



OHIO AUDITOR OF STATE
KEITH FABER



**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

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OHIO AUDITOR OF STATE KEITH FABER



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INDEPENDENT AUDITOR'S REPORT

One Neighborhood New Community Authority
Franklin County
495 S. High Street, Suite 10
Columbus, Ohio 43215

To the Board of Trustees:

Report on the Financial Statements

We have audited the accompanying financial statements of the One Neighborhood 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 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 accounting principles generally accepted in the United States of America; this includes 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 opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2019 and 2018, and the changes in its 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.

Emphasis of Matter

As discussed in Note 11 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2021, 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

May 3, 2021

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

The management's discussion and analysis of the One Neighborhood New Community Authority, Franklin County, Ohio, (the Authority), financial performance provides an overall summary of the Authority's financial activities for the fiscal year ended December 31, 2019. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Authority's financial performance.

Financial Highlights

1. The Authority encourages the orderly development of the One Neighborhood, a residential community of approximately nine city blocks. The area begins at the corner of Fourth and Gay and extends east to the corner of Milton Alley and Long Street, in Franklin County.
2. Net position at December 31, 2019 totaled a negative \$5,738,055. The negative net position is due to the costs incurred in current and prior years for development costs, operating expenses and bond interest.
3. The Authority's debt is paid through the collection of community development charges imposed on the residences benefiting from the improvements.
4. A Third Supplemental Declaration of Covenants and Restrictions was filed on June 25, 2019. Pursuant to article VI and IX of the declaration five chargeable parcels, owned by the developer, were removed from the Authority's acreage. A First amendment to the Development Agreement was filed on August 19, 2019, acknowledging the removal of the parcels in exchange for an \$800,000 payment from the Developer. Per the Defeasance Escrow Agreement, a \$1,350,000 payment was made to reduce the Bond Principal.

Overview of 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 Change in Net Position provides information about the activities of the Authority. The Statement of Net Position represents the financial position of the Authority. The Statement of Revenues, Expenses, and Change in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in a net total position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

Statement of Net Position, Statement of Revenues, Expenses and Change in Net Position and the Statement of Cash Flows

These financials look at all financial transactions and asks the question, how did we do financially? The Statement of Net Position and the Statement of Revenues, Expenses, and Change in Net position answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses using the accrual basis of accounting, similar to the accounting used by most private-sector companies. The basis of accounting takes into account all of the current year's revenue and expenses regardless of when cash is received or paid.

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

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its operations.

The basic financial statements also include notes that explain some of the information in the financial statements and provides more detailed data.

Financial Analysis

Table 1 provides a summary of the Authority's net position for fiscal years 2019 and 2018.

Table 1

	2019	2018
Assets		
Capital Assets	\$ 421,907	\$ 428,508
Other Assets	3,726,253	2,828,291
Total Assets	4,148,160	3,256,799
Liabilities		
Current Liabilities	1,960,531	1,835,800
Non Current Liabilities	6,045,000	7,485,000
Total Liabilities	8,005,531	9,320,800
Deferred Inflows of Resources	1,880,684	1,788,729
Unrestricted Net Position	\$(5,738,055)	\$(7,852,730)

The increase in other assets is due to the \$800,000 payment by the developer per the First Amendment to the Developer Agreement. The decrease in non-current liabilities is due to the principal payments on the 2017C Bond in 2019 and the \$1,350,000 payment to the Authority per the Defeasance Agreement.

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

Table 2 reflects the changes in net position for fiscal years 2018 and 2019.

Table 2

	2018	2019
Operating Revenue		
Community Development Income	\$511,692	\$500,457
TIF Revenue	76,276	60,147
Total Operating Revenue	<u>587,968</u>	<u>560,604</u>
Non-Operating Revenue		
Interest Revenue	5,645	12,953
Proceeds from Developer Agreement	0	2,150,000
Proceeds from Bond financing-prior year	11,281	0
Total Non-Operating Revenue	<u>16,926</u>	<u>2,162,953</u>
Total Revenues	<u>604,894</u>	<u>2,723,557</u>
Operating Expenses		
Community Development Expense	792,472	187,186
Legal	9,987	38,707
Trustee Fees/Insurance and Other	11,454	3,606
Depreciation	6,601	6,601
Total Operating Expenses	<u>820,514</u>	<u>236,100</u>
Non-Operating Expenses		
Developer Interest Expense	69,675	91,954
Interest Expense	313,145	280,828
Total Non-Operating Expenses	<u>382,820</u>	<u>372,782</u>
Total Expenses	<u>1,203,334</u>	<u>608,882</u>
Change in Net Position	(598,440)	2,114,675
Net Position, Beginning	(7,254,290)	(7,852,730)
Net Position, Ending	<u><u>\$(7,852,730)</u></u>	<u><u>\$(5,738,055)</u></u>

Change in Net Position: The Authority had an increase in net position for 2019. The increase is due to the \$800,000 payment by the Developer per the First Amendment to the Development Agreement and the \$1,350,000 payment per the Defeasance Agreement as a result of the Third Supplemental Declaration of Covenants and Restrictions.

