

**BOARD OF SUPERVISOR'S**

**HERITAGE HARBOUR NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**AGENDA**

**May 2, 2019**



James P. Ward  
District Manager  
2900 N.E. 12th Terrace, Suite 1  
Oakland Park, FL. 33334

Phone: 954-658-4900

E-mail:

JimWard@JPWardAssociates.com



**[www.heritageharbournorthcdd.org](http://www.heritageharbournorthcdd.org)**

# HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT

April 25, 2019

Board of Supervisors  
Heritage Harbour North  
Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Heritage Harbour North Community Development District will be held on **Thursday, May 2, 2019 at 2:00 P.M.** at the **River Strand County Club (Clubhouse), 7155 Grand Estuary Trail, Bradenton, Florida. 34212.**

1. Call to Order & Roll Call
2. Consideration of Resolution 2019-1 re-designating the officer's of the District.
3. Consideration of Minutes
  - a) August 2, 2018 Regular Meeting
4. Consideration of Resolution 2019-2 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing for **Thursday, August 1, 2019 at 2:00 P.M. at the River Stand Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212** on the Proposed Budget.
5. Consideration of Acceptance of the Agreement with the Manatee County Property Appraiser to utilize the Uniform Method of Collections for the District's Assessments.
6. Consideration of Acceptance of the Audited Financial Statement for the Fiscal Year ended September 30, 2018.
7. Staff Reports
  - a) Attorney
  - b) Engineer
  - c) Manager
    - I. Financial Statements for the period ending March 31, 2019 (Unaudited)
    - II. Report on number of registered voters in the district.
8. Supervisor's Requests and Audience Comments
9. Adjournment



*James P. Ward*  
*District Manager*

2900 NORTHEAST 12<sup>TH</sup> TERRACE, SUITE 1  
OAKLAND PARK, FLORIDA 33334

PHONE (954) 658-4900

E-MAIL [JimWard@JPWardAssociates.com](mailto:JimWard@JPWardAssociates.com)

The second order of business is the consideration of Resolution 2019-1 reorganizing the officers of the district.

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The third order of business deals with the approval of the August 2, 2018 Regular Meeting Minutes.

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The fourth order of business is consideration of Resolution 2019-2 Approving the Proposed Budget for Fiscal Year 2019 and Setting a Public Hearing for **Thursday, August 1, 2019 at 2:00 P.M. at the River Stand Country Club, 7155 Grand Estuary Trail, Bradenton, Florida 34212** on the Proposed Budget.

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The fifth order of business is Consideration of Acceptance of the Agreement with the Manatee County Property Appraiser to utilize the Uniform Method of Collections for the District's Assessments.

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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 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.

The two thresholds are six years from the date of establishment which for the District is November 13, 2006 and the second is at least 250 qualified electors. The District has met both thresholds under the statute. There is no required action of the Board for this item, it is provided as a matter of law and placed into the District's records.

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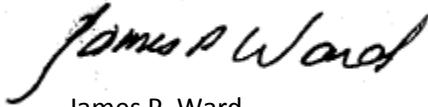
*James P. Ward*  
*District Manager*

2900 NORTHEAST 12<sup>TH</sup> TERRACE, SUITE 1  
OAKLAND PARK, FLORIDA 33334  
PHONE (954) 658-4900  
E-MAIL [JimWard@JPWardAssociates.com](mailto:JimWard@JPWardAssociates.com)

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 North  
Community Development District



James P. Ward  
District Manager

Enclosures



*James P. Ward*  
*District Manager*

2900 NORTHEAST 12<sup>TH</sup> TERRACE, SUITE 1  
OAKLAND PARK, FLORIDA 33334

PHONE (954) 658-4900

E-MAIL [JimWard@JPWardAssociates.com](mailto:JimWard@JPWardAssociates.com)

**RESOLUTION 2019-1**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT RE-DESIGNATING CERTAIN OFFICERS OF THE DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of the Heritage Harbour North Community Development District desire to appoint the below recited person(s) to the offices specified.

