

***JEFFREY PLACE NEW COMMUNITY AUTHORITY  
FRANKLIN COUNTY***

***REGULAR AUDIT***

***FOR THE YEARS ENDED DECEMBER 31, 2019 & 2018***







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

Board of Trustees  
Jeffrey Place New Community Authority  
842 North 4th 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, 2018 through December 31, 2019. 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.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

October 22, 2020

**This page intentionally left blank.**

**JEFFREY PLACE NEW COMMUNITY AUTHORITY  
FRANKLIN COUNTY**

**TABLE OF CONTENTS**

<b><u>Title</u></b>	<b><u>Page</u></b>
<b>Board of Trustees</b>	<b>ii</b>
<b>Independent Auditor’s Report</b>	<b>1-2</b>
<b>Statement of Net Position Cash Basis– As of December 31, 2019</b>	<b>3</b>
<b>Statement of Revenues, Expenses and Changes in Net Position Cash Basis– For the Year-Ended December 31, 2019</b>	<b>4</b>
<b>Statement of Cash Flows – For the Year-Ended December 31, 2019</b>	<b>5</b>
<b>Notes to the Financial Statements – For the Year Ended December 31, 2019</b>	<b>6-14</b>
<b>Statement of Net Position Cash Basis– As of December 31, 2018</b>	<b>15</b>
<b>Statement of Revenues, Expenses and Changes in Net Position Cash Basis– For the Year-Ended December 31, 2018</b>	<b>16</b>
<b>Statement of Cash Flows – For the Year-Ended December 31, 2018</b>	<b>17</b>
<b>Notes to the Financial Statements – For the Year Ended December 31, 2018</b>	<b>18-26</b>
<b>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 <i>Government Auditing Standards</i></b>	<b>27-28</b>
<b>Prepared by Management:</b>	
<b>Schedule of Prior Audit Findings</b>	<b>29</b>

**JEFFREY PLACE NEW COMMUNITY AUTHORITY**  
**FRANKLIN COUNTY**  
**AUDIT REPORT**  
For the Years Ended December 31, 2019 and 2018

Sean Cullen, Treasurer

Board of Trustees

Erin Prosser, Chairman

Mark A. Wagenbrenner, Vice Chairman

Brian R. Barrett

Matthew Hansen

Eric Wagenbrenner

Mark Lundine

**REPORT OF INDEPENDENT AUDITORS**

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

To the Board of Trustees:

***Report on the Financial Statements***

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, 2019 and 2018, and the related notes to the financial statements, as listed in the table of contents.

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

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

***Auditor's Responsibility***

Our responsibility is to 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*, issued by the Comptroller General of the United States. 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 statement.

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

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jeffrey Place New Community Authority, Franklin County, Ohio, as of December 31, 2019 and 2018, and the changes in financial position and cash flows thereof for the years then ended in accordance with the accounting basis described in Note 2.

**Basis of Accounting**

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

**Emphasis of Matter**

As discussed in Note 10 to the 2019 financial statements, the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. We did not modify our opinions regarding this matter.

As discussed in Note 10 to the 2018 financial statements, the Authority changed its basis accounting to the cash basis of accounting, which differs from generally accepted accounting principles. We did not modify our opinions regarding this matter.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2020 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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, Inc.**  
August 28, 2020



**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Net Position - Cash Basis*  
*December 31, 2019*

Assets	
Cash and cash equivalents	\$ 2,578,504
Total assets	<u>2,578,504</u>
Net position	
Unrestricted	2,578,504
Total net position	<u>\$ 2,578,504</u>

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Revenues, Expenses, and Changes in Net Position - Cash Basis*  
*For the Year Ended December 31, 2019*

Operating revenue	
Community development charges	\$ 1,180,244
Tax incremental financing	1,668,528
Miscellaneous revenue	47,948
Total operating revenue	2,896,720
Operating expense	
Accounting fees	5,587
Trustee fees	13,490
Legal fees	36,195
Insurance expense	300
Total operating expenses	55,572
Operating income (loss)	2,841,148
Non operating revenue (expense)	
Capital outlay	(145,000)
Principal retirement	(550,000)
Interest expense	(1,958,775)
Total non-operating revenue (expense)	(2,653,775)
Change in net position	187,373
Net position at beginning of year	2,391,131
Net position at end of year	\$ 2,578,504