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2019
(UNAUDITED)**

Financial Analysis, Table 2 (Continued)

Revenues from Community Development Charges paid by each owner of chargeable parcel will be used to pay the cost to construct needed infrastructure located within the Authority. The Community Development Charge is calculated on thirty-five percent of the assessed value of chargeable property, which includes buildings, structures, and improvements. The Community Development Charge is currently levied at 25 mills. The amount of revenue will increase in years when available parcels are sold and improvements are made, thus increasing the total assessed value of chargeable property.

Debt Obligations

The Authority has \$1,638,109 of note obligations at December 31, 2019. The Authority has Bond Obligation of \$6,045,000 at December 31, 2019. Note 6 summarizes the debt obligations.

Capital Assets

At fiscal year-end 2019, the Authority had \$421,907 (net of accumulated depreciation) invested in land and land improvements. There were no additions or deletions to capital asset balances during fiscal year 2019, other than depreciation. See note 10 to the basic financial statements for additional information on capital assets.

Contacting Authority's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances and to reflect the Authority's accountability for the monies it receives. Questions concerning any of the information in this report or request for additional information should be directed to Kimberly A. Ulle, Treasurer, One Neighborhood New Community Authority, 495 South High Street, Suite 10, Columbus, Ohio 43215, 614-463-1999.

One Neighborhood New Community Authority
Franklin County
Statement of Net Position
For the Year Ended December 31, 2019

	2019
ASSETS	
Current Assets:	
Cash	\$ 805,997
Cash and Cash Equivalents with Trustee	265,689
Community Development Charges Receivable	1,892,355
Prepaid Insurance	2,712
<i>Total Current Assets</i>	2,966,753
Non-Current Assets:	
Cash with Fiscal Agent	759,500
Capital Assets:	
Land	369,100
Land Improvements, Net	52,807
<i>Total Non-Current Assets</i>	1,181,407
Total Assets	4,148,160
LIABILITIES	
Current Liabilities	
Accounts Payable	47,467
Accrued Interest Payable	274,955
Note Payable	1,638,109
<i>Total Current Liabilities</i>	1,960,531
Long-Term Liabilities	6,045,000
Total Liabilities	8,005,531
DEFERRED INFLOWS OF RESOURCES	1,880,684
NET POSITION	
Unrestricted	\$ (5,738,055)

See accompanying notes to the basic financial statements.

One Neighborhood New Community Authority
Franklin County
Statement of Revenues, Expenses and Change in Net Position
For the Year Ended December 31, 2019

	2019
Operating Revenue	
Community Development Income	\$ 500,457
Real Estate Refund - prior year	60,147
Total Operating Revenue	560,604
Operating Expenses	
Community Development Expense	187,186
Legal	38,707
Trustee Fees/Insurance and Other	3,606
Depreciation	6,601
Total Operating Expenses	236,100
Operating Income	324,504
Non Operating (Expenses) Revenues	
Interest Income	12,953
Proceeds from Bond Defeasance	2,150,000
Developer Interest Expense	(91,954)
Interest Expense	(280,828)
Total Non Operating (Expenses) Revenues	1,790,171
<i>Change in Net Position</i>	2,114,675
Net Position, Beginning	(7,852,730)
Net Position, Ending	\$ (5,738,055)

See accompanying notes to the basic financial statements.

