



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

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PRAIRIE TOWNSHIP  
FRANKLIN COUNTY

REGULAR AUDIT

For the Years Ended December 31, 2016 and 2015  
Fiscal Years Audited Under GAGAS: 2016 and 2015





# Dave Yost • Auditor of State

Board of Trustees  
Prairie Township  
23 Maple Drive  
Columbus, Ohio 43228

We have reviewed the *Independent Auditor's Report* of Prairie Township, Franklin County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2015 through December 31, 2016. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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. Prairie Township is responsible for compliance with these laws and regulations.

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

Dave Yost  
Auditor of State

October 5, 2017

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**Prairie Township**  
**Franklin County, Ohio**  
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## INDEPENDENT AUDITOR'S REPORT

Prairie Township  
Franklin County  
23 Maple Drive  
Columbus, Ohio 43228

To the Board of Trustees:

### ***Report on the Financial Statements***

We have audited the accompanying cash basis financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Prairie Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with the cash accounting basis Note 2 describes. This responsibility includes determining that the cash accounting basis is acceptable for the circumstances. Management is also responsible for designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Township's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Township's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie Township, Franklin County, Ohio, as of December 31, 2016 and 2015, and the respective changes in cash financial position and the budgetary comparison for the General, Fire, JEDZ and Community Recreation Center funds thereof for the year ended December 31, 2016 and for the General, Fire and JEDZ funds for the year ended December 31, 2015 in accordance with the accounting basis described in Note 2.

***Accounting Basis***

We draw attention to Note 2 of the financial statements, which describes the accounting basis. The financial statements are prepared on the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinion regarding this matter.

***Other Matters***

We applied no procedures to Management's Discussion & Analysis as listed in the table of contents. Accordingly, we express no opinion of any other assurance on it.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2017, 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 grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.

*BHM CPA Group*

BHM CPA Group, Inc.  
Columbus, Ohio  
June 26, 2017



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This discussion and analysis of Prairie Township's (the Township) financial performance provides an overall review of the Township's financial activities for the year ended December 31, 2016 and 2015 within the limitations of the Township's cash basis accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the Township's financial performance.

**Highlights**

Key highlights for 2016 and 2015 are as follows:

- For fiscal year 2016 net position of governmental activities decreased \$345,092 or 3.8%. For fiscal year 2015 net position of governmental activities decreased \$4,495,963 or 33.0%.
- For fiscal year 2016, general cash receipts, including contributions to permanent fund, accounted for \$15,233,836 or 72.0% of total governmental activities. Cash receipts and program specific cash receipts accounted for \$5,935,078 or 28.0% of total governmental activities cash receipts. For fiscal year 2015, general cash receipts, including contributions to permanent fund, accounted for \$5,716,816 or 53.5% of total governmental activities. Cash receipts and program specific cash receipts accounted for \$4,961,577 or 46.5% of total governmental activities cash receipts.
- For fiscal year 2016, the Township had \$21,514,006 in cash disbursements related to governmental activities: \$5,935,078 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily grant entitlements and taxes) of \$15,233,836 were not adequate to provide for these programs. For fiscal year 2015, the Township had \$15,174,356 in cash disbursements related to governmental activities: \$4,961,577 of these cash disbursements were offset by program specific charges for services, grants or contributions. General cash receipts (primarily grant entitlements and taxes) of \$5,716,816 were not adequate to provide for these programs.
- The Township's major funds are General, Fire, Joint Economic Development Zone, Community Recreation Center Bond fund, and Community Recreation Center fund for 2016 and General, Fire, Joint Economic Development Zone, and Community Recreation Center Bond fund for 2015. The General fund, the Township's largest major fund, had cash receipts and other financing sources of \$2,862,829 and \$2,754,840 in 2016 and 2015, respectively. The General Fund had cash disbursements and other financing uses of \$2,940,260 and \$3,006,115 for 2016 and 2015, respectively. The General fund's cash balance decreased \$77,431 from 2015 to 2016 and decreased \$251,275 from 2014 to 2015.
- The Fire fund, a major Township fund, had cash receipts and other financing sources of \$4,292,235 and \$4,395,015 in 2016 and 2015, respectively. The Fire fund had cash disbursements of \$4,336,790 and \$4,289,112 in 2016 and 2015, respectively. The Fire fund's cash balance decreased \$44,555 from 2015 to 2016 and increased \$105,903 from 2014 to 2015.

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- The Community Recreation Center Bond fund, a major Township fund, had cash receipts and other financing sources of \$9,763,616 and \$1,202 in 2016 and 2015, respectively. The Community Recreation Center Bond fund had cash disbursements and other financing uses of \$9,760,050 and \$4,632,399 in 2016 and 2015, respectively.
- The JEDZ fund, a major Township fund, had cash receipts and other financing sources of \$1,647,828 and \$1,441,041 in 2016 and 2015, respectively. The JEDZ fund had cash disbursements and other financing uses of \$1,592,230 and \$1,253,455 in 2016 and 2015, respectively.
- The Community Recreation Center fund, a major Township fund in 2016, had cash receipts and other financing sources of \$1,546,438. The Community Recreation Center fund had cash disbursements and other financing uses of \$1,471,623.

**Using the Cash Basis Financial Statements**

This cash basis annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Township's cash basis of accounting.

**Basis of Accounting**

The basis of accounting is a set of guidelines that determine when financial events are recorded. The Township has elected to present its financial statements on a cash basis of accounting. This basis of accounting is a basis of accounting other than generally accepted accounting principles. Under the Township's cash basis of accounting, receipts and disbursements are recorded when cash is received or paid.

As a result of using the cash basis of accounting, certain assets and their related revenues (such as accounts receivable) and certain liabilities and their related expenses (such as accounts payable) are not recorded in the financial statements. Therefore, when reviewing the financial information and discussion within this report, the reader must keep in mind the limitations resulting from the use of the cash basis of accounting.

**Reporting the Township as a Whole**

**Statement of Net Position-Cash Basis and the Statement of Activities-Cash Basis**

The statement of net position and the statement of activities provide information about the cash activities of the Township as a whole. Fund financial statements provide a greater level of detail. Funds are created and maintained on the financial records of the Township as a way to segregate money whose use is restricted to a particular specified purpose. These statements present financial information by fund, presenting funds with the largest balances or most activity in separate columns.

The Statement of Net Position and the Statement of Activities reflect how the Township did financially during 2016 and 2015, within the limitations of cash basis accounting. The Statement of Net Position presents the cash balances and investments of the governmental activities of the

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Township at year end. The Statement of Activities compares cash disbursements with program receipts for each governmental program. Program receipts include charges paid by the recipient of the program's goods or services and grants and contributions restricted to meeting the operational or capital requirements of a particular program. General receipts are all receipts not classified as program receipts. The comparison of cash disbursements with program receipts identifies how each governmental function draws from the Township's general receipts.

These statements report the Township's cash position and the changes in cash position. Keeping in mind the limitations of the cash basis of accounting, you can think of these changes as one way to measure the Township's financial health. Over time, increases or decreases in the Township's cash position is one indicator of whether the Township's financial health is improving or deteriorating. When evaluating the Township's financial condition, you should also consider other nonfinancial factors as well such as the Township's property tax base, the condition of the Township's capital assets and infrastructure, the extent of the Township's debt obligations, the reliance on non-local financial resources for operations and the need for continued growth in the major local revenue sources such as property and income taxes.

In the Statement of Net Position and the Statement of Activities:

Governmental Activities - Most of the Township's basic services are reported here, including fire, streets and parks. State and federal grants and income and property taxes finance most of these activities. Benefits provided through governmental activities are not necessarily paid for by the people receiving them.

**Reporting the Township's Most Significant Funds**

Fund financial statements provide detailed information about the Township's major funds – not the Township as a whole. The Township establishes separate funds to better manage its many activities and to help demonstrate that money that is restricted as to how it may be used is being spent for the intended purpose. The funds of the Township are split into two categories: governmental and fiduciary.

Governmental Funds - Most of the Township's activities are reported in governmental funds. The governmental fund financial statements provide a detailed view of the Township's governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent to finance the Township's programs. The Township's significant governmental funds are presented on the financial statements in separate columns. The information for nonmajor funds (funds whose activity or balances are not large enough to warrant separate reporting) is combined and presented in total in a single column. The Township's major governmental funds are the General, Fire, Joint Economic Development Zone, Community Recreation Center Bond fund, and the Community Recreation Center fund in 2016 and the General, Fire, Joint Economic Development Zone, and Community Recreation Center Bond funds in 2015. Since the Township is reporting on the cash basis of accounting, there are no differences in net position and fund cash balances, and changes in net position and changes in fund cash balances. Therefore, no reconciliation is necessary between such financial statements.

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Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the Township. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the Township's programs.

**Notes to the Financial Statements**

The notes to the financial statements are an integral part of the government-wide and fund financial statements and provide expanded explanation and detail regarding the information reported in the statements.

**The Township as a Whole**

Table 1 provides a summary of the Township's net position for 2016 compared to 2015 and for 2015 compared to 2014 on a cash basis:

	Net Cash Position		
	Table 1		
	Governmental Activities		
	2016	2015	2014
Assets			
Cash and Cash Equivalents	\$ 8,781,437	\$ 9,126,529	\$ 13,622,492
Total Assets	8,781,437	9,126,529	13,622,492
Net Position			
Restricted for:			
Capital Projects	123,767	268,901	4,986,944
Debt Service	3,566	-	-
Fire Operations	-	-	2,126,440
Emergency Medical Services	-	-	562,219
Economic Development	-	-	201,137
Permanent Fund Purpose			
Expendable	53	36	23
Nonexpendable	2,000	2,000	2,000
Other Purposes	3,671,936	3,872,861	511,689
Unrestricted	4,980,115	4,982,731	5,232,040
Total Net Position	\$ 8,781,437	\$ 9,126,529	\$ 13,622,492

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Table 2 reflects the changes in net position on a cash basis in 2016 and 2015 and changes in net position on a cash basis in 2015 and 2014 for governmental activities.

