



OHIO AUDITOR OF STATE  
**KEITH FABER**





**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
FRANKLIN COUNTY  
DECEMBER 31, 2021 AND 2020**

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# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT AUDITOR'S REPORT

Grandview Crossing Community Authority  
Franklin County  
842 N. 4<sup>th</sup> Street, STE. 200  
Columbus, Ohio 43215

To the Board of Trustees:

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the Grandview Crossing Community Authority, Franklin County, Ohio (the Authority), as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Grandview Crossing Community Authority, Franklin County, Ohio as of December 31, 2021 and 2020, and the changes in financial position and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 October 13, 2022, 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 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.



Keith Faber  
Auditor of State  
Columbus, Ohio

October 13, 2022

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## **GRANDVIEW CROSSING COMMUNITY AUTHORITY**

### **Management's Discussion and Analysis**

Years Ended December 31, 2021 and 2020

Unaudited

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The management's discussion and analysis of the Grandview Crossing Community Authority's (Authority) financial performance provides an overall review of the Authority's financial activities for the years ended December 31, 2021 and 2020. While the intent of this discussion and analysis is to look at the Authority's financial performance, readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Authority's fiscal performance.

### **Financial Highlights**

Key highlights for 2021 and 2020:

- ❑ The Authority undertook project financing by issuing bonds and constructing public infrastructure.
- ❑ The Authority's total net position decreased \$240,115 and \$724,077 in 2021 and 2020, respectively.

### **Overview of the Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Authority's financial activities and financial position. The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position provide information about the activities of the Authority, including all short-term and long-term financial resources and obligations.

Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included in the Statement of Net Position. The Statement of Net Position represents the financial position of the Authority. The Statement of Revenues, Expenses and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net 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 information provided on the basic financial statements.

These financial statements look at all financial transactions and ask the question, "How did we do financially?" These statements provide answers to that question. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position include all assets, liabilities, revenues and expenses of the Authority using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Authority's net position and the changes in net position. The change in net position is important because it tells the reader whether the financial position of the Authority has improved or diminished. However, in evaluating this position, non-financial information such as occupancy will also need to be evaluated. The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Management's Discussion and Analysis

Years Ended December 31, 2021 and 2020

Unaudited

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#### Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. In the case of the Authority liabilities exceeded assets by \$964,592 as of December 31, 2021.

The following table summarizes the Authority's net position for the year ended December 31, 2021:

**Table 1**  
**Net Position**

	2021	2020
<b>Assets</b>		
Current and other assets	\$ 8,967,372	\$ 6,903,391
Capital assets - nondepreciable	13,347,615	4,680,989
<i>Total Assets</i>	<u>22,314,987</u>	<u>11,584,380</u>
<b>Liabilities</b>		
Current liabilities	413,486	56,276
Noncurrent liabilities	22,866,093	12,252,581
<i>Total Liabilities</i>	<u>23,279,579</u>	<u>12,308,857</u>
<b>Net Position</b>		
Net investment in capital assets	(167,869)	(543,516)
Unrestricted	(796,723)	(180,961)
<i>Total Net Postion</i>	<u>\$ (964,592)</u>	<u>\$ (724,477)</u>

While the Authority was created in 2019, no financial activity occurred until 2020 when bonds were issued to finance public infrastructure.

As discussed in Note 5 to the financial statements, the Authority is party to two Cooperative Agreements with the City of Columbus, the City of Grandview Heights and the Developer. The Authority has issued revenue bonds to pay for construction of certain infrastructure public improvements. The sources for repayment of bonds and related interest are tax increment financing (TIF) Payments which have been assigned by the cities to the Authority and the Authority's own community development charge revenues collected.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Management's Discussion and Analysis

Years Ended December 31, 2021 and 2020

Unaudited

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The following table summarizes the changes in the Authority's net position for the year ended December 31, 2021:

**Table 2**  
**Changes in Net Position**

	2021	2020
<b>Operating revenues:</b>		
Assessed valuation charges	\$ 520,999	\$ -
<i>Total operating revenues</i>	<u>520,999</u>	<u>-</u>
<b>Operating expenses:</b>		
Professional services	65,547	133,284
<i>Total operating expenses</i>	<u>65,547</u>	<u>133,284</u>
<i>Operating loss</i>	<u>455,452</u>	<u>(133,284)</u>
<b>Nonoperating revenues (expenses):</b>		
Interest revenue	1,568	373
Interest expense	(519,135)	(179,191)
Bond/loan issuance costs	(178,000)	(412,375)
<i>Total nonoperating revenues (expenses)</i>	<u>(695,567)</u>	<u>(591,193)</u>
<i>Change in net position</i>	(240,115)	(724,477)
<i>Net position, beginning of year</i>	<u>(724,477)</u>	<u>-</u>
<i>Net position, end of year</i>	<u>\$ (964,592)</u>	<u>\$ (724,477)</u>

The Authority started collecting its community development charges in the form of Assessed Valuation Charges in 2021. The Authority recorded nonoperating expense for its bond issuance costs and interest on the bonds.

