



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

PRAIRIE TOWNSHIP
FRANKLIN COUNTY, OHIO

SINGLE AUDIT / REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

OHIO AUDITOR OF STATE
KEITH FABER



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

We have reviewed the *Independent Auditors' Report* of Prairie Township, Franklin County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2019 through December 31, 2020. 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 "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

September 08, 2021

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Prairie Township
Franklin County, Ohio
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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, 2020 and 2019, 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 such 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 the Township, as of December 31, 2020 and 2019, and the respective changes in cash financial position and the respective budgetary comparison for the General, Fire, Community Recreation Center and Joint Economic Development Zone funds thereof for the years then ended 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.

Emphasis of Matter

As discussed in Note 15 to the 2020 financial statements, the financial impact of COVID-19 and the ensuing measure will impact subsequent periods of the Township. We did not modify our opinion regarding this matter.

Other Matters

Supplementary Information

Our audit was conducted to opine on the financial statements taken as a whole.

The Schedule of Expenditures of Federal Awards for the year ended December 31, 2020, presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The schedule is management's responsibility, and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2021, 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, Inc.
Piketon, Ohio
June 18, 2021

Prairie Township
Franklin County, Ohio
Statement of Net Position - Cash Basis
December 31, 2020

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 13,973,490
<i>Total Assets</i>	<i>\$ 13,973,490</i>
 Net Position	
Restricted for:	
Capital Projects	\$ 589,043
Permanent Fund Purpose:	
Expendable	66
Nonexpendable	2,000
Other Purposes	7,351,333
Unrestricted	6,031,048
<i>Total Net Position</i>	<i>\$ 13,973,490</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, 2020

	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
Governmental Activities					
Current:					
General Government	\$ 2,876,999	\$ 99,197	\$ 3,536,004	\$ 34,580	\$ 792,782
Public Safety	4,926,932	874,886	1,773,843	-	(2,278,203)
Public Works	873,432	126,745	251,201	-	(495,486)
Health	216,193	172,479	-	-	(43,714)
Conservation-Recreation	1,340,327	455,027	-	-	(885,300)
Other	246,927	23,594	-	69,974	(153,359)
Capital Outlay	1,545,729	-	-	-	(1,545,729)
Debt Service:					
Principal Retirement	306,107	-	-	-	(306,107)
Interest and Fiscal Charges	372,533	-	-	-	(372,533)
Total	12,705,179	1,751,928	5,561,048	104,554	(5,287,649)
General Receipts:					
Property Taxes and Other Local Taxes:					
					5,930,664
					66,419
					1,937,325
					752
					182,263
					112,105
					749,141
					<u>8,978,669</u>
					Change in Net Position 3,691,020
					Net Position Beginning of Year <u>10,282,470</u>
					Net Position End of Year <u>\$ 13,973,490</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, 2020

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$ 5,979,660	\$ 3,427,945	\$ 1,234,583	\$ 51,388	\$ 3,279,914	\$ 13,973,490
<i>Total Assets</i>	<u>\$ 5,979,660</u>	<u>\$ 3,427,945</u>	<u>\$ 1,234,583</u>	<u>\$ 51,388</u>	<u>\$ 3,279,914</u>	<u>\$ 13,973,490</u>
Fund Balances						
Restricted	\$ -	\$ 3,427,945	\$ 1,234,583	\$ -	\$ 2,181,453	\$ 6,843,981
Committed	-	-	-	-	346,034	346,034
Assigned	-	-	-	51,388	752,427	803,815
Unassigned (Deficit)	5,979,660	-	-	-	-	5,979,660
<i>Total Fund Balances</i>	<u>\$ 5,979,660</u>	<u>\$ 3,427,945</u>	<u>\$ 1,234,583</u>	<u>\$ 51,388</u>	<u>\$ 3,279,914</u>	<u>\$ 13,973,490</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, 2020

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$ 241,586	\$ 5,463,487	\$ -	\$ -	\$ 418,755	\$ 6,123,828
Charges for Services	-	-	-	-	607,109	607,109
Licenses, Permits and Fees	253,145	19,044	-	446,832	90,329	809,350
Fines and Forfeitures	18,393	-	-	-	-	18,393
Intergovernmental	2,336,457	551,285	1,771,153	-	2,944,032	7,602,927
Special Assessments	63,656	-	-	-	216,843	280,499
Earnings on Investments	107,234	-	-	-	4,871	112,105
Miscellaneous	84,905	230,378	-	51,680	474,273	841,236
<i>Total Receipts</i>	<u>3,105,376</u>	<u>6,264,194</u>	<u>1,771,153</u>	<u>498,512</u>	<u>4,756,212</u>	<u>16,395,447</u>
Disbursements						
Current:						
General Government	1,206,485	-	-	-	1,670,514	2,876,999
Public Safety	-	4,471,664	-	-	455,268	4,926,932
Public Works	216,350	-	-	-	657,082	873,432
Health	93,584	-	-	-	122,609	216,193
Conservation-Recreation	236,708	-	-	1,103,619	-	1,340,327
Other	-	-	246,927	-	-	246,927
Capital Outlay	-	17,027	-	12,893	1,515,809	1,545,729
Debt Service:						
Principal Retirement	44,559	-	230,000	-	31,548	306,107
Interest and Fiscal Charges	11,808	-	360,725	-	-	372,533
<i>Total Disbursements</i>	<u>1,809,494</u>	<u>4,488,691</u>	<u>837,652</u>	<u>1,116,512</u>	<u>4,452,830</u>	<u>12,705,179</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>1,295,882</u>	<u>1,775,503</u>	<u>933,501</u>	<u>(618,000)</u>	<u>303,382</u>	<u>3,690,268</u>
Other Financing Sources (Uses)						
Sale of Capital Assets	-	752	-	-	-	752
Transfers In	-	-	-	550,000	1,171,089	1,721,089
Transfers Out	(876,959)	(187,000)	(470,000)	-	(187,130)	(1,721,089)
Advances In	1,815,115	-	-	-	1,842,697	3,657,812
Advances Out	(1,842,697)	-	-	-	(1,815,115)	(3,657,812)
<i>Total Other Financing Sources (Uses)</i>	<u>(904,541)</u>	<u>(186,248)</u>	<u>(470,000)</u>	<u>550,000</u>	<u>1,011,541</u>	<u>752</u>
<i>Net Change in Fund Balances</i>	<u>391,341</u>	<u>1,589,255</u>	<u>463,501</u>	<u>(68,000)</u>	<u>1,314,923</u>	<u>3,691,020</u>
<i>Fund Balances Beginning of Year</i>	<u>5,588,319</u>	<u>1,838,690</u>	<u>771,082</u>	<u>119,388</u>	<u>1,964,991</u>	<u>10,282,470</u>
<i>Fund Balances End of Year</i>	<u>\$ 5,979,660</u>	<u>\$ 3,427,945</u>	<u>\$ 1,234,583</u>	<u>\$ 51,388</u>	<u>\$ 3,279,914</u>	<u>\$ 13,973,490</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, 2020

