

BOARD OF SUPERVISOR'S

HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT

REGULAR MEETING AGENDA

May 2, 2019

James P. Ward
District Manager
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www.heritageharbourmarketplacecdd.org

HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT

April 23, 2019

Board of Supervisors
Heritage Harbour Market Place
Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Heritage Harbour Market Place Community Development District will be held on **Thursday, May 2, 2019 at 2:15 P.M. at the River Strand Golf and Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212.**

1. Call to Order & Roll Call.
2. Consideration of Minutes.
 - a) September 6, 2018 – Regular Meeting
3. Consideration of Resolution 2019-1 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing for **Thursday, August 1, 2019 at 2:15 P.M. at the River Strand Golf and County Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212, on the Proposed Budget.**
4. Consideration of Acceptance of the Agreement with the Manatee County Property Appraiser to utilize the Uniform Method of Collections for the District's Assessments.
5. Consideration of Acceptance of the Audited Financial Statement for the Fiscal Year ended September 30, 2018.
6. Staff Reports
 - a) Attorney
 - b) Engineer
 - c) Manager
 - I. Financial Statements for the month ended March 31, 2019
 - II. Report on Number of Registered Voters as of April 15, 2019
7. Supervisor's Requests and Audience Comments
8. Adjournment



James P. Ward
District Manager

2900 NORTHEAST 12TH TERRACE, SUITE 1
OAKLAND PARK, FLORIDA 33334
PHONE (954) 658-4900
E-MAIL JimWard@JPWardAssociates.com

The second order of business is The third order of business is consideration of the minutes of the September 6, 2018 Regular Meeting

The District's enabling legislation requires the District Manager to submit a Proposed Budget to the Board by June 15th of each year for your review and approval. The approval of the budget is only intended to permit the District to move through the process towards adopting the budget at a Public Hearing scheduled for the August 1, 2019 meeting of the Board of Supervisor's. The approval of the Budget does not bind the Board to any of the costs contained in the budget, any of the programs contained in the Budget and most importantly it does not bind the Board to any of the Assessment Rates contemplated as a result of the preparation of the Budget.

It does however set the maximum assessment rate for the general fund at the proposed rate of \$702.38 per acre, which is the rate the District would include on the TRIM notices that are sent to property owners in August of each year.

If you re-call, the Board has also set a Cap Rate which is \$3,267.96 per acre, which is the rate that triggers mailed notice to all property owners by the District in addition to the rate being included on the TRIM notice. Since the proposed rate is below the Cap Rate, mailed notice by the District is not required.

The budget public hearing is scheduled **for Thursday, August 1, 2019 at 2:15 P.M. at the River Strand Golf and County Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212, on the Proposed Budget**

Under my report, is the statutory requirement that the District determine as of April 15th of each year the number of registered voter's residing with the District. The Statute provides that the Supervisor of Elections in the County where the District is located (Manatee County) provides that information from the voter rolls of the County. The significance of the report is based on the transition date and the number of qualified electors residing in the District which are enumerated in the Statute for the District to begin the transition from a landowner based election to a qualified elector based election. Since this District is comprised of non-residential property, the District will never meet one of the thresholds in the Statute, which is 250 qualified electors residing in the District, to transition to a qualified elector based election. This item is provided as a matter of law and placed into the District's records.

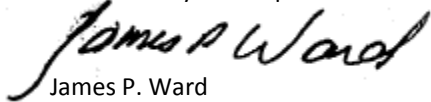


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The balance of the Agenda is standard in nature and I look forward to seeing you at the meeting, and if you have any questions and/or comments, please do not hesitate to contact me directly at (954) 658-4900.

Yours sincerely,
Heritage Harbour Market Place
Community Development District



James P. Ward
District Manager



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District Manager

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

The Regular Meeting of the Heritage Harbour Market Place Community Development District's Board of Supervisors was held on Thursday, September 6, 2018, at 2:15 p.m., at the River Strand Golf & Country Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212.

Present and constituting a quorum were:

Bill Riley	Vice Chairman
Matthew Koratich	Assistant Secretary
Russell Smith	Assistant Secretary

Absent were:

Terry Kirschner	Chairman
Matthew Morris	Assistant Secretary

Also present were:

James P. Ward	District Manager
Jere Earlywine	District Counsel

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 2:30 p.m., and roll call determined that all members of the Board were present with the exception of Supervisors Kirschner and Morris.

SECOND ORDER OF BUSINESS

Administration of Oath of Office

Mr. Ward administered the Oath of Office to Supervisor Koratich, newly elected from the Landowners' Meeting of June 7, 2018. Mr. Ward stated he was a notary in the State of Florida and would administer the Oath, which he did. In addition, Supervisor Koratich was provided with the Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees and Form 1- Statement of Financial Interests, which he was advised must be filed with the Supervisor of Elections in the County in which he resides within 30 days. Mr. Ward stated Supervisor Koratich had served on other boards and asked if he had any questions regarding the Sunshine Laws. Supervisor Koratich responded negatively.

THIRD ORDER OF BUSINESS

Consideration of Minutes

Mr. Ward said there were two sets of minutes for approval. One was the June 7, 2018, Regular Meeting, and he asked if there were any additions, corrections or deletions. He noted one correction that Supervisor Morris was present at the meeting.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve the minutes of the June 7, 2018, Regular Meeting with the correction noted, and with all in favor, the motion was approved.

Mr. Ward said the second set of minutes for approval was June 7, 2018, Landowners Meeting, and asked if there were any additions, corrections or deletions. Hearing none, he called for a motion for approval.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve the minutes of the June 7, 2018, Landowners Meeting, and with all in favor, the motion was approved.

FOURTH ORDER OF BUSINESS

Public Hearings

a) Fiscal Year 2019 Budget (Resolution 2018-10)

Mr. Ward said the primary purpose of the meeting was to hold two public hearings. He said the first was related to the Fiscal Year 2019 Budget. He called for a motion to open the Public Hearing.

MOTION was made by Mr. Smith and seconded by Mr. Riley to open the Public Hearing, and with all in favor, the motion was approved.

Mr. Ward stated there were no members of the public present nor had he received any written comment or testimony with respect to the 2019 Budget. He then called for a motion to close the Public Hearing.

MOTION was made by Mr. Smith and seconded by Mr. Riley to close the Public Hearing, and with all in favor, the motion was approved.

Mr. Ward called for Board comment on the Fiscal Year 2019 Budget. Hearing none, he asked for a motion to adopt the Resolution 2018-10.

MOTION was made by Mr. Riley and seconded by Mr. Koratich to adopt Resolution 2018-10, the Fiscal Year 2019 Budget, and with all in favor, the motion was approved.

- b) Fiscal Year 2019 Imposing Special Assessments; Adopting an Assessment Roll; and Approving the General Fund Special Assessment Methodology (Resolution 2018-11).

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

MOTION was made by Mr. Koratich and seconded by Mr. Riley to open the Public Hearing, and with all in favor, the motion was approved.

Mr. Ward stated there were no members of the public present nor had he received any written comment or testimony with respect to Resolution 2018-11. He then called for a motion to close the Public Hearing.

MOTION was made by Mr. Koratich and seconded by Mr. Riley to close the Public Hearing, and with all in favor, the motion was approved.

Mr. Ward asked for comments or questions from the Board. Hearing none, he called for a motion to adopt Resolution 2018-11 as described above.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve Resolution 2018-11, and with all in favor, the motion was approved.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2018-12

Mr. Ward informed the Board this resolution would set dates, times and locations of the Board meetings for 2019. He said they were scheduled for the first Thursday of every month at 2:15 p.m. at the River Strand Golf & Country Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida 34212. Mr. Ward stated he anticipated two or three Board meetings being necessary during the year; however, all meetings would be advertised. He called for a motion to adopt Resolution 2018-12.

MOTION was made by Mr. Koratich and seconded by Mr. Smith to approve Resolution 2018-12 as described above, and with all in favor, the motion was approved.

SIXTH ORDER OF BUSINESS

Consideration of Audited Financial Statements for Fiscal Year 2017

Mr. Ward stated he had not asked the auditor to be present at the meeting. He stated it was a good audit, and different from prior years due to the District being out of the foreclosure action. He said the audit did reflect that the District came out of foreclosure during the year, which gave a clean opinion for Fiscal Year 2017. He said the audit had been filed as a matter of law with the appropriate regulatory agencies. He called for questions, and hearing none, asked for a motion to approve.

MOTION was made by Mr. Smith and seconded by Mr. Riley to approve the Audited Financial Statements for Fiscal Year 2017, and with all in favor, the motion was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

- a) Attorney – No report given.
- b) Manager – No report given.

