



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

PRAIRIE TOWNSHIP
FRANKLIN COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Trustees
Prairie Township
23 Maple Dr
Columbus, OH 43228

We have reviewed the *Independent Auditor's Report* of Prairie Township, Franklin County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2021 through December 31, 2022. 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 13, 2023

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Prairie Township
Franklin County, Ohio
Table of Contents
For the Fiscal Years Ended December 31, 2022 and 2021

Title	Page
Independent Auditors' Report	1
Government-Wide Financial Statements:	
Statement of Net Position –Cash Basis – December 31, 2022.....	4
Statement of Activities –Cash Basis – For the Year Ended December 31, 2022.....	5
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis – Governmental Funds – December 31, 2022.....	6
Statement of Receipts, Disbursements, and Changes in Fund Balances – Cash Basis - Governmental Funds – For the Year Ended December 31, 2022.....	7
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund – For the Year Ended December 31, 2022	8
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Road and Bridge Fund – For the Year Ended December 31, 2022	9
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Fire Levy Fund – For the Year Ended December 31, 2022	10
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Community Recreation Center Fund – For the Year Ended December 31, 2022	11
Statement of Fiduciary Net Position –Cash Basis – Fiduciary Funds – December 31, 2022.....	12
Statement of Changes in Fiduciary Net Position –Cash Basis – Fiduciary Funds – December 31, 2022.....	13
Notes to the Basic Financial Statements for the Year Ended December 31, 2022.....	14

Prairie Township
Franklin County, Ohio
Table of Contents
For the Fiscal Years Ended December 31, 2022 and 2021
(Continued)

Title	Page
Government-Wide Financial Statements:	
Statement of Net Position –Cash Basis – December 31, 2021	39
Statement of Activities –Cash Basis – For the Year Ended December 31, 2021.....	40
Fund Financial Statements:	
Statement of Assets and Fund Balances – Cash Basis – Governmental Funds – December 31, 2021.....	41
Statement of Receipts, Disbursements, and Changes in Fund Balances – Cash Basis - Governmental Funds – For the Year Ended December 31, 2021.....	42
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – General Fund – For the Year Ended December 31, 2021.....	43
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Road and Bridge Fund – For the Year Ended December 31, 2021.....	44
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Fire Levy Fund – For the Year Ended December 31, 2021.....	45
Statement of Receipts, Disbursements, and Changes in Fund Balance – Budget and Actual (Budget Basis) – Community Recreation Center Fund – For the Year Ended December 31, 2021.....	46
Statement of Fiduciary Net Position –Cash Basis – Fiduciary Funds – December 31, 2021.....	47
Statement of Changes in Fiduciary Net Position –Cash Basis – Fiduciary Funds – December 31, 2021.....	48
Notes to the Basic Financial Statements for the Year Ended December 31, 2021.....	49
Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	74



INDEPENDENT AUDITOR'S REPORT

Prairie Township
Franklin County
23 Maple Drive
Columbus, Ohio 43228

To the Board of Trustees:

Report on the Audit of the Financial Statements

Opinions

We have audited the cash-basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Prairie Township, Franklin County, Ohio (the Township), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective cash-basis financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2022 and 2021, and the respective changes in cash-basis financial position thereof and the respective budgetary comparison for the General, Road and Bridge, Fire Levy and Community Recreation Center funds thereof for the years then ended in accordance with the cash-basis of accounting described in Note 2.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Accounting Basis

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Emphasis of Matter

As discussed in Note 17 to the 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, 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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's 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 30, 2023

Prairie Township
Franklin County, Ohio
Statement of Net Position - Cash Basis
December 31, 2022

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 17,370,607
<i>Total Assets</i>	<i>\$ 17,370,607</i>
 Net Position	
Restricted for:	
Capital Projects	\$ 603,448
Permanent Fund Purpose:	
Expendable	77
Nonexpendable	2,000
Other Purposes	10,845,887
Unrestricted	5,919,195
<i>Total Net Position</i>	<i>\$ 17,370,607</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, 2022

	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	\$ 2,424,157	\$ 150,256	\$ 3,008,469	\$ 1,867,957	\$ 2,602,525
Public Safety	6,333,723	899,283	1,991,204	-	(3,443,236)
Public Works	1,835,307	134,095	259,327	-	(1,441,885)
Health	265,790	200,660	-	-	(65,130)
Conservation-Recreation	1,693,537	871,159	-	-	(822,378)
Other	859,012	26,533	-	91,263	(741,216)
Capital Outlay	2,182,819	-	-	-	(2,182,819)
Debt Service:					
Principal Retirement	419,183	-	-	-	(419,183)
Interest and Fiscal Charges	353,321	-	-	-	(353,321)
Total	16,366,849	2,281,986	5,259,000	1,959,220	(6,866,643)
General Receipts:					
Property Taxes and Other Local Taxes:					
					6,224,342
					124,814
					1,117,324
					50,000
					161,113
					69,369
					108,287
					<u>7,855,249</u>
					988,606
					<u>16,382,001</u>
					<u>\$ 17,370,607</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, 2022

	General	Road and Bridge Fund	Fire Levy Fund	Community Recreation Center Fund	Parks Capital Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 5,835,711	\$ 598,530	\$ 4,912,836	\$ 83,484	\$ 543,999	\$ 5,396,047	\$ 17,370,607
<i>Total Assets</i>	<u>\$ 5,835,711</u>	<u>\$ 598,530</u>	<u>\$ 4,912,836</u>	<u>\$ 83,484</u>	<u>\$ 543,999</u>	<u>\$ 5,396,047</u>	<u>\$ 17,370,607</u>
Fund Balances							
Restricted	\$ -	\$ -	\$ 4,912,836	\$ -	\$ -	\$ 5,146,047	\$ 10,058,883
Committed	-	598,530	-	-	-	-	598,530
Assigned	-	-	-	83,484	543,999	250,000	877,483
Unassigned (Deficit)	5,835,711	-	-	-	-	-	5,835,711
<i>Total Fund Balances</i>	<u>\$ 5,835,711</u>	<u>\$ 598,530</u>	<u>\$ 4,912,836</u>	<u>\$ 83,484</u>	<u>\$ 543,999</u>	<u>\$ 5,396,047</u>	<u>\$ 17,370,607</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, 2022

	General	Road and Bridge Fund	Fire Levy Fund	Community Recreation Center Fund	Parks Capital Fund	Other Governmental Funds	Total Governmental Funds
Receipts							
Property and Other Local Taxes	\$ 333,498	\$ 346,910	\$ 5,662,104	\$ -	\$ -	\$ 134,096	\$ 6,476,608
Charges for Services	-	11,245	-	-	-	626,575	637,820
Licenses, Permits and Fees	280,246	4,843	22,001	852,209	-	84,661	1,243,960
Fines and Forfeitures	23,404	-	-	-	-	-	23,404
Intergovernmental	2,644,695	41,240	524,256	-	1,362,558	3,257,396	7,830,145
Special Assessments	23,283	235	-	-	-	251,796	275,314
Earnings on Investments	67,859	-	-	-	-	1,510	69,369
Miscellaneous	9,676	13,208	8,984	22,184	555,399	135,659	745,110
<i>Total Receipts</i>	<u>3,382,661</u>	<u>417,681</u>	<u>6,217,345</u>	<u>874,393</u>	<u>1,917,957</u>	<u>4,491,693</u>	<u>17,301,730</u>
Disbursements							
Current:							
General Government	1,623,085	-	-	-	-	801,072	2,424,157
Public Safety	202,000	-	5,542,143	-	-	589,580	6,333,723
Public Works	260,972	276,137	-	-	-	1,298,198	1,835,307
Health	104,904	-	-	-	-	160,886	265,790
Conservation-Recreation	298,617	-	-	1,389,920	-	5,000	1,693,537
Other	-	-	-	-	-	859,012	859,012
Capital Outlay	-	103,262	1,834	5,000	1,936,160	136,563	2,182,819
Debt Service:							
Principal Retirement	41,594	-	-	-	-	377,589	419,183
Interest and Fiscal Charges	8,896	-	-	-	-	344,425	353,321
<i>Total Disbursements</i>	<u>2,540,068</u>	<u>379,399</u>	<u>5,543,977</u>	<u>1,394,920</u>	<u>1,936,160</u>	<u>4,572,325</u>	<u>16,366,849</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>842,593</u>	<u>38,282</u>	<u>673,368</u>	<u>(520,527)</u>	<u>(18,203)</u>	<u>(80,632)</u>	<u>934,881</u>
Other Financing Sources (Uses)							
Sale of Capital Assets	-	50,000	-	-	-	-	50,000
Transfers In	-	-	-	541,881	250,000	823,206	1,615,087
Transfers Out	(707,206)	-	(250,000)	-	-	(657,881)	(1,615,087)
Advances In	1,443,612	-	-	-	1,362,558	100,000	2,906,170
Advances Out	(1,462,558)	-	-	-	(1,362,558)	(81,054)	(2,906,170)
Other Financing Sources	3,725	-	-	-	-	-	3,725
<i>Total Other Financing Sources (Uses)</i>	<u>(722,427)</u>	<u>50,000</u>	<u>(250,000)</u>	<u>541,881</u>	<u>250,000</u>	<u>184,271</u>	<u>53,725</u>
<i>Net Change in Fund Balances</i>	<u>120,166</u>	<u>88,282</u>	<u>423,368</u>	<u>21,354</u>	<u>231,797</u>	<u>103,639</u>	<u>988,606</u>
<i>Fund Balances Beginning of Year, As Restated in Note 18</i>	<u>5,715,545</u>	<u>510,248</u>	<u>4,489,468</u>	<u>62,130</u>	<u>312,202</u>	<u>5,292,408</u>	<u>16,382,001</u>
<i>Fund Balances End of Year</i>	<u>\$ 5,835,711</u>	<u>\$ 598,530</u>	<u>\$ 4,912,836</u>	<u>\$ 83,484</u>	<u>\$ 543,999</u>	<u>\$ 5,396,047</u>	<u>\$ 17,370,607</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, 2022