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

**SECTION 1. DESIGNATION OF OFFICERS OF THE DISTRICT.** The following persons are appointed to the offices shown.

<b>Chairperson</b>	_____
<b>Vice-Chairperson</b>	_____
<b>Assistant Secretary</b>	_____
<b>Assistant Secretary</b>	_____
<b>Assistant Secretary</b>	_____
<b>Treasurer</b>	<u>James P. Ward</u>
<b>Secretary</b>	<u>James P. Ward</u>

**SECTION 2. REMOVAL OF CERTAIN OFFICERS.** Any other individuals are hereby removed as officers of the District.

**SECTION 3. SEVERABILITY AND INVALID PROVISIONS.** 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 4. CONFLICT.** 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.

**SECTION 5. PROVIDING FOR AN EFFECTIVE DATE.** This Resolution shall become effective immediately upon passage.

**RESOLUTION 2019-1**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT RE-DESIGNATING CERTAIN OFFICERS OF THE DISTRICT; PROVIDING FOR SEVERABILITY AND INVALID PROVISIONS; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.**

**PASSED AND ADOPTED** this 2<sup>nd</sup> day of May, 2019

**Heritage Harbour North  
Community Development District**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
\_\_\_\_\_, Chairperson

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

The Regular Meeting of the Board of Supervisors of Heritage Harbour North Community Development District was held on Thursday, August 8, 2018, at 2:00 p.m. at the River Strand Country Club (Clubhouse), located at 7155 Grand Estuary Trail, Bradenton, Florida 34212.

**Present and constituting a quorum:**

Nancy Lyons	Vice Chairperson
Mike Fisher	Assistant Secretary
Pauline Tasler	Assistant Secretary
John Wisz (via telephone)	Assistant Secretary

**Absent:**

Terrence Kirschner	Chairperson
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**Also present:**

James Ward	District Manager
Greg Urbancic (via phone)	District Counsel
Jonathan Hartness (via phone)	Carr, Riggs & Ingram Assoc.

**Audience:**

Scott Ellsworth

**FIRST ORDER OF BUSINESS**

**Call to Order/Roll Call**

Mr. Ward called the meeting to order at 2:10 p.m. and all members of the Board were present at roll call with the exception of Supervisor Kirschner.

**SECOND ORDER OF BUSINESS**

**Consideration of Minutes of the May 3, 2018 Meeting**

Mr. Ward asked if there were any additions, corrections or deletions to the minutes, which had been previously distributed to the Board. Hearing none, he called for a motion.

<p><b>On MOTION made by Mr. Fisher, seconded by Ms. Tasler, and with all in favor, the minutes of the May 3, 2018 meeting were approved.</b></p>
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**THIRD ORDER OF BUSINESS**

**Consideration of Resolution 2018-3  
Amending the Date of the Public Hearing**

Mr. Ward stated this resolution would amend the date of the Public Hearing to today's date of August 2, 2018 at 2:00 p.m. at the River Strand Country Club.

**On MOTION made by Mr. Fisher, seconded by Ms. Lyons, and with all in favor, the Public Hearing date was amended to August 2, 2018.**

**FOURTH ORDER OF BUSINESS**

**Public Hearings**

**a) Fiscal Year 2019 Budget**

- I. Mr. Ward stated he had not received any written comments from the public with respect to the consideration of the budget. There was one member present from the public who had no comment. Mr. Ward asked for a motion to open the Public Hearing.

**On MOTION made by Mr. Fisher, seconded by Mr. Wisz, and with all in favor, the Public Hearing was opened.**

Mr. Ward then called for a motion to close the Public Hearing.

**On MOTION made by Ms. Lyons, seconded by Ms. Tasler, and with all in favor, the Public Hearing was closed.**

- II. Mr. Ward asked for any Board comments or questions regarding the 2019 Budget.

Ms. Lyons asked if Page 8 showed property that was off-roll. Mr. Ward responded that was for 2018, and there was nothing off-roll for 2019.