EIGHTH ORDER OF BUSINESS

Supervisor Requests and Audience Comments

Mr. Ward called for comments for the Board, and there were none. He stated no members of the audience were present.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Ward called for a motion to adjourn the meeting.

MOTION was made by Mr. Riley and seconded by Mr. Smith, and with all in favor, motion to adjourn the meeting was approved.

The meeting was adjourned at 2:43 p.m.

Heritage Harbour Market Place Community Development District

James P. Ward, District Manager

Terry Kirschner, Chairperson

RESOLUTION 2019-1

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2020 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of Heritage Harbour Market Place Community Development District (the "Board") prior to June 15, 2019, a proposed Budget for Fiscal Year 2020; and

WHEREAS, the Board has considered the proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. That the foregoing whereas clauses are true and correct and incorporated herein as if written into this Section.

SECTION 2. The proposed Budget submitted by the District Manager for Fiscal Year 2018 and attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.

SECTION 3. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE:	Thursday, August 1, 2019
HOOR:	2:15 P.M.
LOCATION:	River Strand Golf and Country Club (Clubhouse) 7155 Grand Estuary Trail Bradenton, Florida 34212

SECTION 4. The District Manager is hereby directed to submit a copy of the proposed budget to Manatee County at least 60 days prior to the hearing set above.

SECTION 5. Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than 15 days prior to the date of the hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. At the time and place designated in the notice, the Board shall hear all objections to the budget as proposed and may make such changes as the board deems necessary.

SECTION 6. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

SECTION 7. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

RESOLUTION 2019-1

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2020 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 8. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 2nd day of May, 2019

ATTEST:

**HERITAGE HARBOUR MARKET PLACE
COMMUNITY DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Terry Kirschner , Chairperson

BOARD OF SUPERVISOR'S

HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT

EXHIBIT A

PROPOSED BUDGET FISCAL YEAR 2020

October 1, 2019 through September 30, 2020



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**Heritage Harbour Market Place
Community Development District**

**General Fund
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual as of February 28, 2019	Anticipated as of 09/30/2019	Fiscal Year 2020 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -		
Interest Income - General Account	\$ 400	\$ 26	\$ 450	\$ 400
Miscellaneous Revenue		\$ -	\$ -	
Special Assessment Revenue				
Special Assessment - Uniform Method	\$ 29,369	\$ 19,762	\$ 19,762	\$ 29,506
Special Assessment - Non-Uniform	\$ 58,517	\$ -	\$ 58,517	\$ 58,789
Total Revenue & Other Sources	\$ 88,286	\$ 19,788	\$ 78,729	\$ 88,695
Appropriations				
Legislative				
Board of Supervisor's Fees	\$ 1,200	\$ -	\$ 400	\$ 1,200
Board of Supervisor's - FICA	\$ 92	\$ -	\$ 31	\$ 92
Executive				
Executive Salaries	\$ 35,000	\$ 14,808	\$ 35,000	\$ 41,000
Executive Salaries - FICA	\$ 2,678	\$ 1,133	\$ 2,678	\$ 2,678
Executive Salaries - Insurance	\$ 3,500	\$ 1,664	\$ 3,500	\$ -
Financial and Administrative				
Audit Services	\$ 4,900	\$ 5,600	\$ 5,600	\$ 5,700
Accounting Services	\$ 4,000	\$ 1,351	\$ 3,500	\$ 3,500
Assessment Roll Preparation		\$ -	\$ -	
Arbitrage Rebate Fees	\$ 500	\$ -	\$ 500	\$ 500
Other Contractual Services				
Recording and Transcription	\$ 250		\$ 250	\$ 250
Legal Advertising	\$ 2,400	\$ 95	\$ 2,400	\$ 2,400
Trustee Services	\$ 5,810	\$ 13,829	\$ 13,829	\$ 5,810
Dissemination Agent Services	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Bank Service Fees	\$ 500	\$ 161	\$ 400	\$ 500
Travel and Per Diem		\$ -	\$ -	
Communications and Freight Services				
Telephone	\$ -	\$ -	\$ -	\$ -
Postage, Freight & Messenger	\$ 300	\$ -	\$ 300	\$ 300
Rentals and Leases				
Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -
Computer Services and Website	\$ 7,560	\$ 3,043	\$ 7,560	\$ 7,560
Insurance	\$ 6,400	\$ 5,778	\$ 5,778	\$ 6,000
Printing and Binding	\$ 100	\$ 18	\$ 75	\$ 100
Office Supplies	\$ -	\$ -	\$ -	\$ -
Subscriptions and Memberships	\$ 175	\$ 175	\$ 175	\$ 175
Legal Services		\$ -		
General Counsel	\$ 5,000	\$ 632	\$ 2,400	\$ 4,000
Litigaton Counsel	\$ -	\$ -	\$ -	\$ -
Comprehensive Planning Services				
Professional Services - Planning	\$ -	\$ -	\$ -	\$ -

**Heritage Harbour Market Place
Community Development District**

**General Fund
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual as of February 28, 2019	Anticipated as of 09/30/2019	Fiscal Year 2020 Budget
Other General Government Services				
Engineering Services	\$ 1,000	\$ -	\$ -	\$ -
Contingencies	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Other Fees and Charges				
Discounts and Fees	\$ 1,921	\$ -	\$ 1,921	\$ 1,930
Total Appropriations	\$ 88,286	\$ 53,287	\$ 91,297	\$ 88,695
Net Increase/(Decrease) in Fund Balance	\$ -	\$ (33,498)	\$ (12,568)	
Fund Balance - Beginning	\$ 127,038	\$ 127,038	\$ 127,038	\$ 114,470
Fund Balance - Ending (Projected)	\$ 127,038	\$ 93,539	\$ 114,470	\$ 114,470

		Fiscal Year 2019		Fiscal Year 2020	
Parcel Identification	Acres	On-Roll	Off-Roll	On-Roll	Off-Roll
Parcel 19/20	83.7		\$58,516.69		\$58,788.97
Parcel 22	3.38	\$2,528.45		\$2,540.22	
Parcel 23	2.13	\$1,593.37		\$1,600.79	
Parcel 24	3.13	\$2,341.44		\$2,352.33	
Parcel 25	16.36	\$12,238.31		\$12,295.25	
Parcel 26 moved to split folios		\$0.00		\$0.00	
Parcel 26 (split 2018)	0.49	\$366.55		\$368.26	
Parcel 26 (split 2018)	0.2	\$149.61		\$150.31	
Parcel 26 (split 2018)	7.91	\$5,917.18		\$5,944.71	
Parcel 26 (split 2018)	0.15	\$112.21		\$112.73	
Parcel 26 (split 2018)	0.51	\$381.51		\$383.29	
Parcel 27 - Unit 1	1.34	\$1,002.40		\$1,007.07	
Parcel 27 - Unit 2	1.47	\$1,099.65	Total Parcel 27 \$3,740.31	\$1,104.77	
Parcel 27 - Unit 3	0.96	\$718.14		\$721.48	
Parcel 27 - Unit 4	1.23	\$920.12		\$924.40	
Total Acres	122.96				

**Heritage Harbour Market Place
Community Development District**

**General Fund
Fiscal Year 2020**

Revenues and Other Sources

Carryforward	\$ -
The amount of anticipated Fund Balance is recommended to be utilized to fund the operating expenses of the District for the first three (3) months of the Fiscal Year, pending the receipt of assessment collections.	
Interest Income - General Account	\$ 400
With the levy of Special Assessments - the District's operating account will earn interest on it's funds. This amount reflect's the anticipated earnings.	

Appropriations

Legislative

Board of Supervisor's Fees	\$ 1,292
The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The Budgeted amount reflects that the anticipated meetings for the District.	

Executive

Executive Saleries and Benefits	\$ 43,678
The District has one employee - that is the District Manager who handles the daily activities of the District, and which is shared with other CDD's. The expenditures are this District's anticipated share of those costs.	

	<u>FY 2019</u>	<u>FY 2019</u>
Salary	\$ 35,000	\$ 41,000
FICA	\$ 2,678	\$ 2,678
		included in
Insurance	\$ 3,500	Salary
Total:	\$ 41,178	\$ 43,678

Financial and Administrative

Audit Services	\$ 5,700
Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.	
Accounting Services	\$ 3,500
For the maintenance of the District's books and records on a daily basis.	
Assessment Roll Preparation	\$ -
For the preparation by the Financial Advisor of the Methodology for the General Fund and the Assessment Rolls including transmittal to the Manatee County Property Appraiser.	
Arbitrage Rebate Fees	\$ 500
For requied Federal Compliance - this fee is paid for an in-depth analysis of the District's earnings on all of the funds in trust for the benefit of the Bondholder's to insure that the earnings rate does not exceed the interest rate on the Bond's.	