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Cash Flows*  
*For the Year Ended December 31, 2019*

Cash flows from operating activities	
Cash received from property owners	\$ 2,848,772
Cash received from other	47,948
Cash payments to vendors	(55,572)
Net cash provided by operating activities	<u>2,841,148</u>
Cash flows from capital and related financing activities	
Principal retirement on debt service	(550,000)
Cash payments for interest expense for bonds	(1,958,775)
Payments to others for construction items	(145,000)
Net cash provided by capital and related financing activities	<u>(2,653,775)</u>
Net change in cash	187,373
Cash, beginning of year	<u>2,391,131</u>
Cash, end of year	<u>\$ 2,578,504</u>
Operating income (loss)	<u>\$ 2,841,148</u>
Net cash provided by operating activities	<u>\$ 2,841,148</u>

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

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.

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.

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

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

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

***Basis of Presentation***

The Authority's basic financial statements consist of a Statement of Net Position Cash Basis; a Statement of Revenues, Expenses, and Changes in Net Position Cash Basis; 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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

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

***Measurement Focus and Basis of Accounting***

The Authority's financial activity is accounted for using a flow of economic resources measurement focus. The Authority's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Authority's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. As a result of the use of this cash basis of accounting, certain assets and their relative revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

***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.

***Capital Assets***

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

***Long Term Debt***

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

***Net Position***

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.

***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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**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, 2019 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.

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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 3 – Deposits and Investments (continued)**

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.

***Deposits***

Custodial Credit Risk 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, 2019.

***Investments***

As of December 31, 2019, 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 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.



**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**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' assessed 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 \$1,180,244 for calendar year 2019.

**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 \$1,668,528 in 2019.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 6 – Long Term Obligations**

The Authority’s long-term obligation activity for the year ended December 31, 2019 was as follows:

Bond Issue	Outstanding			Outstanding 12/31/2019	Due Within 1 Year
	1/1/2019	Additions	Reductions		
Series A 2006	\$ 4,735,000	\$ -	\$ 275,000	\$ 4,460,000	\$ 215,000
Series A1 2013	1,700,000	-	250,000	1,450,000	335,000
Series A2 2013	6,330,000	-	-	6,330,000	-
Series B 2013	3,625,000	-	25,000	3,600,000	25,000
Series B 2016	9,600,000	-	-	9,600,000	-
Total	<u>\$25,990,000</u>	<u>\$ -</u>	<u>\$ 550,000</u>	<u>\$25,440,000</u>	<u>\$ 575,000</u>

***Redevelopment Bonds, Series A 2006, Series A1 2013, Series A2 2013, Series B 2013, Series B 2016***

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.

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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

**Note 6 – Long Term Obligations (continued)**

***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):

Year Ending December 31	Series A 2006		Series A1 2013		Series A2 2013	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 215,000	\$ 223,000	\$ 335,000	\$ 73,503	\$ -	\$ 395,625
2021	230,000	212,250	350,000	55,228	-	395,625
2022	240,000	200,750	370,000	36,147	-	395,625
2023	250,000	188,750	395,000	15,991	-	395,625
2024	265,000	176,250	-	-	415,000	389,063
2025-2029	1,530,000	669,000	-	-	2,505,000	1,515,782
2030-2034	1,730,000	205,500	-	-	3,410,000	564,375
Total	<u>\$4,460,000</u>	<u>\$1,875,500</u>	<u>\$1,450,000</u>	<u>\$180,869</u>	<u>\$6,330,000</u>	<u>\$4,051,720</u>

Year Ending December 31	Series B 2013		Series B 2016	
	Principal	Interest	Principal	Interest
2020	\$ 25,000	\$ 324,000	\$ -	\$ 912,000
2021	45,000	321,750	245,000	912,000
2022	90,000	317,700	305,000	888,725
2023	105,000	309,600	325,000	859,750
2024	115,000	300,150	375,000	828,875
2025-2029	690,000	1,336,050	1,455,000	3,717,825
2030-2034	850,000	976,500	2,130,000	2,869,950
2035-2039	705,000	631,800	1,840,000	1,939,900
2040-2044	975,000	278,100	2,925,000	885,875
Total	<u>\$3,600,000</u>	<u>\$4,795,650</u>	<u>\$9,600,000</u>	<u>\$13,814,900</u>

**Note 7 – Risk Management**

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

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

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2019*

---

**Note 8 – 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 9 – Contingent Liabilities**

The Authority may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, they believe the resolution of any matter will not materially adversely affect the Authority's financial condition.