One Neighborhood New Community Authority
Franklin County
Statement of Cash Flows
For the Year Ended December 31, 2019

	2019
Cash Flows from Operating Activities	
Cash Received from Property Owners	\$ 499,072
Cash Received from City - TIF Funds	60,147
Cash Payments for Goods and Services	(190,473)
<i>Net Cash Provided by Operating Activities</i>	368,746
 Cash Flows from Capital and Related Financing Activities	
Principal Paid on Revenue Bonds	(1,440,000)
Interest Paid on Revenue Bonds	(287,854)
Developer Agreement	2,150,000
<i>Net Cash Provided by Capital and Related Financing Activities</i>	422,146
 Cash Flows from Investing Activities	
Interest on Investments	12,953
<i>Net Cash Provided by Investing Activities</i>	12,953
<i>Net Increase in Cash and Cash Equivalents</i>	803,845
<i>Cash and Cash Equivalents Beginning of Year</i>	267,841
<i>Cash and Cash Equivalents End of Year</i>	\$ 1,071,686
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income	\$ 324,504
Adjustments:	
Depreciation	6,601
(Increase) Decrease in Assets:	
Accounts Receivable	(92,264)
Prepaid Insurance	(1,850)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:	
Accounts Payable	45,042
Accrued Payable	(5,241)
Deferred Inflows of Resources	91,954
<i>Net Cash Provided by Operating Activities</i>	\$ 368,746

Non-Cash Transactions

During 2019, the Developer paid \$2,150,000 to the Authority per the Third Supplemental Declaration of Covenants and Restrictions for release of 5 chargeable parcels. The payment is comprised of \$1,350,000 for bond reduction and \$800,000 to offset the projected reduction in community development charges.

See accompanying notes to the basic financial statements

One Neighborhood New Community Authority
Franklin County, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019

NOTE 1 – REPORTING ENTITY

The One Neighborhood New Community Authority (the Authority) is a “community authority” created pursuant to Chapter 349 of the Ohio Revised Code (the Act). On March 17, 2008, the City Council for the City of Columbus, Ohio approved the petition (the Petition) filed by Gay Street Condominiums, LLC (the Developer) for creation of the Authority. The Petition, which may be subject to amendment or change, allows the Authority to finance the costs of publicly owned and operated community facilities with assessed community development charges.

The Authority is governed by a seven member Board of Trustees. At inception, the City of Columbus appointed four of the trustees and the remaining three were appointed by the Developer.

At December 31, 2019 the Authority is comprised of 6.85 acres of land located in Franklin County, Ohio. In accordance with the Act and the Petition, the Authority can levy a community development charge up to 25 mills on the assessed value of the land and improvements within the Authority. The need and amount of the charge is determined annually by the Board of Trustees of the Authority.

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

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

A. Basis of Presentation

The Authority’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The Authority’s basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses and Change in Net Position; and a Statement of Cash Flows. The Authority uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, changes in net position, financial position, and cash flows.

B. Measurement Focus and Basis of Accounting

The Authority’s financial activity is accounted for using a flow of estimated resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Change in Net Position presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs.

One Neighborhood New Community Authority
Franklin County, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2019
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash

Cash received by the Authority is deposited with a financial institution.

Custodial Credit risk is the risk that, in the event of bank failure, the Authority's deposits may not be returned. The Authority does not have a deposit policy for custodial credit risk. At December 31, 2019, the carrying and bank balance amount of the Authority's deposits were \$ 1,071,686. Federal Deposit Insurance Corporation (FDIC) covered the entire bank balance, and thus none of the Authority's cash is subject to custodial risk.

D. 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 community development charges and tax increment financing 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 the definition are reported as non-operating.

E. Use of Estimates

The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

F. Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use 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. The Authority has no restricted net position at fiscal year-end 2019.

G. Capital Assets

Acquisitions of property and equipment are capitalized. Expenditures for maintenance and repairs are charged against operations. Property and equipment are carried at cost or, if donated, at the approximate fair value on the date of donation.

Depreciation is computed using the straight-line method. All reported capital assets, except land, are depreciated. Depreciation on the land improvements is calculated over a useful life of 15 years. See Note 10 for further information on capital assets.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2019
 (continued)

NOTE 3 – NET POSITION DEFICIT

At December 31, 2019, the Authority has a net position deficit of \$5,738,055. This deficit is the result of how the Authority is structured and its basic operations. The Authority was established to finance the costs of publically owned and operated community facilities. The Authority incurred the costs of acquiring, constructing, or improving community facilities. The titles to these assets have been transferred to other local governments.

NOTE 4 – COMMUNITY DEVELOPMENT CHARGE

The Authority can levy an annual community development charge up to 25 mills on the assessed value of all property within the developed property. The charge is currently levied at 25 mills. Charge revenue recognized represents the amount levied on the current year.

Charge assessments are levied October 1 on the assessed values as of September 30 (the lien date). The assessed value is established by state law at 35% of the current market value, the sales price, or the permit value, whichever is the highest. Market values are determined by the Authority based on the County Auditor’s appraisal, lot values, or a calculated cost for occupied homes that have not yet been appraised by the County Auditor. The permit values are supplied by the City of Columbus.