Other Contractual Services

Recording and Transcription	\$ 250
Legal Advertising	\$ 2,400

**Heritage Harbour Market Place
Community Development District**

**General Fund
Fiscal Year 2020**

Trustee Services	\$ 5,810
With the issuance of the District's Bonds, the District is required to maintain the accounts established for the Bond Issue with a bank that holds trust powers in the State of Florida. The primary purpose of the trustee is to safeguard the assets of the Bondholder's, to insure the timely payment of the principal and interest due on the Bonds, and to insure the investment of the funds in the trust are made pursuant to the requirements of the trust.	
Dissemination Agent Services	\$ 5,000
With the issuance of the District's Bonds, the District is required to report on a periodic basis the same information that is contained in the Official Statement that was issued for the Bonds. These requirements are pursuant to requirements of the Securities and Exchange Commission and sent to national repositories.	
Bank Service Fees	\$ 500
Travel and Per Diem	\$ -
Communications and Freight Services	
Telephone	\$ -
Postage, Freight & Messenger	\$ 300
Rentals and Leases	
Miscellaneous Equipment	\$ -
Computer Services & Web Site Maintenance	\$ 7,560
The District maintains all of its Public Records, including all of its programs for accounting and the administration of the District in a cloud computing environment with constant redundancy of the system. The fee includes the yearly hardware and annual software licenses to maintain the District's records, along with the continued development/maintenance of a web site for the District.	
Insurance	\$ 6,000
Printing and Binding	\$ 100
Office Supplies	\$ -
Subscriptions and Memberships	\$ 175
Legal Services	
General Counsel	\$ 4,000
The District's general counsel provides on-going legal representation relating to issues such as public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide services as "local government lawyers".	
Litigation Counsel	\$ -
Comprehensive Planning Services	
Professional Services - Planning	\$ -
Other General Government Services	
Engineering Services	\$ -
The District's engineering firm provides a broad array of engineering, consulting and construction services, which assists the District in crafting solutions with sustainability for the long term interests of the Community while recognizing the needs of government, the environment and maintenance of the District's facilities.	
Contingencies	\$ -
Other Fees and Charges	
Discounts and Tax Collector Fees	\$ 1,930
4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee	
Total Appropriations:	\$ 88,695

Heritage Harbour Market Place
Community Development District
Debt Service Fund - Proposed Budget
Fiscal Year 2020

Description	Fiscal Year 2019 Budget	Actual as of February 28, 2019	Anticipated as of 09/30/2019	Fiscal Year 2020 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ 1,500	\$ 364	\$ 800	\$ 1,500
Special Assessment Revenue				
Special Assessment - Uniform Method	\$ 361,616	\$ 243,377	\$ 361,616	\$ 360,486
Special Assessment - Non-Uniform Method	\$ 788,381	\$ 231,723	\$ 788,380	\$ 785,918
Special Assessment - Prepayment	\$ -	\$ -	\$ -	\$ -
Operating Transfers In				
Deferred Cost Account	\$ -	\$ -	\$ -	\$ -
Total Revenue & Other Sources	\$ 1,151,497	\$ 475,464	\$ 1,150,796	\$ 1,147,903
Appropriations				
Debt Service				
Principal Debt Service - Mandatory				
Series 2007 Bonds	\$ 420,000	\$ -	\$ 420,000	\$ 440,000
Principal Debt Service - Early Redemptions				
Series 2007 Bonds	\$ -	\$ -	\$ -	\$ -
Interest Expense				
Series 2007 Bonds	\$ 707,840	\$ 353,920	\$ 707,840	\$ 684,320
Trustee Services	\$ -	\$ -	\$ -	\$ -
Legal - Foreclosure Counsel	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	\$ -	\$ -	\$ -	\$ -
Other Fees and Charges				
Discounts and Fees	\$ 23,657	\$ -	\$ 23,657	\$ 23,583
Total Appropriations	\$ 1,151,497	\$ 353,920	\$ 1,151,497	\$ 1,147,903
Net Increase/(Decrease) in Fund Balance	-	121,544	(701)	-
Fund Balance - Beginning	322,118	322,118	322,118	321,417
Fund Balance - Ending (Projected)	958,772	443,662	321,417	321,417
Restricted Fund Balance:				
Reserve Account Requirement			200,000	
Restricted for November 1, 2020 Interest Payment			\$ 329,840	
Total - Restricted Fund Balance:			\$ 529,840	

Assessment Comparison

Parcel Identification	Acres	Fiscal Year 2019		Fiscal Year 2020	
		Off-Roll	On-Roll	Off-Roll	On-Roll
Parcel 19/20	83.7	\$ 788,381.49		\$ 785,917.66	
Parcel 22	PREPAID		PREPAID		PREPAID
Parcel 23	2.13		\$ 21,467.15		\$ 21,400.06
Parcel 24	3.13		\$ 31,545.62		\$ 31,447.04
Parcel 25	16.36		\$ 164,883.82		\$ 164,368.53
Parcel 26 moved to split folios			\$ -		\$ -
Parcel 26 (split 2018)	0.49		\$ 4,938.45		\$ 4,923.02
Parcel 26 (split 2018)	0.2		\$ 2,015.69		\$ 2,009.40
Parcel 26 (split 2018)	7.91		\$ 79,720.72		\$ 79,471.58
Parcel 26 (split 2018)	0.15		\$ 1,511.77		\$ 1,507.05
Parcel 26 (split 2018)	0.51		\$ 5,140.02		\$ 5,123.96
Parcel 27 - Unit 1	1.34		\$ 13,505.15		\$ 13,462.95
Parcel 27 - Unit 2	1.47		\$ 14,815.36		\$ 14,769.05
Parcel 27 - Unit 3	0.96		\$ 9,675.33		\$ 9,645.10
Parcel 27 - Unit 4	1.23		\$ 12,396.52		\$ 12,357.78
Total Acres	119.58				

**Heritage Harbour Market Place
Community Development District
Debt Service Fund - Proposed Budget**

Description	Principal	Coupon Rate	Interest	Annual Debt Service
Principal Balance - at March 14, 2017	\$13,035,000	5.60%		
5/1/2018	\$ 395,000	5.60%	\$ 364,980.00	\$ 1,095,140
11/1/2018			\$ 353,920.00	
5/1/2019	\$ 420,000	5.60%	\$ 353,920.00	\$ 1,127,840
11/1/2019			\$ 342,160.00	
5/1/2020	\$ 440,000	5.60%	\$ 342,160.00	\$ 1,124,320
11/1/2020			\$ 329,840.00	
5/1/2021	\$ 470,000	5.60%	\$ 329,840.00	\$ 1,129,680
11/1/2021			\$ 316,680.00	
5/1/2022	\$ 495,000	5.60%	\$ 316,680.00	\$ 1,128,360
11/1/2022			\$ 302,820.00	
5/1/2023	\$ 525,000	5.60%	\$ 302,820.00	\$ 1,130,640
11/1/2023			\$ 288,120.00	
5/1/2024	\$ 555,000	5.60%	\$ 288,120.00	\$ 1,131,240
11/1/2024			\$ 272,580.00	
5/1/2025	\$ 585,000	5.60%	\$ 272,580.00	\$ 1,130,160
11/1/2025			\$ 256,200.00	
5/1/2026	\$ 620,000	5.60%	\$ 256,200.00	\$ 1,132,400
11/1/2026			\$ 238,840.00	
5/1/2027	\$ 655,000	5.60%	\$ 238,840.00	\$ 1,132,680
11/1/2027			\$ 220,500.00	
5/1/2028	\$ 690,000	5.60%	\$ 220,500.00	\$ 1,131,000
11/1/2028			\$ 201,180.00	
5/1/2029	\$ 730,000	5.60%	\$ 201,180.00	\$ 1,132,360
11/1/2029			\$ 180,740.00	
5/1/2030	\$ 775,000	5.60%	\$ 180,740.00	\$ 1,136,480
11/1/2030			\$ 159,040.00	
5/1/2031	\$ 820,000	5.60%	\$ 159,040.00	\$ 1,138,080
11/1/2031			\$ 136,080.00	
5/1/2032	\$ 865,000	5.60%	\$ 136,080.00	\$ 1,137,160
11/1/2032			\$ 111,860.00	
5/1/2033	\$ 915,000	5.60%	\$ 111,860.00	\$ 1,138,720
11/1/2033			\$ 86,240.00	
5/1/2034	\$ 970,000	5.60%	\$ 86,240.00	\$ 1,142,480
11/1/2034			\$ 59,080.00	
5/1/2035	\$ 1,025,000	5.60%	\$ 59,080.00	\$ 1,143,160
11/1/2035			\$ 30,380.00	
5/1/2036	\$ 1,085,000	5.60%	\$ 30,380.00	\$ 1,145,760