**Note 10 – Subsequent Events**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority. The Authority's investment portfolio has incurred a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Net Position - Cash Basis*  
*December 31, 2018*

Assets	
Cash and cash equivalents	\$ 2,391,131
Total assets	<u>2,391,131</u>
Net position	
Unrestricted	2,391,131
Total net position	<u>\$ 2,391,131</u>

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Revenues, Expenses, and Changes in Net Position - Cash Basis*  
*For the Year Ended December 31, 2018*

Operating revenue	
Community development charges	\$ 742,346
Tax incremental financing	1,291,067
Miscellaneous revenue	54,390
Total operating revenue	2,087,803
Operating expense	
Accounting fees	19,480
Trustee fees	7,700
Legal fees	15,224
Insurance expense	460
Total operating expenses	42,864
Operating income (loss)	2,044,939
Non operating revenue (expense)	
Capital outlay	(2,903,792)
Principal retirement	(525,000)
Interest expense	(1,987,406)
Total non-operating revenue (expense)	(5,416,198)
Change in net position	(3,371,259)
Net position at beginning of year, restated	5,762,390
Net position at end of year	\$ 2,391,131

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Statement of Cash Flows*  
*For the Year Ended December 31, 2018*

Cash flows from operating activities	
Cash received from property owners	\$ 2,033,413
Cash received from other	54,390
Cash payments to vendors	(42,864)
Net cash provided by operating activities	<u>2,044,939</u>
Cash flows from capital and related financing activities	
Principal retirement on debt service	(525,000)
Cash payments for interest expense for bonds	(1,987,406)
Payments to others for construction items	(2,903,792)
Net cash provided by capital and related financing activities	<u>(5,416,198)</u>
Net change in cash	(3,371,259)
Cash, beginning of year	<u>5,762,390</u>
Cash, end of year	<u>\$ 2,391,131</u>
Operating income (loss)	<u>\$ 2,044,939</u>
Net cash provided by operating activities	<u>\$ 2,044,939</u>

The accompanying notes are an integral part of these financial statements.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**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.



**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

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

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.

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.

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

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

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

***Basis of Presentation***

The Authority's financial statements consist of a Statement of Net Position Cash Basis; a Statement of Revenues, Expenses, and Changes in Net Position Cash Basis; 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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

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

***Measurement Focus and Basis of Accounting***

The Authority's financial activity is accounted for using a flow of economic resources measurement focus. The Authority's financial statements are prepared using the cash basis of accounting. Receipts are recorded in the Authority's financial records and reported in the financial statements when cash is received rather than when earned and disbursements are recorded when cash is paid rather than when a liability is incurred. As a result of the use of this cash basis of accounting, certain assets and their relative revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

***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.

***Capital Assets***

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

***Long Term Debt***

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

***Net Position***

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.

***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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**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, 2018 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.

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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 3 – Deposits and Investments (continued)**

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.

***Deposits***

Custodial Credit Risk 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, 2018.

***Investments***

As of December 31, 2018, 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 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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**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' assessed 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 \$742,346 for calendar year 2018.

**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 \$1,291,067 in 2018.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 6 – Long Term Obligations**

The Authority’s long-term obligation activity for the year ended December 31, 2018 was as follows:

Bond Issue	Outstanding			Outstanding 12/31/2018	Due Within 1 Year
	1/1/2018	Additions	Reductions		
Series A 2006	\$ 5,010,000	\$ -	\$ 275,000	\$ 4,735,000	\$ 275,000
Series A1 2013	1,925,000	-	225,000	1,700,000	250,000
Series A2 2013	6,330,000	-	-	6,330,000	-
Series B 2013	3,650,000	-	25,000	3,625,000	25,000
Series B 2016	9,600,000	-	-	9,600,000	-
Total	<u>\$ 26,515,000</u>	<u>\$ -</u>	<u>\$ 525,000</u>	<u>\$ 25,990,000</u>	<u>\$ 550,000</u>

***Redevelopment Bonds, Series A 2006, Series A1 2013, Series A2 2013, Series B 2013, Series B 2016***

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.