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 245,000	\$ 245,000	\$ 333,498	\$ 88,498
Licenses, Permits and Fees	294,000	294,000	280,246	(13,754)
Fines and Forfeitures	12,000	12,000	23,404	11,404
Intergovernmental	2,262,500	2,262,501	2,644,695	382,194
Special Assessments	50,000	50,000	23,283	(26,717)
Earnings on Investments	100,000	100,000	67,859	(32,141)
Miscellaneous	30,000	30,000	9,676	(20,324)
<i>Total Receipts</i>	<u>2,993,500</u>	<u>2,993,501</u>	<u>3,382,661</u>	<u>389,160</u>
Disbursements				
Current:				
General Government	1,730,597	1,795,398	1,686,208	109,190
Public Safety	202,000	202,000	202,000	-
Public Works	263,807	263,807	260,972	2,835
Health	100,000	105,000	104,904	96
Conservation-Recreation	303,361	303,361	298,617	4,744
Debt Service:				
Principal Retirement	41,594	41,594	41,594	-
Interest and Fiscal Charges	8,896	8,896	8,896	-
<i>Total Disbursements</i>	<u>2,650,255</u>	<u>2,720,056</u>	<u>2,603,191</u>	<u>116,865</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>343,245</u>	<u>273,445</u>	<u>779,470</u>	<u>506,025</u>
Other Financing Sources (Uses)				
Transfers Out	(722,206)	(772,206)	(707,206)	65,000
Advances In	-	-	1,443,612	1,443,612
Advances Out	-	-	(1,462,558)	(1,462,558)
Other Financing Sources	-	-	3,725	3,725
<i>Total Other Financing Sources (Uses)</i>	<u>(722,206)</u>	<u>(772,206)</u>	<u>(722,427)</u>	<u>49,779</u>
<i>Net Change in Fund Balance</i>	<u>(378,961)</u>	<u>(498,761)</u>	<u>57,043</u>	<u>555,804</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	5,660,627	5,660,627	5,660,627	-
Prior Year Encumbrances Appropriated	54,918	54,918	54,918	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 5,336,584</u>	<u>\$ 5,216,784</u>	<u>\$ 5,772,588</u>	<u>\$ 555,804</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
Road and Bridge Fund
For the Year Ended December 31, 2022

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Receipts				
Property and Other Local Taxes	\$ 288,918	\$ 288,918	\$ 346,910	\$ 57,992
Charges for Services	11,036	11,036	11,245	209
Licenses, Permits and Fees	-	-	4,843	4,843
Intergovernmental	37,176	37,176	41,240	4,064
Special Assessments	-	-	235	235
Miscellaneous	-	-	13,208	13,208
<i>Total Receipts</i>	<u>337,130</u>	<u>337,130</u>	<u>417,681</u>	<u>80,551</u>
Disbursements				
Current:				
Public Works	380,003	402,003	379,568	22,435
Capital Outlay	<u>125,262</u>	<u>103,262</u>	<u>103,262</u>	<u>-</u>
<i>Total Disbursements</i>	<u>505,265</u>	<u>505,265</u>	<u>482,830</u>	<u>22,435</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(168,135)</u>	<u>(168,135)</u>	<u>(65,149)</u>	<u>102,986</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	50,000	50,000
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<i>Net Change in Fund Balance</i>	(168,135)	(168,135)	(15,149)	152,986
<i>Unencumbered Fund Balance Beginning of Year</i>	362,486	362,486	362,486	-
Prior Year Encumbrances Appropriated	<u>147,762</u>	<u>147,762</u>	<u>147,762</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 342,113</u>	<u>\$ 342,113</u>	<u>\$ 495,099</u>	<u>\$ 152,986</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 Levy Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Receipts				
Property and Other Local Taxes	\$ 5,400,000	\$ 5,400,001	\$ 5,662,104	\$ 262,103
Licenses, Permits and Fees	17,450	17,450	22,001	4,551
Intergovernmental	530,000	530,000	524,256	(5,744)
Miscellaneous	-	-	8,984	8,984
<i>Total Receipts</i>	<u>5,947,450</u>	<u>5,947,451</u>	<u>6,217,345</u>	<u>269,894</u>
Disbursements				
Current:				
Public Safety	5,755,697	6,146,707	5,542,143	604,564
Capital Outlay	20,000	20,000	1,834	18,166
<i>Total Disbursements</i>	<u>5,775,697</u>	<u>6,166,707</u>	<u>5,543,977</u>	<u>622,730</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>171,753</u>	<u>(219,256)</u>	<u>673,368</u>	<u>892,624</u>
Other Financing Sources (Uses)				
Transfers Out	(250,000)	(250,000)	(250,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(78,247)	(469,256)	423,368	892,624
<i>Unencumbered Fund Balance Beginning of Year</i>	4,489,468	4,489,468	4,489,468	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 4,411,221</u>	<u>\$ 4,020,212</u>	<u>\$ 4,912,836</u>	<u>\$ 892,624</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, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Receipts				
Licenses, Permits and Fees	\$ 1,076,700	\$ 1,076,700	\$ 852,209	\$ (224,491)
Miscellaneous	30,000	30,000	22,184	(7,816)
<i>Total Receipts</i>	<u>1,106,700</u>	<u>1,106,700</u>	<u>874,393</u>	<u>(232,307)</u>
Disbursements				
Current:				
Conservation-Recreation	1,443,900	1,443,900	1,389,920	53,980
Capital Outlay	5,000	5,000	5,000	-
<i>Total Disbursements</i>	<u>1,448,900</u>	<u>1,448,900</u>	<u>1,394,920</u>	<u>53,980</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(342,200)</u>	<u>(342,200)</u>	<u>(520,527)</u>	<u>(178,327)</u>
Other Financing Sources (Uses)				
Transfers In	465,000	465,000	541,881	76,881
<i>Total Other Financing Sources (Uses)</i>	<u>465,000</u>	<u>465,000</u>	<u>541,881</u>	<u>76,881</u>
<i>Net Change in Fund Balance</i>	122,800	122,800	21,354	(101,446)
<i>Unencumbered Fund Balance Beginning of Year</i>	62,130	62,130	62,130	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 184,930</u>	<u>\$ 184,930</u>	<u>\$ 83,484</u>	<u>\$ (101,446)</u>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2022

	Other Custodial
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 8,644
<i>Total Assets</i>	<i>\$ 8,644</i>
Net Position	
Restricted for Individuals, Organizations & Other Governments Expendable	\$ 8,644
<i>Total Net Position</i>	<i>\$ 8,644</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, 2021

	Other Custodial
Additions	
Performance Deposits Received	\$ 1,100
<i>Total Additions</i>	1,100
Deductions	
Distributions of Performance Deposits	\$ -
<i>Total Deductions</i>	-
Change in Net Position	1,100
Net Position Beginning of Year	7,544
<i>Net Position End of Year</i>	\$ 8,644

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, 2022

Note 1 – Reporting Entity

Prairie Township, Franklin County, Ohio (the Township), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer. Since 2002, the Township is also a limited home rule form of government.

