



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

---

PRAIRIE TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT  
FRANKLIN COUNTY

REGULAR AUDIT

For the Years Ended December 31, 2018 and 2017  
Fiscal Years Audited Under GAGAS: 2018 and 2017

---

One East Campus View Blvd. Suite 300 • Columbus, OH 43235 • (614) 389-5775 • FAX (614) 467-3920  
PO Box 875 • 129 Pinckney Street • Circleville, OH 43113 • (740) 474-5210 • FAX (740) 474-7319  
PO Box 687 • 528 S. West Street • Piketon, OH 45661 • (740) 289-4131 • FAX (740) 289-3639

[www.bhmcpagroup.com](http://www.bhmcpagroup.com)



OHIO AUDITOR OF STATE  
KEITH FABER



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

Board of Trustees  
Prairie Township Joint Economic Development District  
23 Maple Drive  
Columbus, Ohio 43228

We have reviewed the *Independent Auditor's Report* of the Prairie Township Joint Economic Development District, Franklin County, prepared by BHM CPA Group, Inc., for the audit period January 1, 2017 through December 31, 2018. 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. The Prairie Township Joint Economic Development District 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

October 8, 2019

**This page intentionally left blank.**

**PRAIRIE TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT**  
**FRANKLIN COUNTY**  
*Table of Contents*  
For the Fiscal Years Ended December 31, 2018 and 2017

<u>TITLE</u>	<u>PAGE</u>
Independent Auditor’s Report.....	1
Basic Financial Statements:	
Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) –Governmental Fund Types For the Year Ended December 31, 2018.....	3
Notes to the Financial Statements For the Year Ended December 31, 2018.....	4
Statement of Receipts, Disbursements, and Changes in Fund Balances (Cash Basis) –Governmental Fund Types For the Year Ended December 31, 2017.....	7
Notes to the Financial Statements For the Year Ended December 31, 2017.....	8
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	11

**This page intentionally left blank.**



**INDEPENDENT AUDITOR'S REPORT**

Prairie Township Joint Economic Development District  
Franklin County  
23 Maple Drive  
Columbus, Ohio 43228

To the Board of Trustees:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the cash balances, receipts and disbursements by fund type, and related notes of Prairie Township Joint Economic Development District, Franklin County, Ohio (the District) as of and for the years ended December 31, 2018 and 2017.

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

Management is responsible for preparing and fairly presenting these financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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

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

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

***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the District prepared these financial statements using the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements.

Although the effects on the financial statements of the variances between the regulatory accounting basis and GAAP are not reasonably determinable, we presume they are material.

Though the District does not intend these statements to conform to GAAP, auditing standards generally accepted in the United States of America require us to include an adverse opinion on GAAP. However, the adverse opinion does not imply the amounts reported are materially misstated under the accounting basis Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit. Our opinion on this accounting basis is in the *Opinion on Regulatory Basis of Accounting* paragraph below.

***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of December 31, 2018 and 2017, and the respective changes in financial position or cash flows thereof for the years then ended.

***Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements by fund type, and related notes of Prairie Township Joint Economic Development District, Franklin County as of December 31, 2018 and 2017, for the years then ended in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit, described in Note 1.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 25, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



BHM CPA Group, Inc.  
Piketon, Ohio  
August 25, 2019



**PRAIRIE TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT  
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2018**

	<b>Governmental Fund Types</b>	
	<b>General</b>	
<b>Cash Receipts:</b>		
Income Tax Revenue	\$	187,934
Interest		627
		188,561
Total Cash Receipts		188,561
<b>Cash Disbursements:</b>		
Operating Expenses		2,577
City of Columbus		46,219
Prairie Township		125,652
Refunds		1,445
		175,893
Total Cash Disbursements		175,893
Excess of Receipts Over/(Under) Disbursements		12,668
Fund Cash Balances, January 1		20,779
<b>Fund Cash Balances, December 31</b>		
Restricted		31,726
Unassigned		1,721
		33,447
Fund Cash Balances, December 31	\$	33,447