### Capital Assets and Debt Administration

As of December 31, 2021, the Authority had construction in progress on public infrastructure and issued bonds in the amount of \$12,100,000 during 2020. In 2021, the Authority also entered a loan agreement in the amount of \$11,000,000.

### Economic Factors and Future Trends

The New Community District upon full build-out is currently expected by the Developer to include approximately 1,184 residential units, a 120-bed hotel, 112,000 square feet of retail and commercial space, and 248,000 square feet of office space.

### Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with an overview of the Authority's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the Authority's Treasurer, 842 N. 4<sup>th</sup> Street, Columbus, Ohio 43215.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
STATEMENTS OF NET POSITION  
DECEMBER 31, 2021 AND 2020**

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	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current assets:		
Cash	\$ <u>6,657,174</u>	<u>5,243,181</u>
Restricted assets:		
Cash with fiscal agents	<u>2,310,198</u>	<u>1,660,210</u>
Capital assets:		
Land	2,119,947	-
Construction in progress	<u>11,227,668</u>	<u>4,680,989</u>
Total capital assets	<u>13,347,615</u>	<u>4,680,989</u>
Total assets	<u>22,314,987</u>	<u>11,584,380</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accrued interest payable	118,486	56,276
Bonds payable-current	<u>295,000</u>	<u>-</u>
Total current liabilities	<u>413,486</u>	<u>56,276</u>
Noncurrent liabilities:		
Bonds and loan payable	<u>22,866,093</u>	<u>12,252,581</u>
Total liabilities	<u>23,279,579</u>	<u>12,308,857</u>
<b>NET POSITION</b>		
Net investment in capital assets	(167,869)	(543,516)
Unrestricted	<u>(796,723)</u>	<u>(180,961)</u>
Total net position	\$ <u>(964,592)</u>	<u>(724,477)</u>

See notes to the basic financial statements.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 YEARS ENDED DECEMBER 31, 2021 AND 2020**

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	<u>2021</u>	<u>2020</u>
<b>Operating revenues:</b>		
Assessed valuation charges	\$ <u>520,999</u>	<u>-</u>
Total operating revenues	<u>520,999</u>	<u>-</u>
<b>Operating expenses:</b>		
Professional services	<u>65,547</u>	<u>133,284</u>
Total operating expenses	<u>65,547</u>	<u>133,284</u>
Operating loss	455,452	(133,284)
<b>Non-operating revenues (expenses):</b>		
Interest expense and related fees	(519,135)	(179,191)
Interest income	1,568	373
Bond/loan issuance costs	<u>(178,000)</u>	<u>(412,375)</u>
Total non-operating revenues (expenses)	<u>(695,567)</u>	<u>(591,193)</u>
Change in net position	(240,115)	(724,477)
Net position - beginning of year	<u>(724,477)</u>	<u>-</u>
Net position - end of year	\$ <u><u>(964,592)</u></u>	<u><u>(724,477)</u></u>

See notes to the basic financial statements.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020**

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	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities:</b>		
Cash received from property owners	\$ 520,999	-
Cash paid for goods and services	<u>(65,547)</u>	<u>(133,284)</u>
Net cash provided (used) by operating activities	<u>455,452</u>	<u>(133,284)</u>
<b>Cash flows from capital and related financing activities:</b>		
Payments for capital assets	(8,666,626)	(4,680,989)
Bond and loan proceeds	10,913,654	12,254,724
Bond issuance costs	(178,000)	(412,375)
Debt interest payments	<u>(462,067)</u>	<u>(125,058)</u>
Net cash provided by capital and related financing activities	<u>1,606,961</u>	<u>7,036,302</u>
<b>Cash flows from investing activities:</b>		
Interest income	<u>1,568</u>	<u>373</u>
Net cash provided by investing activities	<u>1,568</u>	<u>373</u>
Net change in cash	2,063,981	6,903,391
Cash at beginning of year	<u>6,903,391</u>	<u>-</u>
Cash at end of year	<u>\$ 8,967,372</u>	<u>6,903,391</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ <u>455,452</u>	<u>(133,284)</u>
Net cash provided by operating activities	<u>\$ 455,452</u>	<u>(133,284)</u>

See notes to the basic financial statements.