Changes in Net Position			
Table 2			
	Governmental Activities		
	2016	2015	2014
Receipts:			
Programs Receipts:			
Charges for Services and Sales	\$ 2,300,868	\$ 1,820,402	\$ 1,092,244
Operating Grants and Contributions	3,564,369	3,063,234	1,229,628
Capital Grants and Contributions	69,841	77,941	382,727
Total Program Receipts	<u>5,935,078</u>	<u>4,961,577</u>	<u>2,704,599</u>
General Receipts:			
Property and Other Local Taxes	4,157,994	4,264,053	4,676,348
Grants and Entitlements Not Restricted for Specific Programs	1,029,131	1,047,838	2,291,230
Sale of Bonds	8,430,000	-	-
Bond Premium	1,333,616	-	-
Other Debt Proceeds	-	-	413,932
Premium and Accrued Interest on Debt	-	-	-
Sale of Capital Assets	18,872	65,000	76,345
Proceeds from Loans	-	-	-
Cable Franchise Fees	182,570	207,565	203,846
Earnings on Investments	54,129	46,194	57,759
Miscellaneous	27,524	86,164	96,500
Transfers	-	1	-
Advances	-	1	-
Total General Receipts	<u>15,233,836</u>	<u>5,716,816</u>	<u>7,815,960</u>
Total Receipts	<u>21,168,914</u>	<u>10,678,393</u>	<u>10,520,559</u>
Disbursements:			
General Government	1,158,420	1,201,064	1,161,010
Public Safety	5,081,863	4,901,850	5,296,242
Public Works	1,186,661	1,119,587	1,096,083
Health	200,203	186,246	177,370
Conservation-Recreation	1,602,535	1,114,535	185,746
Other	619,565	611,781	30,000
Capital Outlay	1,176,109	5,373,450	5,267,642
Principal Retirement	9,668,668	164,305	126,505
Interest and Fiscal Charges	655,459	501,538	426,462
Cost of Bond Issuance	164,523	-	-
Total Disbursements	<u>21,514,006</u>	<u>15,174,356</u>	<u>13,767,060</u>
Increase (Decrease) in Net Position	(345,092)	(4,495,963)	(3,246,501)

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Program receipts represent only 28.0 percent and 46.5 percent, for 2016 and 2015, respectively, of total receipts and are primarily comprised of restricted intergovernmental receipts such as motor vehicle license and gas tax money, building permits and inspection fees.

General receipts represent 72.0 percent and 53.5 percent in 2016 and 2015 respectively, of the Township's total receipts, and of this amount, roughly 27.3 percent and 74.6 percent in 2016 and 2015, respectively, are local taxes. The reason for the significant change in percentage in 2016 is due to the Township issuing \$8.4 million in bonds which inflated general receipts for 2016. Bond proceeds in 2016 account for roughly 55.3% of general receipts. State and federal grants and entitlements make up the balance of the Township's general receipts (6.8 and 18.3 percent in 2016 and 2015, respectively). Other receipts are very insignificant and somewhat unpredictable revenue sources.

Disbursements for General Government represent the overhead costs of running the Township and the support services provided for the other Township activities. These include the costs of council, and the auditor, treasurer, and income tax departments, as well as internal services such as payroll and purchasing.

**Governmental Activities**

If you look at the Statement of Activities, you will see that the first column lists the major services provided by the Township. The next column identifies the costs of providing these services. For 2016, the major program disbursements for governmental activities are for public safety and principal retirement, which account for 23.6 percent and 44.9 percent of all governmental disbursements, respectively. For 2015, the major program disbursements for governmental activities are for public safety and capital outlay, which account for 32.3 percent and 35.4 percent of all governmental disbursements, respectively. General government also represents a significant cost, about 5.4 percent and 7.9 for 2016 and 2015 respectively. The next three columns of the Statement entitled Program Receipts identify amounts paid by people who are directly charged for the service and grants received by the Township that must be used to provide a specific service. The net Receipt (Disbursement) column compares the program receipts to the cost of the service. This "net cost" amount represents the cost of the service which ends up being paid from money provided by local taxpayers. These net costs are paid from the general receipts which are presented at the bottom of the Statement. A comparison between the total cost of services and the net cost is presented in Table 3.

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*Franklin County, Ohio*  
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Governmental Activities

Table 3

	Total Cost of Services 2016	Net Cost of Services 2016	Total Cost of Services 2015	Net Cost of Services 2015
	General Government	\$ 1,158,420	\$ (721,747)	\$ 1,201,064
Public Safety	5,081,863	2,494,525	4,901,850	2,520,165
Public Works	1,186,661	896,208	1,119,587	835,143
Health	200,203	56,475	186,246	1,354
Conservation-Recreation	1,602,535	638,984	1,114,535	707,057
Other	619,565	549,724	611,781	531,626
Capital Outlay	1,176,109	1,176,109	5,393,695	5,393,695
Principal Retirement	9,818,668	9,668,668	219,060	219,060
Interest and Fiscal Charges	505,459	655,459	426,538	426,538
Cost of Bond Issuance	164,523	164,523	-	-
Total Expenses	<u>\$ 21,514,006</u>	<u>\$ 15,578,928</u>	<u>\$ 15,174,356</u>	<u>\$ 10,212,779</u>

The dependence upon property tax receipts is apparent as over 19.3 percent of governmental activities in 2016 and 28.1 percent in 2015 are supported through these general receipts.

**The Township's Funds**

In 2016, the total governmental funds had receipts of \$11,386,425 and disbursements of \$21,349,483. In 2015, the total governmental funds had receipts of \$10,613,391 and disbursements of \$15,174,356. The greatest change with governmental funds from 2014 to 2015 occurred within the Community Recreation Center Bond Fund. The fund balance of the Community Recreation Center Bond Fund decreased \$4,631,197, primarily due to the capital outlay related to the construction of the community recreation center. The greatest change within governmental funds from 2015 to 2016 occurred within the General Fund. The fund balance of the General Fund decreased \$77,431, primarily due to transfers out to other funds.

**General Fund Budgeting Highlights**

The Township's budget is prepared according to Ohio law and is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

In 2016, for the General fund, actual receipts of \$2,810,847 were \$199,546 more than the final budgeted receipts. In 2015, for the General fund, actual receipts of \$2,707,094 were \$91,478 higher than the final budgeted receipts. For 2016, General Fund final disbursements were budgeted at \$2,281,080 while actual disbursements were \$2,169,785. For 2015, final disbursements were budgeted at \$2,942,661 while actual disbursements were \$2,415,523.

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**Capital Assets and Debt Administration**

Capital Assets

The Township does not currently record its capital assets in the accompanying financial statements, but records payments for capital assets as disbursements. The Township had capital outlay disbursements of \$1,176,109 and \$5,393,695 for 2016 and 2015, respectively.

Debt

At December 31, 2016, the Township's outstanding debt with Ohio Public Works Commission at 0% interest in the amount of \$1,513,078, is for the purpose of street repairs. At December 31, 2015, the Township's outstanding debt with Ohio Public Works Commission at 0% interest in the amount of \$1,620,669, is for the purpose of street repairs. At December 31, 2016, the Township's outstanding balance on the Community Recreation Center Bonds, Series 2016 was \$8,430,000. These bonds were issued to refinance the Community Recreation Center Bonds, Series 2013 at a reduced interest rate. At December 31, 2015, the Township's outstanding balance on the Community Recreation Center Bonds, Series 2013 was \$9,665,000. These bonds were issued for the purpose of funding the construction of a community recreation center. For further information regarding the Township's debt, refer to Note 10 to the basic financial statements.

**Current Issues**

Changes in State law and funding policies will threaten to create significant revenue shortfalls in the township budget. The continuing reduction of Local Government Revenue and Local Government Revenue Assistance Funds will cause additional budget cuts by the Township. Combinations of additional spending and service cuts, new revenue sources and shared service programs with neighboring jurisdictions must be identified in order for the township to maintain its financial health.

These economic factors were considered in preparing the Township's budget for fiscal year 2017. The Township has continued to practice conservative budgetary practices in order to preserve a positive financial position in future years.

**Contacting the Township's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Township's finances and to reflect the Township's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to Dan McCardle, Fiscal Officer, 23 Maple Drive, Columbus, Ohio 43228.