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 the following services to its citizens: general government services, maintenance of Township roads and bridges, fire protection, cemetery maintenance and recreation services. Police protection is provided by the Franklin County Sheriff's Department.

Joint Ventures and Public Entity Risk Pools

The Township participates in two joint ventures and a public entity risk Pool. Note 14 and 15 to the financial statements provide additional information for these entities.

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

Note 2 – Summary of Significant Accounting Policies

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

Basis of Presentation

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

Government-Wide Financial Statements

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

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

The statement of net position presents the cash balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of 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 each 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. The funds of the Township are divided into two categories, governmental, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are financed. The following are the Township's major governmental funds:

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

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

Parks Capital: The Parks Capital fund accounts for and reports on construction, improvements, and equipment of Township parks.

Road & Bridge: The road and bridge fund accounts for and reports property tax (inside millage) committed for the construction, reconstruction, resurfacing, repair, maintenance, materials, and operations of Township roads and bridges.

Community Recreation Center Fund: The Community Recreation Center Fund accounts for and reports resources restricted for the Prairie Township Community Center.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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. The Township had Cemetery Endowment funds of \$2,000 set aside as of December 31, 2022.

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 for amounts collected and distributed on behalf of another government or organization. The Township's custodial funds account for developer's bond and permits.

Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. 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.

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 custodial 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 resolution, 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 resolution is the Township's authorization to spend resources and sets limits on cash disbursements plus encumbrances at the level of control selected by the Township. The legal level of control has been established by the Township 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

The appropriations resolution 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 resolution 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 (contra revenue), respectively.

During 2022, the Township invested in nonnegotiable certificates of deposit, money market mutual funds, U.S. Treasury / Agency Securities, other fixed income securities, and STAR Ohio. Investments are reported at cost, except for the money market mutual funds and STAR Ohio. The Township’s money market mutual fund investment is recorded at the amount reported by Fifth Third Securities on December 31, 2022.

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 measures their investment 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 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice for deposits and withdrawals of \$100 million or more is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 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 2022 was \$69,369 which includes \$1,510 assigned from other Township funds.

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. Unclaimed monies that are required to be held for five years before they may be utilized by the Township are reported as restricted.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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.

The fund financial statements report outstanding interfund loans as interfund receivables/payables. Interfund loans which do not represent available expendable resources are classified as nonspendable fund balance. Interfund balances are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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 9 and 10, 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 (including the intangible right to use) when entering into a lease or financed purchase transaction is not the result of a cash transaction, neither another financing source nor a capital outlay expenditure is reported at inception. Lease payments and financed purchase 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, 2022

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:

Non-spendable – The non-spendable 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. In contrast to fund balance that is restricted by enabling legislation, the committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by Township Trustees, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints is not considered to be legally enforceable. 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. 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Internal Activity

Internal allocations of overhead expenses from one function to another, or within the same function, are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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 fund without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental 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 – Accountability and Compliance

The Township did not have any deficit fund balances / net position or any significant violations of finance-related legal or contractual provisions during 2022.

Note 4 – 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 fund and any major special revenue fund is 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 2022 (budgetary basis) amounted to \$63,123 for the General Fund and \$103,431 for the Road and Bridge Fund.

Note 5 – Deposits and Investments

State statutes classify monies held by the Township 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) 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.

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. Except as noted above 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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 in the financial statements.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$4,232,982.66 of the Township’s bank balance of \$4,482,982.65 was exposed to custodial credit risk because those deposits were uninsured or uncollateralized. The Township’s financial institution was approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System.

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 the Township and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

The fair value of these investments is not materially different than measurement value. As of December 31, 2022, the Township had the following investments:

	Fair Value	Maturity
Federal National Mortgage Association Note	\$ 300,000.00	1-3 years
Federal Home Loan Mortgage Corporation Note	1,469,760.00	1-3 years
Federal Home Loan Bank Note	1,500,000.00	1-3 years
Federal Farm Credit Banks Funding Corp	500,000.00	1-3 years
Money Market Mutual Fund	4,538,736.59	Less than 1 year
Commercial Paper	1,461,614.48	Less than 1 year
CD	3,609,000.00	1-2 years
STAR Ohio	1,091.00	Less than 1 year
Total Portfolio	<u>\$13,380,202.07</u>	

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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, federal home loan corporation notes and the federal home loan bank notes (Agency notes) carry a rating of Aaa by Moody’s and AA+ by Standard & Poor’s. The Commercial Paper carrier a rating of A-1/A/A-1 by Standard & Poor’s and P-1/A1/P-1 by Moody’s. STAR Ohio carries a rating of AAAM 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 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 CDs are FDIC insured.

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, 2022:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Federal National Mortgage Association Note	2%
Federal Home Loan Mortgage Corporation Note	11%
Federal Home Loan Bank Note	11%
Federal Farm Credit Banks Funding Corp	4%
Money Market Mutual Fund	34%
Commercial Paper	11%
CD	27%
STAR Ohio	0%

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Note 6 – Taxes

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2022 for real and public utility property taxes represents collections of 2021 taxes.

2022 real property taxes are levied after October 1, 2022, on the assessed value as of January 1, 2022, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2022 real property taxes are collected in and intended to finance 2023.

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. 2022 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2022, and are collected in 2023 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2022, was \$21.81 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2022 property tax receipts were based are as follows:

Real Property	349,448,290
Public Utility Personal Property	<u>48,225,820</u>
Total	<u>\$397,674,110</u>

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, 2022

Note 7 – Interfund Balances and Transfers

Transfers

During 2022 the following transfers were made:

Transfer To	Transfer From			Total
	Major Funds		Other Nonmajor Governmental	
	General	Fire Levy		
Major Funds:				
Community Recreation Center	\$ 50,000	\$ -	\$ 491,881	\$ 541,881
Parks Capital	\$ 250,000	\$ -	\$ -	\$ 250,000
Other Nonmajor Governmental	<u>\$ 407,206</u>	<u>\$ 250,000</u>	<u>\$ 166,000</u>	<u>\$ 823,206</u>
	<u>\$ 707,206</u>	<u>\$ 250,000</u>	<u>\$ 657,881</u>	<u>\$ 1,615,087</u>

Interfund Balances (Advances)

Interfund balances at December 31, 2022, consisted of the following individual fund receivables and payables:

Advances To	Advances From			Total
	Major Funds		Other Nonmajor Governmental	
	General	Parks Capital		
Major Funds:				
General	\$ -	\$ 1,362,558	\$ 81,054	\$ 1,443,612
Parks Capital	\$ 1,362,558			\$ 1,362,558
Other Nonmajor Governmental	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,000</u>
	<u>\$ 1,462,558</u>	<u>\$ 1,362,558</u>	<u>\$ 81,054</u>	<u>\$ 2,906,170</u>

Interfund advances on December 31, 2022, consisted of \$2,912,108 advanced to other governmental funds to provide working capital for operations or projects. The interfund advances are expected to be repaid within one year.

Note 8 – Risk Management

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio Townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc. (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services to the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles. During 2022, the Township contracted with OTARMA exclusively for various types of insurance coverage as follows:

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Type of Coverage	Coverage		Deductible
<i>Ohio Township Association Risk Management Authority (OTARMA)</i>			
Blanket Property and Contents, Replacement	\$	19,460,896.00	\$ 1,000.00
Inland Marine	\$	1,679,760.00	\$ 1,000.00
General Liability	\$	4,000,000.00	-
Automobile Liability	\$	4,000,000.00	-
Public Officials Liability	\$	4,000,000.00	\$ 1,000.00
Employment Practice Liability	\$	4,000,000.00	\$ 1,000.00
Computer - Hardware & Software	\$	115,545.00	\$ 500.00
Public Employee Dishonesty	\$	100,000.00	\$ 1,000.00
Money and Securities	\$	100,000.00	\$ 1,000.00
Cyber Breach First Party Costs	\$	250,000.00	\$ 10,000.00
Cyber Liability	\$	4,000,000.00	\$ 1,000.00

Settled claims did not exceed coverage last year and there was no significant reduction in coverage from the prior year.

Workers' Compensation coverage is provided by the State of Ohio. The Township pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Township manages employee health benefits on a self-insured basis. The employee health benefit plan provides basic health coverage through United Health Care, and dental coverage through AETNA, the third-party administrators (TPA) of the programs, who review and pay the claims. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$1,000,000 per employee per year. The composite rate per employee and any covered dependents, including medical, dental, RX, EAP, vision and all administrative fees was \$26,448 annually.

