JEFFREY PLACE NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY

AUDIT REPORT

FOR THE YEARS ENDED DECEMBER 31, 2017 & 2016

CEH Charles E. Harris & Associates, Inc.
CPAs and Government Consultants

Dave Yost • Auditor of State

Board of Trustees
Jeffrey Place New Community Authority
842 North Fourth Street, Suite 400
Columbus, Ohio 43215

We have reviewed the *Independent Auditor's Report* of the Jeffrey Place New Community Authority, Franklin County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2016 through December 31, 2017. 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 Jeffrey Place New Community Authority is responsible for compliance with these laws and regulations.

Dave Yost
Auditor of State

September 12, 2018

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JEFFREY PLACE NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY
AUDIT REPORT
For Years Ending December 31, 2017 and 2016

TABLE OF CONTENTS

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JEFFREY PLACE NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY
AUDIT REPORT
For the Years Ended December 31, 2017 and 2016

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Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Charles E. Harris & Associates, Inc.
Certified Public Accountants
Office phone - (216) 575-1630
Fax - (216) 436-2411

INDEPENDENT AUDITOR'S REPORT

Jeffrey Place New Community Authority
Franklin County
842 North Fourth Street, Suite 400
Columbus, Ohio 43215

To the Board of Trustees:

We have audited the accompanying financial statements of the Jeffrey Place New Community Authority, Franklin County, Ohio (the Authority), as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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 Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, financial position of the Jeffrey Place New Community Authority, Franklin County, Ohio as of December 31, 2017 and 2016, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3-5 and 17-19 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2018, on our consideration of the Authority's internal control over financial reporting and on 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 Authority'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 Authority's internal control over financial reporting and compliance.

Charles E Harris Associates

Charles E. Harris & Associates, Inc.
June 26, 2018

The Management’s Discussion and Analysis of the financial performance of the Jeffrey Place New Community Authority, Franklin County, Ohio, (the “Authority”) provides an overall review of the Authority's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole. Readers should also review the basic financial statements and notes to the financial statements to enhance their understanding of the Authority's financial performance.

Financial Highlights

1. The Authority oversees the development of public infrastructure on the Jeffrey site. The site consists of approximately 38 acres on the east side of Italian Village (directly north of Downtown Columbus, west of interstate 670).
2. Net Position at December 31, 2017 totaled $769,763.
3. The Authority has issued $29,10,000 in redevelopment bonds. The Authority’s debt will be paid through the collection of Community Development Charges and TIF receipts imposed on the chargeable properties benefiting from the capital asset.
4. In fiscal year 2017 the Authority received Community Development Charges totaling $358,173.
5. In fiscal year 2017 the Authority received Tax Incremental Financing (TIF) totaling $1,093,378.

Overview of the Financial Statements

This annual report consists of two parts – (i) Management’s Discussion and Analysis and (ii) the basic financial statements consisting of a *Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows;* and related footnotes. The Statement of Net Position represents the financial position of the Authority and provides information about the activities of the Authority, following Generally Accepted Accounting Principles. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net total financial position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position include certain assets, liabilities, revenues and expenses following the accrual basis of accounting. The accrual basis of accounting takes into account all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the Authority’s net financial resources and changes in those resources. This change in resources is important because it tells the reader that, for the Authority as a whole, the financial position of the Authority has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 6 and 7 of this report.

The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its operations. The Statement of Cash Flows can be found on page 8 of this report.

Summary Statement of Net Position

The table below provides a summary of the Authority's net financial position as of December 31, 2017 and 2016 on the accrual basis. (See Note 2 to the financial statements for more information.)

		2017	2016
Assets:			
	Current and Other Assets	$ 6,120,563	$ 14,702,928
	Other Assets	21,688,123	14,239,130
	Total Assets	27,808,686	28,942,058
Liabilities:			
	Current Liabilities	690,750	738,285
	Long Term Liabilities	25,990,000	26,515,000
	Total Liabilities	26,680,750	27,253,285
Deferred Inflows		358,173	358,173
Net Position:			
Net invested in capital assets		(2,472,309)	(1,546,707)
	Unrestricted	3,242,072	2,877,307
	Total Net Position	$ 769,763	$ 1,330,600

Net Position has decreased from 2016 to 2017 due mainly to increases in bond interest expense.

Summary Statement of Revenues, Expenses, and Changes in Net Position

The table below reflects the changes in net position for the fiscal years ended December 31, 2017 and 2016 on the accrual basis.

	2017	2016
Operating Revenue	$ 1,495,372	$ 1,646,109
Operating Expenses	(44,205)	(44,498)
Operating Income	1,451,167	1,601,611
Non-Operating (Expenses)		
Interest Expense	(2,012,004)	(1,286,283)
Loss on Sale Land	-	(36,295)
Bond Issuance Costs	-	(249,062)
Total Non-Operating Expenses	(2,012,004)	(1,571,640)
Change in Net Position	$ (560,837)	$ (29,971)

Change in net position decreased from 2016 to 2017 due to the increased bond interest expense.

Budgeting

The Authority is not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705.

Capital Assets

The Authority's capital assets are still under construction and are expected to be completed in 2018.

Debt

The Authority issued Redevelopment Bonds totaling $29,010,000 to construct and acquire community facilities, which include a community center, community recreation improvements, landscaping and signage, water and sewer facilities, storm water management features, roadways and traffic control improvements. The debt service will be paid annually by the revenue received from the Community Development Charges.

Current Issues

The Authority is overseeing the development of public infrastructure on a site that consists of 38 acres of a prior industrial manufacturing site. The master planned community will include a mix of apartments, fee simple homes, condominiums, offices, parks and community facilities. The Columbus City Council has approved zoning for up to 1,500 dwelling units on this site.

Contacting Authority's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances and to reflect the Authority's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the Authority's Treasurer, 842 N. 4th Street, Suite 200, Columbus, Ohio 43215.

