

**MINUTES OF MEETING
HERITAGE HARBOUR MARKET PLACE
COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Board of Supervisors of the Heritage Harbour Market Place Community Development District was held on Thursday, April 7, 2022, at 1:00 p.m., at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212.

Present and constituting a quorum:

Russell Smith	Chairperson
Danielle Graef	Vice Chairperson
Bill Nesbitt	Assistant Secretary

Absent:

Dan Huglas	Assistant Secretary
Bill Riley	Assistant Secretary

Also present were:

James P. Ward	District Manager
Wes Haber	District Counsel
Tony Grau	Grau and Associates
Andrew Gill	

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. Andrew Gill called the meeting to order at approximately 1:06 p.m. He called roll and all Members of the Board were present, with the exception of Supervisor Riley and Supervisor Huglas, constituting a quorum.

SECOND ORDER OF BUSINESS

Notice of Public Hearing

Notice of advertisement of the Public Hearing

Mr. Gill noted enclosed in the Agenda Packet was an affidavit mailing showing the publication which went out for the public hearing.

THIRD ORDER OF BUSINESS

Consideration of Minutes

February 3, 2022 – Regular Meeting Minutes

Mr. Gill asked if there were any questions or changes to the Minutes. Hearing none, he called for a motion.

On MOTION made by Mr. Russell Smith, seconded by Ms. Danielle Graef, and with all in favor, the February 3, 2022, Regular Meeting Minutes were approved.

FOURTH ORDER OF BUSINESS

PUBLIC HEARING

Mr. Ward explained the public hearing process including public comment, Board discussion and vote.

a. PUBLIC HEARING – FISCAL YEAR 2023 BUDGET

I. Public Comment and Testimony

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

On MOTION made by Mr. Russell Smith, seconded by Ms. Danielle Graef, and with all in favor, the Public Hearing was opened.

Mr. Ward asked if there were any members of the public present by audio or video with comments or questions with respect to the Fiscal Year 2023 Budget; hearing none, he called for a motion to close the public hearing. He noted there were no members of the public present in person.

On MOTION made by Mr. Russell Smith, seconded by Mr. Bill Nesbitt, and with all in favor, the Public Hearing was closed.

II. Board Comment

Mr. Ward asked if there were any Board comments or questions; there was none.

III. Consideration of Resolution 2022-3 adopting the annual appropriation and Budget for Fiscal Year 2023

Mr. Ward called for a motion for Resolution 2022-3 relating to the annual appropriations, adopting the Budget for the Fiscal Year beginning October 1, 2022 and ending September 30, 2023.

On MOTION made by Mr. Russell Smith, seconded by Ms. Danielle Graef, and with all in favor, Resolution 2022-3 was adopted, and the Chair was authorized to sign.

b. FISCAL YEAR 2023 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN 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, certification of an assessment roll, and approval of the special assessment methodology for the District.

I. Public Comment and Testimony

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

On MOTION made by Mr. Russell Smith, seconded by Ms. Danielle Graef, and with all in favor, the Public Hearing was opened.

Mr. Ward asked if there were any members of the public present by audio or video with comments or questions; hearing none, he called for a motion to close the public hearing. He noted there were no members of the public present in person.

On MOTION made by Mr. Bill Nesbitt, seconded by Mr. Russell Smith, and with all in favor, the Public Hearing was closed.

II. Board Comment

Mr. Ward asked if there were any questions; there were none.

III. Consideration of Resolution 2022-4 imposing special assessments, adopting an assessment roll, and approving the general fund special assessment methodology

Mr. Ward indicated Resolution 2022-4 imposed the assessments, adopted the assessment roll, provided a mechanism for the Manager to update the assessment roll with current owners' information as it changed, and approved the methodology. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Russell Smith, seconded by Ms. Danielle Graef, and with all in favor, Resolution 2022-4 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2022-5

Consideration of Resolution 2022-5, a resolution of the Board of Supervisors adopting designating dates, time, and location for regular meeting of the Board of Supervisor's for Fiscal Year 2023

Mr. Gill noted Statute required the CDD to publish the dates of its meetings. He indicated the Meetings were scheduled for the first Thursday of every month at the River Strand Golf and Country Club. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Ms. Danielle Graef, seconded by Mr. Russell Smith, and with all in favor, Resolution 2022-5 was adopted, and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS**Consideration of Resolution 2022-6****Consideration of Resolution 2022-6, a resolution of the Board of Supervisors designating a date, time, and location for a landowners' meeting and election; providing for publication; and establishing forms for the landowners' election**

Mr. Gill: This Resolution designates the date and time for the landowner's meeting and election which is also shown in the previous calendar. That date is November 3, 2022 at 1:00 p.m., also in this location.

Mr. Ward: The statute requires the District Board to set the landowner's meeting at least 90 days in advance of the meeting. The two seats that are up are Mr. Nesbitt's and Mr. Russell Smith's. Those landowners who are present at that meeting, or who provide a proxy to someone, will be able to vote their respective votes. Those two seats will be elected. The third seat is Seat 4, Mr. Huglas. Two of those seats will serve a 4 year term and the other will serve a 2 year term. Since we don't plan on having a meeting between now and November 1, we are doing this a little earlier than normal. Statute requires at least 90 days' notice with respect to the resolution. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Bill Nesbitt, seconded by Ms. Danielle Graef, and with all in favor, Resolution 2022-6 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS**Consideration of Audited Financial Statements****Consideration and acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2021**

Mr. Gill introduced Tony Grau with Grau and Associates.