UNIFORM COLLECTION AGREEMENT

THIS UNIFORM COLLECTION AGREEMENT FOR DISTRICT ASSESSMENTS ("Agreement") is made and entered into this _____ day of _____, _____, by and between _____ ("District"), whose address is _____,

the Honorable Ken Burton, Jr., State Constitutional Tax Collector in and for Manatee County, an independent constitutional county officer of the State of Florida, whose address is 819 301 Boulevard West, Bradenton, Florida 34205 ("Tax Collector") and the Honorable Charles E. Hackney, State Constitutional Property Appraiser in and for Manatee County, an independent constitutional county officer of the State of Florida, whose address is 915 4th Avenue West, Bradenton, Florida 34205 ("Property Appraiser").

SECTION I **Findings and Determinations**

The parties find and determine:

1. The District is authorized to impose and levy, and by appropriate resolutions has expressed its intent to use, the statutory uniform methodology of collection for, certain non-ad valorem special assessments ("Assessments"), as authorized by constitutional and statutory municipal home rule and by Section 197.3632, Florida Statutes and Rule 12D-18, Florida Administrative Code, as amended; and
2. The term "Assessments" means those certain levies by the District, which constitute non-ad valorem special assessments pursuant to Section 197.3632, Florida Statutes; and
3. The uniform statutory collection methodology is provided in Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code ("uniform methodology"), with its enforcement provisions, including the use of tax certificates and tax deeds for enforcing against any delinquencies; and
4. The uniform methodology is more fair to the delinquent property owner than traditional lien foreclosure methodology; and
5. The uniform methodology provides for more efficiency of collection by virtue of the Assessment being on the official tax notice ("Tax Notice") issued by the Tax Collector which will produce positive economic benefits to the District and its citizens, property owners and taxpayers; and
6. The uniform methodology, through use of the Tax Notice, will tend to eliminate confusion and promote local government accountability; and

7. The Tax Collector, as a state constitutional officer for the county political subdivision, is charged by general law in Chapter 197, Florida Statutes, and related rules and regulations, to implement the uniform method of collecting Assessments; and
8. The sole and exclusive responsibility to determine, impose and levy the Assessments and to determine that an Assessment is a legal, constitutional and lienable non-ad valorem special assessment for improvements and related systems, facilities and services is that of the District and no other person, entity or officer.

SECTION II

Applicable Law and Regulations

1. Sections 197.3631, 197.3632, and 197.3635, Florida Statutes; Rule 12D-18, Florida Administrative Code, and all other applicable provisions of constitutional and statutory law, govern the exercise by the District of its local self-government power to render and pay for municipal services.
2. Section 1(d), Article VIII, Florida Constitution; Chapter 197, Florida Statutes; Rule 12D-13, Florida Administrative Code; Rule 12D-18, Florida Administrative Code; and other applicable provisions of constitutional and statutory law apply to the Tax Collector in his capacity as a state constitutional county officer for the purpose of collecting and enforcing non-ad valorem special assessments levied by District authorities within the boundaries of the District.
3. Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code, has provisions that apply to the District, the Tax Collector, the Department of Revenue and the Property Appraiser.
4. Section 200.069, Florida Statutes, requires the Property Appraiser to send to all taxpayers a notice of proposed property taxes and non-ad valorem assessments ("TRIM Notice") on behalf of the taxing authorities and local governing boards.

SECTION III

Purpose

1. The purpose of this Agreement under Rule 12D-18, Florida Administrative Code, is to meet the requirements of Section 197.3632(2), Florida Statutes, requiring the District to enter into a written agreement with the Property Appraiser and the Tax Collector providing for reimbursement of necessary administrative costs related to the collection of the Assessments levied by the District. This Agreement further includes compensation by the District to the Tax Collector for actual costs of collection pursuant to Section 197.3632(8)(c), Florida Statutes; payment by District of any costs involved in separate mailings because of non-merger of any non-ad valorem special assessment roll as certified by the District, or its agent, pursuant to Section 197.3632(7), Florida Statutes; and reimbursement by District for necessary administrative costs, including, but not limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage

and programming which attend all of the collection and enforcement duties imposed upon the Tax Collector by the uniform methodology, as provided in Section 197.3632(2), Florida Statutes.

2. Additionally, the purpose of this Agreement under Rule 12D-18, Florida Administrative Code, is to establish the terms and conditions under which the Property Appraiser shall perform his statutory duties under Section 197.3632, Florida Statutes, which include providing the District with legal descriptions of properties and the names and addresses of all property owners.

SECTION IV

Term

1. The term of this Agreement shall commence upon execution, effective for _____ Tax Notice purposes, and shall continue and extend uninterrupted from year-to-year, automatically renewed for successive periods not to exceed one (1) year each.
2. This Agreement shall continue in full force and effect until terminated by the Tax Collector and/or the Property Appraiser and if not terminated by Tax Collector or Property Appraiser, the Agreement shall continue until the District informs the Tax Collector, as well as Property Appraiser and the Department of Revenue, by 10 January of the calendar year, if the District intends to discontinue to use the uniform methodology for such Assessments pursuant to Section 197.3632(6), Florida Statutes and Rule 12D-18.006(3), Florida Administrative Code, using Form DR-412 promulgated by the Florida Department of Revenue.

SECTION V

Duties and Responsibilities of District

District agrees, covenants and contracts to:

1. Compensate the Tax Collector for collection costs and reimburse administrative costs incurred pursuant to Sections 197.3632(2) and 197.3632(8)(c), Florida Statutes and Rule 12D-18.004(2), Florida Administrative Code. District agrees that an annual payment of 1.5% of the Assessments collected is an accurate estimate of the collection costs and administrative costs (which include, but are not limited to those costs associated with personnel, forms, supplies, data processing, computer equipment, postage and programming) incurred by the Tax Collector. District agrees to the Tax Collector being paid the 1.5% through deduction before the amounts are remitted.
2. Reimburse the Property Appraiser for necessary administrative costs incurred by the Property Appraiser under the uniform methodology, pursuant to Section 197.3632(2), Florida Statutes, and Rule 12D-18.004(2), Florida Administrative Code, to include, but not limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage and programming. District and Property Appraiser agree that an annual payment of 1.5% of the Assessments collected is an accurate estimate of the administrative costs incurred by the Property Appraiser. District agrees to the Property Appraiser being paid the 1.5% through deduction before the amounts are remitted.

3. Pay for, or alternatively reimburse, the Tax Collector for any separate tax notice necessitated by the inability of the Tax Collector to merge the non-ad valorem special assessment roll certified by the District pursuant to Section 197.3632(7), Florida Statutes and Rule 12D-18.004(2) Florida Administrative Code to produce a combined notice for ad valorem taxes and non-ad valorem assessments. The parties acknowledge that the actual merger of the non-ad valorem special assessments roll in with the ad valorem assessments has been and will be a function performed by the Property Appraiser pursuant to a separate agreement between the Property Appraiser and the Tax Collector to which the District is not a party. However, the combined notice shall be produced by the Tax Collector.
4. Upon being timely billed, District shall pay directly for necessary advertising relating to implementation of the uniform non-ad valorem special assessment law pursuant to Sections 197.3632 and 197.3635, Florida Statutes, and Rule 12D-18.004(2), Florida Administrative Code.
5. Certify its non-ad valorem assessments roll to the Property Appraiser and Tax Collector after August 31st and on or before 15 September of each calendar year pursuant to Section 197.3632(5)(a), Florida Statutes, and Rule 12D-18.006, Florida Administrative Code using the Certify option in the Property Appraiser's NAV Web Portal; <https://nav.manateepao.com> ("NAV Web Portal"). The Certify option will produce form DR-408A and affix to it an itemized list of parcel identification numbers and associated Assessments. District shall exercise its responsibility that such non-ad valorem assessments roll is in compliance with Section 197.3632(10) and is free of errors and omissions. District agrees to use the Corrections feature in the NAV Web Portal to correct individual Assessment errors. District acknowledges that additional fees may be charged by the Tax Collector to correct an abundance of errors after roll certification. District further acknowledges that its Assessments will be zeroed out if the District fails to certify its non-ad valorem assessments roll by the 15 September statutory deadline.
6. Abide by and implement its duties under the uniform law pursuant to all the provisions of Sections 197.3632 and 197.3635, Florida Statutes, or its successor of statutory provisions and all applicable rules promulgated by the Department of Revenue and their successor rules.
7. Acknowledge that the Tax Collector and Property Appraiser have no duty, authority or responsibility in the imposition and levy of any non-ad valorem special assessments, including the District's Assessment, and that it is the sole responsibility and duty of the District to follow all procedural and substantive requirements for the levy and imposition of constitutionally lienable non-ad valorem special assessments, including the Assessments.
8. Include its Assessments in the TRIM Notice pursuant to Section 200.069, Florida Statutes, and to update ("upload") or verify its Assessments in the NAV Web Portal on or before August 1st of each year to insure the Assessments that appear in the TRIM Notice closely match those that will appear in the Tax Notice. District is exempt from this requirement if its boundary does not lie wholly within Manatee County, Florida. District acknowledges that irrespective of its boundary, any and all Assessments uploaded to the NAV Web Portal on or before August 1st will appear in the TRIM Notice.
9. To the extent permitted by applicable Florida law, and specifically subject to the provisions and dollar limitations set forth in Section 768.28, Florida Statutes, the District shall indemnify and hold