NOTE 5 – CONTINGENT LIABILITIES

There are no claims or lawsuits pending against the Authority.

NOTE 6 – DEBT OBLIGATIONS

A. Short Term - Current

The changes in the Authority’s Note Payable during fiscal year 2019 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Fiscal Year 2019	\$1,638,109	\$0	\$0	\$1,638,109

The ending balance represents costs paid by the Developer from 2010 through 2019, less payments made to the developer as a result of the 2017 Bond Refinancing. Interest is calculated per the Development Agreement. The interest rate is equal to the 11 bond GO Rate in effect on the interest determination date, divided by the result of one minus the highest marginal federal income tax rate in effect during the period for which interest is calculated. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2019
 (continued)

NOTE 6 – DEBT OBLIGATIONS (Continued)

B. Long Term

The changes in the Authority’s long-term obligations during fiscal year 2019 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
2017C Revenue Bond	\$7,485,000	\$0	\$1,440,000	\$6,045,000
Total	\$7,485,000	\$0	\$1,440,000	\$6,045,000

Per the Defeasance Escrow Agreement, dated June 21, 2019, the developer deposited \$1,350,000 into an escrow account for payment on the 2017C revenue bonds. The balance of deductions was ongoing principal payments.

The 2017 Series bond has a maturity date of November 15, 2040 at an interest rate as follows:

Period	Interest Rate
November 2018 - May 2022	3.60%
May 2022 - May 2023	3.10%
May 2023 - May 2024	3.23%
May 2024 - May 2028	3.60%
May 2028 - May 2029	4.60%
May 2029 - November 2029	4.59%
November 2029 - May 2033	4.57%
May 2033 - November 2034	4.32%
November 2034 -May 2035	4.30%
May 2035 - May 2040	4.25%
November 2040	4.89%

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2019
 (continued)

NOTE 6 – DEBT OBLIGATIONS (Continued)

The Annual Obligations of the revenue bonds as of December 31, 2019 and related interest payments are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 80,000	\$ 258,313
2021	85,000	255,343
2022	85,000	252,395
2023	90,000	249,732
2024	90,000	246,745
2025-2029	665,000	1,169,695
2030-2034	1,525,000	942,006
2035-2039	2,165,000	548,169
2040	1,260,000	44,056
Totals	<u>\$ 6,045,000</u>	<u>\$ 3,966,454</u>

NOTE 7 – RELATED PARTY TRANSACTION

Gay Street Condominiums, LLC paid for services for development for the Authority. The Authority entered into a development agreement with Gay Street Condominiums, LLC. The total outstanding owed, including interest to Gay Street Condominiums, LLC at December 31, 2019 was \$1,880,684.

See Short Term – Current, in Note 6, for additional information.

Gay Street Condominiums, LLC is a subsidiary of Edwards Companies, Inc. Three Board of Trustee members are employed by Edwards Companies, Inc.

One Trustee is an employee of the Authority's legal counsel, Squire Patton Boggs. The Authority paid Squire Patton Boggs \$38,707 in legal fees during 2019.

NOTE 8 –RESTRICTED ASSETS

Restricted assets consist of cash with fiscal agent and cash with trustee. The cash with fiscal agent has been restricted for repayment of long-term liabilities. Cash with fiscal agent at December 31, 2019 was \$795,500. All remaining Authority funds are held at Huntington National Bank. The funds classified as Cash with Trustee are received and disbursed by the trustee, Huntington National Bank, in accordance with the Trust Agreement. Cash with trustee at December 31, 2019 was \$265,689. Funds not in trust at December 31, 2019 was \$805,997.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2019
 (continued)

NOTE 9 – RISK MANAGEMENT

The Authority is subject to certain types of risk in the performance of its normal functions. The Authority manages these types of risk through commercial insurance. The amount of settlements has not exceeded coverage for any of the past three years. There has not been a significant reduction in coverage since the prior year in any of the major categories of risk.

NOTE 10 – CAPITAL ASSETS

The changes in the Authority’s capital assets during fiscal year 2019 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Non-Depreciable Capital Assets:				
Land	\$369,100	\$-	\$-	\$369,100
Depreciable Capital Assets				
Land Improvements	99,014	-	-	99,014
Accumulated Depreciation	(39,606)	(6,601)	-	(46,207)
Depreciable Capital Assets, Net	59,408	(6,601)	-	52,807
Total Capital Assets, Net	\$428,508	\$(6,601)	\$-	421,907

NOTE 11 – SUBSEQUENT EVENT

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 continuing 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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**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

The management's discussion and analysis of the One Neighborhood New Community Authority, Franklin County, Ohio, (the Authority), financial performance provides an overall summary of the Authority's financial activities for the fiscal year ended December 31, 2018. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Authority's financial performance.