Jeffrey Place New Community Authority
Statements of Net Position
As of December 31, 2017

ASSETS	
Current Assets	
Cash and cash equivalents	$ 5,762,390
Accounts Receivable	358,173
Total Current Assets	6,120,563
Non-Depreciable Capital Assets	
Land	3,874,210
Construction in progress	17,813,913
Total Non-Current Assets	21,688,123
TOTAL ASSETS	$ 27,808,686
LIABILITIES	
Current Liabilities	
Accrued Interest	$ 165,750
Debt due in less than one year	525,000
Total Current Liabilities	690,750
Long Term Liabilities	
Debt due in more than one year	25,990,000
Total Long Term Liabilities	25,990,000
TOTAL LIABILITIES	26,680,750
Deferred Inflows of Resources	
Community Development Charges	358,173
NET POSITION	
Net investment in capital assets	(2,472,309)
Unrestricted net position	3,242,072
TOTAL NET POSITION	$ 769,763

See accompanying notes to the basic financial statements.

Jeffrey Place New Community Authority

Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2017

Operating Revenue/Expense	
Operating Revenue	
Community Development Charges	$ 358,173
Tax Incremental Financing	1,093,378
Miscellaneous revenue	43,821
Total Operating Revenue	1,495,372
Operating Expense	
Accounting Fees	6,000
Trustee Fees	10,237
Legal fees	21,201
Insurance expense	6,767
Total Operating Expense	44,205
Operating Income	1,451,167
Non Operating Expense	
Interest Expense	(2,012,004)
Total Non Operating Expense	(2,012,004)
Total Change in Net Position	(560,837)
Net Position, Beginning of Period	1,330,600
Net Position, End of Period	$ 769,763

See accompanying notes to the basic financial statements.

Jeffrey Place New Community Authority
Statements of Cash Flows
For the Years Ended December 31, 2017

Cash Flows From Operating Activites	
Cash received from Property Owners	$ 1,451,551
Other revenue	43,821
Cash Payments for legal fees	(21,201)
Cash payments forTrustees fees	(10,237)
Cash Payments for Accounting	(6,000)
Cash Payments for Insurance	(6,767)
Net Cash Provided by Operating Activities	1,451,167
Cash Flows From Capital and Related Financing Activities	
Principal retirement on debt service	(485,000)
Cash payments for Interest Expense for Bonds	(2,099,539)
Payments to others for construction items	(7,448,993)
Net Cash Provided by Capital and Related Financing Activities	(10,033,532)
Net Change in Cash	(8,582,365)
Cash, Beginning of year	14,344,755
Cash, End of year	$ 5,762,390
Reconciliation of Operating Income to Net Cash Provided by Operating activities	$ 1,451,167
Net Cash Provided by Operating Activities	$ 1,451,167

See accompanying notes to the basic financial statements.

NOTE 1 – REPORTING ENTITY

The Jeffrey Place New Community Authority is a joint public-private partnership Authority established to revitalize the eastern edge of Italian Village, City of Columbus, Ohio. The Authority was established pursuant to Chapter 349 of the Ohio Revised Code. In late 2002, Jeffrey Place Development LLC petitioned the Columbus City Council to create the New Community Authority which City Council then passed via resolution 1607-02 officially creating the New Community Authority. The petition allows the Authority to finance publicly owned and operated infrastructure and facilities by collecting tax increment finance (TIF) revenues and a community development charge.

In 2006, the City passed legislation (1236-2006) appointing three citizen members and one local government representative to serve as New Community Authority trustees. Additionally, this legislation also authorized the City's Development Director to execute a TIF agreement in support of the redevelopment and revitalization of the Jeffrey Manufacturing site. By its Resolution, the City Council determined the new community district would be conducive to the public health, safety, convenience and welfare, and it was intended to result in the development of a new community as described in the Act. The Authority thereby organized as a body corporate and politic in the State.

Later, in 2007, a group of developers including Green Arbors Housing Limited Partnership; Waterford Limited Partnership; 750 North Fourth Street LLC; and Courtyard Townhomes LLC recorded the Authority's covenants and restrictions. This document, along with an amendment filed in September 2014 (instrument 201409230125772), details the controls in place over the entire acreage including the Community Development Charge which is applicable to a majority of the parcels within overall site. Funds collected via the charge can be used to cover all or part of the cost of the acquisition, development, construction, operation and maintenance of land, "Community Land Development", and "Community Facilities", and all other costs incurred by the Authority in the exercise of its powers pursuant to the Act, including without limitation the reimbursement of loans, advances or expenditures made to or by the Developer for such purposes.

The New Community Authority oversees the development of public infrastructure on the Jeffrey site. The site consists of approximately 42 acres on the east side of Italian Village (directly north of Downtown Columbus, west of interstate 670). It was previously used for the manufacturing of industrial mining equipment. Due to this use, the land needed environmental remediation before redevelopment. The Jeffrey Manufacturing site was the first major project, to respond to Mayor Michael Coleman's ambitious goal (announced in 2000), to incorporate a portion of the development of 10,000 new residential units in Downtown Columbus over the next 10 years.

Now known as Jeffrey Park, the site is currently being developed as a master planned community with a mix of apartments, fee simple homes, condominiums, office, parks, and community facilities. The project is designed to leverage and enhance the revitalization success seen by Italian Village. In July 2013, Columbus City Council granted numerous variances to the existing zoning classification of M, Manufacturing which included the increase in total number of dwelling units to 1,500 on the site.

To raise money for public infrastructure in support of development, the Authority has issued several bond offerings. The bonds, depending on the issuance, are secured by one or many sources. Sources include the .40 Italian Village Offsite TIF, the .41 Jeffrey Park Onsite TIF, and the Community Development Charge. The first series of bonds were issued in 2006 for $6,955,000. Proceeds for these 2006 Series A Bonds were used to pay for project costs (e.g.: utility improvements, road, sidewalks, site preparation, etc.), costs of issuance of & capitalized interest on these bonds, and fund the bond service reserve account. In 2013, the Authority issued an additional $8,755,000 in A-Bonds to acquire roads and parkland; to build roads, sidewalks, street lights, etc., and to pay the costs of bond issuance and capitalized interest, and fund the bond reserve account for the 2013 Series A Bonds. In addition to the 2013 Series A-Bonds, the Authority also issued $3,700,000 in subordinate 2013 B-Bonds to pay for the cost of land acquisition and development.