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 245,000	\$ 245,000	\$ 241,586	\$ (3,414)
Licenses, Permits and Fees	294,000	294,000	253,145	(40,855)
Fines and Forfeitures	24,000	24,000	18,393	(5,607)
Intergovernmental	2,267,502	2,267,502	2,336,457	68,955
Special Assessments	50,000	50,000	63,656	13,656
Earnings on Investments	100,000	100,000	107,234	7,234
Miscellaneous	392,000	392,000	84,905	(307,095)
<i>Total Receipts</i>	<u>3,372,502</u>	<u>3,372,502</u>	<u>3,105,376</u>	<u>(267,126)</u>
Disbursements				
Current:				
General Government	1,992,537	1,983,953	1,206,485	777,468
Public Safety	234,000	234,000	-	234,000
Public Works	222,630	222,630	216,350	6,280
Health	85,000	93,584	93,584	-
Conservation-Recreation	240,730	240,730	236,708	4,022
Debt Service:				
Principal Retirement	44,559	44,559	44,559	-
Interest and Fiscal Charges	11,808	11,808	11,808	-
<i>Total Disbursements</i>	<u>2,831,264</u>	<u>2,831,264</u>	<u>1,809,494</u>	<u>1,021,770</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>541,238</u>	<u>541,238</u>	<u>1,295,882</u>	<u>754,644</u>
Other Financing Sources (Uses)				
Transfers Out	(876,959)	(876,959)	(876,959)	-
Advances In	-	-	1,815,115	1,815,115
Advances Out	-	-	(1,842,697)	(1,842,697)
<i>Total Other Financing Sources (Uses)</i>	<u>(876,959)</u>	<u>(876,959)</u>	<u>(904,541)</u>	<u>(27,582)</u>
<i>Net Change in Fund Balance</i>	(335,721)	(335,721)	391,341	727,062
<i>Unencumbered Fund Balance Beginning of Year</i>	5,497,886	5,497,886	5,497,886	-
Prior Year Encumbrances Appropriated	90,433	90,433	90,433	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 5,252,598</u>	<u>\$ 5,252,598</u>	<u>\$ 5,979,660</u>	<u>\$ 727,062</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, 2020

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 5,300,001	\$ 5,300,001	\$ 5,463,487	\$ 163,486
Licenses, Permits and Fees	17,450	17,450	19,044	1,594
Intergovernmental	530,000	530,000	551,285	21,285
Miscellaneous	-	-	230,378	230,378
<i>Total Receipts</i>	<u>5,847,451</u>	<u>5,847,451</u>	<u>6,264,194</u>	<u>416,743</u>
Disbursements				
Current:				
Public Safety	5,176,041	5,176,041	4,471,664	704,377
Capital Outlay	20,000	20,000	17,027	2,973
<i>Total Disbursements</i>	<u>5,196,041</u>	<u>5,196,041</u>	<u>4,488,691</u>	<u>707,350</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>651,410</u>	<u>651,410</u>	<u>1,775,503</u>	<u>1,124,093</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	752	752
Transfers Out	(187,000)	(187,000)	(187,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(187,000)</u>	<u>(187,000)</u>	<u>(186,248)</u>	<u>752</u>
<i>Net Change in Fund Balance</i>	464,410	464,410	1,589,255	1,124,845
<i>Unencumbered Fund Balance Beginning of Year</i>	1,838,690	1,838,690	1,838,690	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 2,303,100</u>	<u>\$ 2,303,100</u>	<u>\$ 3,427,945</u>	<u>\$ 1,124,845</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, 2020

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Intergovernmental	\$ 1,800,000	\$ 1,800,000	\$ 1,771,153	\$ (28,847)
<i>Total Receipts</i>	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,771,153</u>	<u>(28,847)</u>
Disbursements				
Current:				
Other	782,000	732,000	246,927	485,073
Debt Service:				
Principal Retirement	230,000	230,000	230,000	-
Interest and Fiscal Charges	360,725	360,725	360,725	-
<i>Total Disbursements</i>	<u>1,372,725</u>	<u>1,322,725</u>	<u>837,652</u>	<u>485,073</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>427,275</u>	<u>477,275</u>	<u>933,501</u>	<u>456,226</u>
Other Financing Sources (Uses)	(420,000)	(470,000)	(470,000)	
Transfers Out				-
<i>Total Other Financing Sources (Uses)</i>	<u>(420,000)</u>	<u>(470,000)</u>	<u>(470,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	7,275	7,275	463,501	456,226
<i>Unencumbered Fund Balance Beginning of Year</i>	771,082	771,082	771,082	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 778,357</u>	<u>\$ 778,357</u>	<u>\$ 1,234,583</u>	<u>\$ 456,226</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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Licenses, Permits and Fees	\$ 1,248,300	\$ 1,248,300	\$ 446,832	\$ (801,468)
Miscellaneous	50,000	50,000	51,680	1,680
<i>Total Receipts</i>	<u>1,298,300</u>	<u>1,298,300</u>	<u>498,512</u>	<u>(799,788)</u>
Disbursements				
Current:				
Conservation-Recreation	1,783,900	1,783,900	1,103,619	680,281
Other	20,000	20,000	12,893	7,107
<i>Total Disbursements</i>	<u>1,803,900</u>	<u>1,803,900</u>	<u>1,116,512</u>	<u>687,388</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(505,600)</u>	<u>(505,600)</u>	<u>(618,000)</u>	<u>(112,400)</u>
Other Financing Sources (Uses)				
Transfers In	465,000	465,000	550,000	85,000
<i>Total Other Financing Sources (Uses)</i>	<u>465,000</u>	<u>465,000</u>	<u>550,000</u>	<u>85,000</u>
<i>Net Change in Fund Balance</i>	(40,600)	(40,600)	(68,000)	(27,400)
<i>Unencumbered Fund Balance Beginning of Year</i>	119,388	119,388	119,388	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 78,788</u>	<u>\$ 78,788</u>	<u>\$ 51,388</u>	<u>\$ (27,400)</u>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2020

	Other Custodial
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 15,144
<i>Total Assets</i>	<i>\$ 15,144</i>
Net Position	
Restricted for Individuals, Organizations & Other Governments Expendable	\$ 15,144
<i>Total Net Position</i>	<i>\$ 15,144</i>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County
Statement of Changes in Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2020

	Other Custodial
Additions	
Performance Deposits Received	\$ 9,600
<i>Total Additions</i>	9,600
Change in Net Position	9,600
Net Position Beginning of Year	5,544
<i>Net Position End of Year</i>	\$ 15,144

See accompanying notes to the basic financial statements

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 6 and 14 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.