**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Net Position - Cash Basis*  
*December 31, 2016*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 8,781,437
<i>Total Assets</i>	<i>\$ 8,781,437</i>
 <b>Net Position</b>	
Restricted for:	
Capital Projects	\$ 123,767
Debt Service	3,566
Permanent Fund Purpose:	
Expendable	53
Nonexpendable	2,000
Other Purposes	3,671,936
Unrestricted	4,980,115
<i>Total Net Position</i>	<i>\$ 8,781,437</i>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Activities - Cash Basis*  
*For the Year Ended December 31, 2016*

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Current:					
General Government	\$ 1,158,420	\$ 117,796	\$ 1,762,371	\$ -	\$ 721,747
Public Safety	5,081,863	939,510	1,647,828	-	(2,494,525)
Public Works	1,186,661	136,283	154,170	-	(896,208)
Health	200,203	143,728	-	-	(56,475)
Conservation-Recreation	1,602,535	963,551	-	-	(638,984)
Other	619,565	-	-	69,841	(549,724)
Capital Outlay	1,176,109	-	-	-	(1,176,109)
Debt Service:					
Principal Retirement	9,818,668	-	-	-	(9,818,668)
Interest and Fiscal Charges	505,459	-	-	-	(505,459)
Cost of Bond Insurance	164,523	-	-	-	(164,523)
<b>Total</b>	<b>21,514,006</b>	<b>2,300,868</b>	<b>3,564,369</b>	<b>69,841</b>	<b>(15,578,928)</b>
General Receipts:					
Property Taxes and Other Local Taxes:					
					217,114
					3,708,191
					232,689
					1,029,131
					8,430,000
					1,333,616
					18,872
					182,570
					54,129
					27,524
					<b>15,233,836</b>
					(345,092)
					9,126,529
					<b>\$ 8,781,437</b>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
**Statement of Assets and Fund Balances - Cash Basis**  
*Governmental Funds*  
 December 31, 2016

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$ 4,876,086	\$ 2,187,788	\$ 322,033	\$ 104,029	\$ 3,566	\$ 1,287,935	\$ 8,781,437
<i>Total Assets</i>	<u>\$ 4,876,086</u>	<u>\$ 2,187,788</u>	<u>\$ 322,033</u>	<u>\$ 104,029</u>	<u>\$ 3,566</u>	<u>\$ 1,287,935</u>	<u>\$ 8,781,437</u>
<b>Fund Balances</b>							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
Restricted	-	2,187,788	322,033	-	3,566	1,033,530	3,546,917
Committed	-	-	-	-	-	157,757	157,757
Assigned	-	-	-	104,029	-	94,648	198,677
Unassigned (Deficit)	4,876,086	-	-	-	-	-	4,876,086
<i>Total Fund Balances</i>	<u>\$ 4,876,086</u>	<u>\$ 2,187,788</u>	<u>\$ 322,033</u>	<u>\$ 104,029</u>	<u>\$ 3,566</u>	<u>\$ 1,287,935</u>	<u>\$ 8,781,437</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes Fund Balances - Cash Basis*  
*Governmental Funds*  
*For the Year Ended December 31, 2016*

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>							
Property and Other Local Taxes	\$ 217,114	\$ 3,708,191	\$ -	\$ -	\$ -	\$ 368,971	\$ 4,294,276
Charges for Services	-	-	-	-	-	667,831	667,831
Licenses, Permits and Fees	259,247	19,119	-	948,996	-	63,128	1,290,490
Fines and Forfeitures	31,585	-	-	-	-	-	31,585
Intergovernmental	2,205,263	551,502	1,647,828	-	-	258,748	4,663,341
Special Assessments	31,946	-	-	-	-	230,148	262,094
Earnings on Investments	53,393	-	-	-	-	736	54,129
Miscellaneous	12,299	7,007	-	17,442	-	85,932	122,679
<i>Total Receipts</i>	<u>2,810,847</u>	<u>4,285,819</u>	<u>1,647,828</u>	<u>966,438</u>	<u>-</u>	<u>1,675,494</u>	<u>11,386,425</u>
<b>Disbursements</b>							
Current:							
General Government	1,158,420	-	-	-	-	-	1,158,420
Public Safety	200,000	4,283,043	-	-	-	598,820	5,081,863
Public Works	172,791	-	-	-	-	1,013,870	1,186,661
Health	67,000	-	-	-	-	133,203	200,203
Conservation-Recreation	149,162	-	-	1,453,373	-	-	1,602,535
Other	-	-	619,224	-	-	341	619,565
Capital Outlay	399,950	53,747	-	-	-	722,412	1,176,109
Debt Service:							
Principal Retirement	-	-	150,000	-	9,515,000	153,668	9,818,668
Interest and Fiscal Charges	-	-	423,006	-	80,527	1,926	505,459
<i>Total Disbursements</i>	<u>2,147,323</u>	<u>4,336,790</u>	<u>1,192,230</u>	<u>1,453,373</u>	<u>9,595,527</u>	<u>2,624,240</u>	<u>21,349,483</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>663,524</u>	<u>(50,971)</u>	<u>455,598</u>	<u>(486,935)</u>	<u>(9,595,527)</u>	<u>(948,746)</u>	<u>(9,963,058)</u>
<b>Other Financing Sources (Uses)</b>							
Sale of Bonds	-	-	-	-	8,430,000	-	8,430,000
Premium and Accrued Interest on Debt	-	-	-	-	1,333,616	-	1,333,616
Cost of Bond Issuance	-	-	-	-	(164,523)	-	(164,523)
Sale of Capital Assets	-	6,416	-	-	-	12,456	18,872
Transfers In	-	-	-	530,000	-	756,777	1,286,778
Transfers Out	(642,937)	-	(400,000)	-	-	(243,840)	(1,286,777)
Advances In	51,982	-	-	50,000	-	100,000	201,982
Advances Out	(150,000)	-	-	(18,250)	-	(33,732)	(201,982)
<i>Total Other Financing Sources (Uses)</i>	<u>(740,955)</u>	<u>6,416</u>	<u>(400,000)</u>	<u>561,750</u>	<u>9,599,093</u>	<u>591,661</u>	<u>9,617,966</u>
<i>Net Change in Fund Balances</i>	<u>(77,431)</u>	<u>(44,555)</u>	<u>55,598</u>	<u>74,815</u>	<u>3,566</u>	<u>(357,085)</u>	<u>(345,092)</u>
<i>Fund Balances Beginning of Year</i>	<u>4,953,517</u>	<u>2,232,343</u>	<u>266,435</u>	<u>29,214</u>	<u>173,751</u>	<u>1,471,269</u>	<u>9,126,529</u>
<i>Fund Balances End of Year</i>	<u>\$ 4,876,086</u>	<u>\$ 2,187,788</u>	<u>\$ 322,033</u>	<u>\$ 104,029</u>	<u>\$ 177,317</u>	<u>\$ 1,114,184</u>	<u>\$ 8,781,437</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*General Fund*  
*For the Year Ended December 31, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$ 217,000	\$ 217,000	\$ 217,114	\$ 114
Licenses, Permits and Fees	297,000	297,000	259,247	(37,753)
Fines and Forfeitures	40,000	40,000	31,585	(8,415)
Intergovernmental	1,982,301	1,982,301	2,205,263	222,962
Special Assessments	35,000	35,000	31,946	(3,054)
Earnings on Investments	40,000	40,000	53,393	13,393
Miscellaneous	-	-	12,299	12,299
<i>Total Receipts</i>	<u>2,611,301</u>	<u>2,611,301</u>	<u>2,810,847</u>	<u>199,546</u>
<b>Disbursements</b>				
Current:				
General Government	1,284,451	1,284,451	1,180,703	103,748
Public Safety	200,000	200,000	200,000	-
Public Works	173,284	173,284	172,970	314
Health	74,000	74,000	67,000	7,000
Conservation-Recreation	149,384	149,384	149,162	222
Capital Outlay	364,961	399,961	399,950	11
<i>Total Disbursements</i>	<u>2,246,080</u>	<u>2,281,080</u>	<u>2,169,785</u>	<u>111,295</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>365,221</u>	<u>330,221</u>	<u>641,062</u>	<u>310,841</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	-	-	-
Transfers Out	(655,000)	(655,000)	(642,937)	12,063
Advances In	-	-	51,982	51,982
Advances Out	-	-	(150,000)	(150,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(655,000)</u>	<u>(655,000)</u>	<u>(740,955)</u>	<u>(85,955)</u>
<i>Net Change in Fund Balance</i>	<u>(289,779)</u>	<u>(324,779)</u>	<u>(99,893)</u>	<u>224,886</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	4,668,962	4,668,962	4,668,962	-
Prior Year Encumbrances Appropriated	284,555	284,555	284,555	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 4,663,738</u>	<u>\$ 4,628,738</u>	<u>\$ 4,853,624</u>	<u>\$ 224,886</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Fund*  
*For the Year Ended December 31, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Property and Other Local Taxes	\$ 3,725,000	\$ 3,725,000	\$ 3,708,191	\$ (16,809)
Licenses, Permits and Fees	17,000	17,000	19,119	2,119
Intergovernmental	560,000	560,000	551,502	(8,498)
Miscellaneous	5,000	5,000	7,007	2,007
<i>Total Receipts</i>	<u>4,307,000</u>	<u>4,307,000</u>	<u>4,285,819</u>	<u>(21,181)</u>
<b>Disbursements</b>				
Current:				
Public Safety	4,705,458	4,705,458	4,300,183	405,275
Capital Outlay	190,000	190,000	53,747	136,253
<i>Total Disbursements</i>	<u>4,895,458</u>	<u>4,895,458</u>	<u>4,353,930</u>	<u>541,528</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(588,458)</u>	<u>(588,458)</u>	<u>(68,111)</u>	<u>520,347</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	-	6,416	6,416
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>6,416</u>	<u>6,416</u>
<i>Net Change in Fund Balance</i>	(588,458)	(588,458)	(61,695)	526,763
<i>Unencumbered Fund Balance Beginning of Year</i>	2,232,343	2,232,343	2,232,343	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 1,643,885</u>	<u>\$ 1,643,885</u>	<u>\$ 2,170,648</u>	<u>\$ 526,763</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*JEDZ Fund*  
*For the Year Ended December 31, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ 1,647,828	\$ 147,828
<i>Total Receipts</i>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,647,828</u>	<u>147,828</u>
<b>Disbursements</b>				
Current:				
Other	730,600	625,600	619,224	6,376
Debt Service:				
Principal Retirement	-	-	150,000	(150,000)
Interest and Fiscal Charges	573,006	573,006	423,006	150,000
<i>Total Disbursements</i>	<u>1,303,606</u>	<u>1,198,606</u>	<u>1,192,230</u>	<u>6,376</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>196,394</u>	<u>301,394</u>	<u>455,598</u>	<u>154,204</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(295,000)	(400,000)	(400,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(295,000)</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(98,606)	(98,606)	55,598	154,204
<i>Unencumbered Fund Balance Beginning of Year</i>	266,435	266,435	266,435	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 167,829</u>	<u>\$ 167,829</u>	<u>\$ 322,033</u>	<u>\$ 154,204</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Community Recreation Center Fund*  
*For the Year Ended December 31, 2016*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Receipts</b>				
Licenses, Permits and Fees	\$ 1,676,900	\$ 1,676,900	\$ 948,996	\$ (727,904)
Miscellaneous	52,000	52,000	17,442	(34,558)
<i>Total Receipts</i>	<u>1,728,900</u>	<u>1,728,900</u>	<u>966,438</u>	<u>(762,462)</u>
<b>Disbursements</b>				
Current:				
Conservation-Recreation	1,777,661	1,777,661	1,454,413	323,248
Capital Outlay	15,000	15,000	-	15,000
<i>Total Disbursements</i>	<u>1,792,661</u>	<u>1,792,661</u>	<u>1,454,413</u>	<u>338,248</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(63,761)</u>	<u>(63,761)</u>	<u>(487,975)</u>	<u>(424,214)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	240,000	240,000	530,000	290,000
Advances In	-	-	50,000	50,000
Advances Out	-	-	(18,250)	(18,250)
<i>Total Other Financing Sources (Uses)</i>	<u>240,000</u>	<u>240,000</u>	<u>561,750</u>	<u>321,750</u>
<i>Net Change in Fund Balance</i>	176,239	176,239	73,775	(102,464)
<i>Unencumbered Fund Balance Beginning of Year</i>	29,214	29,214	29,214	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 205,453</u>	<u>\$ 205,453</u>	<u>\$ 102,989</u>	<u>\$ (102,464)</u>