NOTE 1 – REPORTING ENTITY (Continued)

This 2013 Series B Bond issuance also paid for the construction of community facilities and the cost of the bond issuance along with any capitalized interest. During 2016 the Authority issued additional Series B bonds for $9,600,000for the construction of a parking garage.

Overall, the Authority is governed by a 7-member Board of Trustees. As previously mentioned, 3 of those are citizen members appointed by Columbus City Council to represent present and future residents of the New Community Authority area. The Council also appoints 1 additional member to represent local government. The remaining 3 members are appointed by the developer. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees, and no vote by a member appointed by the Developer shall be construed to give rise to civil or criminal liability for conflict of interest on the part of public officials. A schedule established by the Columbus City Council provides for the appointed members to be replaced by elected members as the district population grows.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in preparation of the financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

A. Basis of Presentation

The Authority's basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The Authority uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, financial position, changes in net position, and cash flows.

B. Measurement Focus and Basis of Accounting

The Authority's financial activity is accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the Authority are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (e. g. revenues) and decreases (e. g. expenses) in total net position. The statement of cash flows reflects how the Authority finances and meets its cash flow needs.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

C. Cash and Investments

Cash received by the Authority is deposited with a financial institution or invested. Deposits and investments having an original maturity of three months or less at the time they are purchased are presented in the financial statements as Cash and Cash Equivalents. Investments with an initial maturity of more than three months are reported as Investments. Investments were limited to money market funds.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Capital Assets

All capital assets are capitalized at cost and updated for additions and reductions during the year. The Authority does not maintain a capitalization threshold as all infrastructure assets are capitalized. The Authority has not begun to depreciate any capital assets yet.

E. Long Term Debt

Bonds are recognized as a liability on the financial statements.

F. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on the use of resources either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Authority first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available.

G. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Authority. For the Authority, these revenues are TIF's and Community Development Charges. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the Authority. All revenues and expenses not meeting this definition are reported as non-operating.

NOTE 3—DEPOSITS AND INVESTMENTS

Cash received by the Authority is deposited with a financial institution or invested. Deposits and investments having an original maturity of three months or less at the time they are purchased are presented in the financial statements as Cash and Cash Equivalents. Investments with an initial maturity of more than three months are reported as Investments. All cash and cash equivalents were invested in money markets at December 31, 2017 are carried at cost, which approximates fair market value.

State statutes classify monies held by the Authority into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Authority treasury, in commercial accounts payable or withdraw-able on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Trustees has 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, pass book accounts.

NOTE 3—DEPOSITS AND INVESTMENTS (Continued)

Interim deposits are deposits of interim monies that 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 pass book accounts.

State statute permits interim monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, 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, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.

4. Bonds and other obligations of the State of Ohio.

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

6. The State Treasurer's investment pool (STAR Ohio).

The Authority may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio,
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the Authority.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority, 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 Treasurer, or if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

NOTE 3—DEPOSITS AND INVESTMENTS (Continued)

Deposits
Custodial Credit Risk – Deposits is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority had no deposits which were exposed to custodial credit risk at December 31, 2017.

Investments
As of December 31, 2017, all of the Authority funds were invested in money market accounts.

Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. The Authority does not have a policy to limit its exposure to interest rate risk; however, the Authority's investments in money market funds are withdraw-able on demand.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority limits its investments to U.S. Government Securities. Investments in U.S. Government Securities was rated AAA by Standard and Poor's.

Concentration of credit risk can also arise by failing to adequately diversify investments. The Authority places no limits on the amount that may be invested in any one issuer.

NOTE 4—COMMUNITY DEVELOPMENT CHARGES

Under the Act, the Authority has the power to require property owners within the District to pay a community development charge for the benefit and use of the Authority to cover all or a part of the cost of the acquisition, construction, operation and maintenance of land, land development and community facilities, and any other costs incurred by the Authority in exercise of its powers. A community development charge may be calculated on the basis of (i) assessed valuation of the real property in the District, (ii) the income of the residents of the District, (iii) a uniform fee on each parcel of real property in the District, or (iv) any combination of the foregoing bases. Pursuant to this statutory authority, the owners of the real property in the District have filed a Declaration of Covenants with the Franklin County Recorder on the real property within the District establishing the obligation of current and future landowners to pay the community development charge levied on parcels within the District on the basis of those parcels' assed valuation (the "Charge"). As provided in the Act, the Charge is a covenant running with the land and is fully binding on behalf of and enforceable by the Authority against each person or entity owning property within the District and all successors and assigns of such person or entity. Once collected and received by the Authority, the Charge shall be deposited in the Community Development Charge Account and pledged for payment of the Bond Service Charge.

The Charge is calculated on the basis of the assessed valuation of each parcel of real property in the District. The Charge for each parcel within the District is generally equal to 50% of the assessed value for the parcel multiplied by the effective tax rate applicable to that parcel. The Charge for developed parcels is capped at 50% of the amount of the tax abatement granted for new development pursuant to Ordinance No. 1531-02 passed by Columbus City Council on October 21, 2002, as amended by Ordinance No. 2953-2013 passed by Columbus City Council on December 16, 2013 (together, the "CRA Ordinance").

The Charge was $358,173 for calendar year 2017 and every year thereafter.

NOTE 5—TAX INCREMENTAL FINANCING (TIF)

The Assigned Service Payments are to be received from the City of Columbus pursuant to the Cooperative Agreement among the City, the Authority and the Developer and used, together with the Charge, to pay Bond Services. Charges on the 2006 Series A Bonds. The payments received by the Authority from the City are Pledged Receipts. The City will make payments required by the Cooperative Agreement only from moneys available and appropriated by the City annually for that purpose. The City has covenanted in the Cooperative Agreement to appropriate annually from each TIF Fund the Assigned Service Payments payable from that TIF Fund to the Trustee to the extent of the moneys available in each TIF Fund. The Authority received $1,093,378 in 2017

NOTE 6—CAPITAL ASSETS

Description	Balance January 1, 2017	Additions	Balance December 31, 2017
Infrastructure	$ 5,756,481	$ -	$ 5,756,481
Land	2,959,010	915,200	3,874,210
Construction in Progress	5,523,639	6,533,793	12,057,432
Total	$ 14,239,130	$7,448,993	$ 21,688,123