# GRANDVIEW CROSSING COMMUNITY AUTHORITY

## Notes to Basic Financial Statements Years Ended December 31, 2021 and 2020

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### 1. REPORTING ENTITY

The Grandview Crossing Community Authority, Franklin County, Ohio (the "Authority") is a community authority created pursuant to Chapter 349 of the Ohio Revised Code (ORC). 810 Grandview, LLC (the Developer) filed a petition (the Petition) for creation of the Authority with the City Council of the City of Columbus (City), Ohio, (Council) and the Petition was accepted by Resolution No. 0183X-2019 of the Council on June 24, 2019. The Petition, which may be subject to amendment or change, defines the boundaries of the Authority and allows the Authority to finance the costs of publicly owned and operated improvements and community facilities with Community Development Charges.

By its Resolution, the Council determined the Authority would be conducive to the public health, safety, convenience and welfare, and that it was intended to result in the development of a new community as described in ORC. The Authority thereby was organized as a body corporate and politic in the State. While the Authority was formed in 2019, no financial activity occurred until 2020.

By law, the Authority is governed by a seven-member board of trustees. At inception, the Council appointed four of the trustees and the remaining three trustees were appointed by the Developer.

The Authority includes approximately 55 acres of land located in the cities of Grandview Heights and Columbus on a vacant former landfill known as the Dublin Road Landfill. The planned development is currently expected to include approximately 1,184 residential units, a 120-bed hotel, 112,000 square feet of retail and commercial space, and 248,000 square feet of office space.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Measurement Focus, Basis of Accounting and Basis of Presentation** – The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Operating revenues are those revenues that are generated from the primary activity of the Authority and will consist of assessed valuation charges. Operating expenses consist primary of administrative expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

**Cash** – The Authority considers all highly liquid investments with an original maturity of three months or less at the time they are purchased to be cash.

**Capital Assets and Depreciation** – Capital assets, including infrastructure, are recorded at historical cost for assets acquired or constructed and acquisition value for contributed infrastructure. Expenses that increase values or extend the useful life of the respective assets are capitalized while the costs of maintenance and repairs are charged to operating expenses. Interest costs related to the construction are capitalized. Depreciation is calculated on a straight-line basis over the estimated useful life of the various classes of assets. The useful life for computing depreciation is 50 years for infrastructure.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Notes to Basic Financial Statements Years Ended December 31, 2021 and 2020

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**Bonds Payable and Premiums** – Bonds payable are reported net of the unamortized bond premium which is deferred and amortized over the term of the bonds. Issuance costs are expensed as incurred.

**Net Position** – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Use of Estimates** – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### 3. DEPOSITS

**Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a custodial risk policy beyond the requirements of State statute. Any public depository in which the Authority places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC).

**Cash Equivalents** - As of December 31, 2021, the Authority had cash on deposit with Huntington Bank (Trustee) in accordance with the Authority's Master Trust Agreement with the Trustee. The amount on deposit with the Trustee at December 31, 2021 and 2020 was \$6,657,174 and \$5,243,181, respectively and consists of a US Treasury money market fund.

In addition, \$2,310,198 and \$1,660,210 was held by fiscal agents in debt service reserve funds and capitalized interest funds at December 31, 2021 and 2020, respectively. The capitalized interest funds were used to make debt service payments in 2021 while the debt service reserve funds will be held until the bonds and loan mature and used for debt service at that time.

### 4. COMMUNITY DEVELOPMENT CHARGES

The Authority can levy community development charges, as defined, for the benefit and use of the Authority to cover all or part of land acquisitions, development, construction, operation and maintenance of land, land development and community facilities, the debt service therefor and any other cost incurred by the Authority. The Authority levied an Assessed Valuation Charge beginning in 2021.

#### **Assessed Valuation Charge**

The Assessed Valuation Charge is an annual charge on each chargeable parcel of land within the Authority based on the assessed valuation of each parcel and subject to minimum assessed valuation charge. The Charge is intended to cover costs of acquisition, development and maintenance of land as well as debt service and operations.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY**

**Notes to Basic Financial Statements  
Years Ended December 31, 2021 and 2020**

**5. RELATED PARTY TRANSACTIONS**

Under an agreement with the Authority, the Developer was responsible for overseeing the construction and development of the public infrastructure projects. In addition, the Developer will fulfill certain administrative and operational functions for the Authority on an ongoing basis. The Developer has paid operating costs on behalf of the Authority for which it is eligible for reimbursement.

By law, the Authority is governed by a seven-member board of trustees. The Columbus City Council appointed four of the trustees and the remaining three trustees were appointed by the Developer. The trustees appointed by the Developer are employees of a related party to the Developer.