Note 9 – Defined Benefit Pension Plan

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Township employees, other than full-time and part-time firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple employer public employee retirement system which 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 pension/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.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan 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

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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	Group C Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
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	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	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
Public Safety	Public Safety	Public Safety
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 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
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 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
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	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	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

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. The amount of a member's pension benefit vests upon receipt of the initial benefit payment. The options for Public Safety and Law Enforcement permit early retirement under qualifying circumstances as early as age 48 with a reduced benefit.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

When a traditional plan benefit recipient has received benefits for 12 months, the member is eligible 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 on the defined benefit portion of their pension benefit. For those retiring prior to January 7, 2013, the cost-of-living adjustment is 3 percent. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the adjustment is 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 the benefit (which includes joint and survivor options and will continue to be administered by OPERS), 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. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Effective January 1, 2022, the Combined Plan is no longer available for member selection.

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

	State and Local	Public Safety	Law Enforcement
2022 Statutory Maximum Contribution Rates			
Employer	14.0%	18.1%	18.1%
Employee *	10.0%	**	***
2022 Actual Contribution Rates			
Employer:			
Pension ****	14.0%	18.1%	18.1%
Post-employment Health Care Benefits ****	0.0%	0.0%	0.0%
Total Employer	14.0%	18.1%	18.1%
Employee	10.0%	12.0%	13.0%

* Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.

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

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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- *** 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.
- **** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. For 2022, the Township's contractually required contribution was \$263,183.27 for the traditional plan, \$515.86 for the combined plan and \$9,832.00 for the member-directed plan.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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.

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 Annual Comprehensive Financial Report 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 under optional plans, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

	Police	Firefighters
2022 Statutory Maximum Contribution Rates		
Employer	19.50%	24.00%
Employee	12.25%	12.25%
 2022 Actual Contribution Rates		
Employer:		
Pension	19.00%	23.50%
Post-employment Health Care Benefits	0.50%	0.50%
Total Employer	19.50%	24.00%
 Employee	 12.25%	 12.25%

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

Social Security

39 Township employees contributed to Social Security. 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, 2022.

Note 10 – 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-

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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 post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS. For those retiring on or after January 1, 2015, the allowance has been determined by applying a percentage to the base allowance. The percentage applied is based on years of qualifying service credit and age when the retiree first enrolled in OPERS health care. Monthly allowances range between 51 percent and 90 percent of the base allowance. Those who retired prior to January 1, 2015, will have an allowance of at least 75 percent of the base allowance.

The health care 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, member directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

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. Members in Group A are eligible for coverage at any age with 30 or more years of qualifying service. Members in Group B are eligible at any age with 32 years of qualifying service, or at age 52 with 31 years of qualifying service. Members in Group C are eligible for coverage with 32 years of qualifying service and a minimum age of 55. Current retirees eligible (or who became eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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' Annual Comprehensive Financial Report referenced below for additional information.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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 allowing 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. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2022, 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 2022, 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 2022 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 2022.

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 post-employment health care 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.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

Regardless of a benefit recipient's participation in the health care program, OP&F is required by law to pay eligible recipients of a service pension, disability benefit and spousal survivor benefit for their Medicare Part B insurance premium, up to the statutory maximum provided the benefit recipient is not eligible to receive reimbursement from any other source. Once OP&F receives the necessary documentation, a monthly reimbursement is included as part of the recipient's next benefit payment. The

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

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.

OP&F maintains funds for health care in two separate accounts: 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 under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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 2022, 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.

Note 11 – Debt

Long-Term Obligations

The township entered into various loan agreements 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 street improvement projects on Palmetto Road, Inah Avenue, South Grener, Woodlawn Avenue and Beacon Hill Road. The Township will pay Ohio Public Works Commission semi-annual payments for 20 years.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

<u>Year Issued</u>	<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>	<u>Fund for Repayment</u>
2006	OPWC Loan - Palmetto Street	0.00%	\$319,554	July 2026	Palmetto Road Project Fund
2009	OPWC Loan - Inah Avenue	0.00%	506,359	July 2029	Inah Ave. Road Project Fund
2010	OPWC Loan - S Greener Phase 1	0.00%	332,751	July 2030	South Greener Phase I Fund
2011	OPWC Loan - S Greener Phase 2	0.00%	129,279	July 2031	South Greener Phase II Fund
2012	OPWC Loan - S Greener Phase 3	0.00%	207,677	July 2032	South Greener Phase III Fund
2013	OPWC Loan - Woodlawn Avenue	0.00%	370,856	July 2034	Woodlawn Ave. Imprv. Fund
2013	OPWC Loan - Beacon Hill Road	0.00%	285,315	July 2034	Beacon Hill Road Imprv. Fund
2016	GO-Community. Center Bond, 2016 Series	4.00%	8,430,000	December 2038	JEDZ Funds
2018	Sports Complex Concession Stand	3.40%	425,000.00	August 2027	General Fund

The Township's long-term debt activity for the year ended December 31, 2022 was as follows:

	Amount Outstanding			Amount Outstanding 12/31/2022	Amount Due in One Year
	12/31/2021	Additions	Deletions		
Governmental Activities					
OPWC Loan - Palmetto Street	\$87,877	\$0	\$15,978	\$71,899	\$15,978
OPWC Loan - Inah Avenue	214,908	0	25,318	189,590	25,318
OPWC Loan - South Greener Phase 1	149,735	0	16,638	133,097	16,638
OPWC Loan - South Greener Phase 2	67,871	0	6,464	61,407	6,464
OPWC Loan - South Greener Phase 3	119,410	0	10,384	109,026	10,384
OPWC Loan - Beacon Hill Road	192,587	0	14,266	178,321	14,266
OPWC Loan - Woodlawn Avenue	250,328	0	18,543	231,785	18,543
GO-Community Center Bond, 2016 Series	8,365,000	0	15,000	8,350,000	295,000
Sports Complex Concession Stand	239,755	0	41,594	198,161	43,021
	<u>\$ 9,687,471</u>	<u>\$0</u>	<u>\$164,185</u>	<u>\$9,523,286</u>	<u>\$445,612</u>

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 projects on Palmetto Road, Inah Avenue, South Greener Road Improvement (Phases I, II & 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.

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, 2022

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 established Sports Complex Park. Terms of this loan require semi-annual payments over ten years at a 3.4% APR.

Future loan payments are as follows:

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

OPWC Loans:

Year	Palmetto Street	Inah Avenue	South Greener Phase I	South Greener Phase II	South Greener Phase III	Beacon Hill	Woodlawn Ave.
2023	\$15,978	\$25,318	\$16,638	\$6,464	\$10,384	\$14,266	\$18,543
2024	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2025	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2026	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2027	7,987	25,318	16,638	6,464	10,384	14,266	18,543
2028-2032		63,000	49,907	29,087	51,920	71,330	92,715
2033-2034	-				5,186	35,661	46,355
Total	\$71,899	\$189,590	\$133,097	\$61,407	\$109,026	\$178,321	\$231,785

General Obligation Bonds:

Year	Principal	Interest
2023	\$295,000	\$334,000
2024	320,000	322,200
2025	345,000	304,400
2026	375,000	295,600
2027	400,000	280,600
2028-2032	2,445,000	1,137,400
2033-2037	3,355,000	584,000
2038	<u>815,000</u>	<u>32,600</u>
Total	\$8,350,000	\$3,290,800

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Kansas State Bank Loan:

Year	Principal	Interest
2023	\$43,021	\$7,470
2024	44,496	5,994
2025	46,021	4,469
2026	47,599	2,891
2027	<u>17,024</u>	<u>1,259</u>
Total	\$198,162	\$22,083

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 an amount equal to 10.5% of its tax valuation.

Note 12 – Construction and Contractual Commitments

As of December 31, 2022, the Township had \$1,606,000 in outstanding contractual commitments related to construction. The majority commitment was \$1,127,828 for road resurfacing on various roads throughout the Township.

Note 13 – Contingent Liabilities-

As of December 31, 2022, 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.

Note 14 – Joint Ventures

The Township participates in two joint ventures.