NOTE 7—LONG-TERM OBLIGATIONS

The Authority's long-term obligations activity for the years ended December 31, 2017 was as follows:

Bond Issue	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Due In one year
Redevelopment Bonds Series 2006A	$ 5,270,000	$ -	$(260,000)	$ 5,010,000	$275,000
Series A1 2013	2,125,000	-	(200,000)	1,925,000	225,000
Series A2 2013	6,330,000	-	-	6,330,000	-
Series B 2013	3,675,000	-	(25,000)	3,650,000	25,000
Series B 2016	9,600,000	-	-	9,600,000	
Total	$27,000,000	$-	$(485,000)	$26,515,000	$ 525,000

A. Redevelopment Bonds, Series 2006A, Series 2013 A1 and A2 and Series 2013 B

On August 14, 2006, the Authority issued $6,955,000 in Community Facilities Bonds Series 2006A, for the purpose of providing funds to construct infrastructure. These Bonds constitute two term bonds, Term 2022 Bonds and Term 2036 Bonds. The interest rates on the Term 2022 and Term 2036 Bonds are 6.00% and 6.25%, respectively.

Interest on the Bonds is paid on June 1 and December 1 of each year. Principal payments on the Bonds are due each December 1 from mandatory sinking fund redemption. Interest is calculated based on a year of 360 days.

On February 1, 2014, the Authority issued $8,755,000 in Redevelopment Bonds Series 2013A1 and A2, for the purpose of providing funds to construct infrastructure. These Bonds constitute two term bonds, Term 2023 Bonds and Term 2033 Bonds. The interest rates on the Term 2022 and Term 2036 Bonds are 6.00% and 6.25%, respectively.

NOTE 7—LONG-TERM OBLIGATIONS – (Continued)

On February 1, 2014, the Authority issued $3,700,000 in Subordinate Redevelopment Bonds Series 2013B, for the purpose of providing funds to construct infrastructure. These Bonds Term in 2044. The interest rate is 9.00%.

On October 27, 2016, the Authority issued $9,600,000 in Subordinate Redevelopment Bonds Series 2016B, for the purpose of providing funds to construct a parking garage. These Bonds Term in 2044. The interest rate is 9.50%.

Interest on the Bonds is paid on June 1 and December 1 of each year. Principal payments on the Bonds are due each December 1 from mandatory sinking fund redemption. Interest is calculated based on a year of 360 days.

B. Mandatory Sinking Fund Redemption

All Bonds are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the Series. That mandatory redemption is to occur on December 1 in each of the years 2009 through 2032 at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule (including the amount of Series 2006A Bonds redeemed at maturity):

	Term 2022 Bonds 5.00% $3,180,000		Term 2032 Bonds 5.00% $3,775,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2018	$ 275,000	$ 250,500	$ -	$ -
2019	275,000	236,750	-	-
2020	215,000	223,000	-	-
2021	230,000	212,250	-	-
2022	240,000	200,750	-	-
2023-2027	-	-	1,390,000	811,500
2028-2032	-	-	2,385,000	428,000
2032-2032	-	-		
Total	$ 1,235,000	$ 1,123,250	$ 3,775,000	$ 1,239,500

	Series A1 2013 Term 2023 Bonds 5.375% $2,425,000		Series A2 2013 Term 2033 Bonds 6.25% $6,330,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2018	$ 225,000	$ 100,781	$ -	$ 395,625
2019	250,000	88,150	-	395,625
2020	335,000	73,503	-	395,625
2021	350,000	55,228	-	395,625
2022	370,000	36,147	-	395,625
2023-2027	395,000	15,991	1,325,000	1,787,501
2028-2032	-	-	3,515,000	1,007,500
2033-2033	-	-	1,490,000	69,844
Total	$ 1,925,000	$ 369,800	$ 6,330,000	$ 4,842,970

	Series B 2013 Term 2044 Term Bonds 9.0% $3,700,000		Series B 2016 Term 2044 Term Bonds 9.5% $9,600,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2018	$ 25,000	$ 328,500	$ -	$ 912,000
2019	25,000	326,250	-	912,000
2020	25,000	324,000	-	912,000
2021	45,000	321,750	245,000	1,157,000
2022	90,000	317,700	305,000	1,193,725
2023-2027	595,000	1,447,200	1,485,000	5,484,500
2028-2032	855,000	1,132,650	1,950,000	5,204,700
2033-2037	725,000	759,150	1,860,000	4,146,175
2038-2042	825,000	432,900	2,415,000	3,783,000
2043-2044	440,000	60,300	1,340,000	1,533,800
Total	$ 3,650,000	$ 5,453,400	$ 9,600,000	$ 25,238,900

NOTE 8—RISK MANAGEMENT

The Authority has property, casualty and crime coverages to protect against damage to their property.

There has been no change in coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

NOTE 9—RELATED PARTY TRANSACTIONS

The Developer is responsible for overseeing the construction and development of the Authority's public infrastructure. The Authority is governed by a seven-member Board of Trustees. Three Board members appointed by the Developer are employees of related parties to the Developer.

NOTE 10—EVALUATION OF SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through June 26, 2018, the date which the financial statements were available to be issued.

The Management's Discussion and Analysis of the financial performance of the Jeffrey Place New Community Authority, Franklin County, Ohio, (the "Authority") provides an overall review of the Authority's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole. Readers should also review the basic financial statements and notes to the financial statements to enhance their understanding of the Authority's financial performance.

Financial Highlights

1. The Authority oversees the development of public infrastructure on the Jeffrey site. The site consists of approximately 38 acres on the east side of Italian Village (directly north of Downtown Columbus, west of interstate 670).
2. Net Position at December 31, 2016 totaled $1,330,600.
3. The Authority issued $9,600,000 in redevelopment bonds. The Authority's debt will be paid through the collection of Community Development Charges and TIF receipts imposed on the chargeable properties benefiting from the capital asset.
4. In fiscal year 2016 the Authority received Community Development Charges totaling $592,119.
5. In fiscal year 2017 the Authority received Tax Incremental Financing (TIF) totaling $1,051,395.