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 Township is financially accountable.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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.

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.

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.

Prairie Township
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For the Year Ended December 31, 2020

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), and Community Recreation Center Fund for fiscal year ended December 31, 2020.

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.

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 fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the Township under a trust agreement, or equivalent arrangement that has certain characteristics, for individuals, private organizations, or other governments and are not available to support the Township's own programs. The Township does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The Township's custodial funds account amounts collected and distributed on behalf of another government or organization. The Township's custodial fund accounts for developer bonds and permits.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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".

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.

Prairie Township
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During 2020, 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 5/3rd Securities on December 31, 2020.

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 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 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 2020 was \$107,234. Interest receipts credited to the other Township funds during 2020 was \$4,871.

Restricted Assets

Assets 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 had Cemetery Endowment funds of \$2,002 as of December 31, 2020.

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.

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.

Prairie Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 7 and 8, 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.

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.

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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. State Statute authorizes the Township Clerk to assign fund balance for purchases on order provided such amounts have been lawfully appropriated.

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.

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 and JEDZ 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 2020 (budgetary basis) amounted to \$34,210 for the General Fund, \$78,062 for the Coronavirus Relief Fund, \$3,000 for the Parks Capital Fund, and \$9,232 for the Community Recreation 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.

Prairie Township
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For the Year Ended December 31, 2020

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;
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.

Prairie Township
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For the Year Ended December 31, 2020

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, 2020, the Township had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Certificates of Deposits	\$4,520,602	Less than 1 year
U.S. Treasury Agency Sec.	1,250,260	Less than 1 year
Money Market Mutual Fund	565,033	Less than 1 year
STAR Ohio	<u>1,071</u>	Less than 1 year
Total Portfolio	<u><u>\$6,336,966</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.

Prairie Township
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For the Year Ended December 31, 2020

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.

The following investments represent five percent or more of total investments as of December 31, 2020:

Investment Issuer	Percentage of Investments
Certificates of Deposits	71 %
Money Market Mutual Fund	20 %
US Treasury/Agency Securities	9 %
STAR Ohio	0 %
Total	100.00 %

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 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes are levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021.

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. 2020 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2020, was \$21.81 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2020 property tax receipts were based are as follows:

	2020
Real Property & Public Personal Property	342,212,880
Public Utility Personal Property	39,711,450
	381,924,330

Prairie Township
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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.

Note 6 – Risk Management

Risk Pool Membership

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

<u>2019 (Latest Information Available)</u>	
Cash and investments	\$35,207,320
Actuarial liabilities	\$ 10,519,942

Note 7 – Defined Benefit Pension Plan

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Township employees, other than full-time police and firefighters, 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 combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

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OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional and combined plans. 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 in the traditional and combined plans 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 and combined plans as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information, including requirements for reduced and unreduced benefits):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013 State and Local Employees	Group C Members noin other Groups and members hired on or after January 7, 2013
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit Formula: 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	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit Formula: 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	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit Formula: 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		
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit Formula: 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	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit Formula: 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	Age and Service Requirements: Age 57 with 25 years of service credit or Age 56 with 15 years of service credit Formula: 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		
Age and Service Requirements: Age 52 with 15 years of service credit Formula: 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	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit Formula: 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	Age and Service Requirements: Age 57 with 25 years of service credit or Age 56 with 15 years of service credit Formula: 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.

Prairie Township
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Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment of the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, current law provides for a 3 percent COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

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

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	<u>State and Local</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2020 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee ***	10.0 %	*	**
2020 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits ****	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Employer	<u>14.0 %</u>	<u>18.1 %</u>	<u>18.1 %</u>
Employee	<u>10.0 %</u>	<u>12.0 %</u>	<u>13.0 %</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 by ORC to not more than 2 percent greater than the Public Safety rate.
- *** Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- **** This employer health care rate is for the traditional and combined plans. The employer contribution for the member-directed plan is 4 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$238,215 for year 2020.

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

Plan Description – Township full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer defined benefit pension plan administered by OP&F. OP&F 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. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Prairie Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F 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 after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

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 (see OP&F CAFR referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F 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, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

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 percentage increase, if any, in the consumer price index over the 12 month period ending on September 30th 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 3 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:

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

	Police	Firefighters
2020 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2020 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The Township's contractually required contribution to OPF was \$645,135 for 2020.

Social Security

Some Township employees contribute to Social Security (Part-time Fire Fighters and Zoning Board members only). This plan provides retirement benefits, including survivor and disability benefits to participant.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants' gross salaries. The Township has paid all contributions required through December 31, 2020.

Note 8 - 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 maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation ~~refund~~, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Prairie Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 with a minimum age of 60, or generally 30 years of qualifying service at any age. 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 75. 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. When funding is approved by OPERS Board of Trustees, 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 2020, 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.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS 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 employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township’s contractually required contribution was \$0 for the year 2020.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Ohio Police and Fire Pension Fund

Plan Description – The Township contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

The Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F 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.

OP&F 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 OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F 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, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, 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.

The OP&F 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 contractually required contribution to OP&F was \$13,971 for 2020.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 9 – 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
Sport Complex Concession Stand	3.40%	425,000	August 2017	General Fund

The Township's long-term debt activity for the year ended December 31, 2020, was as follows:

	Amount Outstanding 12/31/19	Additions	Deletions	Amount Outstanding 12/31/20	Amounts Due in One Year
Governmental Activities:					
OPWC Loan - Palmetto Street	\$103,854	\$0	\$0	\$103,854	\$15,978
OPWC Loan - Inah Avenue	240,226	0	0	240,226	25,318
OPWC Loan - South Greener (Phase I)	166,373	0	0	166,373	16,638
OPWC Loan - South Greener (Phase II)	74,335	0	0	74,335	6,464
OPWC Loan - South Greener (Phase III)	129,795	0	0	129,795	10,384
OPWC Loan - Beacon Hill Road	206,853	0	0	206,853	14,266
OPWC Loan - Woodlawn Avenue	268,871	0	0	268,871	18,543
GO-Community Center Bonds, Series 2016	8,395,000	0	15,000	8,380,000	250,000
Sport Complex Concession Stand	298,575	0	38,882	259,693	40,215
Total	\$9,883,882	\$0	\$53,882	\$9,830,000	\$397,806

Prairie Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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.

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.