harmless Tax Collector and Property Appraiser to the extent of any legal action which may be filed in local, state or federal courts against Tax Collector and/or Property Appraiser regarding the imposition, levy, roll preparation and certification of the Assessments arising from the negligence of the District or its agents, officers, or employees; District shall pay for or reimburse Tax Collector and/or Property Appraiser for fees for legal services rendered to Tax Collector and/or Property Appraiser with regard to any such legal action. Nothing herein shall constitute a waiver of sovereign immunity or the limitations on liability provided under the Florida Constitution or general law.

SECTION VI

Duties of the Tax Collector

1. Except as provided in paragraph 5 below, the Tax Collector shall prepare a combined notice (the "Tax Notice") for both ad valorem taxes and non-ad valorem special assessments for all levying authorities within the boundaries of the District, pursuant to Sections 197.3632 and 197.3635, Florida Statutes, and their successor provisions, and any applicable rules, and their successor rules, promulgated by the Department of Revenue, and in accordance with any specific ordinances or resolutions adopted by the District, so long as said ordinances and resolutions shall themselves clearly state the intent to use the uniform method for collecting such Assessments and so long as they are further not inconsistent with, or contrary to, the provisions of Sections 197.3632 and 197.3635, Florida Statutes, and their successor provisions, and any applicable rules.
2. The Tax Collector shall collect the Assessments of the District as certified by the District, or its agent, to the Property Appraiser and the Tax Collector no later than 15 September of each calendar year on form DR-408A with an itemized list of parcel identification numbers and associated Assessments affixed to it, and free of errors or omissions.
3. The Tax Collector agrees to cooperate with the District in implementation of the uniform methodology for collecting Assessments pursuant to Sections 197.3632 and 197.3635, Florida Statutes, and any successor provisions and applicable rules. The Tax Collector shall not accept any non-ad valorem assessment roll for the Assessments of the District that is not officially, timely and legally certified to the Tax Collector pursuant to Chapter 197, Florida Statutes, and Rule 12D-18, Florida Administrative Code.
4. The Tax Collector agrees to submit a report that contains payment information received for non-ad valorem assessments including, but not limited to, the property identification number for the parcel and the amount received.
5. If the Tax Collector discovers errors or omissions on such roll, the Tax Collector may request the District to file a corrected roll or a correction of the amount of any Assessment, and the District shall bear the cost of any such error or omission.
6. If the Tax Collector, in its discretion, determines that a separate mailing is authorized pursuant to Section 197.3632(7), Florida Statutes, and any applicable rules promulgated by the Department of Revenue, and any successor provision to said law or rules, the Tax Collector shall either mail a separate notice of the particular Assessment or shall direct the District to mail such a separate

notice. In making this decision, the Tax Collector shall consider all costs to the District and to the taxpayers of such a separate mailing as well as the adverse effect to the taxpayers of delay in multiple notices. If such a separate mailing is effected, the District shall bear all costs associated with the separate notice for the Assessment that could not be merged, upon timely billing by the Tax Collector.

SECTION VII

Duties of the Property Appraiser

1. Annually by June 1, the Property Appraiser shall provide District the information required by Section 197.3632(3)(b), Florida Statutes by the NAV Web Portal, with the legal description of the property affected by the levy, and the names and addresses of the owners of each parcel. District, or its agent, will be required to enter into a non-disclosure agreement with the Property Appraiser in order to receive information protected under Section 119, Florida Statutes.
2. The Property Appraiser shall merge the District's non-ad valorem assessments roll with the tax roll to enable the Tax Collector to prepare a combined Tax Notice for both ad valorem taxes and non-ad valorem special assessments.
3. The Property Appraiser shall zero out the District's Assessments if the District fails to certify its non-ad valorem assessments roll to the Property Appraiser and the Tax Collector on or before 15 September pursuant to Section 197.3632(5)(a), Florida Statutes, and Rule 12D-18.006, Florida Administrative Code.
4. Upon request of a property owner, the Property Appraiser will split or combine tax parcels ("Parent Parcel"). If the parcel identification number of a Parent Parcel is individually referenced in the resolution or ordinance establishing or modifying the District boundary, the Property Appraiser shall zero out the District's Assessment on the resulting parcel or parcels ("Child Parcels"). If the parcel identification number of a Parent Parcel is not individually referenced in the resolution or ordinance establishing or modifying the District boundary, the Property Appraiser will equally apportion the District's Assessment to the resulting Child Parcels.
5. The Property Appraiser will place the District's most recently uploaded Assessments prior to August 1st on the TRIM Notices regardless of how long ago the last upload may have occurred.

SECTION VIII

Miscellaneous

1. The parties shall perform all their obligations under this Agreement in accordance with good faith and prudent practice.
2. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter contained herein and may not be amended, modified or rescinded, unless otherwise provided in this Agreement, except in writing and signed by all the parties hereto. Should any

provision of this Agreement be declared to be invalid, the remaining provisions of this Agreement shall remain in full force and effect, unless such provision found to be invalid alters substantially the benefits or the Agreement for either of the parties or renders the statutory and regulatory obligations unable to be performed. All prior agreements between the parties hereto addressing the matters set forth herein are hereby terminated and superseded by this Agreement.

3. This Agreement shall be governed by the laws of the State of Florida.
4. Written notice shall be given to the parties at the following addresses, or such other place or person as each of the parties shall designate by similar notice:

- | | | |
|----|---------------------------|--|
| a. | As to Tax Collector: | The Honorable Ken Burton, Jr.
Manatee County Tax Collector
819 301 Boulevard West
Bradenton, Florida 34205 |
| b. | As to Property Appraiser: | The Honorable Charles E. Hackney
Manatee County Property Appraiser
915 Fourth Ave West
Bradenton, Florida 34205 |
| c. | As to District: | <hr/> <hr/> <hr/> <hr/> |

IN WITNESS WHEREOF, the parties have hereunto set, their hands and seals and such of them as are corporations have caused these presents to be signed by their duly authorized officers.

WITNESS

MANATEE COUNTY TAX COLLECTOR

Signature

By: _____
Ken Burton, Jr.

Printed Name

Date: _____

WITNESS

MANATEE COUNTY PROPERTY APPRAISER

Signature

By: _____
Charles E. Hackney

Printed Name

Date: _____

As authorized for execution by the Local Governing Board of _____.