See accompanying notes to the basic financial statements



**Prairie Township**  
*Franklin County*  
*Statement of Fiduciary Net Position - Cash Basis*  
*Fiduciary Funds*  
*December 31, 2016*

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	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 7,642</u>
<i>Total Assets</i>	<u><u>\$ 7,642</u></u>
<b>Net Position</b>	
Held For:	
Developer Bonds and Permits	<u>\$ 7,642</u>
<i>Total Net Position</i>	<u><u>\$ 7,642</u></u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Net Position - Cash Basis*  
*December 31, 2015*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 9,126,529
<i>Total Assets</i>	<i>\$ 9,126,529</i>
 <b>Net Position</b>	
Restricted for:	
Capital Projects	\$ 268,901
Permanent Fund Purpose:	
Expendable	36
Nonexpendable	2,000
Other Purposes	3,872,861
Unrestricted	4,982,731
<i>Total Net Position</i>	<i>\$ 9,126,529</i>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Activities - Cash Basis*  
*For the Year Ended December 31, 2015*

	Program Cash Receipts				Net (Disbursements) Receipts and Changes in Net Position
	Cash Disbursements	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>					
Current:					
General Government	\$ 1,201,064	\$ 149,067	\$ 1,473,856	\$ -	\$ 421,859
Public Safety	4,901,850	940,644	1,441,041	-	(2,520,165)
Public Works	1,119,587	138,321	146,123	-	(835,143)
Health	186,246	184,892	-	-	(1,354)
Conservation-Recreation	1,114,535	407,478	-	-	(707,057)
Other	611,781	-	2,214	77,941	(531,626)
Capital Outlay	5,393,695	-	-	-	(5,393,695)
Debt Service:					
Principal Retirement	219,060	-	-	-	(219,060)
Interest and Fiscal Charges	426,538	-	-	-	(426,538)
<b>Total</b>	<b>15,174,356</b>	<b>1,820,402</b>	<b>3,063,234</b>	<b>77,941</b>	<b>(10,212,779)</b>
General Receipts:					
Property Taxes and Other Local Taxes:					
					216,687
					3,806,921
					240,445
					1,047,838
					65,000
					207,565
					46,194
					86,164
					<u>5,716,814</u>
					(4,495,965)
					<u>13,622,492</u>
					<u>\$ 9,126,527</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Assets and Fund Balances - Cash Basis*  
*Governmental Funds*  
*December 31, 2015*

	General	Fire Fund	JEDZ Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Equity in Pooled Cash and Cash Equivalents	\$ 4,953,517	\$ 2,232,343	\$ 266,435	\$ 173,751	\$ 1,500,483	\$ 9,126,529
<i>Total Assets</i>	<u>\$ 4,953,517</u>	<u>\$ 2,232,343</u>	<u>\$ 266,435</u>	<u>\$ 173,751</u>	<u>\$ 1,500,483</u>	<u>\$ 9,126,529</u>
<b>Fund Balances</b>						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
Restricted	-	2,232,343	266,435	173,751	1,211,040	3,883,569
Committed	-	-	-	-	214,605	214,605
Assigned	-	-	-	-	72,838	72,838
Unassigned (Deficit)	4,953,517	-	-	-	-	4,953,517
<i>Total Fund Balances</i>	<u>\$ 4,953,517</u>	<u>\$ 2,232,343</u>	<u>\$ 266,435</u>	<u>\$ 173,751</u>	<u>\$ 1,500,483</u>	<u>\$ 9,126,529</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes Fund Balances - Cash Basis*  
*Governmental Funds*  
*For the Year Ended December 31, 2015*

	General	Fire Fund	JEDZ Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>						
Property and Other Local Taxes	\$ 216,687	\$ 3,806,921	\$ -	\$ -	\$ 374,327	\$ 4,397,935
Charges for Services	4,439	-	-	-	621,111	625,550
Licenses, Permits and Fees	292,818	23,124	-	-	477,522	793,464
Fines and Forfeitures	38,373	-	-	-	-	38,373
Intergovernmental	1,925,889	559,356	1,441,041	-	259,311	4,185,597
Special Assessments	110,952	-	-	-	212,377	323,329
Earnings on Investments	45,481	-	-	1,202	713	47,396
Miscellaneous	72,455	5,614	-	-	123,678	201,747
<i>Total Receipts</i>	<u>2,707,094</u>	<u>4,395,015</u>	<u>1,441,041</u>	<u>1,202</u>	<u>2,069,039</u>	<u>10,613,391</u>
<b>Disbursements</b>						
Current:						
General Government	1,201,062	-	-	-	-	1,201,062
Public Safety	195,317	4,146,051	-	-	560,482	4,901,850
Public Works	142,553	-	-	-	977,034	1,119,587
Health	65,000	-	-	-	121,246	186,246
Conservation-Recreation	155,628	-	-	-	958,907	1,114,535
Other	-	-	603,949	-	7,832	611,781
Capital Outlay	371,406	143,061	-	4,632,399	246,829	5,393,695
Debt Service:						
Principal Retirement	-	-	75,000	-	144,060	219,060
Interest and Fiscal Charges	-	-	424,506	-	2,032	426,538
<i>Total Disbursements</i>	<u>2,130,966</u>	<u>4,289,112</u>	<u>1,103,455</u>	<u>4,632,399</u>	<u>3,018,422</u>	<u>15,174,354</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>576,128</u>	<u>105,903</u>	<u>337,586</u>	<u>(4,631,197)</u>	<u>(949,383)</u>	<u>(4,560,963)</u>
<b>Other Financing Sources (Uses)</b>						
Sale of Capital Assets	-	-	-	-	65,000	65,000
Transfers In	-	-	-	-	1,172,738	1,172,738
Transfers Out	(754,398)	-	(150,000)	-	(268,340)	(1,172,738)
Advances In	47,745	-	-	-	120,750	168,495
Advances Out	(120,750)	-	-	-	(47,745)	(168,495)
<i>Total Other Financing Sources (Uses)</i>	<u>(827,403)</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>1,042,403</u>	<u>65,000</u>
<i>Net Change in Fund Balances</i>	<u>(251,275)</u>	<u>105,903</u>	<u>187,586</u>	<u>(4,631,197)</u>	<u>93,020</u>	<u>(4,495,963)</u>
<i>Fund Balances Beginning of Year</i>	<u>5,204,792</u>	<u>2,126,440</u>	<u>78,849</u>	<u>4,804,948</u>	<u>1,407,463</u>	<u>13,622,492</u>
<i>Fund Balances End of Year</i>	<u>\$ 4,953,517</u>	<u>\$ 2,232,343</u>	<u>\$ 266,435</u>	<u>\$ 173,751</u>	<u>\$ 1,500,483</u>	<u>\$ 9,126,529</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*General Fund*  
*For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 196,500	\$ 196,500	\$ 216,687	\$ 20,187
Charges for Services	-	-	4,439	4,439
Licenses, Permits and Fees	284,000	284,000	292,818	8,818
Fines and Forfeitures	45,000	45,000	38,373	(6,627)
Intergovernmental	1,937,301	1,937,301	1,925,889	(11,412)
Special Assessments	15,000	102,815	110,952	8,137
Earnings on Investments	50,000	50,000	45,481	(4,519)
Miscellaneous	-	-	72,455	72,455
<i>Total Receipts</i>	<u>2,527,801</u>	<u>2,615,616</u>	<u>2,707,094</u>	<u>91,478</u>
<b>Disbursements</b>				
Current:				
General Government	1,218,648	1,314,960	1,247,659	67,301
Public Safety	261,000	261,000	195,317	65,683
Public Works	145,327	145,327	142,553	2,774
Health	65,000	65,000	65,000	-
Conservation-Recreation	164,871	156,374	155,628	746
Capital Outlay	750,000	1,000,000	609,366	390,634
<i>Total Disbursements</i>	<u>2,604,846</u>	<u>2,942,661</u>	<u>2,415,523</u>	<u>527,138</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(77,045)</u>	<u>(327,045)</u>	<u>291,571</u>	<u>618,616</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(800,000)	(800,000)	(754,397)	45,603
Advances In	-	-	47,746	47,746
Advances Out	-	-	(120,750)	(120,750)
<i>Total Other Financing Sources (Uses)</i>	<u>(800,000)</u>	<u>(800,000)</u>	<u>(827,401)</u>	<u>(27,401)</u>
<i>Net Change in Fund Balance</i>	<u>(877,045)</u>	<u>(1,127,045)</u>	<u>(535,830)</u>	<u>591,215</u>
<i>Unencumbered Fund Balance Beginning of Year - As Restated, See Note 16</i>	5,128,308	5,128,308	5,128,308	-
Prior Year Encumbrances Appropriated	76,484	76,484	76,484	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 4,327,747</u>	<u>\$ 4,077,747</u>	<u>\$ 4,668,962</u>	<u>\$ 591,215</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*Fire Fund*  
*For the Year Ended December 31, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Receipts</b>				
Property and Other Local Taxes	\$ 3,725,001	\$ 3,725,001	\$ 3,806,921	\$ 81,920
Licenses, Permits and Fees	17,000	17,000	23,124	6,124
Intergovernmental	560,000	560,000	559,356	(644)
Miscellaneous	-	-	5,614	5,614
<i>Total Receipts</i>	<u>4,302,001</u>	<u>4,302,001</u>	<u>4,395,015</u>	<u>93,014</u>
<b>Disbursements</b>				
Current:				
Public Safety	4,481,191	4,503,191	4,146,051	357,140
Capital Outlay	184,340	169,340	143,061	26,279
<i>Total Disbursements</i>	<u>4,665,531</u>	<u>4,672,531</u>	<u>4,289,112</u>	<u>383,419</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(363,530)</u>	<u>(370,530)</u>	<u>105,903</u>	<u>476,433</u>
<i>Net Change in Fund Balance</i>	<u>(363,530)</u>	<u>(370,530)</u>	<u>105,903</u>	<u>476,433</u>
<i>Unencumbered Fund Balance Beginning of Year - As Restated, See Note 16</i>	2,081,799	2,081,799	2,081,799	-
Prior Year Encumbrances Appropriated	44,641	44,641	44,641	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 1,762,910</u>	<u>\$ 1,755,910</u>	<u>\$ 2,232,343</u>	<u>\$ 476,433</u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Statement of Receipts, Disbursements and Changes*  
*In Fund Balance - Budget and Actual - Budget Basis*  
*JEDZ Fund*  
*For the Year Ended December 31, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Receipts</b>				
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ 1,441,041	\$ (58,959)
<i>Total Receipts</i>	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,441,041</u>	<u>(58,959)</u>
<b>Disbursements</b>				
Current:				
Other	609,000	609,000	603,949	5,051
Debt Service:				
Principal Retirement	-	-	75,000	(75,000)
Interest and Fiscal Charges	499,506	499,506	424,506	75,000
<i>Total Disbursements</i>	<u>1,108,506</u>	<u>1,108,506</u>	<u>1,103,455</u>	<u>5,051</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>391,494</u>	<u>391,494</u>	<u>337,586</u>	<u>(53,908)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(150,000)	(150,000)	(150,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	241,494	241,494	187,586	(53,908)
<i>Unencumbered Fund Balance Beginning of Year</i>	78,849	78,849	78,849	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 320,343</u>	<u>\$ 320,343</u>	<u>\$ 266,435</u>	<u>\$ (53,908)</u>