Ms. Tasler said the Budget listed 28 condo units and there were 30 units. Mr. Ward said the reason was some units had prepaid their debt service.

Mr. Ward further explained that the General Fund included all units, but the Debt Service Fund only included those units with debt, which explained the discrepancy in number of units.

- III. Mr. Ward called for further discussion, and hearing none, called for a motion to adopt Resolution 2018-4 relating to the Annual Appropriations and adopting the Budget for Fiscal Year 2019.

**On MOTION made by Ms. Tasler, seconded by Mr. Fisher, and with all in favor, Resolution 2018-4 was adopted.**



**b) Fiscal Year 2019 Imposing Special Assessments; Adopting an Assessment Roll and Approving the General Fund Special Assessment Methodology**

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

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

Mr. Ward said he had not received any written comments with respect to the consideration of Special Assessments. There was one member present from the public who had no comment. Mr. Ward then called for a motion to close the Public Hearing.

**On MOTION made by Ms. Lyons, seconded by Ms. Tasler, and with all in favor, the Public Hearing was closed.**

II. There were no Board comments or questions.

III. Mr. Ward called for a motion to adopt Resolution 2018-5 which imposed the Special Assessments, certified the Assessment Roll, and approved the General Fund Assessment Methodology.

**On MOTION made by Ms. Lyons, seconded by Mr. Wisz, and with all in favor, Resolution 2018-5 was adopted.**

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2018-6**

Mr. Ward explained this Resolution set the dates, times and locations of Board meetings for the coming year. He said the meetings had been previously held the first Thursday of each month at 2:00 p.m. at the River Strand Country Club. He indicated that he set the meetings as such for the purpose of advertising.

Ms. Tasler pointed out that the past year they had met only about four times, and Mr. Ward responded he believed the coming year would be the same.

Ms. Tasler asked if at the end of a meeting, the next meeting date would be set. Mr. Ward responded that there were key times of the year when meetings were necessary, and he would let them know in advance.

Mr. Ward asked if there were questions. Hearing none, he called for a motion.

**On MOTION made by Ms. Tasler, seconded by Ms. Lyons, and with all in favor, Resolution 2018-6 was approved.**

**SIXTH ORDER OF BUSINESS****Consideration of Acceptance of Audited  
Financial Statement for Fiscal Year Ended  
September 30, 2018**

Mr. Ward stated that Mr. Hartness of Carr, Riggs and Ingram was on the phone to present this information and answer questions. He said the audit had already been filed as a matter of law, and he would ask the Board to accept it for inclusion in the record only.

Mr. Hartness gave an overview of the audit. He said there were two documents: (1) the audited financial statements; (2) the required communications letter. He said the letter told the results of the audit. He reported the audit went smoothly, and there were no difficulties encountered. He reported it was a very clean, easy audit.

Mr. Hartness pointed out that Pages 1 and 2 of the statement was the auditor's report, which stated a clean opinion. He said the most significant happening of the year was the refunding of the 2007 Bonds with the 2017 Bonds. He pointed out that on Page 13 there was a Statement of Revenue, which showed the details of this refunding.

Mr. Hartness also stated that during the year there had been a transaction with the developer, which was included in the report. He said also at the end of the report were some letters which indicated there were "no findings" related to internal controls. He also pointed out a letter which had been sent to the State of Florida, which reported there were "no findings" or issues and the District was in compliance with the investment policies required by the State.

Mr. Ward asked if there were questions from the Board. Hearing none, he called for a motion.

**On MOTION made by Ms. Lyons, seconded by Mr. Wisz, and with all in favor, the Audited Financial Statements for Fiscal Year Ended September 30, 2018, were accepted.**

**SEVENTH ORDER OF BUSINESS****Staff Reports**

- a) Mr. Urbancic asked the Board to be vigilant about public records requests. He said he had received some stock public record requests and reminded the Board if they received a request, it should be given to Mr. Ward.

Mr. Ward added there had been some litigation, 15 lawsuits had been filed on CDDs alone, regarding ADA compliance with websites. He said the District had been fortunate to have not been served with any litigation, and he was in the process of upgrading the District's website to be compliant with ADA requirements.