In August 2017, the Township secured a loan from Kansas State Bank in the amount of \$425,000 for the construction of a concession stand in its newly establish Sports Complex Park. Terms of this loan require semi annual payments over ten years at a 3.4% APR. The proceeds of loan will be shown as draws are made related to the project's construction.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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)
2021	15,978	25,318	16,638	6,464
2022	15,978	25,318	16,638	6,464
2023	15,978	25,318	16,638	6,464
2024	15,978	25,318	16,638	6,464
2025	15,978	25,318	16,638	6,464
2026-2030	23,964	113,636	83,183	32,320
2031-2035	-	-	-	9,695
	<u>103,854</u>	<u>240,226</u>	<u>166,373</u>	<u>74,335</u>

Year	South Greener Road (Phase III)	Beacon Hill	Woodlawn Avenue
2021	10,384	14,266	18,543
2022	10,384	14,266	18,543
2023	10,384	14,266	18,543
2024	10,384	14,266	18,543
2025	10,384	14,266	18,543
2026-2030	51,919	71,329	92,714
2031-2035	25,956	64,194	83,442
	<u>129,795</u>	<u>206,853</u>	<u>268,871</u>

2016 General Obligation Bonds

Year	Principal	Interest
2021	15,000	334,450
2022	15,000	334,225
2023	295,000	334,000
2024	320,000	322,200
2025	345,000	309,400
2026-2030	2,175,000	1,316,600
2031-2035	2,920,000	826,000
2036-2038	2,295,000	187,600
Total	<u>\$8,380,000</u>	<u>\$3,964,475</u>

Prairie Township
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Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

<u>Kansas State Bank Loan:</u>			
	Principal	Interest	Total
2021	40,216	10,275	50,491
2022	41,594	8,896	50,490
2023	43,021	7,470	50,491
2024	44,496	5,995	50,491
2025	46,021	4,469	50,490
2026-2027	96,830	4,150	100,980
Total:	<u>312,178</u>	<u>41,255</u>	<u>353,433</u>

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.

Note 10 – Leases

In August 2016 the Township entered into a lease agreement for a buck truck, trailer and arrow board with a finance amount of \$109,188. During August 2016 the Township also entered into another lease agreement for a backhoe/loader with a financed amount of \$29,295. During July 2017 the Township entered into a lease agreement for a chipper machine with a financed amount of \$16,458. During January 2018, the Township enter into a lease agreement for a 2019 Freightliner 1085S Dump Truck with a financed amount of \$60,131.

The Township leases vehicles and other equipment under noncancelable leases. The Township disbursed \$37,425 to pay lease costs for the year ended December 31, 2020.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 11 – 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, 2020 are presented below:

Fund Balances	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total
Restricted for						
Cemetery	\$ -	\$ -	\$ -	\$ -	\$ 124,272	\$ 124,272
Cemetery Endowment	-	-	-	-	2,002	2,002
Economic Development	-	-	1,234,583	-	26,597	1,261,180
Emergency Medical Services	-	-	-	-	703,250	703,250
Fire Operations	-	3,427,945	-	-	547,249	3,975,194
Road and Bridge	-	-	-	-	370,938	370,938
Galloway Rd. Sports Complex	-	-	-	-	25	25
West Broad Streetscape	-	-	-	-	5,033	5,033
Coronavirus Relief	-	-	-	-	78,063	78,063
Street Light Assessments	-	-	-	-	324,024	324,024
<i>Total Restricted</i>	<u>-</u>	<u>3,427,945</u>	<u>1,234,583</u>	<u>-</u>	<u>2,181,453</u>	<u>6,843,981</u>
Committed to						
Road and Bridge	-	-	-	-	346,034	346,034
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>346,034</u>	<u>346,034</u>
Assigned to						
Road Maintenance	-	-	-	-	273,067	273,067
Park Improvements	-	-	-	-	479,360	479,360
Recreation Activities	-	-	-	51,388	-	51,388
<i>Total Assigned</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,388</u>	<u>752,427</u>	<u>803,815</u>
Unassigned (Deficit)	<u>5,979,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,979,660</u>
<i>Total Fund Balances</i>	<u>\$ 5,979,660</u>	<u>\$ 3,427,945</u>	<u>\$ 1,234,583</u>	<u>\$ 51,388</u>	<u>\$ 3,279,914</u>	<u>\$ 13,973,490</u>

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 12 – Interfund Transfers

Transfers

During 2020, the following transfers were made:

Transfer to	Transfer from				Total
	Major Funds			Other Nonmajor Governmental	
	General	Fire Levy Fund	JEDZ Fund		
Major Funds:					
Community Rec. Center	\$0	\$0	\$470,000	\$80,000	\$550,000
Other Nonmajor Governmental Funds	\$876,959	\$187,000	\$0	\$107,130	\$1,171,089

The above mentioned Transfers From/To were used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; and to use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Nonroutine transfers from the Major Special Revenue Fund and other nonmajor governmental funds were in compliance with Ohio Revised Code to either make debt payments or for designated projects

Advances

Advances at December 31, 2020, consisted of the following:

	Advances To	Advances From
Major Funds		
General Fund	\$1,815,115	\$1,842,697
Other Nonmajor Governmental Funds	1,842,697	1,815,115
<i>Total Governmental Activities</i>	<u>\$3,657,812</u>	<u>\$3,657,812</u>

Interfund advances at December 31, 2020, consisted amounts advanced to other governmental funds to provide working capital for operations or projects. Advances are expected to be repaid within one year.

Note 13 – Contingent Liabilities

As of December 31, 2020, Prairie Township is not a defendant in any lawsuits.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 14 – 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.

Note 15 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The Township's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. (customize as needed) In addition, the impact on the Township's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

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Prairie Township
Franklin County, Ohio
Statement of Net Position - Cash Basis
December 31, 2019

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 10,282,470
<i>Total Assets</i>	<i>\$ 10,282,470</i>
 Net Position	
Restricted for:	
Capital Projects	\$ 67,564
Permanent Fund Purpose:	
Expendable	66
Nonexpendable	2,000
Other Purposes	4,505,133
Unrestricted	5,707,707
<i>Total Net Position</i>	<i>\$ 10,282,470</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, 2019

	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
Governmental Activities					
Current:					
General Government	\$ 1,302,910	\$ 128,982	\$ 1,826,741	\$ 60,139	\$ 712,950
Public Safety	5,691,208	933,478	1,735,356	-	(3,022,372)
Public Works	1,181,487	132,982	191,369	19,625	(837,511)
Health	236,097	154,748	-	-	(81,349)
Conservation-Recreation	1,786,835	1,242,690	-	-	(544,145)
Other	481,377	30,914	-	67,947	(382,516)
Capital Outlay	1,386,615	-	-	-	(1,386,615)
Debt Service:					
Principal Retirement	427,508	-	-	-	(427,508)
Interest and Fiscal Charges	383,128	-	-	-	(383,128)
Total	12,877,165	2,623,794	3,753,466	147,711	(6,352,194)
General Receipts:					
Property Taxes and Other Local Taxes:					
					5,821,568
					70,750
					1,070,828
					7,139
					88,144
					184,297
					165,668
					162,222
					<u>7,570,616</u>
					1,218,422
					<u>9,064,048</u>
					<u>\$ 10,282,470</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, 2019