WITNESS

Signature

By: _____
Signature

Printed Name

Printed Name

Date: _____

**HERITAGE HARBOUR MARKET PLACE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2018**

**HERITAGE HARBOUR MARKET PLACE
COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Heritage Harbour Market Place Community Development District
Manatee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund, of Heritage Harbour Market Place Community Development District, Manatee County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2018, and the respective changes in financial position, thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, 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 February 12, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated February 12, 2019, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

 *B. Han & Associates*

February 12, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Heritage Harbour Market Place Community Development District, Manatee County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2018. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$8,578,065). The net position deficit balance is due to the District conveying improvements which were acquired with its Bonds in prior fiscal years.
- The change in the District's total net position in comparison with the prior fiscal year was (\$379,765), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2018, the District's governmental funds reported combined ending fund balances of \$449,156, an increase of \$1,538,666 in comparison with the prior fiscal year. The total fund balance is restricted for debt service and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund and capital projects fund, all of which are considered major funds. The capital projects fund was closed during the current fiscal year.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, liabilities exceeded assets at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,			
	2018	2017	
Current and other assets	\$ 449,156	\$ 3,273,891	
Capital assets, net of depreciation	3,907,712	4,125,186	
Total assets	4,356,868	7,399,077	
Current liabilities	294,933	310,577	
Long-term liabilities	12,640,000	15,286,800	
Total liabilities	12,934,933	15,597,377	
Net Position			
Net investment in capital assets	(8,732,288)	(8,672,011)	
Restricted	27,185	110,255	
Unrestricted	127,038	363,456	
Total net position	\$ (8,578,065)	\$ (8,198,300)	

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2018	2017
Revenues:		
Program revenues:		
Charges for services	\$ 1,002,268	\$ 398,871
Operating grants and contributions	1,608	1,413
Capital grants and contributions	236	364
General revenues:		
Interest earnings	972	630
Total revenues	1,005,084	401,278
Expenses:		
General government	406,312	353,906
Maintenance and operations	217,474	221,341
Interest	761,063	742,210
Total expenses	1,384,849	1,317,457
Change in net position	(379,765)	(916,179)
Net position - beginning	(8,198,300)	(7,282,121)
Net position - ending	\$ (8,578,065)	\$ (8,198,300)

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2018 was \$1,384,849. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, increased during the fiscal year due to the District reaching a settlement with defaulted Landowners on defaulted assessments and becoming current. In total, expenses, including depreciation, increased from the prior fiscal year, the majority of the increase was the result of property owner refund disbursements netted against less default expenditures in the current year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2018 was amended to decrease revenues and appropriations by \$(24,425). Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2018.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2018, the District had \$6,927,093 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$3,019,381 has been taken, which resulted in a net book value of \$3,907,712. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2018, the District had \$12,640,000 Bonds outstanding. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for the subsequent fiscal year. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Heritage Harbour Market Place Community Development District at the office of the District Manager, James P. Ward at 2900 Northeast 12th Terrace, Suite 1, Oakland Park, Florida 33334, (954) 658-4900.

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 126,883
Assessments receivable	155
Restricted assets:	
Investments	322,118
Capital assets:	
Depreciable, net	3,907,712
Total assets	<u>4,356,868</u>
LIABILITIES	
Accrued interest payable	294,933
Non-current liabilities:	
Due within one year	420,000
Due in more than one year	12,220,000
Total liabilities	<u>12,934,933</u>
NET POSITION	
Net investment in capital assets	(8,732,288)
Restricted for debt service	27,185
Unrestricted	127,038
Total net position	<u>\$ (8,578,065)</u>

See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government:					
Governmental activities:					
General government	\$ 406,312	\$ 123,415	\$ -	\$ -	\$ (282,897)
Maintenance and operations	217,474	-	-	236	(217,238)
Interest on long-term debt	761,063	878,853	1,608	-	119,398
Total governmental activities	1,384,849	1,002,268	1,608	236	(380,737)
		General revenues:			
		Investment earnings			972
		Total general revenues			972
		Change in net position			(379,765)
		Net position - beginning			(8,198,300)
		Net position - ending			<u>\$ (8,578,065)</u>

See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

	Major Funds			Total
	General	Debt Service	Capital Projects	Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 126,883	\$ -	\$ -	\$ 126,883
Investments	-	322,118	-	322,118
Assessments receivable	155	-	-	155
Total assets	<u>\$ 127,038</u>	<u>\$ 322,118</u>	<u>\$ -</u>	<u>\$ 449,156</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted for:				
Debt service	-	322,118	-	322,118
Unassigned	127,038	-	-	127,038
Total fund balances	<u>127,038</u>	<u>322,118</u>	<u>-</u>	<u>449,156</u>
Total liabilities and fund balances	<u>\$ 127,038</u>	<u>\$ 322,118</u>	<u>-</u>	<u>\$ 449,156</u>

See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2018**

Fund balance - governmental funds \$ 449,156

Amounts reported for governmental activities in the statement of
net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	6,927,093	
Accumulated depreciation	<u>(3,019,381)</u>	3,907,712

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(294,933)	
Bonds payable	<u>(12,640,000)</u>	<u>(12,934,933)</u>
Net position of governmental activities		<u><u>\$ (8,578,065)</u></u>

See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
REVENUES				
Special assessments	\$ 410,084	\$ 2,697,358	\$ -	\$ 3,107,442
Interest earnings	972	1,608	236	2,816
Total revenues	411,056	2,698,966	236	3,110,258
EXPENDITURES				
Current:				
General government	360,805	45,507	-	406,312
Maintenance and operations	-	-	-	-
Parks and recreation	-	-	-	-
Debt service:				
Principal	-	395,000	-	395,000
Interest	-	770,280	-	770,280
Total expenditures	360,805	1,210,787	-	1,571,592
Excess (deficiency) of revenues over (under) expenditures	50,251	1,488,179	236	1,538,666
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	238,039	(238,039)	-
Total other financing sources (uses)	-	238,039	(238,039)	-
Net change in fund balances	50,251	1,726,218	(237,803)	1,538,666
Fund balances - beginning	76,787	(1,404,100)	237,803	(1,089,510)
Fund balances - ending	\$ 127,038	\$ 322,118	\$ -	\$ 449,156

See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Net change in fund balances - total governmental funds	\$	1,538,666
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Amounts reported for governmental activities in the statement of activities are different because:

Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		395,000
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Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial		(2,105,174)
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Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expenses in the statement of activities.		(217,474)
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The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities, but not in the governmental fund financial statements.		9,217
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Change in net position of governmental activities	\$	<u>(379,765)</u>
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See notes to the financial statements

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY

The Heritage Harbour Market Place Community Development District ("District") was established on September 2, 2002 by Ordinance No. 02-28 of Manatee County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District is comprised of approximately 258 acres in Manatee County and was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. Although certain Board members are affiliated with Lennar Homes, LLC ("Developer"), the original Developer, at September 30, 2018, Lennar is now a minority owner of land within the District.

The Board has the responsibility for:

1. Allocating and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment. Operating-type special assessments for maintenance and debt service are treated as charges for services; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide 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 related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

The District's Assessments are included on the property tax bill that all landowner's receive. In addition, the District directly bills certain landowners within the District, not using the Uniform Method of Collection. The Florida Statutes provide that special assessments may be collected by using the Uniform Method. Under the Uniform Method, the District's Assessments will be collected together with County and other taxes. These Assessments will appear on a single tax bill issued to each landowner subject to such. The statutes relating to enforcement of County taxes provide that County taxes become due and payable on November 1 of the year when assessed or soon thereafter as the certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the District's Assessments. Upon any receipt of moneys by the Tax Collector from the Assessments, such moneys will be delivered to the District.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the District Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment pursuant to certain conditions in Florida Statutes and other applicable law.

Under the Uniform Method, if the Assessments are paid during November when due or at any time within thirty (30) days after the mailing of the original tax notice or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. March payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the District's Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on March 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes may defer payment of a portion of the taxes and non-ad valorem assessments and interest accumulated on a tax certificate, which may include non-ad valorem special assessments. Deferred taxes and assessments bear interest at a variable rate not to exceed 7%. The amount that may be deferred varies based on whether the applicant is younger than age 65 or is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000 or applicants with less than the designated amount for the additional homestead exemption under Section 196.075, Florida Statutes that are 65 years old or older may defer taxes and assessments in their entirety.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Assessments (Continued)

Collection of Delinquent Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Assessments due.

The District reports the following major governmental funds:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

Capital Projects Fund

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District. This fund was closed during the current fiscal year.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30
Storm water	25
Water and sewer systems	25
Roadways, parks, courts and fields	20
Landscaping and entry features	15
Motor vehicles	5

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 - BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) A public hearing is conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriations for annually budgeted funds lapse at the end of the year.

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

Investments

The District's investments were held as follows at September 30, 2018:

	Amortized cost	Credit Risk	Maturities
US Bank Mmkt 5	\$ 322,118	N/A	N/A
	<u>\$ 322,118</u>		

Credit risk – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

Concentration risk – The District places no limit on the amount the District may invest in any one issuer.

Interest rate risk – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

Fair Value Measurement – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1*: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2*: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3*: Investments whose inputs are unobservable.