Joint Economic Development District

The Township is a member of a Joint Economic Development District (JEDD) with the City of Columbus. Prairie Township-City of Columbus Joint Economic Development District is a contract created on November 10, 2010 under ORC 715.72 through 715.81 (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. The City of Columbus provides the city services to businesses 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Joint Economic Development Zone (JEDZ)

The Township is a member of Prairie-Obetz Joint Economic Development Zone (JEDZ) with the Village of Obetz. Prairie-Obetz Joint Economic Development District (JEDZ) is a contract created on August 1, 2011, under ORC 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. The Township residents approved the creation of the JEDZ by a majority vote on November 8, 2011. The Township will provide the JEDZ 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 is split 20% to the Village and 80% to the Township.

Note 15 – Public Entity Risk Pool

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
- Employment practices 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>2021</u>
Cash and investments	\$34,880,559
Actuarial liabilities	\$10,601,444

Note 16 – Fund Balances

Fund balance is classified as non-spendable, 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 are presented below:

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2022

Fund Balances	General	Road and Bridge	Fire Levy	Community Recreation Center	Parks Capital	Other Governmental Funds	Total
Restricted for:							
Cemetery	\$0	\$0	\$0	\$0	\$0	\$246,933	\$246,933
Economic Development	\$0	\$0	\$0	\$0	\$0	\$1,423,452	\$1,423,452
Emergency Medical Services	\$0	\$0	\$0	\$0	\$0	\$873,289	\$873,289
Federal Disaster Relief	\$0	\$0	\$0	\$0	\$0	\$968,891	\$968,891
Fire Operations	\$0	\$0	\$4,912,836	\$0	\$0	\$801,332	\$5,714,168
Road and Bridge Maintenance and Improvements	\$0	\$0	\$0	\$0	\$0	\$426,043	\$426,043
Street Light Assessments	\$0	\$0	\$0	\$0	\$0	\$395,372	\$395,372
West Broad Streetscape	\$0	\$0	\$0	\$0	\$0	\$10,535	\$10,535
Zoning	\$0	\$0	\$0	\$0	\$0	\$200	\$200
Total NonSpendable	\$0	\$0	\$4,912,836	\$0	\$0	\$5,146,047	\$10,058,883
Committed to:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Road and Bridge Maintenance and Improvements	\$0	\$598,530	\$0	\$0	\$0	\$0	\$598,530
Total Committed	\$0	\$598,530	\$0	\$0	\$0	\$0	\$598,530
Assigned to:							
Park Improvements	\$0	\$0	\$0	\$0	\$543,999	\$0	\$543,999
Recreations Activities	\$0	\$0	\$0	\$83,484	\$0	\$0	\$83,484
Roads Maintenance	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000
Total Assigned	\$0	\$0	\$0	\$83,484	\$543,999	\$250,000	\$877,483
Unassigned	\$5,835,711	\$0	\$0	\$0	\$0	\$0	\$5,835,711
Total Fund Balances 12/31/2022	\$5,835,711	\$598,530	\$4,912,836	\$83,484	\$543,999	\$5,396,047	\$17,370,607

Note 17 – 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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2022, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.

Note 18 – Restatement of Beginning Balances

During 2022, the Township identified and corrected errors and voided prior period transactions which had the following effect on beginning fund balances and net position:

	General	Fire Levy	Community Recreation Center	Governmental Activities
Fund Balance/Net Position as of January 1, 2022	\$ 5,717,155	\$ 4,488,941	\$ 59,638	\$ 16,380,592
Voided Disbursements	-	527	2,492	3,019
Correction of Prior Period Errors	(1,610)	-	-	(1,610)
Restated Fund Balance/Net Position as of January 1, 2022	\$ 5,715,545	\$ 4,489,468	\$ 62,130	\$ 16,382,001

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Prairie Township
Franklin County, Ohio
Statement of Net Position - Cash Basis
December 31, 2021

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 16,380,592
<i>Total Assets</i>	<i>\$ 16,380,592</i>
 Net Position	
Restricted for:	
Capital Projects	\$ 375,766
Permanent Fund Purpose:	
Expendable	66
Nonexpendable	2,000
Other Purposes	10,225,967
Unrestricted	5,776,793
<i>Total Net Position</i>	<i>\$ 16,380,592</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, 2021

	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	\$ 1,592,695	\$ 190,028	\$ 2,816,759	\$ 508,296	\$ 1,922,388
Public Safety	5,734,153	849,078	1,812,991	-	(3,072,084)
Public Works	1,203,397	139,313	259,549	-	(804,535)
Health	214,005	218,164	-	-	4,159
Conservation-Recreation	1,511,192	650,346	-	-	(860,846)
Other	749,509	22,060	-	121,554	(605,895)
Capital Outlay	1,901,694	-	-	-	(1,901,694)
Debt Service:					
Principal Retirement	397,805	-	-	-	(397,805)
Interest and Fiscal Charges	364,325	-	-	-	(364,325)
Total	<u>13,668,775</u>	<u>2,068,989</u>	<u>4,889,299</u>	<u>629,850</u>	<u>(6,080,637)</u>
General Receipts:					
Property Taxes and Other Local Taxes:					
					6,122,780
					92,902
					1,263,949
					177,958
					55,844
					774,306
					<u>8,487,739</u>
					2,407,102
					<u>13,973,490</u>
					<u>\$ 16,380,592</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, 2021

	General	Road and Bridge Fund	Fire Levy Fund	Community Recreation Center Fund	Parks Capital Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Equity in Pooled Cash and Cash Equivalents	\$ 5,717,155	\$ 510,248	\$ 4,488,941	\$ 59,638	\$ 312,202	\$ 5,292,408	\$ 16,380,592
<i>Total Assets</i>	<u>\$ 5,717,155</u>	<u>\$ 510,248</u>	<u>\$ 4,488,941</u>	<u>\$ 59,638</u>	<u>\$ 312,202</u>	<u>\$ 5,292,408</u>	<u>\$ 16,380,592</u>
Fund Balances							
Restricted	\$ -	\$ -	\$ 4,488,941	\$ -	\$ -	\$ 4,542,408	\$ 9,031,349
Committed	-	510,248	-	-	-	-	510,248
Assigned	-	-	-	59,638	312,202	750,000	1,121,840
Unassigned (Deficit)	5,717,155	-	-	-	-	-	5,717,155
<i>Total Fund Balances</i>	<u>\$ 5,717,155</u>	<u>\$ 510,248</u>	<u>\$ 4,488,941</u>	<u>\$ 59,638</u>	<u>\$ 312,202</u>	<u>\$ 5,292,408</u>	<u>\$ 16,380,592</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, 2021