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.

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

**Note 6 – Long Term Obligations (continued)**

***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):

Year Ending December 31	Series A 2006		Series A1 2013		Series A2 2013	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 275,000	\$ 236,750	\$ 250,000	\$ 88,150	\$ -	\$ 395,625
2020	215,000	223,000	335,000	73,503	-	395,625
2021	230,000	212,250	350,000	55,228	-	395,625
2022	240,000	200,750	370,000	36,147	-	395,625
2023	250,000	188,750	395,000	15,991	-	395,625
2024-2028	1,460,000	742,000	-	-	2,355,000	1,665,157
2029-2033	2,065,000	308,750	-	-	3,975,000	804,063
Total	<u>\$4,735,000</u>	<u>\$2,112,250</u>	<u>\$1,700,000</u>	<u>\$269,019</u>	<u>\$6,330,000</u>	<u>\$4,447,345</u>

Year Ending December 31	Series B 2013		Series B 2016	
	Principal	Interest	Principal	Interest
2019	\$ 25,000	\$ 326,250	\$ -	\$ 912,000
2020	25,000	324,000	-	912,000
2021	45,000	321,750	245,000	912,000
2022	90,000	317,700	305,000	888,725
2023	105,000	309,600	325,000	859,750
2024-2028	640,000	1,393,650	1,480,000	3,858,425
2029-2033	880,000	1,055,700	2,100,000	3,069,450
2034-2038	690,000	693,900	1,785,000	2,109,475
2039-2043	895,000	358,650	2,660,000	1,138,575
2044-2048	230,000	20,700	700,000	66,500
Total	<u>\$ 3,625,000</u>	<u>\$ 5,121,900</u>	<u>\$ 9,600,000</u>	<u>\$ 14,726,900</u>

**Note 7 – Risk Management**

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

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

**Jeffrey Place New Community Authority**  
*Franklin County*  
*Notes to the Financial Statements*  
*For the Year Ended December 31, 2018*

---

**Note 8 – 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 9 – Contingent Liabilities**

The Authority may be a defendant in lawsuits. Although management cannot presently determine the outcome of any suit, they believe the resolution of any matter will not materially adversely affect the Authority’s financial condition.

**Note 10 - Change in Accounting Principle/Prior Period Restatement**

In 2018, the Authority prepared its financial statements on the cash basis of accounting, as described in Note 2 of the financial statements, which differs from generally accepted accounting principles (GAAP). The Authority previously prepared its financial statements in accordance with GAAP. The change in financial statement presentation resulted in the following restatement of net position as of December 31, 2017:

Net Position, December 31, 2017	\$ 769,763
Adjustments, Net	<u>4,992,627</u>
Restated Net Position, December 31, 2017	<u><u>\$ 5,762,390</u></u>



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
REQUIRED BY 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 auditing standards generally accepted in the United States 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, 2019 and 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated August 28, 2020. We noted the Authority changed its basis of accounting to the cash basis of accounting, which differs from generally accepted accounting principles. We also noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of the Authority.

**Internal Controls 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, 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 Authority'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 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*.

However, we noted a certain other matter not requiring inclusion in this report that we reported to the Authority's management in a separate letter dated August 28, 2020.

### **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.**  
August 28, 2020

**JEFFREY PLACE NEW COMMUNITY AUTHORITY  
FRANKLIN COUNTY**

For the Years Ended December 31, 2019 and 2018

SCHEDULE OF PRIOR AUDIT FINDINGS – Prepared by Management

FINDING NUMBER	FUNDING SUMMARY	STATUS	ADDITIONAL INFORMATION
2017-001	Audit adjustment/Reclassification	Corrected	

**This page intentionally left blank.**

# OHIO AUDITOR OF STATE KEITH FABER



**JEFFREY PLACE NEW COMMUNITY AUTHORITY**

**FRANKLIN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

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



**Certified for Release 11/10/2020**

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

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)