Overview of the Financial Statements

This annual report consists of two parts – (i) Management's Discussion and Analysis and (ii) the basic financial statements consisting of a *Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows;* and related footnotes. The Statement of Net Position represents the financial position of the Authority and provides information about the activities of the Authority, following Generally Accepted Accounting Principles. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net total financial position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position include certain assets, liabilities, revenues and expenses following the accrual basis of accounting. The accrual basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Authority's net financial resources and changes in those resources. This change in resources is important because it tells the reader that, for the Authority as a whole, the financial position of the Authority has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 20 and 21 of this report.

The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its operations. The Statement of Cash Flows can be found on page 22 of this report.

Summary Statement of Net Position

The table below provides a summary of the Authority's net financial position as of December 31, 2017 and 2016 on the accrual basis. (See Note 2 to the financial statements for more information.)

	2016	2015
Assets:		
Current and Other Assets	$ 14,702,928	$ 3,462,296
Other Assets	14,239,130	16,163,658
Total Assets	28,942,058	19,269,537
Liabilities:		
Current Liabilities	738,285	568,908
Long Term Liabilities	26,515,000	17,400,000
Total Liabilities	27,253,285	17,968,908
Deferred Inflows	358,173	356,417
Net Position:		
Net invested in capital assets	(2,973,829)	637,126
Unrestricted	4,304,429	663,503
Total Net Position	$ 1,330,600	$ 1,300,629

Net Position has increased slightly from 2015 to 2016.

Summary Statement of Revenues, Expenses, and Changes in Net Position

The table below reflects the changes in net position for the fiscal years ended December 31, 2017 and 2016 on the accrual basis.

	2016	2015
Operating Revenue	$ 1,646,109	$ 1,889,283
Operating Expenses	(44,498)	(38,627)
Operating Income	1,601,611	1,850,656
Non-Operating (Expenses)		
Interest Expense	(1,286,283)	(1,159,063)
Loss on Sale Land	(36,295)	-
Bond Issuance Costs	(249,062)	-
Total Non-Operating Expenses	(1,571,640)	(1,159,063)
Change in Net Position	$ (29,971)	$ 691,593

Change in net position decreased from 2015 to 2016 due to increased interest expense and bond issuance costs.

Budgeting

The Authority is not required to follow the budgetary provisions set forth in Ohio Revised Code Chapter 5705.

Capital Assets

The Authority's capital assets are still under construction and are expected to be completed in 2018.

Debt

The Authority issued Redevelopment Bonds totaling $29,010,000 to construct and acquire community facilities, which include a community center, community recreation improvements, landscaping and signage, water and sewer facilities, storm water management features, roadways and traffic control improvements. The debt service will be paid annually by the revenue received from the Community Development Charges.

Current Issues

The Authority is overseeing the development of public infrastructure on a site that consists of 38 acres of a prior industrial manufacturing site. The master planned community will include a mix of apartments, fee simple homes, condominiums, offices, parks and community facilities. The Columbus City Council has approved zoning for up to 1,500 dwelling units on this site.

Contacting Authority's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances and to reflect the Authority's accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the Authority's Treasurer, 842 N. 4th Street, Suite 200, Columbus, Ohio 43215.

Jeffrey Place New Community Authority
Statements of Net Position
As of December 31, 2016

ASSETS	
Current Assets	
Cash and cash equivalents	$ 14,344,755
Accounts Receivable	358,173
Total Current Assets	14,702,928
Non-Depreciable Capital Assets	
Land	2,959,010
Construction in progress	11,280,120
Total Non-Current Assets	14,239,130
TOTAL ASSETS	$ 28,942,058
LIABILITIES	
Current Liabilities	
Accrued Interest	$ 253,285
Debt due in less than one year	485,000
Total Current Liabilities	738,285
Long Term Liabilities	
Debt due in more than one year	26,515,000
Total Long Term Liabilities	26,515,000
TOTAL LIABILITIES	27,253,285
Deferred Inflows of Resources	
Community Development Charges	358,173
NET POSITION	
Net investment in capital assets	(2,973,829)
Unrestricted net position	4,304,429
TOTAL NET POSITION	$ 1,330,600

See accompanying notes to the basic financial statements.

Jeffrey Place New Community Authority

Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended December 31, 2016

Operating Revenue/Expense	
Operating Revenue	
Community Development Charges	$ 592,119
Tax Incremental Financing	1,051,395
Miscellaneous revenue	2,595
Total Operating Revenue	1,646,109
Operating Expense	
Accounting Fees	11,095
Trustee Fees	7,700
Legal fees	25,403
Insurance expense	300
Total Operating Expense	44,498
Operating Income	1,601,611
Non Operating Expenses	
Loss on sale of land	(36,295)
Interest Expense	(1,286,283)
Bond Issuance Costs	(249,062)
Total Non Operating Expenses	(1,571,640)
Total Change in Net Position	29,971
Net Position, Beginning of Period	1,300,629
Net Position, End of Period	$ 1,330,600

See accompanying notes to the basic financial statements.

Jeffrey Place New Community Authority
Statements of Cash Flows
For the Years Ended December 31, 2016

Cash Flows From Operating Activites	
Cash received from Property Owners	$ 1,643,514
Other revenue	2,595
Cash Payments for legal fees	(25,403)
Cash payments forTrustees fees	(7,700)
Cash Payments for Accounting	(11,095)
Cash Payments for Insurance	(300)
Net Cash Provided by Operating Activities	1,601,611
Cash Flows From Capital and Related Financing Activities	
Principal retirement on debt service	(475,000)
Cash Payments for Interest Expense for Bonds	(1,126,906)
Proceeds from sale of bonds	9,600,000
Public Works Land Sale	2,806,675
Bond Issuance Costs	(249,062)
Payments to others for construction items	(918,442)
Net Cash Provided by Capital and Related Financing Activities	9,637,265
Net Change in Cash	11,238,876
Cash, Beginning of year	3,105,879
Cash, End of year	$ 14,344,755
Reconciliation of Operating Income to Net Cash Provided by Operating activities	$ 1,601,611
Net Cash Provided by Operating Activities	$ 1,601,611

See accompanying notes to the basic financial statements.