	General	Road and Bridge Fund	Fire Levy Fund	Community Recreation Center Fund	Parks Capital Fund	Other Governmental Funds	Total Governmental Funds
Receipts							
Property and Other Local Taxes	\$ 297,021	\$ 340,443	\$ 5,575,258	\$ -	\$ -	\$ 139,311	\$ 6,352,033
Charges for Services	-	4,595	-	-	-	620,116	624,711
Licenses, Permits and Fees	342,853	2,100	19,520	636,671	-	87,965	1,089,109
Fines and Forfeitures	17,859	-	-	-	-	-	17,859
Intergovernmental	2,422,009	41,434	528,117	-	508,296	3,283,242	6,783,098
Special Assessments	33,525	466	-	-	-	201,052	235,043
Earnings on Investments	53,286	-	-	-	-	2,558	55,844
Miscellaneous	14,869	8,217	21,992	13,810	713,797	145,475	918,160
<i>Total Receipts</i>	<u>3,181,422</u>	<u>397,255</u>	<u>6,144,887</u>	<u>650,481</u>	<u>1,222,093</u>	<u>4,479,719</u>	<u>16,075,857</u>
Disbursements							
Current:							
General Government	1,433,282	-	-	-	-	159,413	1,592,695
Public Safety	249,327	-	4,980,724	-	-	504,102	5,734,153
Public Works	219,483	233,041	-	-	-	750,873	1,203,397
Health	94,562	-	-	-	-	119,443	214,005
Conservation-Recreation	251,094	-	-	1,096,851	-	163,247	1,511,192
Other	-	-	-	-	-	749,509	749,509
Capital Outlay	-	-	3,167	380	1,639,251	258,896	1,901,694
Debt Service:							
Principal Retirement	40,215	-	-	-	-	357,590	397,805
Interest and Fiscal Charges	10,275	-	-	-	-	354,050	364,325
<i>Total Disbursements</i>	<u>2,298,238</u>	<u>233,041</u>	<u>4,983,891</u>	<u>1,097,231</u>	<u>1,639,251</u>	<u>3,417,123</u>	<u>13,668,775</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>883,184</u>	<u>164,214</u>	<u>1,160,996</u>	<u>(446,750)</u>	<u>(417,158)</u>	<u>1,062,596</u>	<u>2,407,082</u>
Other Financing Sources (Uses)							
Transfers In	-	-	-	455,000	250,000	1,120,046	1,825,046
Transfers Out	(1,152,046)	-	(100,000)	-	-	(573,000)	(1,825,046)
Advances In	1,757,687	-	-	-	1,509,350	242,000	3,509,037
Advances Out	(1,751,350)	-	-	-	(1,509,350)	(248,337)	(3,509,037)
Other Financing Sources	20	-	-	-	-	-	20
<i>Total Other Financing Sources (Uses)</i>	<u>(1,145,689)</u>	<u>-</u>	<u>(100,000)</u>	<u>455,000</u>	<u>250,000</u>	<u>540,709</u>	<u>20</u>
<i>Net Change in Fund Balances</i>	<u>(262,505)</u>	<u>164,214</u>	<u>1,060,996</u>	<u>8,250</u>	<u>(167,158)</u>	<u>1,603,305</u>	<u>2,407,102</u>
<i>Fund Balances Beginning of Year</i>	<u>5,979,660</u>	<u>346,034</u>	<u>3,427,945</u>	<u>51,388</u>	<u>479,360</u>	<u>3,689,103</u>	<u>13,973,490</u>
<i>Fund Balances End of Year</i>	<u>\$ 5,717,155</u>	<u>\$ 510,248</u>	<u>\$ 4,488,941</u>	<u>\$ 59,638</u>	<u>\$ 312,202</u>	<u>\$ 5,292,408</u>	<u>\$ 16,380,592</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, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Receipts				
Property and Other Local Taxes	\$ 245,000	\$ 245,000	\$ 297,021	\$ 52,021
Licenses, Permits and Fees	294,000	294,000	342,853	48,853
Fines and Forfeitures	24,000	24,000	17,859	(6,141)
Intergovernmental	2,267,500	2,267,500	2,422,009	154,509
Special Assessments	50,000	50,000	33,525	(16,475)
Earnings on Investments	100,000	100,000	53,286	(46,714)
Miscellaneous	392,000	392,000	14,869	(377,131)
<i>Total Receipts</i>	<u>3,372,500</u>	<u>3,372,500</u>	<u>3,181,422</u>	<u>(191,078)</u>
Disbursements				
Current:				
General Government	2,089,984	2,039,984	1,461,012	578,972
Public Safety	263,000	263,000	249,327	13,673
Public Works	234,608	234,608	232,170	2,438
Health	95,000	95,000	94,562	438
Conservation-Recreation	267,008	267,008	265,595	1,413
Debt Service:				
Principal Retirement	40,215	40,215	40,215	-
Interest and Fiscal Charges	10,275	10,275	10,275	-
<i>Total Disbursements</i>	<u>3,000,090</u>	<u>2,950,090</u>	<u>2,353,156</u>	<u>596,934</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>372,410</u>	<u>422,410</u>	<u>828,266</u>	<u>405,856</u>
Other Financing Sources (Uses)				
Transfers Out	(1,152,046)	(1,202,046)	(1,152,046)	50,000
Advances In	-	-	1,757,687	1,757,687
Advances Out	-	-	(1,751,350)	(1,751,350)
Other Financing Sources	-	-	20	20
<i>Total Other Financing Sources (Uses)</i>	<u>(1,152,046)</u>	<u>(1,202,046)</u>	<u>(1,145,689)</u>	<u>56,357</u>
<i>Net Change in Fund Balance</i>	<u>(779,636)</u>	<u>(779,636)</u>	<u>(317,423)</u>	<u>462,213</u>
<i>Unencumbered Fund Balance Beginning of Year</i>	5,945,450	5,945,450	5,945,450	-
Prior Year Encumbrances Appropriated	34,210	34,210	34,210	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 5,200,024</u>	<u>\$ 5,200,024</u>	<u>\$ 5,662,237</u>	<u>\$ 462,213</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
Road and Bridge Fund
For the Year Ended December 31, 2021

	<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	\$ 276,402	\$ 276,402	\$ 340,443	\$ 64,041
Charges for Services	11,036	11,036	4,595	(6,441)
Licenses, Permits and Fees	-	-	2,100	2,100
Intergovernmental	37,459	37,459	41,434	3,975
Special Assessments	-	-	466	466
Miscellaneous	-	-	8,217	8,217
<i>Total Receipts</i>	<u>324,897</u>	<u>324,897</u>	<u>397,255</u>	<u>72,358</u>
Disbursements				
Current:				
Public Works	381,260	381,260	285,541	95,719
Capital Outlay	<u>140,000</u>	<u>140,000</u>	<u>95,262</u>	<u>44,738</u>
<i>Total Disbursements</i>	<u>521,260</u>	<u>521,260</u>	<u>380,803</u>	<u>140,457</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(196,363)</u>	<u>(196,363)</u>	<u>16,452</u>	<u>212,815</u>
<i>Net Change in Fund Balance</i>	(196,363)	(196,363)	16,452	212,815
<i>Unencumbered Fund Balance Beginning of Year</i>	346,034	346,034	346,034	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 149,671</u>	<u>\$ 149,671</u>	<u>\$ 362,486</u>	<u>\$ 212,815</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 Levy Fund
For the Year Ended December 31, 2021

	<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	\$ 5,300,000	\$ 5,300,000	\$ 5,575,258	\$ 275,258
Licenses, Permits and Fees	17,450	17,450	19,520	2,070
Intergovernmental	530,000	530,000	528,117	(1,883)
Miscellaneous	-	-	21,992	21,992
<i>Total Receipts</i>	<u>5,847,450</u>	<u>5,847,450</u>	<u>6,144,887</u>	<u>297,437</u>
Disbursements				
Current:				
Public Safety	5,382,620	5,482,620	4,980,724	501,896
Capital Outlay	20,000	20,000	3,167	16,833
<i>Total Disbursements</i>	<u>5,402,620</u>	<u>5,502,620</u>	<u>4,983,891</u>	<u>518,729</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>444,830</u>	<u>344,830</u>	<u>1,160,996</u>	<u>816,166</u>
Other Financing Sources (Uses)				
Transfers Out	(200,000)	(100,000)	(100,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(200,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	244,830	244,830	1,060,996	816,166
<i>Unencumbered Fund Balance Beginning of Year</i>	3,427,945	3,427,945	3,427,945	-
Prior Year Encumbrances Appropriated	-	-	-	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 3,672,775</u>	<u>\$ 3,672,775</u>	<u>\$ 4,488,941</u>	<u>\$ 816,166</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, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Receipts				
Licenses, Permits and Fees	\$ 1,061,700	\$ 1,061,700	\$ 636,671	\$ (425,029)
Miscellaneous	40,000	40,000	13,810	(26,190)
<i>Total Receipts</i>	<u>1,101,700</u>	<u>1,101,700</u>	<u>650,481</u>	<u>(451,219)</u>
Disbursements				
Current:				
Conservation-Recreation	1,340,932	1,340,932	1,096,851	244,081
Capital Outlay	2,000	2,000	380	1,620
<i>Total Disbursements</i>	<u>1,342,932</u>	<u>1,342,932</u>	<u>1,097,231</u>	<u>245,701</u>
<i>Excess of Receipts Over (Under) Disbursements</i>	<u>(241,232)</u>	<u>(241,232)</u>	<u>(446,750)</u>	<u>(205,518)</u>
Other Financing Sources (Uses)				
Transfers In	465,000	465,000	455,000	(10,000)
<i>Total Other Financing Sources (Uses)</i>	<u>465,000</u>	<u>465,000</u>	<u>455,000</u>	<u>(10,000)</u>
<i>Net Change in Fund Balance</i>	223,768	223,768	8,250	(215,518)
<i>Unencumbered Fund Balance Beginning of Year</i>	42,156	42,156	42,156	-
Prior Year Encumbrances Appropriated	9,232	9,232	9,232	-
<i>Unencumbered Fund Balance End of Year</i>	<u>\$ 275,156</u>	<u>\$ 275,156</u>	<u>\$ 59,638</u>	<u>\$ (215,518)</u>

See accompanying notes to the basic financial statements

Prairie Township
Franklin County
Statement of Fiduciary Net Position - Cash Basis
Fiduciary Funds
December 31, 2021

	Other Custodial
Assets	
Equity in Pooled Cash and Cash Equivalents	\$ 7,544
<i>Total Assets</i>	<i>\$ 7,544</i>
Net Position	
Restricted for Individuals, Organizations & Other Governments Expendable	\$ 7,544
<i>Total Net Position</i>	<i>\$ 7,544</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, 2021

	Other Custodial
Additions	
Performance Deposits Received	\$ 2,000
<i>Total Additions</i>	2,000
Deductions	
Distributions of Performance Deposits	\$ 9,600
<i>Total Deductions</i>	9,600
Change in Net Position	(7,600)
Net Position Beginning of Year	15,144
<i>Net Position End of Year</i>	\$ 7,544

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, 2021

Note 1 – Reporting Entity

Prairie Township, Franklin County, Ohio (the Township), is a body politic and corporate established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Township is directed by a publicly elected three-member Board of Trustees. The Township also has an elected Township Fiscal Officer. The Township is also a 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 the following services to its citizens: general government services, maintenance of Township roads and bridges, fire protection, cemetery maintenance and recreation services. Police protection is provided by the Franklin County Sheriff's Department.