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended September 30, 2018 were as follows:

Fund	Transfer in	Transfer out
Debt service	\$ 238,039	\$ -
Capital projects	-	238,039
Total	<u>\$ 238,039</u>	<u>\$ 238,039</u>

Transfers were used to move remaining funds on hand from the capital projects fund to the debt service fund as prescribed by the Acknowledgment and Release agreement between the District and the Developer.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, being depreciated				
Improvements other than buildings	\$ 414,241	\$ -	\$ -	\$ 414,241
Infrastructure	6,512,852	-	-	6,512,852
Total capital assets, being depreciated	<u>6,927,093</u>	<u>-</u>	<u>-</u>	<u>6,927,093</u>
Less accumulated depreciation for:				
Improvements other than buildings	413,862	379	-	414,241
Infrastructure	2,388,045	217,095	-	2,605,140
Total accumulated depreciation	<u>2,801,907</u>	<u>217,474</u>	<u>-</u>	<u>3,019,381</u>
Total capital assets, being depreciated, net	<u>4,125,186</u>	<u>(217,474)</u>	<u>-</u>	<u>3,907,712</u>
Governmental activities capital assets, net	<u>\$ 4,125,186</u>	<u>\$ (217,474)</u>	<u>\$ -</u>	<u>\$ 3,907,712</u>

In the current fiscal year, the District accepted the Engineer's certificate regarding Series 2005 project completion. In addition, Lennar Homes, LLC ("the Developer"), and the District acknowledged that the Developer has been paid in full for the Series 2005 project.

Depreciation expense was all charged to maintenance and operations.

NOTE 7 - LONG TERM LIABILITIES

Series 2005

On October 3, 2005 the District issued \$16,755,000 of Capital Improvement Revenue Bonds, Series 2005. The Bonds are due on May 1, 2036 with a fixed interest rate of 5.6%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1. Principal is payable on an annual basis commencing May 1, 2007 through May 1, 2036.

NOTE 7 - LONG TERM LIABILITIES (Continued)

Series 2005 (Continued)

The Bonds are subject to redemption at the option of the District prior to maturity as outlined in the Bond Indenture. The Bonds are also subject to extraordinary mandatory redemption prior to their maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2018.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2018 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2005	\$ 13,765,000	\$ -	\$ 1,125,000	\$ 12,640,000	\$ 420,000
Total	\$ 13,765,000	\$ -	\$ 1,125,000	\$ 12,640,000	\$ 420,000

At September 30, 2018, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2019	\$ 420,000	\$ 707,840	\$ 1,127,840
2020	440,000	684,320	1,124,320
2021	470,000	659,680	1,129,680
2022	495,000	633,360	1,128,360
2023	525,000	605,640	1,130,640
2024-2028	3,105,000	2,552,480	5,657,480
2029-2033	4,105,000	1,577,800	5,682,800
2034-2036	3,080,000	351,400	3,431,400
	<u>\$ 12,640,000</u>	<u>\$ 7,772,520</u>	<u>\$ 20,412,520</u>

NOTE 8 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

NOTE 9 – SETTLEMENT AGREEMENT

In current fiscal year, the District settled with TH Harbour, LLP (“THH”), a Developer. Pursuant to the settlement agreement, THH would pay the delinquent assessments on Parcels 19 & 20 for \$1,818,205 for debt service and \$286,669 for operations and maintenance. The amounts were received from THH during the current fiscal year and recorded as assessment revenue. As a result, the District’s Series 2005 Bonds were made current by paying Bondholders past due amounts.

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final Budget - Positive</u>
REVENUES				
Assessments	\$ 390,392	\$ 365,967	\$ 410,084	\$ 44,117
Interest earnings	60	60	972	912
Total revenues	<u>390,452</u>	<u>366,027</u>	<u>411,056</u>	<u>45,029</u>
EXPENDITURES				
Current:				
General government	390,452	366,027	360,805	5,222
Total expenditures	<u>390,452</u>	<u>366,027</u>	<u>360,805</u>	<u>5,222</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	50,251	<u>\$ 50,251</u>
Fund balance - beginning			<u>76,787</u>	
Fund balance - ending			<u>\$ 127,038</u>	

See notes to required supplementary information

**HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. The general fund budget for the fiscal year ended September 30, 2018 was amended to decrease revenues and appropriations by \$(24,425). Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2018.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Heritage Harbour Market Place Community Development District
Manatee County, Florida

We have audited, in accordance with the 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 governmental activities and each major fund of Heritage Harbour Market Place Community Development District, Manatee County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated February 12, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 entity'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bhav & Associates

February 12, 2019



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Heritage Harbour Market Place Community Development District
Manatee County, Florida

We have examined Heritage Harbour Market Place Community Development District, Manatee County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2018. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2018.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Heritage Harbour Market Place Community Development District, Manatee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

February 12, 2019



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**MANAGEMENT LETTER PURSUANT TO THE RULES OF
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors
Heritage Harbour Market Place Community Development District
Manatee County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Heritage Harbour Market Place Community Development District, Manatee County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated February 12, 2019.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 12, 2019, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Heritage Harbour Market Place Community Development District, Manatee County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Heritage Harbour Market Place Community Development District, Manatee County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Grau & Associates

February 12, 2019

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

2015-01, 2016-01, 2017-01: Financial Condition Assessment

Current Status: Recommendation has been implemented

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2017, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2018.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2018.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2018. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

BOARD OF SUPERVISOR'S

HERITAGE HARBOUR MARKET PLACE COMMUNITY DEVELOPMENT DISTRICT

FINANCIAL STATEMENTS

March 31, 2019

Board of Supervisor's

**Terry Kirschner, Chairman
William Riley, Vice Chairman
Russell Smith, Assistant Secretary
Scott Edwards, Assistant Secretary
Matthew Morris, Assistant Secretary**

James P. Ward
District Manager
2900 NE 12th Terrace, Suite 1
Oakland Park, Florida 33334

Phone: 954-658-4900
E-mail:
JimWard@jpwardassociates.com



Heritage Harbour Market Place Community Development District

Balance Sheet - All Funds and Account Groups as of March 31, 2019

	Governmental Funds			Account Groups		Totals (Memorandum Only)
	General Fund	Debt Service Fund	Capital Projects Fund	General Long Term Debt	General Fixed Assets	
Assets						
Cash and Investments						
General Fund - Invested Cash	\$ 89,364	\$ -	\$ -	\$ -	\$ -	\$ 89,364
Capital Projects Fund-Deferred Cost Account	-	-	-	-	-	-
Debt Service Fund						
Revenue Account	-	257,595	-	-	-	257,595
Reserve Account	-	200,000	-	-	-	200,000
Interest Account	-	0	-	-	-	0
Due from Other Funds						
General Fund	-	-	-	-	-	-
Debt Service - Series 2005	-	-	-	-	-	-
Capital Projects Fund	-	-	-	-	-	-
Market Valuation Adjustments	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	457,595	-	457,595
Amount to be Provided by Debt Service Funds	-	-	-	12,182,405	-	12,182,405
General Fixed Assets	-	-	-	-	4,346,527	4,346,527
Total Assets	\$ 89,364	\$ 457,595	\$ -	\$ 12,640,000	\$ 4,346,527	\$ 17,533,487

Heritage Harbour Market Place Community Development District

Balance Sheet - All Funds and Account Groups

as of March 31, 2019

	Governmental Funds			Account Groups		Totals (Memorandum Only)
	General Fund	Debt Service Fund	Capital Projects Fund	General Long Term Debt	General Fixed Assets	
Liabilities						
Accounts Payable & Payroll Liabilities	\$ -	\$ 13,829	\$ -	\$ -	\$ -	\$ 13,829
Deferred Revenue	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Due to Other Funds						
General Fund	-	-	-	-	-	-
Debt Service - Series 2005	-	-	-	-	-	-
Matured Bonds Payable - Series 2005	-	-	-	-	-	-
Matured Interest Payable - Series 2005	-	-	-	-	-	-
Bonds Payable - Series 2005	-	-	-	12,640,000	-	12,640,000
Total Liabilities	\$ -	\$ 13,829	\$ -	\$ 12,640,000	\$ -	\$ 12,653,829
Fund Equity and Other Credits						
Investment in General Fixed Assets	-	-	-	-	4,346,527	4,346,527
Fund Balance						
Restricted						
Beginning: October 1, 2018	-	322,118	-	-	-	322,118
Results from Current Operations	-	121,648	-	-	-	121,648
Unassigned						
Beginning: October 1, 2018	127,038	-	-	-	-	127,038
Results from Current Operations	(37,673)	-	-	-	-	(37,673)
Total Fund Equity and Other Credits	89,364	443,766	-	-	4,346,527	4,879,657
Total Liabilities, Fund Equity and Other Credits	\$ 89,364	\$ 457,595	\$ -	\$ 12,640,000	\$ 4,346,527	\$ 17,533,487