**6. CAPITAL ASSETS**

Capital asset activity for the years ended December 31, 2021 and 2020 was as follows:

	Balance 1/1/21	Increases	Decreases	Balance 12/31/21
<i>Capital assets not being depreciated:</i>				
Land	\$ -	2,119,947	-	2,119,947
Construction in progress	<u>4,680,989</u>	<u>6,546,679</u>	<u>-</u>	<u>11,227,668</u>
	<u>\$ 4,680,989</u>	<u>8,666,626</u>	<u>-</u>	<u>13,347,615</u>
	Balance 1/1/20	Increases	Decreases	Balance 12/31/20
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ -	4,680,989	-	4,680,989

**7. PLEDGED REVENUE, COOPERATIVE AGREEMENTS AND REVENUE BONDS**

In August 2020, the Authority issued Development Revenue Bonds pursuant to a Trust Indenture dated as of December 1, 2020 between the Authority and The Huntington National Bank, as Trustee (Trustee). The bonds were also issued in accordance with a Bond Purchase Agreement in which the Columbus-Franklin County Finance Authority (CFCFA) and Development Finance Authority of Summit County (DFA) each agreed to purchase a portion of the bonds. Both the CFCFA and DFA issued bonds in 2020 to finance the purchase of the bonds including project funds, debt reserves and capitalized interest funds.

Principal and interest on the Series 2020 Bonds will be payable solely by the Authority from the pledged revenues received pursuant to two Cooperative Agreements (Agreements). One agreement is among the Authority, City of Columbus, and the Developer while the second is among the Authority, City of Grandview Heights and the Developer. The Bonds are payable from revenues consisting primarily of financing payments as defined in the Agreements. Pursuant to the Agreement, the Authority is obligated to make financing payments, solely from the service payments tax increment financing (TIF) payments received by the cities on behalf of the Authority. The cities both approved the TIF Ordinance for the property. The cities assigned TIF Payments to the Authority and directed those to be paid directly to the Trustee on behalf of the Authority. In addition, the Authority is authorized to charge property owners a community development charge which consists of a minimum assessed valuation charge based on parcel valuations and is also pledged for debt service.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY**

**Notes to Basic Financial Statements  
Years Ended December 31, 2021 and 2020**

The Development Revenue Bonds of \$12,100,000 were issued as serial bonds and have a final maturity of November 15, 2050 and bear interest at rates ranging from 2.6% to 4.66%. The bonds were issued to pay costs of certain public infrastructure improvements constructed by the Developer.

In 2021, the Authority entered into a loan agreement with the Department of Development of the State of Ohio utilizing the Chapter 166 Ohio Revised Code Loan Program. The \$11,000,000 loan matures November 15, 2045 and bears interest at rates ranging from 1.55% to 3.4%. The loan proceeds will be used to pay costs of certain public infrastructure improvements constructed by the Developer. The loan is payable from revenues consisting primarily of financing payments as defined in the Agreement. The Authority is authorized to charge property owners a community development charge which consists of a minimum assessed valuation charge based on parcel valuations and is also pledged for debt service.

Debt activity for the years ended December 31, 2021 and 2020 was as follows:

	Balance 1/1/21	Additions	Reductions	Balance 12/31/21	Due Within One Year
2020 Revenue Bonds	\$ 12,100,000	-	-	12,100,000	295,000
2021 Loan	-	11,000,000	-	11,000,000	-
Net premium (discount)	152,581	(86,345)	(5,143)	61,093	-
	<u>\$ 12,252,581</u>	<u>10,913,655</u>	<u>(5,143)</u>	<u>23,161,093</u>	<u>295,000</u>

	Balance 1/1/20	Additions	Reductions	Balance 12/31/20	Due Within One Year
2020 Revenue Bonds	\$ -	12,100,000	-	12,100,000	-
Premium	-	154,724	(2,143)	152,581	-
	<u>\$ -</u>	<u>12,254,724</u>	<u>(2,143)</u>	<u>12,252,581</u>	<u>-</u>

Principal and interest payments to retire the Bonds as of December 31, 2021 are as follows:

	Principal	Interest	Total
2022	\$ 295,000	446,860	741,860
2023	340,000	432,652	772,652
2024	355,000	416,828	771,828
2025	370,000	401,394	771,394
2026	380,000	389,785	769,785
2027-2031	1,985,000	1,790,554	3,775,554
2032-2036	2,110,000	1,409,596	3,519,596
2037-2041	1,440,000	1,024,975	2,464,975
2042-2046	1,820,000	731,920	2,551,920
2047-2050	3,005,000	329,815	3,334,815
Total	<u>\$ 12,100,000</u>	<u>7,374,379</u>	<u>19,474,379</u>