Joint Ventures and Public Entity Risk Pools

The Township participates in two joint ventures and the Ohio Township Association Risk Management Authority public entity risk Pool. Notes 8 and 15 to the financial statements provides additional information for these entities.

Joint Venture:

Prairie Township-City of Columbus Joint Economic Development District is a contract created on November 10, 2010 under ORC 715.72 through 715.81 (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 District (JEDZ) is a contract created on August 1, 2011 under ORC 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, 2021

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 balances of the governmental activities of the Township at year end. The statement of activities compares disbursements with program receipts for each of 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 each 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, 2021

Governmental Funds

Governmental funds are those through which most governmental functions of the Township are financed. The Township's major governmental funds are the General Fund, Fire Fund, Joint Economic Development Zone Fund (JEDZ) and the Community Recreation Center Fund for the fiscal year ended December 31, 2021.

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): The JEDZ Fund accounts for receipts from income taxes received from the zone primarily on West 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 Prairie Township Community 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 funds account for developer bonds and permits.

Basis of Accounting

The Township's financial statements are prepared using the cash basis of accounting. 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.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Budgetary Process

All funds, except custodial 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 resolution, 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 resolution 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 resolution 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 resolution 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.

During 2021, the Township invested in nonnegotiable certificates of deposit, U.S. Treasury Bills, a money market mutual fund, and STAR Ohio. The nonnegotiable certificates of deposit and the U.S. Treasury Bills 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, 2021.

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 measures their investment 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 a NAV per share that approximates fair value.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

For 2021, 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 transactions 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 2021 was \$53,149. Interest receipts credited to the other Township funds during 2021 was \$2,695.

Restricted Assets

Cash, cash equivalents and investments are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation. The Township had Cemetery Endowment funds of \$1,930 set aside as of December 31, 2021.

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.

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 9 and 10, the employer contributions include portions for pension benefits and for postretirement healthcare benefits.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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 another 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 purposed 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.

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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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.

Internal Activity

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 fund 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 – Accountability and Compliance

Prairie Township did not have any material budgetary compliance violations or deficit cash balances during 2021.

Note 4 – 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 fund and any major special revenue fund are prepared on the budgetary basis to provide a meaningful comparison of actual results with the budget. The difference between the budgetary basis and cash basis are outstanding year end encumbrances that are treated as disbursements (budgetary basis) rather than as restricted, committed or assigned fund balance. The encumbrances outstanding at 2021 (budgetary basis) amounted to \$55,338 for the General Fund, \$2,000 for Motor Vehicle License Tax, \$137,615 for Gasoline Tax, \$147,762 for Road and Bridge, \$8,000 for Cemetery, \$750,000 for Road District, \$9,560 for the Fire Levy Fund, \$10,785 for Permissive Motor Vehicle License Tax, \$25,495 for EMS, \$6,695 for Community Recreation Center, and \$1,121,414 for Parks Capital.

Note 5 – 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
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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 obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (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;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) 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.

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. Except as noted above 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 "Cash" in the financial statements.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the Township will not be able to recover deposits or collateral securities that are in the possession of an outside party. At year end, \$6,654,705 of the Township's bank balance of \$8,065,332 was exposed to custodial credit risk because those deposits were uninsured or uncollateralized.

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 the Township and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Investments

The fair value of these investments is not materially different than measurement value. As of December 31, 2021, the Township had the following investments:

	<u>Fair Value</u>	<u>Maturity</u>
Certificates of Deposits	3,879,382	1-2 years
Money Market Mutual Fund	1,046,884	Less than 1 year
U.S. Treasury Agency Sec.	2,368,365	Less than 1 year
STAR Ohio	<u>1,072</u>	Less than 1 year
Total Portfolio	<u>\$7,295,703</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 repurchase agreement, the federal national mortgage association notes, federal home loan corporation notes and the federal home loan bank 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 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.”

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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, 2021:

Investment Issuer	<u>Percentage of Investments</u>
Certificates of Deposits	53%
Money Market Mutual Fund	14%
U.S. Treasury Agency Sec.	33%
STAR Ohio	0%

Note 6 – Taxes

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the Township. Property tax revenue received during 2021 for real and public utility property taxes represents collections of 2020 taxes.

2021 real property taxes are levied after October 1, 2021, on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

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. 2021 public utility property taxes which became a lien December 31, 2021, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all Township operations for the year ended December 31, 2021, was \$21.81 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2021 property tax receipts were based are as follows:

Real Property	330,241,740
Public Utility Personal Property	<u>41,485,480</u>
Total	<u>\$371,727,220</u>

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, 2021

Note 7 – Interfund Transfers and Advances

Transfers

During 2021 the following transfers were made:

Transfer To	Transfer From			Total
	Major Funds		Other Nonmajor	
	General	Fire Levy	Governmental	
Major Funds:				
Community Recreation Center	\$ 50,000	\$ -	\$ 405,000	\$ 455,000
Parks Capital	\$ 250,000	\$ -	\$ -	\$ 250,000
Other Nonmajor Governmental	\$ 852,046	\$ 100,000	\$ 168,000	\$ 1,120,046
	<u>\$ 1,152,046</u>	<u>\$ 100,000</u>	<u>\$ 573,000</u>	<u>\$ 1,825,046</u>

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

Interfund advances on December 31, 2021, consisted of the following:

Advances To	Advances From			Total
	Major Funds		Other Nonmajor	
	General	Parks Capital	Governmental	
Major Funds:				
General	\$ -	\$ 1,509,350	\$ 248,337	\$ 1,757,687
Parks Capital	\$ 1,509,350	\$ -	\$ -	\$ 1,509,350
Other Nonmajor Governmental	\$ 242,000	\$ -	\$ -	\$ 242,000
	<u>\$ 1,751,350</u>	<u>\$ 1,509,350</u>	<u>\$ 248,337</u>	<u>\$ 3,509,037</u>

Interfund advances on December 31, 2021, consisted of amounts advanced to other governmental funds to provide working capital for operations or projects. The interfund advances are expected to be repaid within one year.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Note 8 – Risk Management

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

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

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio Townships. OTARMA provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc. (York or Management), functions as the administrator of the Pool and provides underwriting claims, loss control, risk management, and reinsurance services to the Pool. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles. During 2021, the Township contracted with OTARMA exclusively for various types of insurance coverage as follows:

Type of Coverage	Coverage	Deductible
OTARMA Insurance Company		
Blanket Property and Contents, Replacement	\$18,762,939	varies
Automobile Liability	4,000,000	
Public Officials Liability	4,000,000	1,000
Police Professional Liability	excluded	
Cyber Breach Aggregate	250,000	
Computer - Software	included in blanket	
Public Employee Dishonesty	100,000	1,000

Settled claims have not exceeded coverage in any of the last three years and there was no significant reduction in coverage from the prior year.

Workers’ Compensation coverage is provided by the State of Ohio. The Township pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The Township manages employee health benefits on a self-insured basis through the Franklin County Cooperative Health Improvement Program. The employee health benefit plan provides basic health and dental coverage through United Health Care (Medical) AETNA (Dental), the third-party administrator (TPA) of the program, which reviews and pays the claims. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$1,000,000 per employee per year. The composite rate per employee and any covered dependents, including medical, dental, RX, EAP, vision and all administrative fees is \$26,448 annually.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Note 9 – Defined Benefit Pension Plan

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – Township employees, other than full-time police and firefighters and part-time 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 pension/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.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan 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):

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
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	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	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
Public Safety	Public Safety	Public Safety
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 52 with 25 years of service credit or Age 56 with 15 years of service credit
Law Enforcement	Law Enforcement	Law Enforcement
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 48 with 25 years of service credit or Age 56 with 15 years of service credit
Public Safety and Law Enforcement	Public Safety and Law Enforcement	Public Safety and Law Enforcement
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	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	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

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 traditional plan 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. 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, 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.