NOTE 1 – REPORTING ENTITY

The Jeffrey Place New Community Authority is a joint public-private partnership Authority established to revitalize the eastern edge of Italian Village, City of Columbus, Ohio. The Authority was established pursuant to Chapter 349 of the Ohio Revised Code. In late 2002, Jeffrey Place Development LLC petitioned the Columbus City Council to create the New Community Authority which City Council then passed via resolution 1607-02 officially creating the New Community Authority. The petition allows the Authority to finance publicly owned and operated infrastructure and facilities by collecting tax increment finance (TIF) revenues and a community development charge.

In 2006, the City passed legislation (1236-2006) appointing three citizen members and one local government representative to serve as New Community Authority trustees. Additionally, this legislation also authorized the City's Development Director to execute a TIF agreement in support of the redevelopment and revitalization of the Jeffrey Manufacturing site. By its Resolution, the City Council determined the new community district would be conducive to the public health, safety, convenience and welfare, and it was intended to result in the development of a new community as described in the Act. The Authority thereby organized as a body corporate and politic in the State.

Later, in 2007, a group of developers including Green Arbors Housing Limited Partnership; Waterford Limited Partnership; 750 North Fourth Street LLC; and Courtyard Townhomes LLC recorded the Authority's covenants and restrictions. This document, along with an amendment filed in September 2014 (instrument 201409230125772), details the controls in place over the entire acreage including the Community Development Charge which is applicable to a majority of the parcels within overall site. Funds collected via the charge can be used to cover all or part of the cost of the acquisition, development, construction, operation and maintenance of land, "Community Land Development", and "Community Facilities", and all other costs incurred by the Authority in the exercise of its powers pursuant to the Act, including without limitation the reimbursement of loans, advances or expenditures made to or by the Developer for such purposes.

The New Community Authority oversees the development of public infrastructure on the Jeffrey site. The site consists of approximately 42 acres on the east side of Italian Village (directly north of Downtown Columbus, west of interstate 670). It was previously used for the manufacturing of industrial mining equipment. Due to this use, the land needed environmental remediation before redevelopment. The Jeffrey Manufacturing site was the first major project, to respond to Mayor Michael Coleman's ambitious goal (announced in 2000), to incorporate a portion of the development of 10,000 new residential units in Downtown Columbus over the next 10 years.

Now known as Jeffrey Park, the site is currently being developed as a master planned community with a mix of apartments, fee simple homes, condominiums, office, parks, and community facilities. The project is designed to leverage and enhance the revitalization success seen by Italian Village. In July 2013, Columbus City Council granted numerous variances to the existing zoning classification of M, Manufacturing which included the increase in total number of dwelling units to 1,500 on the site.

To raise money for public infrastructure in support of development, the Authority has issued several bond offerings. The bonds, depending on the issuance, are secured by one or many sources. Sources include the .40 Italian Village Offsite TIF, the .41 Jeffrey Park Onsite TIF, and the Community Development Charge. The first series of bonds were issued in 2006 for $6,955,000. Proceeds for these 2006 Series A Bonds were used to pay for project costs (e.g.: utility improvements, road, sidewalks, site preparation, etc.), costs of issuance of & capitalized interest on these bonds, and fund the bond service reserve account. In 2013, the Authority issued an additional $8,755,000 in A-Bonds to acquire roads and parkland; to build roads, sidewalks, street lights, etc., and to pay the costs of bond issuance and capitalized interest, and fund the bond reserve account for the 2013 Series A Bonds. In addition to the 2013 Series A-Bonds, the Authority also issued $3,700,000 in subordinate 2013 B-Bonds to pay for the cost of land acquisition and development.

NOTE 1 – REPORTING ENTITY (Continued)

This 2013 Series B Bond issuance also paid for the construction of community facilities and the cost of the bond issuance along with any capitalized interest. During 2016 the Authority issued additional Series B bonds for $9,600,000 for the construction of a parking garage.

Overall, the Authority is governed by a 7-member Board of Trustees. As previously mentioned, 3 of those are citizen members appointed by Columbus City Council to represent present and future residents of the New Community Authority area. The Council also appoints 1 additional member to represent local government. The remaining 3 members are appointed by the developer. All Trustees are empowered to vote on all matters within the authority of the Board of Trustees, and no vote by a member appointed by the Developer shall be construed to give rise to civil or criminal liability for conflict of interest on the part of public officials. A schedule established by the Columbus City Council provides for the appointed members to be replaced by elected members as the district population grows.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in preparation of the financial statements are summarized below. These policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

A. Basis of Presentation

The Authority's basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The Authority uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, financial position, changes in net position, and cash flows.

B. Measurement Focus and Basis of Accounting

The Authority's financial activity is accounted for using a flow of economic resources measurement focus. All assets and liabilities associated with the operation of the Authority are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (e. g. revenues) and decreases (e. g. expenses) in total net position. The statement of cash flows reflects how the Authority finances and meets its cash flow needs.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

C. Cash and Investments

Cash received by the Authority is deposited with a financial institution or invested. Deposits and investments having an original maturity of three months or less at the time they are purchased are presented in the financial statements as Cash and Cash Equivalents. Investments with an initial maturity of more than three months are reported as Investments. Investments were limited to money market funds.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Capital Assets

All capital assets are capitalized at cost and updated for additions and reductions during the year. The Authority does not maintain a capitalization threshold as all infrastructure assets are capitalized. The Authority has not begun to depreciate any capital assets yet.

E. Long Term Debt

Bonds are recognized as a liability on the financial statements.

F. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on the use of resources either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Authority first applies restricted resources when an expense is incurred for which both restricted and unrestricted net position are available.

G. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Authority. For the Authority, these revenues are TIF's and Community Development Charges. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the Authority. All revenues and expenses not meeting this definition are reported as non-operating.

NOTE 3—DEPOSITS AND INVESTMENTS

Cash received by the Authority is deposited with a financial institution or invested. Deposits and investments having an original maturity of three months or less at the time they are purchased are presented in the financial statements as Cash and Cash Equivalents. Investments with an initial maturity of more than three months are reported as Investments. All cash and cash equivalents were invested in money markets at December 31, 2016 are carried at cost, which approximates fair market value.