**GRANDVIEW CROSSING COMMUNITY AUTHORITY**

**Notes to Basic Financial Statements  
Years Ended December 31, 2021 and 2020**

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Principal and interest payments to retire the loan as of December 31, 2021 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ -	311,516	311,516
2023	360,000	310,117	670,117
2024	400,000	304,368	704,368
2025	410,000	298,113	708,113
2026	415,000	291,741	706,741
2027-2031	2,310,000	1,310,329	3,620,329
2032-2036	2,515,000	994,629	3,509,629
2037-2041	1,880,000	622,363	2,502,363
2042-2046	<u>2,710,000</u>	<u>276,392</u>	<u>2,986,392</u>
Total	\$ <u>11,000,000</u>	<u>4,719,568</u>	<u>15,719,568</u>

**8. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts and liability, damage to and theft of or destruction of assets; errors and omissions; and natural disasters. The Authority maintains insurance coverage with private carriers for property and general liability insurance. Settled claims did not exceed coverage for the year ended December 31, 2021 and there was no significant change in coverage from the prior year.

## **GRANDVIEW CROSSING COMMUNITY AUTHORITY**

### **Management's Discussion and Analysis**

Year Ended December 31, 2020

Unaudited

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The management's discussion and analysis of the Grandview Crossing Community Authority's (Authority) financial performance provides an overall review of the Authority's financial activities for the years ended December 31, 2020. While the intent of this discussion and analysis is to look at the Authority's financial performance, readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Authority's fiscal performance.

#### **Financial Highlights**

Key highlights for 2020:

- ❑ The Authority undertook project financing by issuing bonds and constructing public infrastructure.
- ❑ The Authority's total net position decreased \$724,477 in 2020.

#### **Overview of the Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Authority's financial activities and financial position. The Statement of Net Position and Statement of Revenues, Expenses and Changes in Net Position provide information about the activities of the Authority, including all short-term and long-term financial resources and obligations.

Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included in the Statement of Net Position. The Statement of Net Position represents the financial position of the Authority. The Statement of Revenues, Expenses and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net 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 information provided on the basic financial statements.

These financial statements look at all financial transactions and ask the question, "How did we do financially?" These statements provide answers to that question. The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position include all assets, liabilities, revenues and expenses of the Authority using the accrual basis of accounting similar to the accounting used by private sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid.

These two statements report the Authority's net position and the changes in net position. The change in net position is important because it tells the reader whether the financial position of the Authority has improved or diminished. However, in evaluating this position, non-financial information such as occupancy will also need to be evaluated. The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Management's Discussion and Analysis

Year Ended December 31, 2020

Unaudited

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#### Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. In the case of the Authority liabilities exceeded assets by \$724,477 as of December 31, 2020.

The following table summarizes the Authority's net position for the year ended December 31, 2020:

**Table 1**  
**Net Position**

	<u>2020</u>
<b>Assets</b>	
Current and other assets	\$ 6,903,391
Capital assets	<u>4,680,989</u>
<i>Total Assets</i>	<u>11,584,380</u>
<b>Liabilities</b>	
Current liabilities	56,276
Noncurrent liabilities	<u>12,252,581</u>
<i>Total Liabilities</i>	<u>12,308,857</u>
<b>Net Position</b>	
Net investment in capital assets	(543,516)
Unrestricted	<u>(180,961)</u>
<i>Total Net Position</i>	<u>\$ (724,477)</u>

While the Authority was created in 2019, no financial activity occurred until 2020 when bonds were issued to finance public infrastructure.

As discussed in Note 5 to the financial statements, the Authority is party to two Cooperative Agreements with the City of Columbus, the City of Grandview Heights and the Developer. The Authority has issued revenue bonds to pay for construction of certain infrastructure public improvements. The sources for repayment of bonds and related interest are tax increment financing (TIF) Payments which have been assigned by the cities to the Authority and the Authority's own community development charge revenues collected.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Management's Discussion and Analysis

Year Ended December 31, 2020

Unaudited

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The following table summarizes the changes in the Authority's net position for the year ended December 31, 2020:

**Table 2**  
**Changes in Net Position**

	<u>2020</u>
<b>Operating revenues:</b>	
Assessed valuation charges	\$ -
<i>Total operating revenues</i>	<u>-</u>
<b>Operating expenses:</b>	
Professional services	<u>133,284</u>
<i>Total operating expenses</i>	<u>133,284</u>
<i>Operating loss</i>	<u>(133,284)</u>
<b>Nonoperating revenues (expenses):</b>	
Interest revenue	373
Interest expense	(179,191)
Bond issuance costs	<u>(412,375)</u>
<i>Total nonoperating revenues (expenses)</i>	<u>(591,193)</u>
<i>Change in net position</i>	(724,477)
<i>Net position, beginning of year</i>	<u>-</u>
<i>Net position, end of year</i>	<u>\$ (724,477)</u>

As noted above, the Authority has not yet started collecting its community development charges in the form of Assessed Valuation Charges. The Authority recorded nonoperating expense for its bond issuance costs and interest on the bonds.