See accompanying notes to the basic financial statements



**Prairie Township**  
*Franklin County*  
*Statement of Fiduciary Net Position - Cash Basis*  
*Fiduciary Funds*  
*December 31, 2015*

	<u>Agency</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$ 4,460</u>
<i>Total Assets</i>	<u><u>\$ 4,460</u></u>
<b>Net Position</b>	
Held For:	
Developer Bonds and Permits	<u>\$ 4,460</u>
<i>Total Net Position</i>	<u><u>\$ 4,460</u></u>

See accompanying notes to the basic financial statements

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 1 – Reporting Entity**

Prairie Township, Franklin County, Ohio (the Township), is a body politic and corporate established in 1819 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 also has an elected Township Fiscal Officer. The Township is also limited home rule form of government since 2002.

The reporting entity is comprised of the primary government.

***Primary Government***

The primary government consists of all funds, departments, boards and agencies that are not legally separate from the Township. The Township provides general government services, maintenance of Township roads and bridges, fire protection, and cemetery maintenance. Police protection is provided by the Franklin County Sheriff's Department.

***Joint Ventures, Jointly Governed Organizations and Public Entity Risk Pools***

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Under the cash basis of accounting, the Township does not report assets for equity interests in joint ventures.

The Township participates in two joint ventures and the Ohio Township Association Risk Management Authority public entity risk pool. Notes 7 and 15 to the financial statements provides additional information for these entities. These organizations are:

Joint Venture:

Prairie Township-City of Columbus Joint Economic Development District is a contract created on November 15, 2010 under Ohio Revised Code 715.72 through 718.81 (the "JEDD Statutes") to facilitate economic development, to create jobs and employment opportunities and to improve the economic welfare of the people of the Township, the City, the County of Franklin, and the State of Ohio.

**Note 1 – Reporting Entity (Continued)**

Prairie-Obetz Joint Economic Development Zone (JEDZ) is a contract created on August 1, 2011 under Ohio Revised Code 715.691 to facilitate new or expanded growth for commercial and economic development within the JEDZ and the State for the benefit of the Village, the Township and the State, and their residents.

Public Entity Risk Pool:

The Ohio Township Association Risk Management Authority (OTARMA) is a risk-sharing pool available to Ohio townships which provides property and casualty coverage for its members.

The Township's management believes these financial statements present all activities for which the

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

Township is financially accountable.

**Note 2 – Summary of Significant Accounting Policies**

As discussed further in the Basis of Accounting section of this Note, these financial statements are presented on a cash basis of accounting. This cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements, which have been applied to the extent they are applicable to the cash basis of accounting. Following are the more significant of the Township's accounting policies.

***Basis of Presentation***

The Township's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-Wide Financial Statements***

The statement of net position and the statement of activities display information about the Township as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental receipts or other nonexchange transactions.

The statement of net position presents the cash and investment balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for the Township's governmental activities. Disbursements are reported by function. A function is a group of related activities designed to accomplish a major service or regulatory program for which the Township is responsible. Program receipts include charges paid by the recipient of the program's goods or services, grants and contributions restricted to meeting the operational or capital requirements of a particular program and receipts of interest earned on grants that are required to be used to support a particular program. General receipts are all receipts not classified as program receipts, with certain limited exceptions. The comparison of direct disbursements with program receipts identifies the extent to which the governmental function is self-financing on a cash basis or draws from the Township's general receipts.

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Fund Financial Statements***

During the year, the Township segregates transactions related to certain Township functions or activities in separate funds to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Township at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Fund Accounting***

The Township uses fund accounting to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Funds are used to segregate resources that are restricted as to use. The funds of the Township are divided into two categories, governmental, and fiduciary.

***Governmental Funds***

The Township classifies funds financed primarily from taxes, intergovernmental receipts (e.g. grants), and other nonexchange transactions as governmental funds. The Township's major governmental funds are the General Fund, Fire Fund, Joint Economic Development Zone Fund (JEDZ), Community Recreation Center Fund, and Community Recreation Center Bond Fund for fiscal year ended December 31, 2016. The Township's major governmental funds are the General Fund, Fire Fund, Joint Economic Development Zone Fund (JEDZ), and Community Recreation Center Bond Fund for fiscal year ended December 31, 2015.

***General:*** The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the Township for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Fire Fund:*** The Fire Fund receives real estate and personal property taxes to provide for fire services.

***Joint Economic Development Zone Fund (JEDZ) Fund:*** The JEDZ Fund accounts for receipts from income taxes received from the zone primarily on Broad Street within the Township as outlined in the JEDZ agreement which restricts the funds for commercial and economic development within the JEDZ.

***Community Recreation Center Fund:*** The Community Recreation Center Fund accounts for and reports resources restricted for the community recreation center.

***Community Recreation Center Bond Fund:*** The Community Recreation Center Bond Fund accounts for and reports resources restricted for the construction of a community recreation center.

The other governmental funds of the Township account for and report grants and other resources, whose use is restricted, committed or assigned to a particular purpose.

***Fiduciary Funds***

Fiduciary funds include pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held under a trust agreement for individuals, private organizations, or other governments which are not available to support the Township's own programs. The Township does not have pension trust funds, investment trust funds, or private purpose trust funds. Agency funds are purely custodial in nature and are used to hold resources for individuals, organizations or other governments. The Township's agency fund accounts for developer bonds and permits.

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Basis of Accounting***

The Township's financial statements are prepared using the cash basis of accounting. Except for modifications having substantial support, receipts are recorded in the Township's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. Any such modifications made by the Township are described in the appropriate section in this note.

As a result of the use of this cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued liabilities and the related expenses) are not recorded in these financial statements.

***Budgetary Process***

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount the Township may appropriate.

The appropriations ordinance is the Township's authorization to spend resources and sets limits on disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established at the fund, department, and object level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in receipts are identified by the Township Fiscal Officer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by the Township.

The appropriations ordinance is subject to amendment throughout the year with the restriction that appropriations cannot exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation ordinance for that fund that covered the entire year, including amounts automatically carried forward from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Township during the year.

***Cash and Investments***

Township records identify the purchase of specific investments by specific funds.

To improve cash management, cash received by the Township is pooled and invested. Individual fund integrity is maintained through Township records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents".

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

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 negative receipts, respectively.

