Agency.

We were not engaged to, and did not conduct an examination, the objective of which would be to express 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.

Christopher Jones, Director
Ohio Environmental Protection Agency
and
Members of City Council and the Board of Municipal Utilities
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This report is intended solely for the information and use of the addressees listed above and should not be used by anyone else.

Jim Petro
Auditor of State

August 30, 2001



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OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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CITY OF AVON LAKE LANDFILL

LORAIN 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, 2001**