### Capital Assets and Debt Administration

As of December 31, 2020, the Authority had construction in progress on public infrastructure and issued bonds in the amount of \$12,100,000 during 2020.

### Economic Factors and Future Trends

The New Community District upon full build-out is currently expected by the Developer to include approximately 1,184 residential units, a 120-bed hotel, 112,000 square feet of retail and commercial space, and 248,000 square feet of office space.

### Requests for Information

This financial report is designed to provide our citizens, taxpayers, creditors, investors and elected officials with an overview of the Authority's finances and to show accountability for the money it receives. If you have any questions about this report or need additional information, contact the Authority's Treasurer, 842 N. 4<sup>th</sup> Street, Columbus, Ohio 43215.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

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**ASSETS**

Current assets:

Cash \$ 5,243,181

Restricted assets:

Cash with fiscal agents 1,660,210

Capital assets:

Construction in progress 4,680,989

Total assets 11,584,380

**LIABILITIES**

Current liabilities:

Accrued interest payable 56,276

Noncurrent liabilities:

Bonds payable 12,252,581

Total liabilities 12,308,857

**NET POSITION**

Net investment in capital assets (543,516)

Unrestricted (180,961)

Total net position \$ (724,477)

See notes to the basic financial statements.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2020**

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<b>Operating revenues:</b>	
Assessed valuation charges	\$ <u>          -</u>
Total operating revenues	<u>          -</u>
<b>Operating expenses:</b>	
Professional services	<u>          133,284</u>
Total operating expenses	<u>          133,284</u>
Operating loss	(133,284)
<b>Non-operating revenues (expenses):</b>	
Interest expense and related fees	(179,191)
Interest income	373
Bond issuance costs	<u>          (412,375)</u>
Total non-operating revenues (expenses)	<u>          (591,193)</u>
Change in net position	(724,477)
Net position - beginning of year	<u>          -</u>
Net position - end of year	\$ <u>          (724,477)</u>

See notes to the basic financial statements.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY  
STATEMENTS OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2020**

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<b>Cash flows from operating activities:</b>	
Cash received from property owners	\$ -
Cash paid for goods and services	<u>(133,284)</u>
Net cash provided (used) by operating activities	<u>(133,284)</u>
<b>Cash flows from capital and related financing activities:</b>	
Payments for capital assets	(4,680,989)
Bond proceeds	12,254,724
Bond issuance costs	(412,375)
Debt interest payments	<u>(125,058)</u>
Net cash provided by capital and related financing activities	<u>7,036,302</u>
<b>Cash flows from investing activities:</b>	
Interest income	<u>373</u>
Net cash provided by investing activities	<u>373</u>
Net change in cash	6,903,391
Cash at beginning of year	<u>-</u>
Cash at end of year	<u>\$ 6,903,391</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ <u>(133,284)</u>
Net cash provided by operating activities	\$ <u>(133,284)</u>

See notes to the basic financial statements.

# GRANDVIEW CROSSING COMMUNITY AUTHORITY

## Notes to Basic Financial Statements Year Ended December 31, 2020

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### 1. REPORTING ENTITY

The Grandview Crossing Community Authority, Franklin County, Ohio (the "Authority") is a community authority created pursuant to Chapter 349 of the Ohio Revised Code (ORC). 810 Grandview, LLC (the Developer) filed a petition (the Petition) for creation of the Authority with the City Council of the City of Columbus (City), Ohio, (Council) and the Petition was accepted by Resolution No. 0183X-2019 of the Council on June 24, 2019. The Petition, which may be subject to amendment or change, defines the boundaries of the Authority and allows the Authority to finance the costs of publicly owned and operated improvements and community facilities with Community Development Charges.

By its Resolution, the Council determined the Authority would be conducive to the public health, safety, convenience and welfare, and that it was intended to result in the development of a new community as described in ORC. The Authority thereby was organized as a body corporate and politic in the State. While the Authority was formed in 2019, no financial activity occurred until 2020.

By law, the Authority is governed by a seven-member board of trustees. At inception, the Council appointed four of the trustees and the remaining three trustees were appointed by the Developer.