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

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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</u>	<u>Public Safety</u>	<u>Law Enforcement</u>
2021 Statutory Maximum Contribution Rates			
Employer	14.0 %	18.1 %	18.1 %
Employee***	10.0 %	*	**
2021 Actual Contribution Rates			
Employer:			
Pension	14.0 %	18.1 %	18.1 %
Post-employment Health Care Benefits****	0.0	0.0	0.0
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 \$0 for year 2021.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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.

Upon attaining a qualifying age with enough 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's 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, and members whose pension benefit became effective on or after July 1, 2013, will receive a COLA equal to a percentage of the member's base pension benefit where the percentage is the lesser of three percent or the percentage increase in the consumer price index, if any, over the 12 month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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	0.50	0.50
Total Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The Township’s contractually required contribution to OP&F was \$671,031 for 2021.

Social Security

45 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, 2021.

Note 10 – 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 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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 2021, 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 2021, OPERS did not allocate any employer contribution to healthcare 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 2021 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 2021.

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 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. OP&F provides health care benefits including coverage for medical, prescription drug, dental, vision, and Medicare Part B Premium to retirees, qualifying benefitrecipients and their eligible dependents.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

OP&F 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 OP&F 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, 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.

OP&F 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 2021, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The 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.

As of January 1, 2019, OP&F changed its retiree health care model and the previous self-insured health care plan is no longer offered. In its place is a stipend-based health care model. A stipend funded by OP&F has been 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 \$13,980 for 2021.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Note 11 – Debt

<u>Year Issued</u>	<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>	<u>Fund for Repayment</u>
2006	OPWC Loan - Palmetto Street	0.00%	\$319,554	July 2026	Palmetto Road Project Fund
2009	OPWC Loan - Inah Avenue	0.00%	506,359	July 2029	Inah Ave. Road Project Fund
2010	OPWC Loan - S Greener Phase 1	0.00%	332,751	July 2030	South Greener Phase I Fund
2011	OPWC Loan - S Greener Phase 2	0.00%	129,279	July 2031	South Greener Phase II Fund
2012	OPWC Loan - S Greener Phase 3	0.00%	207,677	July 2032	South Greener Phase III Fund
2013	OPWC Loan - Woodlawn Avenue	0.00%	370,856	July 2034	Woodlawn Ave. Imprv. Fund
2013	OPWC Loan - Beacon Hill Road	0.00%	285,315	July 2034	Beacon Hill Road Imprv. Fund
2016	GO-Community. Center Bond, 2016 Series	4.00%	8,430,000	December 2038	JEDZ Funds
2018	Sports Complex Concession Stand	3.40%	425,000.00	August 2027	General Fund

The Township's long-term debt activity for the year ended December 31, 2021 was as follows:

	Amount Outstanding 12/31/2020	Additions	Deletions	Amount Outstanding 12/31/2021	Amount Due in One Year
Governmental Activities					
OPWC Loan - Palmetto Street	\$103,854	\$0	\$15,977	\$87,877	\$15,978
OPWC Loan - Inah Avenue	240,226	0	25,318	214,908	25,318
OPWC Loan - South Greener Phase 1	166,373	0	16,638	149,735	16,638
OPWC Loan - South Greener Phase 2	74,335	0	6,464	67,871	6,464
OPWC Loan - South Greener Phase 3	129,795	0	10,385	119,410	10,384
OPWC Loan - Beacon Hill Road	206,853	0	14,266	192,587	14,266
OPWC Loan - Woodlawn Avenue	268,871	0	18,543	250,328	18,543
GO-Community Center Bond, 2016 Series	8,380,000	0	15,000	8,365,000	15,000
Sports Complex Concession Stand	259,693	0	19,938	239,755	41,594
	<u>\$ 9,830,000</u>	<u>\$0</u>	<u>\$142,529</u>	<u>\$9,687,471</u>	<u>\$164,185</u>

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 projects on Palmetto Road, Inah Avenue, South Greener Road Improvement (Phases I, II & 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 \$9,700,000 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.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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.

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 established Sports Complex Park. Terms of this loan require semi-annual payments over ten years at a 3.4% APR.

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

OPWC Loans:

Year	Palmetto Street	Inah Avenue	South Greener Phase I	South Greener Phase II	South Greener Phase III	Beacon Hill	Woodlawn Ave.
2022	\$15,978	\$25,318	\$16,638	\$6,464	\$10,384	\$14,266	\$18,543
2023	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2024	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2025	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2026	15,978	25,318	16,638	6,464	10,384	14,266	18,543
2027-2031	7,987	88,318	66,545	32,320	51,920	71,330	92,715
2032-2034	-			3,231	15,570	49,927	64,898
Total	\$87,877	\$214,908	\$149,735	\$67,871	\$119,410	\$192,587	\$250,328

General Obligation Bonds:

Year	Principal	Interest
2022	15,000	\$334,225
2023	295,000	334,000
2024	320,000	322,200
2025	345,000	304,400
2026	375,000	295,600
2027-2031	2,305,000	1,229,600
2032-2036	3,130,000	709,200
2037-2038	<u>1,580,000</u>	<u>95,800</u>
Total	\$8,365,000	\$3,625,025

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Kansas State Bank Loan:

Year	Principal	Interest
2022	41,594	8,896
2023	43,020	7,470
2024	44,496	5,994
2025	46,021	4,469
2026	47,599	2,891
2027	<u>17,025</u>	<u>1,259</u>
Total	\$239,755	\$30,979

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 an amount equal to 10.5% of its tax valuation.

Note 12 - Leases

The Township has no leases during 2021. The Township disbursed \$0 to pay lease costs for the year ended December 31, 2021. Future leasepayments are \$0.

Note 13 – Construction and Contractual Commitments

As of December 31, 2021, the Township has \$0 in outstanding contractual commitments related to the construction.

Note 14 – Contingent Liabilities-

As of December 31, 2021, 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.

Note 15 – Joint Ventures

The Township is a member of a 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 purposed which benefit the District as determined by the township Trustees.

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

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 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 is split 20% to the Village and 80% to the Township.

Note 16 – 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, 2021 are presented below:

Fund Balances	General	Road and Bridge	Fire Levy	Community Recreation Center	Parks Capital	Other Governmental Funds	Total
Restricted for							
Cemetery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224,046	\$ 224,046
Economic Development	-	-	-	-	-	1,368,783	1,368,783
Emergency Medical Services	-	-	-	-	-	845,401	845,401
Fire Operations	-	-	4,488,941	-	-	603,622	5,092,563
Road & Bridge	-	-	-	-	-	416,721	416,721
Street Light Assessments	-	-	-	-	-	310,659	310,659
West Broad Streetscape	-	-	-	-	-	14,651	14,651
American Rescue Plan Act	-	-	-	-	-	747,019	747,019
Galloway Road Sports Complex	-	-	-	-	-	11,506	11,506
<i>Total Restricted</i>	-	-	4,488,941	-	-	4,542,408	9,031,349
Committed to							
Road & Bridge Maint. and Improvements	-	510,248	-	-	-	-	510,248
Assigned to							
Park Improvements	-	-	-	-	312,202	-	312,202
Recreation Activities	-	-	-	59,638	-	-	59,638
Roads Maintenance	-	-	-	-	-	750,000	750,000
<i>Total Assigned</i>	-	-	-	59,638	312,202	750,000	1,121,840
Unassigned (Deficit)	5,717,155	-	-	-	-	-	5,717,155
<i>Total Fund Balances</i>	<u>\$ 5,717,155</u>	<u>\$ 510,248</u>	<u>\$ 4,488,941</u>	<u>\$ 59,638</u>	<u>\$ 312,202</u>	<u>\$ 5,292,408</u>	<u>\$ 16,380,592</u>

Prairie Township
Franklin County, Ohio
Notes to the Basic Financial Statements
for the Year Ended December 31, 2021

Note 17 – 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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the Township received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Township. The impact on the Township's future operating costs, revenues, and additional recovery from funding, either federal or state, cannot be estimated.



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

Prairie Township
Franklin County
23 Maple Drive
Columbus, Ohio 43228

To the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by 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, 2022 and 2021, 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 30, 2023, 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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected, on a timely basis. 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 deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BHM CPA Group

BHM CPA Group, Inc.
Piketon, Ohio
June 30, 2023

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 9/26/2023

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