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in Pooled Cash and Cash Equivalents	\$ 5,588,319	\$ 1,838,690	\$ 771,082	\$ 119,388	\$ 1,964,991	\$ 10,282,470
<i>Total Assets</i>	<u>\$ 5,588,319</u>	<u>\$ 1,838,690</u>	<u>\$ 771,082</u>	<u>\$ 119,388</u>	<u>\$ 1,964,991</u>	<u>\$ 10,282,470</u>
Fund Balances						
Restricted	\$ -	\$ 1,838,690	\$ 771,082	\$ -	\$ 1,607,081	\$ 4,216,853
Committed	-	-	-	-	297,859	297,859
Assigned	-	-	-	119,388	60,051	179,439
Unassigned (Deficit)	5,588,319	-	-	-	-	5,588,319
<i>Total Fund Balances</i>	<u>\$ 5,588,319</u>	<u>\$ 1,838,690</u>	<u>\$ 771,082</u>	<u>\$ 119,388</u>	<u>\$ 1,964,991</u>	<u>\$ 10,282,470</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, 2019

	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total Governmental Funds
Receipts						
Property and Other Local Taxes	\$ 242,172	\$ 5,364,321	\$ -	\$ -	\$ 418,807	\$ 6,025,300
Charges for Services	-	-	-	168	689,426	689,594
Licenses, Permits and Fees	279,868	19,044	-	1,206,362	78,702	1,583,976
Fines and Forfeitures	23,703	-	-	-	-	23,703
Intergovernmental	2,303,876	555,899	1,735,356	-	376,874	4,972,005
Special Assessments	59,950	-	-	-	198,725	258,675
Earnings on Investments	161,594	-	-	-	4,074	165,668
Miscellaneous	34,749	51,349	-	51,966	143,069	281,133
<i>Total Receipts</i>	<u>3,105,912</u>	<u>5,990,613</u>	<u>1,735,356</u>	<u>1,258,496</u>	<u>1,909,677</u>	<u>14,000,054</u>
Disbursements						
Current:						
General Government	1,302,910	-	-	-	-	1,302,910
Public Safety	380,012	4,848,014	-	-	463,182	5,691,208
Public Works	184,026	-	-	-	997,461	1,181,487
Health	82,000	-	-	-	154,097	236,097
Conservation-Recreation	179,063	-	-	1,607,772	-	1,786,835
Other	-	-	451,566	-	29,811	481,377
Capital Outlay	-	252,914	-	71,201	1,062,500	1,386,615
Debt Service:						
Principal Retirement	43,077	-	210,000	-	174,431	427,508
Interest and Fiscal Charges	13,290	-	366,875	-	2,963	383,128
<i>Total Disbursements</i>	<u>2,184,378</u>	<u>5,100,928</u>	<u>1,028,441</u>	<u>1,678,973</u>	<u>2,884,445</u>	<u>12,877,165</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>921,534</u>	<u>889,685</u>	<u>706,915</u>	<u>(420,477)</u>	<u>(974,768)</u>	<u>1,122,889</u>
Other Financing Sources (Uses)						
Loans Issued	-	-	-	-	7,139	7,139
Sale of Capital Assets	358	1,536	-	-	86,250	88,144
Transfers In	-	-	-	380,000	834,030	1,214,030
Transfers Out	(556,062)	(180,468)	(300,000)	-	(177,500)	(1,214,030)
Advances In	794,504	251,336	-	-	591,880	1,637,720
Advances Out	(843,215)	(251,336)	-	-	(543,169)	(1,637,720)
Other Financing Sources	250	-	-	-	-	250
<i>Total Other Financing Sources (Uses)</i>	<u>(604,165)</u>	<u>(178,932)</u>	<u>(300,000)</u>	<u>380,000</u>	<u>798,630</u>	<u>95,533</u>
<i>Net Change in Fund Balances</i>	317,369	710,753	406,915	(40,477)	(176,138)	1,218,422
<i>Fund Balances Beginning of Year</i>	<u>5,270,950</u>	<u>1,127,937</u>	<u>364,167</u>	<u>159,865</u>	<u>2,141,129</u>	<u>9,064,048</u>
<i>Fund Balances End of Year</i>	<u>\$ 5,588,319</u>	<u>\$ 1,838,690</u>	<u>\$ 771,082</u>	<u>\$ 119,388</u>	<u>\$ 1,964,991</u>	<u>\$ 10,282,470</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, 2019

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 232,000	\$ 232,000	\$ 242,172	\$ 10,172
Licenses, Permits and Fees	301,000	301,000	279,868	(21,132)
Fines and Forfeitures	35,000	35,000	23,703	(11,297)
Intergovernmental	2,228,100	2,228,100	2,303,876	75,776
Special Assessments	30,000	30,000	59,950	29,950
Earnings on Investments	60,000	60,000	161,594	101,594
Miscellaneous	382,000	382,000	34,749	(347,251)
<i>Total Receipts</i>	<u>3,268,100</u>	<u>3,268,100</u>	<u>3,105,912</u>	<u>(162,188)</u>
Disbursements				
Current:				
General Government	2,119,505	2,133,005	1,302,910	830,095
Public Safety	400,000	400,000	380,012	19,988
Public Works	186,343	186,343	184,026	2,317
Health	82,000	82,000	82,000	-
Conservation-Recreation	179,063	179,063	179,063	-
Debt Service:				
Principal Retirement	43,077	43,077	43,077	-
Interest and Fiscal Charges	14,723	14,723	13,290	1,433
<i>Total Disbursements</i>	<u>3,024,711</u>	<u>3,038,211</u>	<u>2,184,378</u>	<u>853,833</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>243,389</u>	<u>229,889</u>	<u>921,534</u>	<u>691,645</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	358	358
Transfers Out	(556,100)	(556,100)	(556,062)	38
Advances In	-	-	794,504	794,504
Advances Out	-	-	(843,215)	(843,215)
Other Financing Sources	-	-	250	250
<i>Total Other Financing Sources (Uses)</i>	<u>(556,100)</u>	<u>(556,100)</u>	<u>(604,165)</u>	<u>(48,315)</u>
<i>Net Change in Fund Balance</i>	(312,711)	(326,211)	317,369	643,330
<i>Unencumbered Fund Balance Beginning of Year</i>	5,112,439	5,112,439	5,112,439	-
Prior Year Encumbrances Appropriated	158,511	158,511	158,511	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 4,958,239</u>	<u>\$ 4,944,739</u>	<u>\$ 5,588,319</u>	<u>\$ 643,330</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, 2019