State statutes classify monies held by the Authority into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the Authority treasury, in commercial accounts payable or withdraw-able on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Trustees has 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, pass book accounts.

NOTE 3—DEPOSITS AND INVESTMENTS (Continued)

Interim deposits are deposits of interim monies that 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 pass book accounts.

State statute permits interim monies to be deposited or invested in the following securities:

1. United States treasury notes, bills, bonds, 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, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities.

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days.

4. Bonds and other obligations of the State of Ohio.

5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

6. The State Treasurer's investment pool (STAR Ohio).

The Authority may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio,
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and,
3. Obligations of the Authority.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the Authority, 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 Treasurer, or if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

NOTE 3—DEPOSITS AND INVESTMENTS (Continued)

Deposits
Custodial Credit Risk – Deposits is the risk that, in the event of a bank failure, the Authority's deposits may not be returned. The Authority had no deposits which were exposed to custodial credit risk at December 31, 2015.

Investments
As of December 31, 2016, all of the Authority funds were invested in money market accounts.

Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. The Authority does not have a policy to limit its exposure to interest rate risk; however, the Authority's investments in money market funds are withdraw-able on demand.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Authority limits its investments to U.S. Government Securities. Investments in U.S. Government Securities was rated AAA by Standard and Poor's.

Concentration of credit risk can also arise by failing to adequately diversify investments. The Authority places no limits on the amount that may be invested in any one issuer.

NOTE 4—COMMUNITY DEVELOPMENT CHARGES

Under the Act, the Authority has the power to require property owners within the District to pay a community development charge for the benefit and use of the Authority to cover all or a part of the cost of the acquisition, construction, operation and maintenance of land, land development and community facilities, and any other costs incurred by the Authority in exercise of its powers. A community development charge may be calculated on the basis of (i) assessed valuation of the real property in the District, (ii) the income of the residents of the District, (iii) a uniform fee on each parcel of real property in the District, or (iv) any combination of the foregoing bases. Pursuant to this statutory authority, the owners of the real property in the District have filed a Declaration of Covenants with the Franklin County Recorder on the real property within the District establishing the obligation of current and future landowners to pay the community development charge levied on parcels within the District on the basis of those parcels' assed valuation (the "Charge"). As provided in the Act, the Charge is a covenant running with the land and is fully binding on behalf of and enforceable by the Authority against each person or entity owning property within the District and all successors and assigns of such person or entity. Once collected and received by the Authority, the Charge shall be deposited in the Community Development Charge Account and pledged for payment of the Bond Service Charge.

The Charge is calculated on the basis of the assessed valuation of each parcel of real property in the District. The Charge for each parcel within the District is generally equal to 50% of the assessed value for the parcel multiplied by the effective tax rate applicable to that parcel. The Charge for developed parcels is capped at 50% of the amount of the tax abatement granted for new development pursuant to Ordinance No. 1531-02 passed by Columbus City Council on October 21, 2002, as amended by Ordinance No. 2953-2013 passed by Columbus City Council on December 16, 2013 (together, the "CRA Ordinance").

The Charge was $356,417 for calendar year 2016. The Charge will be $358,173 for 2017and thereafter.

NOTE 5—TAX INCREMENTAL FINANCING (TIF)

The Assigned Service Payments are to be received from the City of Columbus pursuant to the Cooperative Agreement among the City, the Authority and the Developer and used, together with the Charge, to pay Bond Services. Charges on the 2006 Series A Bonds. The payments received by the Authority from the City are Pledged Receipts. The City will make payments required by the Cooperative Agreement only from moneys available and appropriated by the City annually for that purpose. The City has covenanted in the Cooperative Agreement to appropriate annually from each TIF Fund the Assigned Service Payments payable from that TIF Fund to the Trustee to the extent of the moneys available in each TIF Fund. The Authority received $1,051,395 in 2016.

NOTE 6—CAPITAL ASSETS

Description	Balance January 1, 2016	Additions	Disposals	Balance December 31, 2016
Infrastructure	$ 5,756,481	$ -	$ -	$ 5,756,481
Land	5,801,980	-	2,842,970	2,959,010
Construction in Progress	4,605,197	918,442	-	5,523,639
Total	$ 16,163,658	$918,442	$ -	$ 14,239,130

NOTE 7—LONG-TERM OBLIGATIONS

The Authority's long-term obligations activity for the years ended December 31, 2016 was as follows:

Bond Issue	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Due In one year
Redevelopment Bonds Series 2006A	$ 5,520,000	$ -	$(250,000)	$ 5,270,000	$260,000
Series A1 2013	2,325,000	-	(200,000)	2,125,000	200,000
Series A2 2013	6,330,000	-	-	6,330,000	-
Series B 2013	3,700,000	-	(25,000)	3,675,000	25,000
Series B 2016	-	9,600,000	-	9,600,000	
Total	$17,875,000	$9,600,000	$(225,000)	$27,000,000	$ 485,000

A. Redevelopment Bonds, Series 2006A, Series 2013 A1 and A2 and Series 2013 B

On August 14, 2006, the Authority issued $6,955,000 in Community Facilities Bonds Series 2006A, for the purpose of providing funds to construct infrastructure. These Bonds constitute two term bonds, Term 2022 Bonds and Term 2036 Bonds. The interest rates on the Term 2022 and Term 2036 Bonds are 6.00% and 6.25%, respectively.

Interest on the Bonds is paid on June 1 and December 1 of each year. Principal payments on the Bonds are due each December 1 from mandatory sinking fund redemption. Interest is calculated based on a year of 360 days.

On February 1, 2014, the Authority issued $8,755,000 in Redevelopment Bonds Series 2013A1 and A2, for the purpose of providing funds to construct infrastructure. These Bonds constitute two term bonds, Term 2023 Bonds and Term 2033 Bonds. The interest rates on the Term 2022 and Term 2036 Bonds are 6.00% and 6.25%, respectively.

NOTE 7—LONG-TERM OBLIGATIONS – (Continued)

On February 1, 2014, the Authority issued $3,700,000 in Subordinate Redevelopment Bonds Series 2013B, for the purpose of providing funds to construct infrastructure. These Bonds Term in 2044. The interest rate is 9.00%.

