



**Auditor of State
Betty Montgomery**

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountant's Report	1
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2002	3
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Funds For the Year Ended December 31, 2002	4
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – All Governmental Fund Types For the Year Ended December 31, 2001	5
Combined Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Cash Balances – Non-Expendable Trust Funds For the Year Ended December 31, 2001	6
Notes to the Financial Statements.....	7
Independent Accountant's Report on Compliance and on Internal Control Required by <i>Government Auditing Standards</i>	13

This page intentionally left blank.



**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANT'S REPORT

Bristol Township
Trumbull County
P.O. Box 254
Bristolville, Ohio 44402

To the Board of Trustees:

We have audited the accompanying financial statements of Bristol Township (the Township) as of and for the years ended December 31, 2002 and December 31, 2001. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Township prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances and reserves for encumbrances of the Township as of December 31, 2002 and December 31, 2001, and its combined cash receipts and disbursements for the years then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2003 on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Bristol Township
Trumbull County
Independent Accountant's Report
Page 2

This report is intended solely for the information and use of the audit committee, management, the Board, and other officials authorized to receive this report under § 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

December 19, 2003

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>				<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
Cash Receipts:					
Local Taxes	\$35,467	\$105,508	\$59,426		\$200,401
Intergovernmental	88,163	74,882		\$49,650	212,695
Licenses, Permits, and Fees	0	13,758			13,758
Earnings on Investments	4,110	373			4,483
Other Revenue	29,126	72,995			102,121
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Receipts	156,866	267,516	59,426	49,650	533,458
Cash Disbursements:					
Current:					
General Government	300,277	2,400			302,677
Public Safety		54,958			54,958
Public Works	7,309	144,278		49,650	201,237
Health	5,359	17,018			22,377
Miscellaneous		22,321			22,321
Debt Service:					
Redemption of Principal			46,227		46,227
Interest and Fiscal Charges			13,137		13,137
Capital Outlay		20,660			20,660
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Cash Disbursements	312,945	261,635	59,364	49,650	683,594
Total Receipts Over/(Under) Disbursements	(156,079)	5,881	62	0	(150,136)
Other Financing Receipts:					
Other Financing Sources	1,863	10,050			11,913
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	(154,216)	15,931	62	0	(138,223)
Fund Cash Balances, January 1	282,022	263,203	0	0	545,225
Fund Cash Balances, December 31	<u>\$127,806</u>	<u>\$279,134</u>	<u>\$62</u>	<u>\$0</u>	<u>\$407,002</u>
Reserve for Encumbrances, December 31	<u>\$0</u>	<u>\$1,550</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,550</u>

The notes to the financial statements are an integral part of this statement.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - NON-EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002**

	Fiduciary Fund Types
	Nonexpendable Trust
Operating Cash Receipts:	
Interest	101
Total Operating Cash Receipts	101
Operating Cash Disbursements:	
Supplies and Materials	51
Total Operating Cash Disbursements	51
Operating Income/(Loss)	50
Fund Cash Balances, January 1	10,098
Fund Cash Balances, December 31	\$10,148
Reserve for Encumbrances, December 31	\$0

The notes to the financial statements are an integral part of this statement.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Governmental Fund Types			Totals (Memorandum Only)
	General	Special Revenue	Debt Service	
Cash Receipts:				
Local Taxes	\$53,820	\$105,506	\$40,899	\$200,225
Intergovernmental	80,376	77,082		157,458
Licenses, Permits, and Fees		16,491		16,491
Earnings on Investments	6,944	670		7,614
Other Revenue	21,104	50,402		71,506
Total Cash Receipts	162,244	250,151	40,899	453,294
Cash Disbursements:				
Current:				
General Government	175,316	2,431		177,747
Public Safety		65,113		65,113
Public Works	27,408	93,111		120,519
Health	5,308	18,252		23,560
Miscellaneous		48,110		48,110
Debt Service:				
Redemption of Principal			33,881	33,881
Interest and Fiscal Charges			7,018	7,018
Total Cash Disbursements	208,032	227,017	40,899	475,948
Total Receipts Over/(Under) Disbursements	(45,788)	23,134	0	(22,654)
Other Financing Receipts:				
Proceeds from Sale of Public Debt:				
Sale of Notes	200,000			200,000
Other Financing Sources	4,477	10,950		15,427
Total Other Financing Receipts	204,477	10,950	0	215,427
Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements	158,689	34,084	0	192,773
Fund Cash Balances, January 1	123,333	229,119	0	352,452
Fund Cash Balances, December 31	\$282,022	\$263,203	\$0	\$545,225
Reserve for Encumbrances, December 31	\$11,942	\$22,350	\$0	\$34,292

The notes to the financial statements are an integral part of this statement.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCE - NON-EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2001**

	Fiduciary Fund Types
	Nonexpendable Trust
Operating Cash Receipts:	
Gifts	\$2,000
Interest	150
	2,150
Operating Cash Disbursements:	
Supplies and Materials	50
	2,100
Operating Income/(Loss)	2,100
Fund Cash Balances, January 1	7,998
	7,998
Fund Cash Balances, December 31	\$10,098
Reserve for Encumbrances, December 31	\$0

The notes to the financial statements are an integral part of this statement.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

Bristol Township, Trumbull County , (the Township) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly-elected three-member Board of Trustees. The Township provides general government services, including road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash and Investments

Investments are reported as assets. Accordingly, purchases of investments are not recorded as disbursements, and sales of investments are not recorded as receipts. Gains or losses at the time of sale are recorded as receipts or disbursements, respectively.