During 2016 and 2015, the Township invested in nonnegotiable certificates of deposit, Federal National Mortgage Association Notes, a money market mutual fund, and STAR Ohio. The nonnegotiable certificates of deposit and the Federal National Mortgage Association Notes are reported at cost. The Township's money market mutual fund investment is recorded at the amount reported by 5/3<sup>rd</sup> Securities on December 31, 2016 and 2015.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), statement No. 79 "Certain External Investment Pools and Pool Participants." The Township also implemented GSAB Statement No. 79 for 2016. The implementation of this GASB pronouncement had no effect on beginning net position/fund balance. The Township measures their investments in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2016, there were no limitations or restriction on any participant withdrawals due to redemption notice periods, liquidity frees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Interest earnings are allocated to Township funds according to State statutes, grant requirements, or debt related restrictions. Interest receipts credited to the General Fund during 2016 and 2015 was \$53,393 and \$45,481, respectively. Interest receipts credited to the other Township funds during 2016 and 2015 was \$736 and \$1,915, respectively.

***Restricted Assets***

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. The Township did not have any restricted assets at December 31, 2016 and 2015.

***Inventory and Prepaid Items***

The Township reports disbursements for inventories and prepaid items when paid. These items are not reflected as assets in the accompanying financial statements.

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Capital Assets***

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

***Interfund Receivables/Payables***

The Township reports advances-in and advances-out for interfund loans. These items are not reflected as assets and liabilities in the accompanying financial statements.

***Accumulated Leave***

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

***Employer Contributions to Cost-Sharing Pension Plans***

The Township recognizes the disbursement for employer contributions to cost-sharing pension plans when they are paid. As described in Notes 8 and 9, the employer contributions include portions for pension benefits and for postretirement healthcare benefits.

***Long-Term Obligations***

The Township's cash basis financial statements do not report liabilities for bonds or other long-term obligations. Proceeds of debt are reported when the cash is received and principal and interest payments are reported when paid. Since recording a capital asset when entering into a capital lease is not the result of a cash transaction, neither an other financing source nor a capital outlay expenditure is reported at inception. Lease payments are reported when paid.

***Net Position***

Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for grants. The Township's policy is to first apply restricted resources when an obligation is incurred for purposes for which both restricted and unrestricted net position are available.

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 2 – Summary of Significant Accounting Policies (Continued)**

***Fund Balance***

Fund balance is divided into five classifications based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (resolution) of Township Trustees. Those committed amounts cannot be used for any other purpose unless the Township Trustees remove or change the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the Township for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by Township Trustees or a Township official delegated that authority by resolution, or by State Statute.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The Township applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

***Interfund Transactions***

Exchange transactions between funds are reported as receipts in the seller funds and as disbursements in the purchaser funds. Subsidies from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating receipts/disbursements in proprietary funds. Repayments from funds responsible for particular disbursements to the funds that initially paid for them are not presented in the financial statements.



**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 3 – Budgetary Basis of Accounting**

The budgetary basis as provided by law is based upon accounting for certain transactions on the basis of cash receipts, disbursements, and encumbrances. The Statement of Receipts, Disbursements and Changes in Fund Balance – Budget and Actual – Budgetary Basis presented for the General, Fire JEDZ and Community Recreation Center Funds are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The differences between the budgetary basis and the cash basis are outstanding year end encumbrances are treated as disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance (cash basis). The encumbrances outstanding at 2016 (budgetary basis) amounted to \$22,462 for the general fund, \$0 for the Fire Fund, \$0 for the JEDZ Fund, and \$520 for the Community Recreation Center Fund. The encumbrances outstanding at 2015 (budgetary basis) amounted to \$284,555 for the general fund, \$0 for the Fire Fund, and \$0 for the JEDZ Fund.

**Note 4 – Deposits and Investments**

Monies held by the Township are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the Township treasury. Active monies must be maintained either as cash in the Township treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Trustees have identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts, including passbook accounts.

Interim monies held by the Township can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 4 – Deposits and Investments (Continued)**

4. Bonds and other obligations of the State of Ohio or Ohio local governments;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer’s investment pool (STAR Ohio).

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the Township, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the clerk/treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the Township had \$100 in undeposited cash on hand which is included as part of “Equity in Pooled Cash and Cash Equivalents” on the financial statements.

***Deposits***

The Township has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Township or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

***Investments***

As of December 31, 2016, the Township had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
U.S. Treasury/Agency Securities	\$1,225,000	1-4 years
Certificates of Deposits	4,587,000	Less than 1 year
Money Market Mutual Fund	1,047,364	Less than 1 year
STAR Ohio	<u>1,008</u>	Less than 1 year
Total Portfolio	<u>\$6,860,372</u>	

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 4 – Deposits and Investments (Continued)**

As of December 31, 2015, the Township had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Certificates of Deposits	5,025,000	Less than 1 year
Money Market Mutual Fund	1,780,280	Less than 1 year
STAR Ohio	<u>1,003</u>	Less than 1 year
Total Portfolio	<u><u>\$6,806,283</u></u>	

***Interest Rate Risk***

Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Township’s investment policy addresses interest rate risk by requiring that the Township’s investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments, thereby avoiding the need to sell securities on the open market prior to maturity, and by investing operating funds primarily in short term investments.

***Credit Risk***

The security underlying the federal national mortgage association notes carry a rating of Aaa by Moody’s and AA+ by Standard & Poor’s. STAR Ohio carries a rating of AAAM by Standard and Poor’s. The money market fund carries a rating of AAA by Moody’s and AAA by Standard and Poor’s. The Township has no investment policy dealing with investment credit risk beyond the requirements in state statutes. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service.

***Custodial Credit Risk***

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The repurchase agreement, federal national mortgage association notes, federal home loan mortgage corporation notes, and the federal home loan bank notes are exposed to custodial credit risk as they are uninsured, unregistered, and held by the counterparty’s trust department or agent but not in the Township’s name.

The Township has no investment policy dealing with investment custodial risk beyond the requirements in ORC 135.14(M)(2) which states, “Payment for investments shall be made only upon the delivery of securities representing such investments to the treasurer, investing authority, or qualified trustee. If the securities transferred are not represented by a certificate, payment shall be made only upon receipt of confirmation of transfer from the custodian by the treasurer, governing board, or qualified trustee.”

***Concentration of Credit Risk*** The Township places no limit on the amount it may invest in any one issuer.

**Prairie Township**  
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**Note 4 – Deposits and Investments (Continued)**

The following investments represent five percent or more of total investments as of December 31, 2016:

Investment Issuer	Percentage of Investments
US Treasury/Agency Securities	18 %
Certificates of Deposits	67
Money Market Mutual Fund	15

The following investments represent five percent or more of total investments as of December 31, 2015:

Investment Issuer	Percentage of Investments
Certificates of Deposits	74 %
Money Market Mutual Fund	26

**Note 5 – Property Taxes**

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2016 and 2015 for real and public utility property taxes represents collections of 2015 and 2014 taxes.

2016 and 2015 real property taxes are levied after October 1, 2016 and 2015, on the assessed value as of January 1, 2016 and 2015, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2016 and 2015 real property taxes are collected in and intended to finance 2016 and 2015.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2016 and 2015 public utility property taxes which became a lien December 31, 2015 and 2014, are levied after October 1, 2015 and 2014, and are collected in 2016 and 2015 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2016 and 2015, was \$83.48 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2016 and 2015 property tax receipts were based are as follows:

	2016	2015
Real Property & Public Personal Property	273,524,880	\$273,197,040

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the Township. The County Auditor periodically remits to the Township its portion of the taxes collected.

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**Note 6 – Risk Management**

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formally known as American Risk Pooling Consultants, Inc.) (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services for the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles.

Casualty and Property Coverage

The Pool is a member of American Public Entity Excess Pool (APEEP), which is also administered by York. APEEP provides the Pool with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2016, OTARMA retained \$350,000 for casualty claims and \$250,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA’s primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

OTARMA’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2016 and 2015 (the latest information available):

	2016	2015
Assets	\$38,473,283	\$37,313,311
Liabilities	8,244,140	8,418,518
Net Position	\$30,229,143	\$28,894,793

At December 31, 2016 and 2015, respectively, the liabilities above include approximately \$7.4 and \$7.8 million of estimated incurred claims payable. The assets above also include approximately \$6.9 and \$7.7 million of unpaid claims to be billed to approximately 1,010 and 989 member governments in the future, as of December 31, 2016 and 2015, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the Township’s share of these unpaid claims collectible in future years is approximately \$24,000.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below.

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**Note 7 – Risk Management (Continued)**

By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

Contributions to OTARMA	
2016	2015
\$53,438	\$50,400

After one year of membership, a member may withdraw on the anniversary of the date of joining OTARMA, if the member notifies OTARMA in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**Note 8 – Defined Benefit Pension Plan**

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - Village employees, other than full-time police, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Village employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS’ traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS’ fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

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**Note 8 – Defined Benefit Pension Plan (Continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members nain other Groups and members hired on or after January 7, 2013
State and Local Employees		
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit <b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit <b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 years	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit <b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 years
Public Safety Employees		
<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 56 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years
Law Enforcement Employees		
<b>Age and Service Requirements:</b> Age 52 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	<b>Age and Service Requirements:</b> Age 48 with 25 years of service credit or Age 52 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 56 with 15 years of service credit <b>Formula:</b> 2.5% of FAS multiplied by years of service for the first 25 years and 2.1% for service years in excess of 25 years

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

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**Note 8 – Defined Benefit Pension Plan (Continued)**

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State and Local <u>Employees</u>	Public Safety <u>Employees</u>	Law Enforcement <u>Employees</u>
<b>2016 and 2015 Statutory Maximum Contribution Rates</b>			
Employer	14.00%	18.10%	18.10%
Employee	10.00%	*	**
<b>2016 and 2015 Actual Contribution Rates</b>			
Employer:			
Pension	12.00%	16.10%	16.10%
Post-employment Health Care Benefits	<u>2.00%</u>	<u>2.00%</u>	<u>2.00%</u>
Total Employer	<u>14.00%</u>	<u>18.10%</u>	<u>18.10%</u>
Employee	<u>10.00%</u>	<u>12.00%</u>	<u>13.00%</u>

\* - This rate is determined by OPERS' Board and has no maximum rate established by ORC.