On October 27, 2016, the Authority issued $9,600,000 in Subordinate Redevelopment Bonds Series 2016B, for the purpose of providing funds to construct a parking garage. These Bonds Term in 2044. The interest rate is 9.50%.

Interest on the Bonds is paid on June 1 and December 1 of each year. Principal payments on the Bonds are due each December 1 from mandatory sinking fund redemption. Interest is calculated based on a year of 360 days.

B. Mandatory Sinking Fund Redemption

All Bonds are subject to mandatory sinking fund redemption in part by lot pursuant to the terms of the mandatory sinking fund redemption requirements of the Series. That mandatory redemption is to occur on December 1 in each of the years 2009 through 2032 at a redemption price of 100% of the principal amount redeemed, plus accrued interest to the redemption date, according to the following schedule (including the amount of Series 2006A Bonds redeemed at maturity):

	Term 2022 Bonds 5.00% $3,180,000		Term 2032 Bonds 5.00% $3,775,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2017	$ 260,000	$ 263,500	$ -	$ -
2018	275,000	250,500	-	-
2019	275,000	236,750	-	-
2020	215,000	223,000	-	-
2021	230,000	212,250	-	-
2022-2026	240,000	200,750	1,085,000	677,000
2027-2031	-	-	1,685,000	512,250
2032-2032	-	-	1,005,000	50,250
Total	$ 1,495,000	$ 1,386,750	$ 3,775,000	$ 1,239,500

	Series A1 2013 Term 2023 Bonds 5.375% $2,425,000		Series A2 2013 Term 2033 Bonds 6.25% $6,330,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2017	$ 200,000	$ 111,531	$ -	$ 395,625
2018	225,000	100,781	-	395,625
2019	250,000	88,150	-	395,625
2020	335,000	73,503	-	395,625
2021	350,000	55,228	-	395,625
2022-2026	765,000	52,138	1,325,000	1,877,970
2027-2031	-	-	2,835,000	1,187,656
2032-2033	-	-	2,170,000	194,844
Total	$ 2,125,000	$ 481,331	$ 6,330,000	$ 5,238,595

	Series B 2013 Term 2044 Term Bonds 9.0% $3,700,000		Series B 2016 Term 2044 Term Bonds 9.5% $9,600,000	
Year ending December 31:	Principal	Interest	Principal	Interest
2017	$ 25,000	$ 333,750	$ -	$ 998,133
2018	25,000	328,500	-	912,000
2019	25,000	326,250	-	912,000
2020	25,000	324,000	-	912,000
2021	45,000	321,750	245,000	1,157,000
2022-2026	550,000	1,496,700	1,495,000	5,636,525
2027-2031	820,000	1,206,450	1,800,000	5,225,700
2032-2036	755,000	827,100	1,955,000	4,426,900
2037-2041	770,000	502,200	2,190,000	3,766,050
2042-2044	635,000	117,450	1,915,000	2,290,725
Total	$ 3,675,000	$ 5,784,150	$ 9,600,000	$ 26,237,033

NOTE 8—RISK MANAGEMENT

The Authority has property, casualty and crime coverages to protect against damage to their property.

There has been no change in coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the past three years.

NOTE 9—RELATED PARTY TRANSACTIONS

The Developer is responsible for overseeing the construction and development of the Authority's public infrastructure. The Authority is governed by a seven-member Board of Trustees. Three Board members appointed by the Developer are employees of related parties to the Developer.

NOTE 10—EVALUATION OF SUBSEQUENT EVENTS

The Authority has evaluated subsequent events through June 26, 2018, the date which the financial statements were available to be issued.

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306

Charles E. Harris & Associates, Inc.
Certified Public Accountants

Office phone - (216) 575-1630
Fax - (216) 436-2411

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Jeffrey Place New Community Authority
Franklin County
842 North Fourth Street, Suite 400
Columbus, Ohio 43215

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 financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Jeffrey Place New Community Authority, Franklin County, Ohio (the Authority) as of and for the years ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 26, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the 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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings that we consider to be a material weakness. We consider finding 2017-001 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Entity's Response to Finding

The Authority's response to the finding identified in our audit is described in the accompanying Corrective Action Plan. We did not audit the Authority's response and, accordingly, we express no opinion on it.

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 Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Charles E. Harris & Associates, Inc.
June 26, 2018

JEFFREY PLACE NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY

SCHEDULE OF FINDINGS
DECEMBER 31, 2017 AND 2016

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

FINDING NUMBER 2017-001
Material Weakness

Audit adjustment / Reclassification

The Authority's management is responsible for the fair presentation of the financial statements. The following errors were noted in the financial statements which resulted in audit adjustments and modifications to the report.

- The Authority had a sale of land but did not remove the cost basis of said land from its accounting records. This oversight caused the Authority's land to be overstated.
- Interest payable was not accrued at year end.
- The financial statements submitted to the Hinkle System for 2017 and 2016 did not include a Management's Discussion and Analysis (MD&A).
- The Statement of Position did not present a breakout of the Authority's net position between the net invested in capital assets net of related debt, restricted and unrestricted net position.

The financial statements have been adjusted to present the accounting information correctly and the Authority has agreed with the required adjustments.

We recommend that consideration be given to analyzing the nature of transactions occurring during the normal course of business to ensure that they are properly posted. We recommend further that all entries and reports be reviewed and approved by the Authority's Board monthly.

Officials Response:

See Corrective Action Plan

JEFFREY PLACE NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY

CORRECTIVE ACTION PLAN-PREPARED BY MANAGEMENT
December 31, 2017 and 2016

FINDING NUMBER	PLANNED CORRECTIVE ACTION	ANTICIPATED COMPLETION DATE	RESPONSIBLE CONTACT PERSON
2017-001	We will evaluate our year-end accounting procedures to ensure needed accruals are made. We will also review our financial statement to ensure they are complete and accurate before filing.	Immediately	Sean Cullen, Treasurer

Dave Yost • Auditor of State

JEFFREY PLACE NEW COMMUNITY AUTHORITY

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
SEPTEMBER 25, 2018

88 East Broad Street, Fourth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4514 or 800-282-0370 Fax: 614-466-4490
www.ohioauditor.gov