Certificates of deposit are valued at cost.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds

These funds are used to account for proceeds from specific sources (other than from trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Road and Bridge Fund - This fund receives property tax money for constructing, maintaining and repairing Township roads and bridges.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

2. Special Revenue Funds (Continued)

Gasoline Tax Fund - This fund receives gasoline tax money to pay for constructing, maintaining and repairing Township roads.

Fire Special Levy Fund – This fund receives revenue from a voted levy. Expenditures are limited to operation of the Volunteer Fire Department, primarily equipment purchases and operation.

3. Debt Service Funds

The Township's Debt Service Funds receive property taxes for repayment of general obligation notes which financed the purchase of a fire truck and capping of a landfill.

4. Capital Project Fund

This fund is used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through enterprise or trust funds). The Township's Capital Project Fund received a State of Ohio Issue II Grant to repair certain Township roads.

5. Fiduciary Funds (Trust Funds)

These funds are used to account for resources restricted by legally binding trust agreements. The Township had the following significant fiduciary funds:

Cemetery Bequest Funds – These funds use its revenue for the care and maintenance of cemetery plots.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2002 and 2001 budgetary activity appears in Note 3.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. Unpaid leave is not reflected as a liability under the Township's basis of accounting.

2. EQUITY IN POOLED CASH AND INVESTMENTS

The Township maintains a cash and investments pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash and investments at December 31 was as follows:

	<u>2002</u>	<u>2001</u>
Demand deposits	\$350,258	\$489,619
Certificates of deposit	66,892	65,704
Total deposits	<u>\$417,150</u>	<u>\$555,323</u>

Deposits: Deposits are either insured by the Federal Depository Insurance Corporation, or collateralized by securities specifically pledged by the financial institution's public entity risk pool.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

3. BUDGETARY ACTIVITY

Budgetary activity for the years ending December 31, 2002 and 2001 follows:

2002 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$148,672	\$158,729	\$10,057
Special Revenue	237,290	277,566	40,276
Debt Service	59,426	59,426	0
Capital Projects	49,650	49,650	0
Fiduciary	100	101	1
Total	<u>\$495,138</u>	<u>\$545,472</u>	<u>\$50,334</u>

2002 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$430,694	\$312,945	\$117,749
Special Revenue	510,946	263,185	247,761
Debt Service	59,426	59,364	62
Capital Projects	49,650	49,650	0
Fiduciary	10,198	51	10,147
Total	<u>\$1,060,914</u>	<u>\$685,195</u>	<u>\$375,719</u>

2001 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$375,142	\$366,721	(\$8,421)
Special Revenue	231,545	261,101	29,556
Debt Service	40,801	40,899	98
Capital Projects	49,650	0	(49,650)
Fiduciary	130	2,150	2,020
Total	<u>\$697,268</u>	<u>\$670,871</u>	<u>(\$26,397)</u>

2001 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$312,571	\$219,974	\$92,597
Special Revenue	460,664	249,367	211,297
Debt Service	40,899	40,899	0
Capital Projects	49,650	0	49,650
Fiduciary	8,129	50	8,079
Total	<u>\$871,913</u>	<u>\$510,290</u>	<u>\$361,623</u>

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

4. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Board of Trustees. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Township.

5. DEBT

Debt outstanding at December 31, 2002 was as follows:

	<u>Principal</u>	<u>Interest Rate</u>
General Obligation Notes - Fire Truck	\$25,279	5.40%
General Obligation Notes - Landfill	166,666	6.00%
Total	<u>\$191,945</u>	

The general obligation bonds were issued to finance the purchase of a fire truck and capping of the Township's landfill.

Amortization of the above debt, including interest, is scheduled as follows:

	<u>Fire Truck Notes</u>	<u>Landfill Notes</u>
Year ending December 31:		
2003	\$26,116	\$31,888
2004		30,578
2005		29,221
2006		27,888
2007		26,555
2008 – 2010		60,561
Total	<u>\$26,116</u>	<u>\$206,691</u>

6. RETIREMENT SYSTEMS

The Township's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. The plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**BRISTOL TOWNSHIP
TRUMBULL COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001
(Continued)**

6. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. PERS members contributed 8.5% of their gross salaries. The Township contributed an amount equal to 13.55% of participants' gross salaries for 2002 and 2001. The Township has paid all contributions required through December 31, 2002.

7. RISK MANAGEMENT

Commercial Insurance

The Township has obtained commercial insurance for the following risks:

- Comprehensive property and general liability;
- Vehicles; and
- Errors and omissions.



**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Bristol Township
Trumbull County
P.O. Box 254
Bristolville, Ohio 44402

To the Board of Trustees:

We have audited the accompanying financial statements of Bristol Township (the Township) as of and for the years ended December 31, 2002 and December 31, 2001, and have issued our report thereon dated December 19, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Township's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the Township in a separate letter dated December 19, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Bristol Township
Trumbull County
Independent Accountant's Report on Compliance and on Internal Control
Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of the audit committee, management, and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

December 19, 2003



**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

BRISTOL TOWNSHIP

TRUMBULL 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
JANUARY 20, 2004**