- b) Engineer – No report.

c) Manager – No report.

**EIGHTH ORDER OF BUSINESS**

**Supervisor Requests Audience Comments**

Mr. Ward asked if there were any comments from the Board or audience and there were none.

**NINTH ORDER OF BUSINESS**

**Adjournment**

Mr. Ward adjourned the meeting at 2:24 p.m.

**On MOTION made by Mr. Fisher, seconded by Ms. Lyons, and with all in favor, the meeting was adjourned.**

Heritage Harbour North Community  
Development District

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
\_\_\_\_\_, Chairperson

**RESOLUTION 2019-2**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR NORTH 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 North 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 NORTH 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 2020 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  
**TIME:** 2:00 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 2019-2**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR NORTH 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 2<sup>nd</sup> day of May, 2019

ATTEST:

**HERITAGE HARBOUR NORTH COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
James P. Ward, Secretary

\_\_\_\_\_  
\_\_\_\_\_. Chairman

**BOARD OF SUPERVISOR'S**

**HERITAGE HARBOUR NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**EXHIBIT A**

**PROPOSED BUDGET  
FISCAL YEAR 2020**

**October 1, 2019 through September 30, 2020**



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

Phone: 954-658-4900

E-mail:

JimWard@JPWardassociates.com

**[www.heritageharbournorthcdd.org](http://www.heritageharbournorthcdd.org)**





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**Heritage Harbour North  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual at 03/31/2019	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
<b>Revenues and Other Sources</b>				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income - General Account	\$ 150	\$ 41	\$ 80	\$ 150
Miscellaneous Revenue - Boundary Expansion	\$ -	\$ -	\$ -	\$ -
Special Assessment Revenue				
Special Assessment - On-Roll	\$ 128,556	\$ 113,543	\$ 128,556	\$ 128,552
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue &amp; Other Sources</b>	<b>\$ 128,706</b>	<b>\$ 113,584</b>	<b>\$ 128,636</b>	<b>\$ 128,702</b>
<b>Expenditures and Other Uses</b>				
<b>Legislative</b>				
Board of Supervisor's Fees	\$ 2,400	\$ -	\$ 2,000	\$ 3,000
Board of Supervisor's - FICA	\$ 184	\$ -	\$ 153	\$ 230
<b>Executive</b>				
Executive Salaries	\$ 35,000	\$ 17,500	\$ 35,000	\$ 37,500
Executive Salaries - FICA	\$ 3,290	\$ 1,645	\$ 3,290	\$ 3,290
Executive Salaries - Insurance	\$ 3,600	\$ 1,997	\$ 3,600	\$ -
<b>Financial and Administrative</b>				
Audit Services	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,600
Accounting Services	\$ 6,000	\$ 1,786	\$ 3,600	\$ 4,500
Assessment Roll Preparation	\$ 8,000	\$ 4,000	\$ 8,000	\$ 8,000
Arbitrage Rebate Fees	\$ 500	\$ 1,000	\$ 1,000	\$ 500
<b>Other Contractual Services</b>				
Recording and Transcription	\$ 500	\$ -	\$ 100	\$ 500
Legal Advertising	\$ 1,500	\$ 94	\$ 1,500	\$ 1,500
Trustee Services	\$ 11,900	\$ 4,760	\$ 11,900	\$ 11,900
Dissemination Agent Services	\$ 5,000	\$ -	\$ 2,000	\$ 2,000
Bank Service Fees	\$ 1,200	\$ 470	\$ 900	\$ 1,200
<b>Travel and Per Diem</b>				
	\$ -	\$ -	\$ -	\$ -
<b>Communications and Freight Services</b>				
Telephone	\$ -	\$ -	\$ -	\$ -
Postage, Freight & Messenger	\$ 400	\$ 10	\$ 50	\$ 200
<b>Rentals and Leases</b>				
Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -
Computer Services	\$ 8,000	\$ 3,651	\$ 8,000	\$ 8,000
<b>Insurance</b>				
	\$ 6,000	\$ 5,778	\$ 5,778	\$ 6,000
<b>Printing and Binding</b>				
	\$ 1,650	\$ 18.28	\$ 75	\$ 1,700
<b>Office Supplies</b>				
	\$ -	\$ -	\$ -	\$ -
<b>Subscriptions and Memberships</b>				
	\$ 175	\$ 175	\$ 175	\$ 175
<b>Legal Services</b>				
General Counsel	\$ 4,000	\$ 245	\$ 500	\$ 4,000
Boundary Expansion	\$ -	\$ -	\$ -	\$ -
<b>Other General Government Services</b>				
Engineering Services	\$ 1,000	\$ -	\$ 600	\$ 1,000
Contingencies	\$ -	\$ -	\$ -	\$ -