Financial Highlights

1. The Authority encourages the orderly development of the One Neighborhood, a residential community of approximately nine city blocks. The area begins at the corner of Fourth and Gay and extends east to the corner of Milton Alley and Long Street, in Franklin County.
2. Net position at December 31, 2018 totaled a negative \$7,852,730. The negative net position is due to the costs incurred in current and prior years for development costs, operating expenses and bond interest.
3. The Authority's debt is paid through the collection of community development charges imposed on the residences benefiting from the improvements.

Overview of 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 Change in Net Position provides information about the activities of the Authority. The Statement of Net Position represents the financial position of the Authority. The Statement of Revenues, Expenses, and Change in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in a net total position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

Statement of Net Position, Statement of Revenues, Expenses and Change in Net Position and the Statement of Cash Flows

These financials look at all financial transactions and asks the question, how did we do financially? The Statement of Net Position and the Statement of Revenues, Expenses, and Change in Net position answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses using the accrual basis of accounting, similar to the accounting used by most private-sector companies. The basis of accounting takes into account all of the current year's revenue and expenses regardless of when cash is received or paid.

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

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

The Statement of Cash Flows provides information about how the Authority finances and meets the cash flow needs of its operations.

The basic financial statements also include notes that explain some of the information in the financial statements and provides more detailed data.

Financial Analysis

Table 1 provides a summary of the Authority's net position for fiscal years 2018 and 2017.

Table 1

	2017	2018
Assets		
Capital Assets	\$ 435,109	\$ 428,508
Other Assets	2,028,176	2,828,291
Total Assets	2,463,285	3,256,799
Liabilities		
Current Liabilities	1,082,607	1,835,800
Non Current Liabilities	7,595,000	7,485,000
Total Liabilities	8,677,607	9,320,800
Deferred Inflows of Resources	1,039,968	1,788,729
Unrestricted Net Position	\$(7,254,290)	\$(7,852,730)

The increase in other assets and current liabilities is due to the Board approved development costs on one new project in 2018, resulting in an increase to the Community Development Charges Receivable, Developer Notes Payable and Deferred Inflows of Resources. The decrease in non-current liabilities is due to the principal payments on the 2017C Bond in 2018.

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

Table 2 reflects the changes in net position for fiscal years 2018 and 2017.

Table 2

	2018	2017
Operating Revenue		
Community Development Income	\$511,692	\$375,535
TIF Revenue	76,276	0
Real Estate Tax Refund	0	896
Total Operating Revenue	<u>587,968</u>	<u>376,431</u>
Non-Operating Revenue		
Interest Revenue	5,645	2,932
Proceeds from Bond financing-prior year	11,281	0
Total Non-Operating Revenue	<u>16,926</u>	<u>2,932</u>
Total Revenues	604,894	379,363
Operating Expenses		
Community Development Expense	792,472	855,923
Legal	9,987	50,204
Trustee Fees/Insurance and Other	11,454	7,890
Depreciation	6,601	6,601
Total Operating Expenses	<u>820,514</u>	<u>920,618</u>
Non-Operating Expenses		
Developer Interest Expense	69,675	158,173
Interest Expense	313,145	360,312
Financing Fees	0	374,713
Total Non-Operating Expenses	<u>382,820</u>	<u>893,198</u>
Total Expenses	<u>1,203,334</u>	<u>1,813,816</u>
Change in Net Position	(598,440)	(1,434,453)
Net Position, Beginning	(7,254,290)	(5,819,837)
Net Position, Ending	<u><u>\$(7,852,730)</u></u>	<u><u>\$(7,254,290)</u></u>

Change in Net Position: The Authority had decreases in net position for both years presented. The decreases are due to continued development and maintenance expenses of authority property.

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED DECEMBER 31, 2018
(UNAUDITED)**

Financial Analysis, Table 2 (Continued)

Revenues from Community Development Charges paid by each owner of chargeable parcel will be used to pay the cost to construct needed infrastructure located within the Authority. The Community Development Charge is calculated on thirty-five percent of the assessed value of chargeable property, which includes buildings, structures, and improvements. The Community Development Charge is currently levied at 25 mills. The amount of revenue will increase in years when available parcels are sold and improvements are made, thus increasing the total assessed value of chargeable property.

Debt Obligations

The Authority has \$1,638,109 of note obligations at December 31, 2018. The Authority has Bond Obligation of \$7,485,000 at December 31, 2018. Note 6 summarizes the debt obligations.

Capital Assets

At fiscal year-end 2018, the Authority had \$428,508 (net of accumulated depreciation) invested in land and land improvements. There were no additions or deletions to capital asset balances during fiscal year 2018, other than depreciation. See note 10 to the basic financial statements for additional information on capital assets.

Contacting Authority's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances and to reflect the Authority's accountability for the monies it receives. Questions concerning any of the information in this report or request for additional information should be directed to Kimberly A. Ulle, Treasurer, One Neighborhood New Community Authority, 495 South High Street, Suite 10, Columbus, Ohio 43215, 614-463-1999.

One Neighborhood New Community Authority
Franklin County
Statement of Net Position
For the Year Ended December 31, 2018

	2018
ASSETS	
Current Assets:	
Cash and Cash Equivalents with Trustee	\$ 267,841
Community Development Charges Receivable	1,800,091
Prepaid Insurance	859
<i>Total Current Assets</i>	2,068,791
Non-Current Assets:	
Cash with Fiscal Agent	759,500
Capital Assets:	
Land	369,100
Land Improvements, Net	59,408
<i>Total Non-Current Assets</i>	1,188,008
Total Assets	3,256,799
LIABILITIES	
Current Liabilities	
Accounts Payable	2,425
Accrued Payable	5,241
Accrued Interest Payable	190,025
Note Payable	1,638,109
<i>Total Current Liabilities</i>	1,835,800
Long-Term Liabilities	7,485,000
Total Liabilities	9,320,800
DEFERRED INFLOWS OF RESOURCES	1,788,729
NET POSITION	
Unrestricted	\$ (7,852,730)

See accompanying notes to the basic financial statements.

One Neighborhood New Community Authority
Franklin County

Statement of Revenues, Expenses and Change in Net Position
For the Year Ended December 31, 2018

	<u>2018</u>
Operating Revenue	
Community Development Income	\$ 511,692
Real Estate Refund - prior year	76,276
Total Operating Revenue	<u>587,968</u>
Operating Expenses	
Community Development Expense	792,472
Legal	9,987
Trustee Fees/Insurance and Other	11,454
Depreciation	6,601
Total Operating Expenses	<u>820,514</u>
Operating Loss	(232,546)
Non Operating (Expenses) Revenues	
Interest Income	5,645
Proceeds from Bond Financing-prior year	11,281
Developer Interest Expense	(69,675)
Interest Expense	(313,145)
Total Non Operating (Expenses) Revenues	<u>(365,894)</u>
<i>Change in Net Position</i>	(598,440)
Net Position, Beginning	(7,254,290)
Net Position, Ending	<u>\$ (7,852,730)</u>

See accompanying notes to the basic financial statements.

One Neighborhood New Community Authority
Franklin County
Statement of Cash Flows
For the Year Ended December 31, 2018

	2018
Cash Flows from Operating Activities	
Cash Received from Property Owners	\$ 509,887
Cash Received from City - TIF Funds	76,276
Cash Payments for Goods and Services	(130,611)
<i>Net Cash Provided by Operating Activities</i>	455,552
 Cash Flows from Capital and Related Financing Activities	
Principal Paid on Revenue Bonds	(110,000)
Interest Paid on Revenue Bonds	(312,088)
Bond refinancing - Net proceeds 2017C series	11,281
<i>Net Cash Used in Capital and Related Financing Activities</i>	(410,807)
 Cash Flows from Investing Activities	
Interest on Investments	5,572
<i>Net Cash Provided by Investing Activities</i>	5,572
<i>Net Increase in Cash and Cash Equivalents</i>	50,317
<i>Cash and Cash Equivalents Beginning of Year</i>	217,524
<i>Cash and Cash Equivalents End of Year</i>	\$ 267,841
 Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating Loss	\$ (232,546)
Adjustments:	
Depreciation	6,601
(Increase) Decrease in Assets:	
Accounts Receivable	(749,727)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:	
Accounts Payable	2,425
Accrued Payable	5,241
Note Payable Developer	674,797
Deferred Inflows of Resources	748,761
<i>Net Cash Provided by Operating Activities</i>	\$ 455,552

Non-Cash Transactions

During 2018 the Developer paid \$674,797, to complete projects on behalf of the Authority. This is reflected in the Note Payable balance.

See accompanying notes to the basic financial statements

One Neighborhood New Community Authority
Franklin County, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018

NOTE 1 – REPORTING ENTITY

The One Neighborhood New Community Authority (the Authority) is a “community authority” created pursuant to Chapter 349 of the Ohio Revised Code (the Act). On March 17, 2008, the City Council for the City of Columbus, Ohio approved the petition (the Petition) filed by Gay Street Condominiums, LLC (the Developer) for creation of the Authority. The Petition, which may be subject to amendment or change, allows the Authority to finance the costs of publicly owned and operated community facilities with assessed community development charges.

The Authority is governed by a seven member Board of Trustees. At inception, the City of Columbus appointed four of the trustees and the remaining three were appointed by the Developer.

At December 31, 2018 the Authority is comprised of 6.85 acres of land located in Franklin County, Ohio. In accordance with the Act and the Petition, the Authority can levy a community development charge up to 25 mills on the assessed value of the land and improvements within the Authority. The need and amount of the charge is determined annually by the Board of Trustees of the Authority.

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

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

A. Basis of Presentation

The Authority’s financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. The Authority’s basic financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses and Change in Net Position; and a Statement of Cash Flows. The Authority uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, changes in net position, financial position, and cash flows.

B. Measurement Focus and Basis of Accounting

The Authority’s financial activity is accounted for using a flow of estimated resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Authority are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Change in Net Position presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position. The Statement of Cash Flows reflects how the Authority finances and meets its cash flow needs.

One Neighborhood New Community Authority
Franklin County, Ohio
Notes to the Basic Financial Statements
For The Year Ended December 31, 2018
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash

Cash received by the Authority is deposited with a financial institution.

Custodial Credit risk is the risk that, in the event of bank failure, the Authority's deposits may not be returned. The Authority does not have a deposit policy for custodial credit risk. At December 31, 2018, the carrying and bank balance amount of the Authority's deposits were \$ 267,841. Federal Deposit Insurance Corporation (FDIC) covered the entire bank balance, and thus none of the Authority's cash is subject to custodial risk.

D. 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 community development charges and tax increment financing 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 the definition are reported as non-operating.

E. Use of Estimates

The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

F. Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its use 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. The Authority has no restricted net position at fiscal year-end 2018.

G. Capital Assets

Acquisitions of property and equipment are capitalized. Expenditures for maintenance and repairs are charged against operations. Property and equipment are carried at cost or, if donated, at the approximate fair value on the date of donation.

Depreciation is computed using the straight-line method. All reported capital assets, except land, are depreciated. Depreciation on the land improvements is calculated over a useful life of 15 years. See Note 10 for further information on capital assets.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2018
 (continued)

NOTE 3 – NET POSITION DEFICIT

At December 31, 2018, the Authority has a net position deficit of \$7,852,730. This deficit is the result of how the Authority is structured and its basic operations. The Authority was established to finance the costs of publically owned and operated community facilities. The Authority incurred the costs of acquiring, constructing, or improving community facilities. The titles to these assets have been transferred to other local governments.

NOTE 4 – COMMUNITY DEVELOPMENT CHARGE

The Authority can levy an annual community development charge up to 25 mills on the assessed value of all property within the developed property. The charge is currently levied at 25 mills. Charge revenue recognized represents the amount levied on the current year.

Charge assessments are levied October 1 on the assessed values as of September 30 (the lien date). The assessed value is established by state law at 35% of the current market value, the sales price, or the permit value, whichever is the highest. Market values are determined by the Authority based on the County Auditor’s appraisal, lot values, or a calculated cost for occupied homes that have not yet been appraised by the County Auditor. The permit values are supplied by the City of Columbus.

NOTE 5 – CONTINGENT LIABILITIES

There are no claims or lawsuits pending against the Authority.

NOTE 6 – DEBT OBLIGATIONS

A. Short Term - Current

The changes in the Authority’s Note Payable during fiscal year 2018 were as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Fiscal Year 2018	\$936,312	\$674,797	\$0	\$1,638,109

The ending balance represents costs paid by the Developer from 2010 through 2018, less payments made to the developer as a result of the 2017 Bond Refinancing. The Developer completed one additional project, Neilston, which was approved by the Board, August 2018 for \$674,797. Interest is calculated per the Development Agreement. The interest rate is equal to the 11 bond GO Rate in effect on the interest determination date, divided by the result of one minus the highest marginal federal income tax rate in effect during the period for which interest is calculated. Interest is calculated on the basis of a 360-day year consisting of twelve 30-day months.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2018
 (continued)