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Receipts				
Property and Other Local Taxes	\$ 5,000,001	\$ 5,000,001	\$ 5,364,321	\$ 364,320
Licenses, Permits and Fees	17,000	17,000	19,044	2,044
Intergovernmental	560,000	560,000	555,899	(4,101)
Miscellaneous	-	-	51,349	51,349
<i>Total Receipts</i>	<u>5,577,001</u>	<u>5,577,001</u>	<u>5,990,613</u>	<u>413,612</u>
Disbursements				
Current:				
Public Safety	5,116,403	5,116,403	4,848,014	268,389
Capital Outlay	5,000	256,336	252,914	3,422
<i>Total Disbursements</i>	<u>5,121,403</u>	<u>5,372,739</u>	<u>5,100,928</u>	<u>271,811</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>455,598</u>	<u>204,262</u>	<u>889,685</u>	<u>685,423</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	1,536	1,536
Transfers Out	(180,468)	(180,468)	(180,468)	-
Advances In	-	-	251,336	251,336
Advances Out	-	-	(251,336)	(251,336)
<i>Total Other Financing Sources (Uses)</i>	<u>(180,468)</u>	<u>(180,468)</u>	<u>(178,932)</u>	<u>1,536</u>
<i>Net Change in Fund Balance</i>	275,130	23,794	710,753	686,959
<i>Unencumbered Fund Balance Beginning of Year</i>	1,127,937	1,127,937	1,127,937	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 1,403,067</u>	<u>\$ 1,151,731</u>	<u>\$ 1,838,690</u>	<u>\$ 686,959</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, 2019

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Intergovernmental	\$ 1,775,500	\$ 1,775,500	\$ 1,735,356	\$ (40,144)
<i>Total Receipts</i>	<u>1,775,500</u>	<u>1,775,500</u>	<u>1,735,356</u>	<u>(40,144)</u>
Disbursements				
Current:				
Other	571,400	571,400	451,566	119,834
Debt Service:				
Principal Retirement	210,000	210,000	210,000	-
Interest and Fiscal Charges	366,875	366,875	366,875	-
<i>Total Disbursements</i>	<u>1,148,275</u>	<u>1,148,275</u>	<u>1,028,441</u>	<u>119,834</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>627,225</u>	<u>627,225</u>	<u>706,915</u>	<u>79,690</u>
Other Financing Sources (Uses)				
Transfers Out	(470,000)	(470,000)	(300,000)	170,000
<i>Total Other Financing Sources (Uses)</i>	<u>(470,000)</u>	<u>(470,000)</u>	<u>(300,000)</u>	<u>170,000</u>
<i>Net Change in Fund Balance</i>	157,225	157,225	406,915	249,690
<i>Unencumbered Fund Balance Beginning of Year</i>	364,167	364,167	364,167	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 521,392</u>	<u>\$ 521,392</u>	<u>\$ 771,082</u>	<u>\$ 249,690</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, 2019

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Charges for Services	\$ -	\$ -	\$ 168	\$ 168
Licenses, Permits and Fees	1,200,660	1,200,660	1,206,362	5,702
Miscellaneous	40,000	40,000	51,966	11,966
<i>Total Receipts</i>	<u>1,240,660</u>	<u>1,240,660</u>	<u>1,258,496</u>	<u>17,836</u>
Disbursements				
Current:				
Conservation-Recreation	1,728,300	1,728,300	1,607,772	120,528
Capital Outlay	120,000	120,000	71,201	48,799
<i>Total Disbursements</i>	<u>1,848,300</u>	<u>1,848,300</u>	<u>1,678,973</u>	<u>169,327</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(607,640)</u>	<u>(607,640)</u>	<u>(420,477)</u>	<u>187,163</u>
Other Financing Sources (Uses)				
Transfers In	500,000	500,000	380,000	(120,000)
<i>Total Other Financing Sources (Uses)</i>	<u>500,000</u>	<u>500,000</u>	<u>380,000</u>	<u>(120,000)</u>
<i>Net Change in Fund Balance</i>	(107,640)	(107,640)	(40,477)	67,163
<i>Unencumbered Fund Balance Beginning of Year</i>	159,865	159,865	159,865	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 52,225</u>	<u>\$ 52,225</u>	<u>\$ 119,388</u>	<u>\$ 67,163</u>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2019

	Other Custodial
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 5,544
<i>Total Assets</i>	<i>\$ 5,544</i>
Net Position	
Restricted for Individuals, Organizations & Other Governments Expendable	\$ 5,544
<i>Total Net Position</i>	<i>\$ 5,544</i>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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 6 and 14 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.

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 Township is financially accountable.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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.

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.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

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), and Community Recreation Center Fund for fiscal year ended December 31, 2019.

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.

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 Year Ended December 31, 2019

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 Year Ended December 31, 2019

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 2019, 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 5/3rd Securities on December 31, 2019.

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 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transaction to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 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 2019 was \$161,594. Interest receipts credited to the other Township funds during 2019 was \$4,074.

Restricted Assets

Assets 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 had Cemetery Endowment funds of \$2,002 as of December 31, 2019.

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 Year Ended December 31, 2019

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 7 and 8, 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 Year Ended December 31, 2019

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 Year Ended December 31, 2019

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 and JEDZ 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 2019 (budgetary basis) amounted to \$104,174 for the General Fund, \$8,300 for the Fire Levy Fund, and \$1,035 for the Community Recreation 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 Year Ended December 31, 2019

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, 2019, the Township had the following investments:

	Fair Value	Maturity
Certificates of Deposits	\$4,571,000	Less than 1 year
Money Market Mutual Fund	1,578,028	Less than 1 year
STAR Ohio	1,065	Less than 1 year
Total Portfolio	\$6,150,093	

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 4 – Deposits and Investments (Continued)

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
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 4 – Deposits and Investments (Continued)

The following investments represent five percent or more of total investments as of December 31, 2019:

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 2019 for real and public utility property taxes represents collections of 2018 taxes.

2019 real property taxes are levied after October 1, 2019, on the assessed value as of January 1, 2019, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2019 real property taxes are collected in and intended to finance 2020.