**Heritage Harbour North  
Community Development District**

**General Fund - Budget  
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual at 03/31/2019	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
Capital Outlay	\$ -	\$ -	\$ -	\$ -
<b>Reserves</b>				
Operaton Reserve (Addition)	\$ 15,500	\$ -	\$ -	\$ 20,500
<b>Other Fees and Charges</b>				
Discounts, Tax Collector Fee and Property Appraiser Fee	\$ 7,408	\$ -	\$ 7,408	\$ 8,408
<b>Total Expenditures and Other Uses</b>	<b>\$ 127,706</b>	<b>\$ 47,628</b>	<b>\$ 100,129</b>	<b>\$ 128,702</b>
<b>Net Increase/(Decrease) in Fund</b>				
<b>Balance</b>		\$ 65,955	\$ 28,508	\$ 20,500
<b>Fund Balance - Beginning</b>	\$ 23,425	\$ 23,425	\$ 23,425	\$ 51,933
<b>Fund Balance - Ending (Projected)</b>	<b>\$ 23,425</b>	<b>\$ 89,380</b>	<b>\$ 51,933</b>	<b>\$ 72,433</b>
<b>Reserved: (Fund Balance)</b>	\$ 20,500	\$ 20,500	\$ 20,500	\$ 41,000

<b>Assessment Comparison</b>					
	Number of Units	Fiscal Year 2019		Fiscal Year 2020	
		Off-Roll	On-Roll	Off-Roll	On-Roll
Single Family 55'	331	N/A	\$ 68.75	N/A	\$ 68.75
Single Family 65'	176	N/A	\$ 68.75	N/A	\$ 68.75
Single Family 75	147	N/A	\$ 68.75	N/A	\$ 68.75
Single Family 85'	102	N/A	\$ 68.75	N/A	\$ 68.75
TH/Coach/SF Attached	478	N/A	\$ 68.75	N/A	\$ 68.75
Condominium	636	N/A	\$ 68.75	N/A	\$ 68.75
<b>Total:</b>	<b>1870</b>				

**Heritage Harbour North  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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**Revenues and Other Sources**

<b>Carryforward</b>	\$	-
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, which generally begin in late December or early January.		
<b>Interest Income - General Account</b>	\$	150
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.		

**Expenditures and Other Uses**

<b>Legislative</b>		
Board of Supervisor's Fees	\$	3,230
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.		
<b>Executive</b>		
Executive Saleries and Benefits	\$	40,790
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.		

	FY 2018	FY 2019
Salary	\$ 35,000	\$ 37,500
FICA	\$ 2,678	\$ 3,290
Insurance	\$ 2,400	Included
Total:	\$ 40,078	\$ 40,790

**Financial and Administrative**

Audit Services	\$	4,600
Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures.		
Accounting Services	\$	4,500
For the Maintenance of the District's books and records on a daily basis.		
Assessment Roll Preparation	\$	8,000
For the preparation by the District Manager 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.		
<b>Other Contractual Services</b>		
Recording and Transcription	\$	500
Legal Advertising	\$	1,500

