



**CITY OF BROOKLYN LANDFILL
CUYAHOGA COUNTY**

AGREED-UPON PROCEDURES

FOR THE YEAR ENDED DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

**CITY OF BROOKLYN LANDFILL
CUYAHOGA COUNTY**

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Mayor
Kenneth E. Patton

The City of
Brooklyn • Ohio
FOUNDED 1867

Council
John E. Frey
Thomas E. Coyne
Gregory L. Frey
Rita M. Brown
Kathleen M. Pucci
Colleen Coyne-Gallagher
Richard H. Balbier

Christopher Jones, Director
Ohio Environmental Protection Agency
P.O. Box 1049
Columbus, Ohio 43216-1049

Dear Mr. Jones;

I am the chief financial officer of the City of Brooklyn, Ohio 7619 Memphis Avenue (the City). 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) The City is the owner and operator of the Brooklyn Sanitary Landfill for which financial assurance for final closure, post-closure care, or corrective measures is demonstrated through the financial test specified in chapter 3745-27 of the Ohio Administrative Code and the City is the owner and operator of the Brooklyn Sanitary Landfill for which financial assurance for any other environmental obligations are assured by a financial test. The current final closure, post-closure care, and/or corrective measures cost estimates, and any other environmental obligations provided for by a test are shown:
\$6,230,694

- (2) The City the owner and operator of the Brooklyn Sanitary Landfill for which financial assurance requirements for final closure, post-closure care, corrective measures, and/or any other environmental obligations are satisfied through a financial test other than that required by chapter 3745-27 of the Ohio Administrative Code. The current final closure, post-closure care and/or corrective measures cost estimates, and/or any other environmental obligations covered by such financial assurance are shown the for the Brooklyn Sanitary Landfill:
\$NONE.

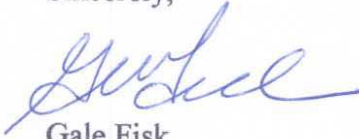
The fiscal year of the City ends on December 31. The figures for the following items marked with an asterisk are derived from the City's independently audited, year-end financial statements for the most recently completed fiscal year, ended December 31, 2003.

| | |
|--|--------------|
| 1. Sum of current final closure, post-closure care, and / or corrective measures cost estimates, and any other environmental obligations assured by a financial test | \$6,230,694 |
| *2. Sum of cash and marketable securities: | \$6,906,868 |
| *3. Total expenditures: | \$17,485,489 |
| *4. Annual debt service: | \$3,590,774 |
| 5. Long-term debt: | \$0 |
| *6. Capital expenditures: | \$1,388,901 |
| *7. Total assured environmental costs: | \$6,230,694 |
| *8. Total annual revenue: | \$17,463,040 |

| | | <u>YES</u> | <u>NO</u> |
|--|---------------|------------|-----------|
| 9. Is line 2 divided by line 3 greater than or equal to 0.05? | 0.3950 | X | |
| 10. Is line 4 divided by line 3 less than or equal to 0.20? | 0.2054 | X | |
| 11. Is line 5 divided by line 6 less than or equal to 2.00? | 0.0000 | X | |
| 12. Is line 7 divided by line 8 less than or equal to 0.43? (If not, complete lines 13 and 14.) | 0.3568 | X | |
| 13. Multiply line 8 by 0.43: (This is the maximum amount allowed to assure environmental costs.) | \$7,509,107 | | |
| 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 <u>3745-27-15</u> , <u>3745-27-16</u> , and paragraphs (G), (H), (J), and/or (K) in rule <u>3745-27-18</u> of the Ohio Administrative Code.) | (\$1,278,413) | | |

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 Ohio Administrative Code as such rule was constituted on the date shown immediately below. I further certify the following: (1) that the City's financial statements are prepared in conformity with generally accepted accounting principles for governments; (2) that the City 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 City is not in default on any outstanding general obligation bonds; and, (4) that the City does not have outstanding general obligations rated less than BBB as issued by "Standard and Poor's" or Baa as issued by "Moody's."

Sincerely,

A handwritten signature in blue ink, appearing to read "Gale Fisk", written in a cursive style.

Gale Fisk
Director of Finance
City of Brooklyn, Ohio

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

City of Brooklyn
Cuyahoga County
7619 Memphis Avenue
Brooklyn, Ohio 44144
and
Christopher Jones, 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 City of Brooklyn, Cuyahoga County, Ohio, (the City) for the year ended December 31, 2003, and have separately issued our unqualified report thereon dated June 11, 2004.

In a letter to the Ohio Environmental Protection Agency dated June 11, 2004 (the Letter), Gale Fisk, Director of Finance of the City of Brooklyn's Sanitary Landfill 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 basic 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)(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 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 City, 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 fund financial statements following Governmental Accounting Statement Number 18.

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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.

This report is intended solely for the information and use of the addressees listed above and should not be used by anyone else.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

June 11, 2004



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

CITY OF BROOKLYN LANDFILL

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
JULY 13, 2004**