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. 2019 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2019, and are collected in 2020 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2019, was \$21.81 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2019 property tax receipts were based are as follows:

	2019
Real Property & Public Personal Property	280,493,320
Public Utility Personal Property	39,687,920
	320,181,240

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 6 – Risk Management

Risk Pool Membership

The Township is a member of the Ohio Township Association Risk Management Authority (The Pool). The Pool assumes the risk of loss up to the limits of the Township’s policy. The Pool covers the following risks:

- General liability and casualty
- Public official’s liability
- Cyber
- Law enforcement liability
- Automobile liability
- Vehicles
- Property
- Equipment breakdown

The Pool reported the following summary of assets and actuarially-measured liabilities available to pay those liabilities as of December 31:

	<u>2019</u>
Cash and investments	\$35,207,320
Actuarial liabilities	\$ 10,519,942

Note 7 – 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plan (Continued)

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):

Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Group C Members non other Groups and members hired on or after January 7, 2013
State and Local Employees		
Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 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	Formula: 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	Formula: 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		
Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 56 with 15 years of service credit
Formula: 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	Formula: 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	Formula: 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		
Age and Service Requirements: Age 52 with 15 years of service credit	Age and Service Requirements: Age 48 with 25 years of service credit or Age 52 with 15 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 56 with 15 years of service credit
Formula: 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	Formula: 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	Formula: 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plan (Continued)

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member’s contributions plus or minus the investment gains or losses resulting from the member’s investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members’ contributions, vested employer contributions and investment gains or losses resulting from the members’ investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the purchase of a monthly defined benefit annuity from OPERS (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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

	<u>State and Local Employees</u>	<u>Public Safety Employees</u>	<u>Law Enforcement Employees</u>
2019 Statutory Maximum Contribution Rates			
Employer	14.00%	18.10%	18.10%
Employee	10.00%	*	**
2019 Actual Contribution Rates			
Employer:			
Pension	13.00%	17.10%	17.10%
Post-employment Health Care Benefits	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</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 \$270,548 for year 2019.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plan (Continued)

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 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.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 7 – Defined Benefit Pension Plan (Continued)

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

	Police	Firefighters
2019 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
2019 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	<u>0.50%</u>	<u>0.50%</u>
Total Employer	<u>19.50%</u>	<u>24.00%</u>
Employee	12.25%	12.25%

Employer contribution rates are expressed as a percentage of covered payroll. The Township’s contractually required contribution to OPF was \$650,723 for 2019.

Social Security

Some Township employees contribute to Social Security (Part-time Fire Fighters and Zoning Board members only). This plan provides retirement benefits, including survivor and disability benefits to participant.

Employees contributed 6.2 percent of their gross salaries. The Township contributed an amount equal to 6.2 percent of participants’ gross salaries. The Township has paid all contributions required through December 31, 2019.

Note 8 - 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 8 - Postemployment Benefits (Continued)

OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or refund, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

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 75. 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 2019, 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.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2019, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS 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 employer contribution as a percentage of covered payroll deposited into the RMA for participants in the Member-Directed Plan for 2019 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The Township's contractually required contribution was \$0 for the year 2019.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 8 - Postemployment Benefits (Continued)

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 a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. OPF provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium 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. 75.

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 or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

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, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. There is one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits. One for health care benefits under IRS Code Section 115 trust. An Internal Revenue Code 401(h) account is maintained for Medicare Part B reimbursements.

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 2019, 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).

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 8 - Postemployment Benefits (Continued)

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.

Beginning January 1, 2019, OPF is changing its retiree health care model and the current self-insured health care plan will no longer be offered. In its place is a stipend-based health care model. A stipend funded by OPF will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

The Township's contractually required contribution to OP&F was \$17,124 for 2019.

Note 9 – 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
Sport Complex Concession Stand	3.40%	425,000	August 2017	General Fund

The Township's long-term debt activity for the year ended December 31, 2019, was as follows:

	Amount Outstanding 12/31/18	Additions	Deletions	Amount Outstanding 12/31/19	Amounts Due in One Year
Governmental Activities:					
OPWC Loan - Palmetto Street	\$119,832	\$0	\$15,978	\$103,854	\$15,978
OPWC Loan - Inah Avenue	265,544	0	25,318	240,226	25,318
OPWC Loan - South Greener (Phase I)	183,011	0	16,638	166,373	16,638
OPWC Loan - South Greener (Phase II)	80,799	0	6,464	74,335	6,464
OPWC Loan - South Greener (Phase III)	140,179	0	10,384	129,795	10,384
OPWC Loan - Beacon Hill Road	221,119	0	14,266	206,853	14,266
OPWC Loan - Woodlawn Avenue	287,414	0	18,543	268,871	18,543
GO-Community Center Bonds, Series 2016	8,405,000	0	10,000	8,395,000	15,000
Sport Complex Concession Stand	336,168	0	37,593	298,575	38,882
Total	\$10,039,066	\$0	\$155,184	\$9,883,882	\$161,473

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

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.

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.

In August 2017, the Township secured a loan from Kansas State Bank in the amount of \$425,000 for the construction of a concession stand in its newly establish Sports Complex Park. Terms of this loan require semi annual payments over ten years at a 3.4% APR. The proceeds of loan will be shown as draws are made related to the project's construction.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

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)
2020	15,978	25,318	16,638	6,464
2021	15,978	25,318	16,638	6,464
2022	15,978	25,318	16,638	6,464
2023	15,978	25,318	16,638	6,464
2024	15,978	25,318	16,638	6,464
2025-2029	23,964	113,636	83,183	32,320
2030-2034	-	-	-	9,695
	<u>103,854</u>	<u>240,226</u>	<u>166,373</u>	<u>74,335</u>

Year	South Greener Road (Phase III)	Beacon Hill	Woodlawn Avenue
2020	10,384	14,266	18,543
2021	10,384	14,266	18,543
2022	10,384	14,266	18,543
2023	10,384	14,266	18,543
2024	10,384	14,266	18,543
2025-2029	51,919	71,329	92,714
2030-2034	25,956	64,194	83,442
	<u>129,795</u>	<u>206,853</u>	<u>268,871</u>

Year	2016 General Obligation Bonds	
	Principal	Interest
2020	15,000	334,675
2021	15,000	334,450
2022	15,000	334,225
2023	295,000	334,000
2024	320,000	322,200
2025-2029	2,020,000	1,397,400
2030-2034	2,750,000	936,000
2034-2039	2,965,000	306,200
Total	<u>\$8,395,000</u>	<u>\$4,299,150</u>

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 9 – Debt (Continued)

<u>Kansas State Bank Loan:</u>			
	Principal	Interest	Total
2020	38,882	11,608	50,490
2021	40,216	10,275	50,491
2022	41,594	8,896	50,490
2023	43,021	7,470	50,491
2024	44,496	5,995	50,491
2025-2027	142,852	8,619	151,471
Total:	<u>351,061</u>	<u>52,863</u>	<u>403,924</u>

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.

Note 10 – Leases

In August 2016 the Township entered into a lease agreement for a bucket truck, trailer and arrow board with a finance amount of \$109,188. During August 2016 the Township also entered into another lease agreement for a backhoe/loader with a financed amount of \$29,295. During July 2017 the Township entered into a lease agreement for a chipper machine with a financed amount of \$16,458. During January 2018, the Township enter into a lease agreement for a 2019 Freightliner 1085S Dump Truck with a financed amount of \$60,131.