**Heritage Harbour North  
Community Development District  
General Fund - Budget  
Fiscal Year 2020**

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Trustee Services	\$	11,900
<p>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.</p>		
Dissemination Agent Services	\$	2,000
<p>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.</p>		
Bank Service Fees	\$	1,200
<b>Travel and Per Diem</b>	\$	-
<b>Communications and Freight Services</b>		
Telephone	\$	-
Postage, Freight & Messenger	\$	200
<b>Rentals and Leases</b>		
Miscellaneous Equipment	\$	-
Computer Services	\$	8,000
<p>The District maintains all of it's Public Records, including all of it's 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. In addition, the District will continue to develop a web site to apprise the community of District activities and to begin making District records electronically available to the public.</p>		
<b>Insurance</b>	\$	6,000
<b>Printing and Binding</b>	\$	1,700
<b>Office Supplies</b>	\$	-
<b>Subscriptions and Memberships</b>	\$	175
<b>Legal Services</b>		
General Counsel	\$	4,000
<p>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".</p>		
<b>Other General Government Services</b>		
Engineering Services	\$	1,000
<p>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.</p>		
Contingencies	\$	-
<b>Reserves</b>		
Operaton Reserve (Addition)	\$	20,500
<b>Other Fees and Charges</b>		
Discounts and Tax Collector Fees	\$	8,408
<p>4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee</p>		
<b>Total Expenditures and Other Uses:</b>		<b>\$ 128,702</b>

**Heritage Harbour North  
Community Development District**

**Series 2014 Bonds - Debt Service Fund - Budget  
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual at 03/31/2019	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
<b>Revenues and Other Sources</b>				
<b>Carryforward</b>	\$ -	\$ -	\$ -	\$ -
<b>Interest Income</b>	\$ 600	\$ 809	\$ 1,600	\$ 1,600
<b>Special Assessment Revenue</b>				
Special Assessment - On-Roll	\$ 551,308	\$ 487,100	\$ 551,308	\$ 551,308
Special Assessment - Off-Roll				
Special Assessment - Prepayments		\$ -	\$ -	
<b>Total Revenue &amp; Other Sources</b>	<b>\$ 551,908</b>	<b>\$ 487,909</b>	<b>\$ 552,908</b>	<b>\$ 552,908</b>
<b>Expenditures and Other Uses</b>				
<b>Debt Service</b>				
<b>Principal Debt Service - Mandatory</b>				
Series 2014 Bonds	\$ 135,000	\$ -	\$ 130,000	\$ 135,000
<b>Principal Debt Service - Early Redemptions</b>				
Series 2014 Bonds	\$ -	\$ -	\$ -	\$ -
<b>Interest Expense</b>				
Series 2014 Bonds	\$ 384,175	\$ 192,088	\$ 384,175	\$ 384,175
<b>Operating Transfers Out</b>	\$ -	\$ -	\$ -	\$ -
<b>Other Fees and Charges</b>				
Discounts, Tax Collector Fees and Property Appraiser Fees	\$ 36,189	\$ -	\$ 36,189	\$ 36,189
<b>Total Expenditures and Other Uses</b>	<b>\$ 555,364</b>	<b>\$ 192,088</b>	<b>\$ 550,364</b>	<b>\$ 555,364</b>
<b>Net Increase/(Decrease) in Fund Balance</b>	\$ (3,456)	\$ 295,821	\$ 2,544	\$ (2,456)
<b>Fund Balance - Beginning</b>	\$ 506,285	\$ 506,285	\$ 506,285	\$ 508,829
<b>Fund Balance - Ending (Projected)</b>		<b>\$ 802,106</b>	<b>\$ 508,829</b>	<b>\$ 508,829</b>
<b>Restricted Fund Balance:</b>				
Reserve Account Requirement			\$ 259,400	
Restricted for November 1, 2020 Interest Payment			\$ 181,338	
			<b>\$ 440,738</b>	