The Authority includes approximately 55 acres of land located in the cities of Grandview Heights and Columbus on a vacant former landfill known as the Dublin Road Landfill. The planned development is currently expected to include approximately 1,184 residential units, a 120-bed hotel, 112,000 square feet of retail and commercial space, and 248,000 square feet of office space.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Measurement Focus, Basis of Accounting and Basis of Presentation** – The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows.

Operating revenues are those revenues that are generated from the primary activity of the Authority and will consist of assessed valuation charges. Operating expenses consist primary of administrative expenses. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

**Cash** – The Authority considers all highly liquid investments with an original maturity of three months or less at the time they are purchased to be cash.

**Capital Assets and Depreciation** – Capital assets, including infrastructure, are recorded at historical cost for assets acquired or constructed and acquisition value for contributed infrastructure. Expenses that increase values or extend the useful life of the respective assets are capitalized while the costs of maintenance and repairs are charged to operating expenses. Interest costs related to the construction are capitalized. Depreciation is calculated on a straight-line basis over the estimated useful life of the various classes of assets. The useful life for computing depreciation is 50 years for infrastructure.

## GRANDVIEW CROSSING COMMUNITY AUTHORITY

### Notes to Basic Financial Statements Year Ended December 31, 2020

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**Bonds Payable and Premiums** – Bonds payable are reported net of the unamortized bond premium which is deferred and amortized over the term of the bonds. Issuance costs are expensed as incurred.

**Net Position** – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Use of Estimates** – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### 3. DEPOSITS

**Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a custodial risk policy beyond the requirements of State statute. As of December 31, 2020, the bank balance of the Authority's deposits was \$5,243,181. This balance was covered by the Federal Depository Insurance Corporation (FDIC) or pooled collateral as discussed below. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the Authority or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured, unless the financial institution participates in the Ohio Treasurer of State's Ohio Collateral Pool System, which reduces the market value to one hundred two percent of the deposits being secured.

In addition, \$1,660,210 was held by fiscal agents in debt service reserve funds and capitalized interest funds. The capitalized interest funds will be used to make debt service payments in 2021 while the debt service reserve funds will be held until bonds mature and used for debt service at that time.

### 4. COMMUNITY DEVELOPMENT CHARGES

The Authority can levy community development charges, as defined, for the benefit and use of the Authority to cover all or part of land acquisitions, development, construction, operation and maintenance of land, land development and community facilities, the debt service therefor and any other cost incurred by the Authority. The Authority will levy an Assessed Valuation Charge beginning in 2021.

#### **Assessed Valuation Charge**

The Assessed Valuation Charge is an annual charge on each chargeable parcel of land within the Authority based on the assessed valuation of each parcel and subject to minimum assessed valuation charge. The Charge is intended to cover costs of acquisition, development and maintenance of land as well as debt service and operations.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY**

**Notes to Basic Financial Statements  
Year Ended December 31, 2020**

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**5. RELATED PARTY TRANSACTIONS**

Under an agreement with the Authority, the Developer was responsible for overseeing the construction and development of the public infrastructure projects. In addition, the Developer will fulfill certain administrative and operational functions for the Authority on an ongoing basis. The Developer has paid operating costs on behalf of the Authority for which it is eligible for reimbursement.

By law, the Authority is governed by a seven-member board of trustees. The Columbus City Council appointed four of the trustees and the remaining three trustees were appointed by the Developer. The trustees appointed by the Developer are employees of a related party to the Developer.

**6. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020 was as follows:

	Balance 1/1/20	Increases	Decreases	Balance 12/31/20
<i>Capital assets not being depreciated:</i>				
Construction in progress	\$ -	4,680,989	-	4,680,989

**7. PLEDGED REVENUE, COOPERATIVE AGREEMENTS AND REVENUE BONDS**

In August 2020, the Authority issued Development Revenue Bonds pursuant to a Trust Indenture dated as of December 1, 2020 between the Authority and The Huntington National Bank, as Trustee (Trustee). The bonds were also issued in accordance with a Bond Purchase Agreement in which the Columbus-Franklin County Finance Authority (CFCFA) and Development Finance Authority of Summit County (DFA) each agreed to purchase a portion of the bonds. Both the CFCFA and DFA issued bonds in 2020 to finance the purchase of the bonds including project funds, debt reserves and capitalized interest funds.

Principal and interest on the Series 2020 Bonds will be payable solely by the Authority from the pledged revenues received pursuant to two Cooperative Agreements (Agreements). One agreement is among the Authority, City of Columbus, and the Developer while the second is among the Authority, City of Grandview Heights and the Developer.