\*\* - This rate is also determined by OPERS' Board, but is limited to not more than 2 percent greater than the Public Safety rate.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Township's contractually required contribution was \$258,006 for year 2016 and \$213,866 for year 2015.

**Plan Description – Ohio Police & Fire Pension Fund (OPF)**

Plan Description - Village full-time police participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.opf.org](http://www.opf.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.



**Prairie Township**  
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**Note 8 – Defined Benefit Pension Plan (Continued)**

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	Police
<b>2016 and 2015 Statutory Maximum Contribution Rates</b>	
Employer	19.50%
Employee:	
January 1, 2015 through July 1, 2015	11.50%
July 2, 2015 through December 31, 2015	12.25%
<b>2016 and 2015 Actual Contribution Rates</b>	
Employer:	
Pension	19.00%
Post-employment Health Care Benefits	<u>0.50%</u>
Total Employer	<u>19.50%</u>
Employee:	
January 1, 2015 through July 1, 2015	11.50%
July 2, 2015 through December 31, 2015	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The Township's contractually required contribution to OPF was \$591,454 for 2106 and \$567,775 for 2015.

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**Note 9 - Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional pension plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintained two cost-sharing, multiple-employer defined benefit postemployment health care trusts, which funded multiple health care plans including medical coverage, prescription drug coverage, deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients of both the traditional pension and the combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 45. See OPERS' CAFR referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

At the beginning of 2016, OPERS maintained three health care trusts. The two cost-sharing, multiple employer trusts, the 401(h) Health Care Trust (401(h) Trust) and the 115 Health Care Trust (115 Trust), worked together to provide health care funding to eligible retirees of the Traditional Pension and Combined plans. Each year, the OPERS Board of Trustees determines the portion of the employer contributions rate that will be set aside to fund health care plans.

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**Note 9 - Postemployment Benefits (Continued)**

As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2016 remained at 2.0 percent for both the Traditional Pension and Combined plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The third trust is a Voluntary Employee's Beneficiary Association (VEBA) Trust that provides funding for a Retiree Medical Account (RMA) for Member-Directed Plan members. The employer contribution as a percentage of covered payroll deposited to the RMAs for 2016 was 4.0 percent.

In March 2016, OPERS received two favorable rulings from the IRS allowing OPERS to consolidate all health care assets into the 115 Trust. Transition to the new health care trust structure occurred during 2016. OPERS Combining Statements of Changes in Fiduciary Net Position for the year ended December 31, 2016, will reflect a partial year of activity in the 401(h) Trust and VEBA Trust prior to the termination of these trusts as of end of business day June 30, 2016, and the assets and liabilities, or net position, of these trusts being consolidated into the 115 Trust on July 1, 2016.

Substantially all of the Township's contribution allocated to fund postemployment health care benefits relates to the cost-sharing, multiple employer trusts. The corresponding contribution for the years ended December 31, 2016, 2015, and 2014 was \$36,843, \$15,720, and \$20,199, respectively. The full amount has been contributed for all three years.

***Ohio Police and Fire Pension Fund***

Plan Description - The Township contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment healthcare plan administered by OPF. OPF provides health care benefits including coverage for medical, prescription drug, dental, vision, Medicare Part B Premium, and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Post Employment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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**Note 9 - Postemployment Benefits (Continued)**

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and fire employer units. Active members do not make contributions to the OPEB Plan. OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2016, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OPF Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The Township's contribution to OPF for the years ended December 31, 2016, 2015, and 2014 were \$591,454, \$567,775, and \$549,906, respectively, of which \$11,829, \$11,356, and \$11,548, respectively, was allocated to the healthcare plan. The full amount has been contributed for all three years.

**Note 10 – Debt**

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity	Fund for Repayment
OPWC Loan - Palmetto Street	0.0%	\$319,554	July 2026	Palmetto Road Project Fund
OPWC Loan - Inah Avenue	0.0%	506,359	July 2029	Inah Ave. Road Project Fund
OPWC Loan - South Greener (Phase I)	0.0%	332,751	July 2030	South Greener Phase I Fund
OPWC Loan - South Greener (Phase II)	0.0%	129,279	July 2031	South Greener Phase II Fund
OPWC Loan - South Greener (Phase III)	0.0%	207,677	July 2032	South Greener Phase III Fund
OPWC Loan - Woodland Avenue	0.0%	370,856	July 2034	Woodlawn Ave Impr. Fund
OPWC Loan - Beacon Hill Road	0.0%	285,315	July 2034	Beacon Hill Road Impr. Fund
GO-Community Center Bond, 2016 Series	4.00%	8,430,000	December 2038	JEDZ Funds

The Township's long-term debt activity for the year ended December 31, 2015, was as follows:

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**Note 10 – Debt (Continued)**

	Amount Outstanding 12/31/14	Additions	Deletions	Amount Outstanding 12/31/15	Amounts Due in One Year
Governmental Activities:					
OPWC Loan - Palmetto Street	\$183,743	\$0	\$15,978	\$167,765	\$15,978
OPWC Loan - Inah Avenue	366,816	0	25,318	341,498	25,318
OPWC Loan - South Greener (Phase I)	249,562	0	16,638	232,924	16,638
OPWC Loan - South Greener (Phase II)	106,655	0	6,464	100,191	6,464
OPWC Loan - South Greener (Phase III)	181,717	0	10,384	171,333	10,384
OPWC Loan - Beacon Hill Road	278,182	0	14,266	263,916	14,266
OPWC Loan - Woodlawn Avenue	361,585	0	18,543	343,042	18,543
GO-Community Center Bonds, Series 2013	9,740,000	0	75,000	9,665,000	150,000
<b>Total</b>	<b>\$11,468,260</b>	<b>\$0</b>	<b>\$182,591</b>	<b>\$11,285,669</b>	<b>\$257,591</b>

The Township's long-term debt activity for the year ended December 31, 2016, was as follows:

	Amount Outstanding 12/31/15	Additions	Deletions	Amount Outstanding 12/31/16	Amounts Due in One Year
Governmental Activities:					
OPWC Loan - Palmetto Street	\$167,765	\$0	\$15,978	\$151,787	\$15,978
OPWC Loan - Inah Avenue	341,498	0	25,318	316,180	25,318
OPWC Loan - South Greener (Phase I)	232,924	0	16,638	216,286	16,638
OPWC Loan - South Greener (Phase II)	100,191	0	6,464	93,727	6,464
OPWC Loan - South Greener (Phase III)	171,333	0	10,384	160,949	10,384
OPWC Loan - Beacon Hill Road	263,916	0	14,266	249,650	18,543
OPWC Loan - Woodlawn Avenue	343,042	0	18,543	324,499	14,266
GO-Community Center Bonds, Series 2013	9,665,000	0	9,665,000	0	0
GO-Community Center Bonds, Series 2016	0	8,430,000	0	8,430,000	15,000
<b>Total</b>	<b>\$11,285,669</b>	<b>\$8,430,000</b>	<b>\$9,772,591</b>	<b>\$9,943,078</b>	<b>\$122,591</b>

The Township entered into loan agreements for \$319,554, \$506,359, \$332,751, \$129,279, \$207,677, \$370,856 and \$285,315 with the Ohio Public Works Commission in accordance with § 164.05 of the Ohio Revised Code and §164-1-21 of the Ohio Administrative Code. These agreements were to help finance the street improvement project on Palmetto Road, Inah Avenue, South Greener Road Improvement (Phase I, II and III), Woodlawn Avenue and Beacon Hill Road. The Township will pay Ohio Public Works Commission semi-annual payments for 20 years.

In August 2013, the Township issued \$9,740,000 in General Obligation Community Recreation Center Bonds for the purpose of using the proceeds to construct a community recreation center. These bonds were issued at a premium of \$253,222.

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**Note 10 – Debt (Continued)**

In October 2016, the Township issued \$8,430,000 in General Obligation Community Recreation Center Bonds to refinance the existing General Obligation Community Recreation Center Bonds for a reduced interest rate. These bonds were issued at a premium of \$1,333,617.

The general obligation bonds are supported by the full faith and credit of the Township and are payable from unvoted property tax receipts to the extent that other resources are not available to meet annual principal and interest payments.

The following is a summary of the Township’s future annual debt service requirements:

OPWC Loans:

Year	Palmetto Street	Inah Avenue	South Greener Road (Phase I)	South Greener Road (Phase II)
2017	15,978	25,318	16,638	6,464
2018	15,978	25,318	16,638	6,464
2019	15,978	25,318	16,638	6,464
2020	15,978	25,318	16,638	6,464
2021	15,978	25,318	16,638	6,464
2022-2026	71,897	126,590	83,188	32,320
2027-2031	-	63,000	49,908	29,087
	<u>151,787</u>	<u>316,180</u>	<u>216,286</u>	<u>93,727</u>

  

Year	South Greener Road (Phase III)	Beacon Hill	Woodlawn Avenue
2017	10,384	14,266	18,543
2018	10,384	14,266	18,543
2019	10,384	14,266	18,543
2020	10,384	14,266	18,543
2021	10,384	14,266	18,543
2022-2026	51,919	71,329	92,714
2027-2031	51,919	71,329	92,714
2032-2036	5,191	35,662	46,356
	<u>160,949</u>	<u>249,650</u>	<u>324,499</u>

2016 General Obligation Bonds:

Year	Principal	Interest
2017	\$15,000	\$330,544
2018	10,000	334,975
2019	10,000	334,825
2020	15,000	334,675
2021	15,000	334,450
2022-2026	1,350,000	1,595,425
2027-2031	2,305,000	1,229,600
2032-2036	3,130,000	709,200
2037-2038	1,580,000	95,800
Total	<u>\$8,430,000</u>	<u>\$5,299,494</u>

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 10 – Debt (Continued)**

The Ohio Revised Code provides that net general obligation debt of the Township, exclusive of certain exempt debt, issued without a vote of the electors shall never exceed 5.5 percent of the tax valuation of the Township. The Revised Code further provides that total voted and unvoted net debt of the Township less the same exempt debt shall never exceed amount equal to 10.5 percent of its tax valuation. The effects of the debt limitations at December 31, 2016, were an overall debt margin of \$27,746,826 and an unvoted debt margin of \$15,326,618. The effects of the debt limitations at December 31, 2015, were an overall debt margin of \$17,585,374 and an unvoted debt margin of \$15,122,928.