The Township leases vehicles and other equipment under noncancelable leases. The Township disbursed \$76,407 to pay lease costs for the year ended December 31, 2019. Future lease payments are as follows:

<u>Year</u>	<u>Dump Truck</u>	<u>Chipper</u>	<u>Total</u>
2020	\$ 31,548	\$ 5,877	\$ 37,425
Total	<u>\$ 31,548</u>	<u>\$ 5,877</u>	<u>\$ 37,425</u>

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 11 – 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, 2019 are presented below:

Fund Balances	General	Fire Fund	JEDZ Fund	Community Recreation Center Fund	Other Governmental Funds	Total
Restricted for						
Cemetery	\$ -	\$ -	\$ -	\$ -	\$ 84,402	\$ 84,402
Cemetery Endowment	-	-	-	-	2,002	2,002
Economic Development	-	-	771,082	-	33,753	804,835
Emergency Medical Services	-	-	-	-	592,964	592,964
Fire Operations	-	1,838,690	-	-	419,412	2,258,102
Road and Bridge	-	-	-	-	127,820	127,820
Sidewalk Improvements	-	-	-	-	9,150	9,150
West Broad Streetscape	-	-	-	-	8,870	8,870
Street Light Assessments	-	-	-	-	328,708	328,708
<i>Total Restricted</i>	<u>-</u>	<u>1,838,690</u>	<u>771,082</u>	<u>-</u>	<u>1,607,081</u>	<u>4,216,853</u>
Committed to						
Road and Bridge	-	-	-	-	297,859	297,859
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>297,859</u>	<u>297,859</u>
Assigned to						
Road Maintenance	-	-	-	-	23,067	23,067
Park Improvements	-	-	-	-	36,984	36,984
Recreation Activities	-	-	-	119,388	-	119,388
<i>Total Assigned</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,388</u>	<u>60,051</u>	<u>179,439</u>
Unassigned (Deficit)	<u>5,588,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,588,319</u>
Total Fund Balances	<u>\$ 5,588,319</u>	<u>\$ 1,838,690</u>	<u>\$ 771,082</u>	<u>\$ 119,388</u>	<u>\$ 1,964,991</u>	<u>\$ 10,282,470</u>

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 12 – Interfund Transfers

Transfers

During 2019, the following transfers were made:

Transfer to	Transfer from				Total
	Major Funds			Other Nonmajor Governmental	
	General	Fire Levy Fund	JEDZ Fund		
Major Funds:					
Community Rec. Center	\$0	\$0	\$300,000	\$80,000	\$380,000
Other Nonmajor					
Governmental Funds	\$556,062	\$180,468	\$0	\$97,500	\$834,030

The above mentioned Transfers From/To were used to move receipts from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; and to use unrestricted receipts collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Nonroutine transfers from the Major Special Revenue Fund and other nonmajor governmental funds were in compliance with Ohio Revised Code to either make debt payments or for designated projects

Advances

Advances at December 31, 2019, consisted of the following:

	Advances To	Advances From
Major Funds		
General Fund	\$794,504	\$843,216
Fire Levy	251,336	251,336
Other Nonmajor Governmental Funds	591,880	543,168
<i>Total Governmental Activities</i>	<u>\$1,637,720</u>	<u>\$1,637,720</u>

Interfund advances at December 31, 2019, consisted amounts advanced to other governmental funds to provide working capital for operations or projects. Advances are expected to be repaid within one year.

Note 13 – Contingent Liabilities

As of December 31, 2019, Prairie Township is not a defendant in any lawsuits.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

Note 14 – 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.

Note 15 – Accounting Principles

For the fiscal year ended December 31, 2019, the Township has implemented Governmental Accounting Standards Board (GASB) Statement No. 83, Certain Asset Retirement Obligations, Statement No. 84, Fiduciary Activities and Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.

GASB Statement No. 83 establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for certain asset retirement obligations (AROs). The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the Township.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. The implementation of GASB Statement No. 84 did not have an effect on the financial statements of the Township.

GASB Statement No. 88 establishes criteria to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the Township.

PRAIRIE TOWNSHIP
FRANKLIN COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Provided Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TREASURY				
<i>Passed Through Ohio Budget & Management</i>				
COVID-19 Coronavirus Relief Fund	21.019	HB481-CRF-Local		\$1,593,571
Total U.S. Department of Treasury				<u>1,593,571</u>
U.S. DEPARTMENT OF HOMELAND SECURITY				
<i>Passed Through Ohio Emergency Management Agency</i>				
Hazard Mitigation Grant Program (HMGP)	97.039	FEMA-DR-4360.07R-OH		752,052
Total U.S. Department of Homeland Security				<u>752,052</u>
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Health</i>				
Special Supplemental Nutrition Program of Women, Infants & Children (WIC)	10.557	3890		10,220
Total U.S. Department of Agriculture				<u>10,220</u>
Total Expenditures of Federal Awards				<u><u>\$2,355,843</u></u>

The accompanying notes are an integral part of this schedule.

**PRAIRIE TOWNSHIP
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Prairie Township (the Township) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Township, it is not intended to and does not present the financial position or changes in net position of the Township.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Township has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**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 auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Prairie Township, Franklin County, (the Township) as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 18, 2021, wherein we noted the Township uses a special purpose framework other than generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Township.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Township's internal control over financial reporting (internal control) as a basis for designing 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 Township'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. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

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 financial statements. 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 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 report is not suitable for any other purpose.



BHM CPA Group, Inc.
Piketon, Ohio
June 18, 2021



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Prairie Township
Franklin County
23 Maple Drive
Columbus, Ohio 43228

To the Board of Trustees:

Report on Compliance for each Major Federal Program

We have audited Prairie Township's (the Township) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect each of Prairie Township's major federal programs for the year ended December 31, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Township's major federal programs.

Management's Responsibility

The Township's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Township's compliance for each of the Township's major federal programs based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on each of the Township's major programs. However, our audit does not provide a legal determination of the Township's compliance.

Opinion on each Major Federal Program

In our opinion, Prairie Township complied, in all material respects with the compliance requirements referred to above that could directly and materially affect each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The Township's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Township's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Township's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.



BHM CPA Group, Inc.
Piketon, Ohio
June 18, 2021

**PRAIRIE TOWNSHIP
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020 AND 2019**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Coronavirus Relief Fund CFDA #21.019 Hazard Mitigation Grant Program CFDA #97.039
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

OHIO AUDITOR OF STATE KEITH FABER



PRAIRIE TOWNSHIP

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 9/21/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov