

**MINUTES OF MEETING
HERITAGE HARBOUR NORTH
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Heritage Harbour North Community Development District was held on Thursday, May 4, 2023, at 1:30 p.m., at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212.

Present and constituting a quorum:

Nancy Lyons	Chairperson
John Wisz	Vice Chairperson
Pauline Tasler	Assistant Secretary
Michael Fisher	Assistant Secretary
Louise Buckley	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel

Audience:

All resident's names were not included with the minutes. If a resident did not identify themselves or the audio file did not pick up the name, the name was not recorded in these minutes.

**PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE
TRANSCRIBED IN *ITALICS*.**

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. James P. Ward called the meeting to order at approximately 1:30 p.m. He called roll and all Members of the Board were present constituting a quorum.

SECOND ORDER OF BUSINESS

Notice of Advertisement

Notice of Advertisement of Public Hearing

THIRD ORDER OF BUSINESS

Consideration of Minutes

February 2, 2023, Regular Meeting Minutes

Mr. Ward asked if there were any additions, corrections, or deletions to the Minutes.

One correction was made.

On MOTION made by Michael Fisher, seconded by Louise Buckley, and with all in favor, the February 2, 2023, Regular Meeting Minutes were approved as corrected.

FOURTH ORDER OF BUSINESS

Public Hearing

PUBLIC HEARINGS – FISCAL YEAR 2024 BUDGET AND SPECIAL ASSESSMENTS

Mr. Ward explained the Public Hearing process noting there were two public hearings, the first related to the Budget itself.

a) FISCAL YEAR 2024 BUDGET

I. Public Comment and Testimony

Mr. Ward called for a motion to open the Public Hearing.

On MOTION made by Pauline Tasler, seconded by John Wisz, and with all in favor, the Public Hearing was opened.

Mr. Ward asked if there were any members of the public present via audio or video with any comments or questions with respect to the Fiscal Year 2024 Budget; there were none. He noted there were no members of the public present in person. He called for a motion to close the Public Hearing.

On MOTION made by Louise Buckley, seconded by Michael Fisher, and with all in favor, the Public Hearing was closed.

II. Board Comment and Consideration

Mr. Ward asked if there were any questions or comments from the Board. He noted the assessment rate was \$67.21 per unit this year, essentially the same as last year, and debt service assessments remained the same.

Ms. Nancy Lyons: As far as the budget itself is concerned we've looked at this and talked about it before, about the cost for shipping, printing, etc., being so significantly greater than what is budgeted. Shipping, printing and postage, those kinds of things seem to be like 200 percent of the budget, and I just want to point out that for this package, and it included the two proposals, the bids, from the accounting firms in here, but yet we got these separately, so I'm wondering if things like that could be avoided, because we've already got them in here, so why do we need them again. And maybe that will help us with some of this stuff or are there other ways we cannot have such expenses.

Mr. Ward: So, including the bids in the PDF file, we do that because I'm required to do that. It has to be posted to the Website that way. To pull them out of there for purposes of printing and

putting them together, it doesn't make a material – the production of the entire book is expensive in and of itself, so reducing it by 40 pages is not going to save a lot of money because I pay the same amount to bind it whether it's 10 pages or 200 pages. So, all you're saving is a couple of pennies per page on the copying of it, so it's not really significant. FedEx doesn't charge us anymore because I add those two in there along with that. It's the same price. I have a fixed rate. We have a governmental account, so it's about 25 percent of the commercial rate.

Ms. Lyons: Should we increase the budget to reflect that because we are 208 percent over budget based on –

Mr. Ward: I don't really think that's necessary. If you look at your overall budget, you're at \$125,000 dollar budget, and in the year we are in you're going to make about \$100,000 dollars in anticipated year end expenses, so you're still way under even though the line item is over, so to me it doesn't matter at the end of the day. And I wouldn't increase the one without affecting something else. The only reason we go over is if we end up having more meetings than I was thinking in my head when I did the budget a year ago.

Ms. Lyons: And that's also why we are over budget on fees and FICA.

Mr. Ward: Right. It just happens because you end up with a little more meetings, but in the overall scheme of the entire budget it doesn't matter.

Ms. Tasler: And there is no reason why we should just switch over to electronic?

Mr. Ward: That's up to you all. We print them in this format simply because we've asked and you all have said you wanted them in printed format, but most of my other boards we provide them only an electronic PDF copy, but that requires you to bring a computer with you or to print all of that stuff. Some residential boards don't like that. I'm fine with whatever you decide you want to do, but that is up to you all. It is much less costly than going through the printing process, but in the scheme of this budget, for three meetings a year, it's not that much of an issue.

The Board decided to continue with the printing and mailing of materials for meetings.

Ms. Lyons: It said in Item 5, meetings would be at 1:00, and I don't think they are ever at 1:00.

Mr. Ward: We will get to that in a minute. Let's do your budget first.

III. Consideration of Resolution 2023-4, a resolution of the Board of Supervisors adopting the Annual Appropriation and Budget for Fiscal Year 2024

Mr. Ward called for a motion to approve the budget beginning October 1, 2023 and ending on September 30, 2024.

On MOTION made by John Wisz, seconded by Michael Fisher, and with all in favor, Resolution 2023-4 was adopted, and the Chair was authorized to sign.

b) FISCAL YEAR 2024 IMPOSING SPECIAL ASSESSMENTS; ADOPTING THE ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY

Mr. Ward indicated this public hearing was related to the imposition of the special assessments for the general fund, it certified the assessment roll and approved the general fund assessment methodology related to the Fiscal Year 2024 budget.

I. Public Comment and Testimony

Mr. Ward called for a motion to open the Public Hearing.

On MOTION made by Pauline Tasler, seconded by Nancy Lyons, and with all in favor, the Public Hearing was opened.

Mr. Ward asked if there were any members of the public present in person or via audio or video with any comments or questions; there were none. He called for a motion to close the Public Hearing.

On MOTION made by Louise Buckley, seconded by Nancy Lyons, and with all in favor, the Public Hearing was closed.

II. Board Comment and Consideration

Mr. Ward explained this Resolution imposed the special assessments which were \$67.21, certified the assessment roll enabling the assessments to be included on the tax bills, and approved the special assessment methodology which indicated each lot paid the same rate irrespective of the size of the unit. He asked if there were any questions or comments from the Board.

Ms. Buckley: My only question would be, (indecipherable), our numbers for taxpayers has remained exactly the same? I mean, I didn't go back and look. Do you want to talk about it? There are 2,100 or so individuals.

Mr. Ward: Correct, that number has not changed.

III. Consideration of Resolution 2023-5, a resolution of the Board of Supervisors imposing special assessments, adopting an assessment roll, and approving the General Fund Special Assessment Methodology

Mr. Ward called for a motion.

On MOTION made by Nancy Lyons, seconded by John Wisz, and with all in favor, Resolution 2023-5 was adopted, and the Chair was authorized to sign.

Consideration of Resolution 2023-6, a resolution of the Board of Supervisors designating dates, time, and location for regular meeting of the Board of Supervisor's for Fiscal Year 2023

Mr. Ward noted the meeting dates were basically the same as the current year, which was the first Thursday of each month at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212; however, he changed the time of the meetings from 1:30 p.m. to 1:00 p.m. He explained there was a meeting held at 2:00 p.m. in the same room and shifting the meeting time a half hour earlier would allow more leeway in the CDD's meeting length.

The Board indicated this was acceptable.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by John Wisz, seconded by Nancy Lyons, and with all in favor, Resolution 2023-6 was adopted, and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS**Consideration of Proposals****Consideration of Proposals to provide Audit Services to the District for the Fiscal Years 2023-2027**

Mr. Ward: We bid this basically every 5 years. That's the statutory requirement. The Audit that ended September 30, 2022 was the fifth year of that audit service proposal that we did. So, we put this out there to the various vendors. I used to get 6 to 7 audit proposals a year, but in the last 7 to 8 years it's come down to either Grau and Associates or Berger Toombs. The RFP requires you to do an auditor analysis which includes both mandatory elements and technical qualifications and price is also a part of the consideration. Included in your package is the analysis that the team prepared for you. It rated Grau at 35 points, the highest number of points would be the number one rated, and the lesser amount of points would be after that. Grau was rated at 35 points, Berger Toombs was rated at 28 points. In terms of price, the Grau proposal was \$23,000 dollars for five years, and the Berger proposal was \$24,580 for 5 years. Honestly, these are the lowest numbers I've seen for audits and if you remember your audit, those things are like 40 pages or so. I don't know how they do it for these prices. You may use the recommendations that we provided to you, or you may change them at your heart's content.

Ms. Lyons: How is Grau working with staff?

Mr. Ward: Grau is excellent.

Ms. Lyons: Okay, so you don't have any problems with using them?

Mr. Ward: No.

Ms. Lyons: Because when I did it, it came out actually, your people know a lot better than we do, but I came out with Grau leading a lot more. I didn't like a lot of the qualifications that Berger had done.

Mr. Ward: *Well, you are in sync with my team.*

Discussion ensued regarding the two firms; the Board decided to stay with Grau.

Mr. Ward called for a motion.

On MOTION made by Louise Buckley, seconded by Nancy Lyons, and with all in favor, Grau and Associates was ranked number one and Berger Toombs was ranked number two and the agreement with Grau and Associates for the next five years was authorized.

SEVENTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

Mr. Greg Urbancic: The only thing I wanted to report was we are in the legislative session and it's starting to wind down. There was one bill that was passed by both Houses that still has to go to the Governor and that would affect you. That basically says as of January 1, 2024, you all are the lucky recipients that you are going to have to all take an educational course, four hour training course, to be a CDD supervisor. The details are still yet to come, but they've been trying to put that into statute for many years and it looks like they may have succeeded this year. Subsequent to January 1, there will be forthcoming at some point in time, you all will have to potentially take a course, but that's a little bit down the road and I will keep you updated.

Ms. Buckley: Is that annually we will have to take it?

Mr. Urbancic: Let me see what they said. Yeah, it says each calendar year. My guess is it will have an online component to it of some sort, so given that everyone will have to do it, there will probably be a service, or some services that pop up that make it fairly easy for you to do.

II. District Engineer

No report.

III. District Manager

a) Important Board Meeting Dates for Balance of Fiscal Year 2023

i. June 1, 2023 Regular Meeting Canceled.

b) Supervisor of Elections Qualified Elector Report dated April 15, 2023

c) Financial Statement for period ending January 31, 2023 (unaudited)

d) Financial Statement for period ending February 28, 2023 (unaudited)

e) Financial Statement for period ending March 31, 2023 (unaudited)

Mr. Ward indicated Statute required the Supervisor of Elections to report the number of registered voters within the District as of April 15th of each year. He indicated the number of registered voters was 2,117, the same as last year. He explained the HHN CDD Board transitioned to a fully qualified

elector board a number of years ago, so there was no action required of the Board, but Statute still required this number to be reported annually.

EIGHTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ward asked if there were any audience members present in person, on audio or video, with questions or comments; there were none. He asked if there were any Supervisor's requests.

Ms. Lyons: For information only, the HOA here reported, well a committee member here at River Strand reported, that they couldn't buy land from us at a reasonable rate if they decide to move the cart barn to the other side. They quoted a figure of \$150,000 dollars per acre for 3.5 acres. I had never seen anything like that, or heard of that at these Board meetings, so I wrote to the President of the Board, and I just asked about it, and I discussed this with Jim as well. And all we did in response to that was to say there is no viable option for the HOA to purchase CDD property. We are not allowed to sell it to a nongovernmental organization. The process would be lengthy and ultimately require a public auction to the highest bidder, so it wouldn't work for them anyway. I don't know where they got their reporting, well, I do know because they posted it, it was Samera Paice, but at any rate, all we did was clarify that we can't do that. There maybe other ways that SWFMD might be able to get involved and help us switch around some credits for lowlands to uplands and this, that and the other, but if we want to consider it, and we have to consider it at that time, no votes are made, and I specifically noted that any action would have to be considered by the entire CDD North Board. That's all for information.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 1:50 p.m.

On MOTION made by Michael Fisher, seconded by Louise Buckley, and with all in favor, the Meeting was adjourned.

Heritage Harbour North
Community Development District


James P. Ward, Secretary


Nancy Lyons, Chairperson