NOTE 6 – DEBT OBLIGATIONS (Continued)

B. Long Term

The changes in the Authority’s long-term obligations during fiscal year 2018 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
2017C Revenue Bond	\$7,595,000	\$0	\$110,000	\$7,485,000
Total	\$7,595,000	\$0	\$110,000	\$7,485,000

The 2017 Series bond has a maturity date of November 15, 2040 at an interest rate as follows:

Period	Interest Rate
November 2017 - May 2022	3.60%
May 2022 - May 2023	3.10%
May 2023 - May 2024	3.23%
May 2024 - May 2028	3.60%
May 2028 - May 2029	4.60%
May 2029 - November 2029	4.59%
November 2029 - May 2033	4.57%
May 2033 - November 2034	4.32%
November 2034 -May 2035	4.30%
May 2035 - May 2040	4.25%
November 2040	4.89%

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2018
 (continued)

NOTE 6 – DEBT OBLIGATIONS (Continued)

The Annual Obligations of the revenue bonds as of December 31, 2018 and related interest payments are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 105,000	\$ 314,335
2020	160,000	310,015
2021	165,000	304,255
2022	175,000	298,360
2023	180,000	292,879
2024-2028	1,220,000	1,354,600
2029-2033	1,675,000	1,043,208
2034-2038	2,075,000	637,480
2039-2040	<u>1,730,000</u>	<u>116,588</u>
Totals	\$ 7,485,000	\$ 4,671,720

NOTE 7 – RELATED PARTY TRANSACTION

Gay Street Condominiums, LLC paid for services for development for the Authority. The Authority entered into a development agreement with Gay Street Condominiums, LLC. The total outstanding owed, including interest to Gay Street Condominiums, LLC at December 31, 2018 was \$1,788,729.

See Short Term – Current, in Note 6, for additional information.

Gay Street Condominiums, LLC is a subsidiary of Edwards Companies, Inc. Three Board of Trustee members are employed by Edwards Companies, Inc.

One Trustee is an employee of the Authority's legal counsel, Squire Patton Boggs. The Authority paid Squire Patton Boggs \$9,987 in legal fees during 2018.

NOTE 8 –RESTRICTED ASSETS

Restricted assets consist of cash with fiscal agent and cash with trustee. The cash with fiscal agent has been restricted for repayment of long-term liabilities. Cash with fiscal agent at December 31, 2018 was \$795,500. All remaining Authority funds are classified as cash with trustee. These funds are received and disbursed by the trustee, Huntington Bank, in accordance with the Trust Agreement. Cash with trustee at December 31, 2018 was \$267,841.

NOTE 9 – RISK MANAGEMENT

The Authority is subject to certain types of risk in the performance of its normal functions. The Authority manages these types of risk through commercial insurance. The amount of settlements has not exceeded coverage for any of the past three years. There has not been a significant reduction in coverage since the prior year in any of the major categories of risk.

One Neighborhood New Community Authority
 Franklin County, Ohio
 Notes to the Basic Financial Statements
 For The Year Ended December 31, 2018
 (continued)

NOTE 10 – CAPITAL ASSETS

The changes in the Authority’s capital assets during fiscal year 2018 were as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
Non-Depreciable Capital Assets:				
Land	\$369,100	\$-	\$-	\$369,100
Depreciable Capital Assets				
Land Improvements	99,014	-	-	99,014
Accumulated Depreciation	(33,005)	(6,601)	-	(39,606)
Depreciable Capital Assets, Net	72,610	(6,601)	-	59,408
Total Capital Assets, Net	\$435,109	\$(6,601)	\$-	428,508

NOTE 11 – SUBSEQUENT EVENT

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 continuing 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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Columbus, Ohio 43215-3506
(614) 466-3402 or (800) 443-9275
CentralRegion@ohioauditor.gov

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

One Neighborhood New Community Authority
Franklin County
495 S. High Street, Suite 10
Columbus, Ohio 43215

To the Board of Trustees:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the One Neighborhood 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 May 3, 2021, wherein we noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Authority.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the 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 reasonably assuring whether the Authority's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed under *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

May 3, 2021

**ONE NEIGHBORHOOD NEW COMMUNITY AUTHORITY
FRANKLIN COUNTY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2019 AND 2018**

Finding Number	Finding Summary	Status	Additional Information
2017-001 2015-002	Material Weakness - Financial Reporting	Fully Corrected	

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OHIO AUDITOR OF STATE KEITH FABER



ONE NEIGHBORHOOD 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 6/15/2021

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