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

Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2018

---

**Note 1. - Summary of Significant Accounting Policies**

Description of the Entity

The Prairie Township Joint Economic Development District, Franklin County, Ohio (the District) was formed by contract on November 15, 2010, under Sections 715.72 through 715.83 of the Ohio Revised Code. The District is comprised of the City of Columbus and Prairie Township. The District operates under an appointed five-member Board of Directors established in accordance Section 715.78(A) of the Ohio Revised Code). The purpose of the District is to facilitate economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare of the people in the State of Ohio, Franklin County, the City of Columbus, and Prairie Township.

The Township and City provide services to assist the District with planning, marketing, promotion and related activities to facilitate economic development in the District. In addition, the Board may contract for such services with either of the contracting parties on such terms as the Board and the respective contracting parties may agree. The Board has approved an income tax rate of 2.5 percent.

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

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Section 117.38 of the Ohio Revised Code and Section 117-203(D) of the Ohio Administrative Code. This basis is similar to the cash receipts and disbursements basis of accounting. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Section 117.38 of the Ohio Revised Code and Section 117-203(D) of the Ohio Administrative Code permit.

Cash and Cash Equivalents

The District's cash and cash equivalents consist of cash held by the City of Columbus.

Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District has the following fund:

General Fund - The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2018  
(Continued)

---

**Note 1. - Summary of Significant Accounting Policies (Continued)**

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

*Nonspendable* - The District classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. The District had no nonspendable fund balance at December 31, 2018.

*Restricted* - Fund balance is 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 Board can commit amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements. The District had no committed fund balance at December 31, 2018.

*Assigned* - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by District Board or a District official delegated that authority by resolution, or by State Statute. The District had no assigned fund balance at December 31, 2018.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications.

The District 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.

**Note 2 - Cash Deposits**

The District utilizes the City of Columbus to collect and hold cash to be distributed to Prairie Township and the City of Columbus. Cash for the District remains with the City of Columbus. Money held by the City of Columbus is invested and subject to the same collateralization requirements of the City of Columbus.

Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2018  
(Continued)

---

**Note 3 - Income Tax**

The District levies a municipal income tax of 2.5 percent on substantially all earned income arising from employment or business activities within the District. Employers within the District withhold income tax on employee compensation and remit at least monthly and file an annual declaration.

On the gross tax receipts, the District retains 0.25 percent for maintenance of the District and the City of Columbus assesses a tax collection fee. The Board has entered into an agreement with the City of Columbus to administer, collect, and enforce the income tax on behalf of the District.

On the net tax receipts, 50 percent is distributed to Prairie Township Project fund which is used for improvements within the District, 25 percent is distributed to Prairie Township, and 25 percent is distributed to the City of Columbus.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**PRAIRIE TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT  
FRANKLIN COUNTY**

**STATEMENT OF RECEIPTS, DISBURSEMENTS, AND  
CHANGES IN FUND BALANCES (CASH BASIS)  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b>Governmental Fund Types</b>	
	<b>General</b>	
<b>Cash Receipts:</b>		
Income Tax Revenue	\$	185,513
Interest		522
		186,035
Total Cash Receipts		186,035
<b>Cash Disbursements:</b>		
Operating Expenses		2,333
City of Columbus		45,897
Prairie Township		136,759
Refunds		273
		185,262
Total Cash Disbursements		185,262
Excess of Receipts Over/(Under) Disbursements		773
Fund Cash Balances, January 1		20,006
<b>Fund Cash Balances, December 31</b>		
Restricted		19,524
Unassigned		1,255
		20,779
Fund Cash Balances, December 31	\$	20,779

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

Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2017

---

**Note 1. - Summary of Significant Accounting Policies**

Description of the Entity

The Prairie Township Joint Economic Development District, Franklin County, Ohio (the District) was formed by contract on November 15, 2010, under Sections 715.72 through 715.83 of the Ohio Revised Code. The District is comprised of the City of Columbus and Prairie Township. The District operates under an appointed five-member Board of Directors established in accordance Section 715.78(A) of the Ohio Revised Code). The purpose of the District is to facilitate economic development, to create or preserve jobs and employment opportunities, and to improve the economic welfare of the people in the State of Ohio, Franklin County, the City of Columbus, and Prairie Township.