Heritage Harbour Market Place Community Development District

General Fund

**Statement of Revenue, Expenditures and Changes in Fund Balance
for the Period Ending March 31, 2019**

	October	November	December	January	February	March	Year to Date	Annual Budget	% of Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Miscellaneous Revenue	-	-	-	-	-	-	-	-	N/A
Interest									
Interest - General Checking	1	10	5	7	3	3	30	400	7%
Special Assessment Revenue									
Special Assessments - Uniform Method	-	1,026	4,591	14,145	-	-	19,762	27,405	72%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	-	-	58,560	0%
Developer Contribution									
Parcel 19/20 to Fund Litigation Expenses						-	-	-	N/A
Parcel 19/20 to Fund Repayment to									
Remaining Parcels for FY 15-18 Litigation Expenses						-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 1	\$ 1,036	\$ 4,596	\$ 14,152	\$ 3	\$ 3	\$ 19,791	\$ 86,365	23%
Expenditures and Other Uses									
Legislative									
Board of Supervisor's Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,200	0%
Board of Supervisor's - FICA	-	-	-	-	-	-	-	92	0%
Executive									
Executive Salaries	2,692	4,038	2,692	2,692	2,692	2,692	17,500	35,000	50%
Executive Salaries - FICA	206	309	206	206	206	206	1,339	2,678	50%
Executive Salaries - Insurance	333	333	333	333	333	333	1,997	3,500	57%
Financial and Administrative									
Audit Services	-	-	-	-	5,600	-	5,600	4,900	114%
Accounting Services	160	335	176	590	90	300	1,651	4,000	41%
Assessment Roll Preparation	-	-	-	-	-	-	-	-	N/A
Arbitrage Rebate Services	-	-	-	-	-	-	-	500	0%
Other	-	-	-	-	-	-	-	-	N/A
Other Contractual Services									
Recording and Transcription	-	-	-	-	-	-	-	250	0%
Legal Advertising	-	-	95	-	-	-	95	2,400	4%
Trustee Services	-	-	-	-	13,829	-	13,829	5,810	238%
Dissemination Agent Services	-	-	-	5,000	-	-	5,000	5,000	100%

Heritage Harbour Market Place Community Development District

General Fund

**Statement of Revenue, Expenditures and Changes in Fund Balance
for the Period Ending March 31, 2019**

	October	November	December	January	February	March	Year to Date	Annual Budget	% of Budget
Property Appraiser Fees	-	-	-	-	-	-	-	-	N/A
Bank Services	31	32	33	33	32	31	192	500	38%
Travel and Per Diem	-	-	-	-	-	-	-	-	N/A
Communications & Freight Services									
Telephone	-	-	-	-	-	-	-	-	N/A
Postage, Freight & Messenger	-	-	-	-	-	8	8	300	3%
Rentals & Leases									
Miscellaneous Equipment Leasing	-	-	-	-	-	-	-	-	N/A
Computer Services and Website	-	-	-	-	-	-	-	-	
Development	609	609	609	609	609	609	3,651	7,560	48%
Insurance	5,778	-	-	-	-	-	5,778	6,400	90%
Printing & Binding	-	-	-	-	18	-	18	100	18%
Office Supplies	-	-	-	-	-	-	-	-	N/A
Subscription & Memberships	175	-	-	-	-	-	175	175	100%
Legal Services									
Legal - General Counsel	-	632	-	-	-	-	632	5,000	13%
Legal - Litigation Counsel	-	-	-	-	-	-	-	-	N/A
Comprehensive Planning									
Professional Services-Planning	-	-	-	-	-	-	-	-	N/A
Other General Government Services									
Engineering Services - General Fund	-	-	-	-	-	-	-	1,000	0%
Property Owner Refunds	-	-	-	-	-	-	-	-	N/A
Payroll Expenses	-	-	-	-	-	-	-	-	N/A
Capital Outlay	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ 9,984	\$ 6,288	\$ 4,144	\$ 9,462	\$ 23,409	\$ 4,178	\$ 57,465	\$ 86,365	67%
Net Increase/ (Decrease) of Fund Balance	(9,983)	(5,252)	452	4,690	(23,406)	(4,175)	(37,673)	N/A	
Fund Balance - Beginning	127,038	117,055	111,803	112,255	116,945	93,539	127,038	70,256	
Fund Balance - Ending	<u>\$ 117,055</u>	<u>\$ 111,803</u>	<u>\$ 112,255</u>	<u>\$ 116,945</u>	<u>\$ 93,539</u>	<u>\$ 89,364</u>	<u>\$ 89,364</u>	<u>\$ 70,256</u>	

Heritage Harbour Market Place Community Development District

Debt Service Fund - Series 2005 Bonds

Statement of Revenue, Expenditures and Changes in Fund Balance

for the Period Ending March 31, 2019

	October	November	December	January	February	March	Year to Date	Budget	% of Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income									
Revenue Account	30	31	15	6	31	58	170	-	N/A
Reserve Account	49	51	49	51	51	46	298	1,500	20%
Interest Account	0	0	0	-	-	-	1	-	N/A
Special Assessment Revenue									
Special Assessments - Uniform Method	-	12,631	56,540	174,207	-	-	243,377	337,365	72%
Special Assessments - Non-Uniform Mthd	-	231,723	-	-	-	-	231,723	788,975	29%
Inter-Fund Group Transfers In	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 79	\$ 244,436	\$ 56,604	\$ 174,263	\$ 82	\$ 104	\$ 475,568	\$ 1,127,840	42%
Expenditures and Other Uses									
Debt Service									
Principal - Mandatory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 420,000	0%
Principal - Early Redemptions	-	-	-	-	-	-	-	-	N/A
Interest Expense	-	353,920	-	-	-	-	353,920	707,840	50%
Legal Services									
Legal - Foreclosure Counsel	-	-	-	-	-	-	-	-	N/A
Operating Transfers Out	-	-	-	-	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	-	-	-	-	N/A
Trustee Services	-	-	-	-	-	-	-	-	N/A
GF-Litigation (Parcel 19/20)	-	-	-	-	-	-	-	-	N/A
CPF-Deferred Cost Account	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 353,920	\$ -	\$ -	\$ -	\$ -	\$ 353,920	\$ 1,127,840	31%
Net Increase/ (Decrease) of Fund Balance	79	(109,484)	56,604	174,263	82	104	121,648	-	
Fund Balance - Beginning	322,118	322,197	212,713	269,317	443,580	443,662	322,118	650,856	
Fund Balance - Ending	<u>\$ 322,197</u>	<u>\$ 212,713</u>	<u>\$ 269,317</u>	<u>\$ 443,580</u>	<u>\$ 443,662</u>	<u>\$ 443,766</u>	<u>\$ 443,766</u>	<u>\$ 650,856</u>	

Heritage Harbour Market Place Community Development District

Capital Projects Fund

**Statement of Revenue, Expenditures and Changes in Fund Balance
for the Period Ending March 31, 2019**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income									
Deferred Cost Account	-	-	-	-	-	-	-	-	N/A
Operating Transfers In	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Expenditures and Other Uses									
Flood Control - Stormwater Management									
Engineering Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Legal Services	-	-	-	-	-	-	-	-	N/A
Operating Transfers Out	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Net Increase/ (Decrease) of Fund Balance	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning	-	-	-	-	-	-	-	-	-
Fund Balance - Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>-</u></u>

MICHAEL BENNETT • SUPERVISOR OF ELECTIONS • MANATEE COUNTY

600 301 Boulevard West, Suite 108, Bradenton, Florida 34205-7946
P O Box 1000, Bradenton, Florida 34206-1000



Phone: 941-741-3823 • Fax: 941-741-3820 • VoteManatee.com • Info@VoteManatee.com

April 24, 2019

Heritage Harbour Marketplace
Jim Ward
JPWard & Associates, LLC
2041 NE 6 Terrace
Wilton Manors, FL 33305

Dear Mr. Ward,

We are in receipt of your request for the number of registered voters in the Heritage Harbour Market Place Community Development District of April 15, 2019. According to our records, there were 0 persons registered in the Heritage Harbour Market Place Community Development District as of that date.

I hope this information is helpful to you. If I can be of any further assistance to you, please do not hesitate to contact my office at your earliest convenience.

Sincerely,

Michael Bennett
Supervisor of Elections

MB/klj