**Note 11 – Leases**

In June 2012 the Township entered into a lease for a backhoe with a financed amount of \$45,812. In March 2014, the Township entered into a lease for a dump truck with a financed amount of \$64,735. In April 2015, the Township entered into a lease for an excavator with a financed amount of \$50,506.

The Township leases vehicles and other equipment under noncancelable leases. The Township disbursed \$46,077 and \$38,502 to pay lease costs for the year ended December 31, 2016 and 2015. Future lease payments are as follows:

<u>Year</u>	<u>Backhoe</u>	<u>Dump Truck</u>	<u>Excavator Lease</u>
2017	\$ 16,117	\$ 22,384	\$ 26,246
2018	-	-	26,246
Total	<u>\$ 16,117</u>	<u>\$ 22,384</u>	<u>\$ 52,492</u>

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 12 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the Township is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds as of December 31, 2016 are presented below:

Fund Balances	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total
<b>Nonspendable</b>							
Cemetery Endowment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
<i>Total Nonspendable</i>	-	-	-	-	-	2,000	2,000
<b>Restricted for</b>							
Cemetery	-	-	-	-	-	76,775	76,775
Debt Service	-	-	-	-	3,566	-	3,566
Economic Development	-	-	322,033	-	-	141,897	463,930
Emergency Medical Services	-	-	-	-	-	460,217	460,217
Fire Operations	-	2,187,788	-	-	-	-	2,187,788
Road and Bridge	-	-	-	-	-	99,644	99,644
Sidewalk Assessments	-	-	-	-	-	60,315	60,315
Street Light Assessments	-	-	-	-	-	194,682	194,682
<i>Total Restricted</i>	-	2,187,788	322,033	-	3,566	1,033,530	3,546,917
<b>Committed to</b>							
Road and Bridge	-	-	-	-	-	157,757	157,757
<i>Total Committed</i>	-	-	-	-	-	157,757	157,757
<b>Assigned to</b>							
Park Improvements	-	-	-	-	-	94,648	94,648
Recreation Activities	-	-	-	104,029	-	-	104,029
<i>Total Assigned</i>	-	-	-	104,029	-	94,648	198,677
<b>Unassigned (Deficit)</b>	<b>4,876,086</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,876,086</b>
<i>Total Fund Balances</i>	<u>\$ 4,876,086</u>	<u>\$ 2,187,788</u>	<u>\$ 322,033</u>	<u>\$ 104,029</u>	<u>\$ 3,566</u>	<u>\$ 1,287,935</u>	<u>\$ 8,781,437</u>



**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 12 – Fund Balances (Continued)**

The constraints placed on fund balance for the major governmental funds and all other governmental funds as of December 31, 2015 are presented below:

Fund Balances	General	Fire Fund	JEDZ Fund	Community Recreation Center Bond Fund	Other Governmental Funds	Total
<b>Nonspendable</b>						
Cemetery Endowment	\$ -	\$ -	\$ -	\$ -	\$ 2,000	\$ 2,000
<i>Total Nonspendable</i>	-	-	-	-	2,000	2,000
<b>Restricted for</b>						
Cemetery	-	-	-	-	128,888	128,888
Community Center/Recreation	-	-	-	173,751	-	173,751
Economic Development	-	-	266,435	-	132,397	398,832
Emergency Medical Services	-	-	-	-	602,163	602,163
Fire Operations	-	2,232,343	-	-	60,474	2,292,817
Road and Bridge	-	-	-	-	139,985	139,985
Sidewalk Assessments	-	-	-	-	48,963	48,963
Street Light Assessments	-	-	-	-	158,644	158,644
<i>Total Restricted</i>	-	2,232,343	266,435	173,751	1,271,514	3,944,043
<b>Committed to</b>						
Road and Bridge	-	-	-	-	214,605	214,605
<i>Total Committed</i>	-	-	-	-	214,605	214,605
<b>Assigned to</b>						
Park Improvements	-	-	-	-	31,378	31,378
Recreation Activities	-	-	-	-	29,214	29,214
Road Maintenance	-	-	-	-	12,246	12,246
<i>Total Assigned</i>	-	-	-	-	72,838	72,838
<b>Unassigned (Deficit)</b>	4,953,517	-	-	-	-	4,953,517
<i>Total Fund Balances</i>	<u>\$ 4,953,517</u>	<u>\$ 2,232,343</u>	<u>\$ 266,435</u>	<u>\$ 173,751</u>	<u>\$ 1,560,957</u>	<u>\$ 9,187,003</u>

**Note 13 – Interfund Transfers**

During 2016, the General Fund transferred \$250,000 and \$392,937 to the Community Recreation Center Fund and various non-major funds, respectively, to provide additional resources. The Fire Levy Fund Transferred \$436,290 to the Fire Capital Fund to support capital outlay expenditures. The JEDZ fund transferred \$400,000 to the Community Recreation Center Fund to provide additional support for community activities. The JEDD Fund transferred \$60,000 to the Community Recreation Center Fund to provide additional support for community activities. The Emergency Medical Services Fund Transferred \$183,840 to the Emergency Medical Services Capital Fund to support capital outlay expenditures.

During 2015, the General Fund transferred \$814,398 to various non-major funds to provide additional resources. The JEDZ Fund transferred \$150,000 to the Community Recreation Center Fund to provide start-up funds for the center. The Fire Levy Fund Transferred \$159,340 to the Fire Capital Fund to support for capital outlay expenditures. The Emergency Medical Services Fund Transferred \$208,340 to the Emergency Medical Services Capital Fund to support for capital outlay expenditures.

**Prairie Township**  
*Franklin County, Ohio*  
*Notes to the Basic Financial Statements*  
*For the Years Ended December 31, 2016 and 2015*

**Note 13 – Interfund Transfers (Continued)**

Transfers represent the allocation of unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Note 14 – Contingent Liabilities**

The Township is defendant in several lawsuits. Although management cannot presently determine the outcome of these suits, they believe the resolution of these matters will not materially adversely affect the Township's financial condition.

Amounts grantor agencies pay to the Township are subject to audit and adjustment by the grantor, principally the federal government. Grantors may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

**Note 15 – Joint Ventures**

The Township is a member of Joint Economic Development District (JEDD) with the City of Columbus. The City of Columbus provides the city services to business within the District and subsequently is permitted to collect income tax on those employees of the business district. At the same time, the JEDD prevents the annexation of Township property by the City and maintains the Township's property tax base. In the event of termination of the contract, all party revenue is split equally, while the Project Revenue is distributed to the Township for purposes which benefit the District as determined by the Township Trustees.

The Township is a member of Prairie-Obetz Joint Economic Development Zone (JEDZ) with the Village of Obetz. The Township residents approved the creation of the JEDZ by a majority vote on November 8, 2011. The Township will provide the JEDZ all usual and customary governmental services furnished by the Township. The Village will engage in activities to promote, complement and benefit economic development in the JEDZ as well as collecting income tax levied at the rate of the income tax currently and hereafter levied by the Village. The proceeds of that tax are allocated in accordance to the contract, mainly to the Township. In the event of termination of the JEDZ, the distribution of assets are split 20% to the Village and 80% to the Township.



**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Prairie Township  
Franklin County  
23 Maple Drive  
Columbus, Ohio 43228

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States and the Comptroller General of the United States’ *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Prairie Township, Franklin County, Ohio (the Township) as of and for the years ended December 31, 2016 and 2015 and the related notes to the financial statements, and have issued our report thereon dated June 26, 2017, wherein we noted the Township uses a special purpose framework other than generally accepted accounting principles.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Township’s internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the Township’s internal control. Accordingly, we have not opined on it.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A material weakness is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Village’s financial statements. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Therefore, unidentified material weaknesses or significant deficiencies may exist. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider a significant deficiency. We consider finding 2016-001 to be a significant deficiency.

***Compliance and Other Matters***

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit, and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control testing and compliance testing and our testing results, and does not opine on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group, Inc.  
Columbus, Ohio  
June 26, 2017

**Prairie Township  
Franklin County**

**Schedule of Findings  
For the Years Ended December 31, 2016 and 2015**

**FINDING NUMBER 2016-001**

**Significant Deficiency – Sound Financial Reporting**

Sound financial reporting is the responsibility of the fiscal officer and governing board and is essential to ensure the information provided to the readers of the financial statements is complete and accurate.

Material and immaterial misstatements and reclassifications were identified during the course of the audit which have not been prevented or detected by the Township's internal controls over financial reporting.

To ensure the Township's financial statements and notes to the financial statements are complete and accurate, we recommend the Fiscal Officer review the compliance supplement for guidance on the correct line item to post various receipts and expenditures of the Township.

**Client Response:**

We didn't receive a response for the above finding.

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# Dave Yost • Auditor of State

PRAIRIE TOWNSHIP

FRANKLIN 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  
OCTOBER 17, 2017