The Township and City provide services to assist the District with planning, marketing, promotion and related activities to facilitate economic development in the District. In addition, the Board may contract for such services with either of the contracting parties on such terms as the Board and the respective contracting parties may agree. The Board has approved an income tax rate of 2.5 percent.

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

Basis of Accounting

The financial statement follows the accounting basis permitted by the financial reporting provisions of Section 117.38 of the Ohio Revised Code and Section 117-203(D) of the Ohio Administrative Code. This basis is similar to the cash receipts and disbursements basis of accounting. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

This statement includes adequate disclosure of material matters, as the financial reporting provisions of Section 117.38 of the Ohio Revised Code and Section 117-203(D) of the Ohio Administrative Code permit.

Cash and Cash Equivalents

The District's cash and cash equivalents consist of an cash held by the City of Columbus.

Fund Accounting

The District uses fund accounting to segregate cash and investments that are restricted as to use. The District has the following fund:

General Fund - The General Fund accounts for and reports all financial resources not accounted for and reported in another fund.

Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2017  
(Continued)

---

**Note 1. - Summary of Significant Accounting Policies (Continued)**

**Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

*Nonspendable* - The District classifies assets as nonspendable when legally or contractually required to maintain the amounts intact. The District had no nonspendable fund balance at December 31, 2017.

*Restricted* - Fund balance is 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 Board can commit amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements. The District had no committed fund balance at December 31, 2017.

*Assigned* - Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. Governmental funds other than the general fund report all fund balances as assigned unless they are restricted or committed. In the general fund, assigned amounts represent intended uses established by District Board or a District official delegated that authority by resolution, or by State Statute. The District had no assigned fund balance at December 31, 2017.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications.

The District 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.

**Note 2 - Cash Deposits**

The District utilizes the City of Columbus to collect and hold cash to be distributed to Prairie Township and the City of Columbus. Cash for the District remains with the City of Columbus. Money held by the City of Columbus is invested and subject to the same collateralization requirements of the City of Columbus.



Prairie Township Joint Economic Development District  
Notes to the Financial Statements  
For the Year Ended December 31, 2017  
(Continued)

---

**Note 3 – Income Tax**

The District levies a municipal income tax of 2.5 percent on substantially all earned income arising from employment or business activities within the District. Employers within the District withhold income tax on employee compensation and remit at least monthly and file an annual declaration.

On the gross tax receipts, the District retains 0.25 percent for maintenance of the District and the City of Columbus assesses a tax collection fee. The Board has entered into an agreement with the City of Columbus to administer, collect, and enforce the income tax on behalf of the District.

On the net tax receipts, 50 percent is distributed to Prairie Township Project fund which is used for improvements within the District, 25 percent is distributed to Prairie Township, and 25 percent is distributed to the City of Columbus.

**This page intentionally left blank.**



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

Prairie Township Joint Economic Development District  
Franklin County  
23 Maple Drive  
Columbus, Ohio 43228

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the cash balances, receipts and disbursements by fund type of the Prairie Township Joint Economic Development District, Franklin County, (the District) as of and for the years ended December 31, 2018 and 2017, and the related notes to the financial statements, and have issued our report thereon dated August 25, 2019 wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(D) permit.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

BHM CPA Group, Inc.  
Piketon, Ohio  
August 25, 2019

# OHIO AUDITOR OF STATE KEITH FABER



**PRAIRIE TOWNSHIP JOINT ECONOMIC DEVELOPMENT DISTRICT  
FRANKLIN COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 22, 2019**