The Bonds are payable from revenues consisting primarily of financing payments as defined in the Agreements. Pursuant to the Agreement, the Authority is obligated to make financing payments, solely from the service payments tax increment financing (TIF) payments received by the cities on behalf of the Authority. The cities both approved the TIF Ordinance for the property. The cities assigned TIF Payments to the Authority and directed those to be paid directly to the Trustee on behalf of the Authority. In addition, the Authority is authorized to charge property owners a community development charge which consists of a minimum assessed valuation charge based on parcel valuations and is also pledged for debt service.

The Development Revenue Bonds of \$12,100,000 were issued as serial bonds and have a final maturity of November 15, 2050 and bear interest at rates ranging from 2.6% to 4.66%. The bonds were issued to pay costs of certain public infrastructure improvements constructed by the Developer.

**GRANDVIEW CROSSING COMMUNITY AUTHORITY**

**Notes to Basic Financial Statements  
Year Ended December 31, 2020**

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Debt activity for the year ended December 31, 2020 was as follows:

	Balance			Balance	Due
	<u>1/1/20</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/20</u>	<u>Within</u> <u>One Year</u>
2020 Revenue Bonds	\$ -	12,100,000	-	12,100,000	-
Premium	-	<u>154,724</u>	<u>(2,143)</u>	<u>152,581</u>	-
	<u>\$ -</u>	<u>12,254,724</u>	<u>(2,143)</u>	<u>12,252,581</u>	<u>-</u>

Principal and interest payments to retire the Bonds as of December 31, 2020 are as follows:

	Principal	Interest	Total
2021	\$ -	450,210	450,210
2022	295,000	446,860	741,860
2023	340,000	432,652	772,652
2024	355,000	416,828	771,828
2025	370,000	401,394	771,394
2026-2030	1,995,000	1,844,622	3,839,622
2031-2035	2,000,000	1,502,463	3,502,463
2036-2040	1,595,000	1,084,055	2,679,055
2041-2045	1,755,000	795,730	2,550,730
2046-2050	<u>3,395,000</u>	<u>449,775</u>	<u>3,844,775</u>
Total	<u>\$ 12,100,000</u>	<u>7,824,589</u>	<u>19,924,589</u>

**8. RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts and liability, damage to and theft of or destruction of assets; errors and omissions; and natural disasters. The Authority maintains insurance coverage with private carriers for property and general liability insurance. Settled claims did not exceed coverage for the year ended December 31, 2020 and there was no significant change in coverage from the prior year.

**9. COVID-19**

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 may impact subsequent periods of the Authority. The impact on the Authority's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

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# OHIO AUDITOR OF STATE KEITH FABER



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

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

Grandview Crossing Community Authority  
Franklin County  
842 N. 4<sup>th</sup> Street, STE. 200  
Columbus, Ohio 43215

To the Board of Trustees:

We have audited, 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, the financial statements of the Grandview Crossing Community Authority, Franklin County, (the Authority) as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, and have issued our report thereon dated October 13, 2022.

### ***Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion 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 a 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 identified a certain deficiency in internal control, described in the accompanying schedule of findings as item 2021-001 that we consider to be a material weakness.

***Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Authority's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the Authority's response to the finding identified in our audit and described in the accompanying schedule of findings or corrective action plan. The Authority's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

***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.



Keith Faber  
Auditor of State  
Columbus, Ohio

October 13, 2022

GRANDVIEW CROSSING COMMUNITY AUTHORITY  
FRANKLIN COUNTY

SCHEDULE OF FINDINGS  
DECEMBER 31, 2021 AND 2020

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

FINDING NUMBER 2021-001

**Financial Reporting – Material Weakness**

In our audit engagement letter, as required by AU-C Section 210, *Terms of Engagement*, paragraph .06, management acknowledged its responsibility for the preparation and fair presentation of their financial statements; this responsibility includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements free from material misstatement, whether due to fraud or error as discussed in AU-C Section 210 paragraphs .A14 & .A16. Governmental Accounting Standards Board (GASB) Cod. 1100 paragraph .101 states a governmental accounting system must make it possible both: (a) to present fairly and with full disclosure the funds and activities of the governmental unit in conformity with generally accepted accounting principles, and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

The Authority improperly classified Land in the amount of \$2,119,947 as Construction in Progress in the fiscal year 2021 Financial Statements. This misstatement was corrected by the Authority and is reflected in the financial statements.

Failure to properly record financial transactions can decrease reliability over the annual financial statements.

We recommend the Treasurer and Board review policies and procedures to help enhance controls over recording transactions and financial reporting to properly record and present financial data.

**Officials' Response:** We did not receive a response from the Officials to this finding.

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# OHIO AUDITOR OF STATE KEITH FABER



**GRANDVIEW CROSSING 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 11/10/2022**

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)