Mr. Tony Grau with Grau and Associates reviewed the Audited Financial Statements for the Fiscal Year ended September 30, 2021. He reported pages 1 and 2 reflected a clean opinion with respect to the financial statements of the District. He stated page 3 was the management discussion and analysis which was a recap of the financial activity during the Fiscal Year. He stated page 4 was the condensed statement of net position, and next was the condensed income statement which showed revenues, expenses, and the change in net position; both statements had comparative numbers with the prior year. He indicated the financial statements began on page 7 with the government wide financial statements including capital assets, long term debt, accrued interest, etc. He stated on page 9 was the balance sheet reflecting the general fund and debt service fund; the general fund balance was approximately \$145,000 dollars and the debt service fund balance was approximately \$330,000 dollars. He stated the income statement was on page 11 and showed the special assessments, expenditures, general fund, and debt service payments. He reported on page 13 were the footnotes to the financial statements which were consistent with the prior year. He indicated on page 19 were the changes in the capital assets and the long term debt which included the Series 2005 bonds which were paid down by \$470,000 dollars leaving a balance of \$11,310,000 dollars. He noted on page 21 was the budget to actual. He stated on page 23 was the new information item required by Florida Statute and the Auditor General. He stated the remainder of the report contained the various reports required under

government auditing standards and by the Auditor General. He reported there were no findings and only clean opinions.

Mr. Smith asked if there were any issues with the audit.

Mr. Grau responded in the negative; the audit was clean.

Mr. Ward thanked Mr. Grau and called for a motion.

On MOTION made by Ms. Danielle Graef, seconded by Mr. Bill Nesbitt, and with all in favor, the Audited Financial Statements for the Fiscal Year ended September 30, 2021 were accepted for purposes of inclusion in the record.

EIGHTH ORDER OF BUSINESS

Consideration of Proposals

Consideration of proposals for providing audit services to the District for the Fiscal Years 2022-2026

Mr. Ward: Generally, what I normally do, is we do a new auditor agreement every five years. The last agreement we had expired with completion of the fiscal year 2021 audit. We will be going into the fiscal year 2022 audit in a couple of months, so we go out and do proposals for auditors. We prepare a complete RFP package which the auditors then respond to. I think we sent this out to probably five or six different auditors over the last couple of years and it's narrowed down to a couple of them that have been responding to these proposals. One is Mr. Grau's firm, Grau and Associates; the other is Berger, Toombs, Elam, Gaines and Frank CPAs. Enclosed in your Agenda Package is an analysis of the auditor's proposals that tells what their competence levels are for what we call mandatory elements and technical qualifications and whether they have them and rank them accordingly. The form is in your Agenda Package, and you may fill it out as you deem appropriate. Staff took some time and filled that out for you and provided a ranking for you based upon our review of the two proposals. Grau and Associates is ranked number 1, and Berger, Toombs is ranked number 2. I do want to point out the price difference, however, because the Berger, Toombs firm came in at \$27,400 dollars total for the 5 years, and Grau came in at \$32,500 dollars for the 5 years. I don't have a strong opinion on what you all do, you may choose either of the two firms based upon some ranking that you want to make. Our recommendation to you is the Grau firm based upon the ranking we did for you. I will let you discuss.

Mr. Nesbitt: Why would the recommendation be for the higher one?

Mr. Ward: It is not only based on price. It's based on our ability to actually work with the auditor and the competence levels that we deem are within the firm itself. I've known both firms for more than 30 years, but Grau seems to be rising up above Berger a little bit. Personally, I'm not always a fan of "cheapest is best" when it comes to an independent auditor, someone who, the one time out to the year is making a representation to you as board members on what I've done for over 12 months. I do think sometimes if they can spend a little more time doing an audit and it's a little bit more money over the cost of the audit period, I don't see that as a problem. My recommendation is Grau, but like I said this is solely your decision on what you prefer to do.

Ms. Graef: We vote today?

Mr. Ward: Yes. If you are comfortable with the ranking, just make a motion to accept the ranking.

On MOTION made by Ms. Danielle Graef, seconded by Mr. Bill Nesbitt, and with all in favor, the ranking of proposals for audit services was accepted with Grau and Associates ranked number 1 and Berger, Toombs, Elam, Gaines and Frank CPAs ranked number 2.

NINTH ORDER OF BUSINESS

Staff Reports

Staff Reports

I. District Attorney

No report

II. District Engineer

a) Update to Stormwater Reporting

Mr. Gill indicated the District Engineer was working on the Stormwater Report; the Report was required to be filed by June 30, 2022.

III. District Manager

a) Financial Statement for period ending January 31, 2022 (unaudited)

b) Financial Statement for period ending February 28, 2022 (unaudited)

TENTH ORDER OF BUSINESS

Supervisor’s Requests and Audience Comments

Mr. Gill asked if there were any Supervisor’s requests; there were none. He asked if there were any members of the audience present in person or by video or audio with questions or comments; there were none.

ELEVENTH ORDER OF BUSINESS

Adjournment

Mr. Gill adjourned the meeting at approximately 1:25 p.m.

On MOTION made by Ms. Danielle Graef, seconded by Mr. Bill Nesbitt, and with all in favor, the Meeting was adjourned.

Heritage Harbour Market Place
Community Development District


James P. Ward, Secretary

Danielle Graef
Danielle Graef, Vice-Chairperson

Signature: 
Danielle Graef (Nov 8, 2022 14:03 EST)

Email: dnesbitt@edgewoodproperties.com