**Assessment Comparison**

	Number of Units	Fiscal Year 2019		Fiscal Year 2020	
		Off-Roll	On-Roll	Off-Roll	On-Roll
Single Family 55'	172		\$ 941.51		\$ 941.51
Single Family 65'	143		\$ 1,400.30		\$ 1,400.30
Single Family 75'	24		\$ 1,729.07		\$ 1,729.07
Single Family 85'	12		\$ 1,892.20		\$ 1,892.20
Twin Villas	130		\$ 745.32		\$ 745.32
Condominium	26		\$ 1,078.05		\$ 1,078.05
<b>Total:</b>	<b>507</b>				

**Heritage Harbour North  
Community Development District  
Series 2014 Bonds - Debt Service Fund - Budget  
Fiscal Year 2020**

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service
Par Amount Issued:		\$ 7,945,000	5.000%		
11/1/2015				\$ 201,337.50	
5/1/2016		\$ 115,000	5.000%	\$ 201,337.50	\$ 517,675
11/1/2016				\$ 198,462.50	
5/1/2017		\$ 125,000	5.000%	\$ 198,462.50	\$ 521,925
11/1/2017				\$ 195,337.50	
5/1/2018		\$ 130,000	5.000%	\$ 195,337.50	\$ 520,675
11/1/2018	\$ 35,000.00			\$ 192,087.50	
5/1/2019		\$ 135,000	5.000%	\$ 192,087.50	\$ 519,175
11/1/2019				\$ 188,712.50	
5/1/2020		\$ 145,000	5.000%	\$ 188,712.50	\$ 522,425
11/1/2020				\$ 185,087.50	
5/1/2021		\$ 150,000	5.000%	\$ 185,087.50	\$ 520,175
11/1/2021				\$ 181,337.50	
5/1/2022		\$ 155,000	5.000%	\$ 181,337.50	\$ 517,675
11/1/2022				\$ 177,462.50	
5/1/2023		\$ 165,000	5.000%	\$ 177,462.50	\$ 519,925
11/1/2023				\$ 173,337.50	
5/1/2024		\$ 175,000	5.000%	\$ 173,337.50	\$ 521,675
11/1/2024				\$ 168,962.50	
5/1/2025		\$ 185,000	5.000%	\$ 168,962.50	\$ 522,925
11/1/2025				\$ 164,337.50	
5/1/2026		\$ 190,000	5.000%	\$ 164,337.50	\$ 518,675
11/1/2026				\$ 159,587.50	
5/1/2027		\$ 200,000	5.000%	\$ 159,587.50	\$ 519,175
11/1/2027				\$ 154,587.50	
5/1/2028		\$ 210,000	5.000%	\$ 154,587.50	\$ 519,175
11/1/2028				\$ 149,337.50	
5/1/2029		\$ 225,000	5.000%	\$ 149,337.50	\$ 523,675
11/1/2029				\$ 143,712.50	
5/1/2030		\$ 235,000	5.000%	\$ 143,712.50	\$ 522,425
11/1/2030				\$ 137,837.50	
5/1/2031		\$ 245,000	5.000%	\$ 137,837.50	\$ 520,675
11/1/2031				\$ 131,712.50	
5/1/2032		\$ 260,000	5.000%	\$ 131,712.50	\$ 523,425
11/1/2032				\$ 125,212.50	
5/1/2033		\$ 275,000	5.000%	\$ 125,212.50	\$ 525,425
11/1/2033				\$ 118,337.50	

**Heritage Harbour North  
Community Development District  
Series 2014 Bonds - Debt Service Fund - Budget  
Fiscal Year 2020**

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service
5/1/2034		\$ 285,000	5.000%	\$ 118,337.50	\$ 521,675
11/1/2034				\$ 111,212.50	
5/1/2035	\$	300,000	5.125%	\$ 111,212.50	\$ 522,425
11/1/2035				\$ 103,525.00	
5/1/2036	\$	315,000	5.125%	\$ 103,525.00	\$ 522,050
11/1/2036				\$ 95,453.13	
5/1/2037	\$	335,000	5.125%	\$ 95,453.13	\$ 525,906
11/1/2037				\$ 86,868.75	
5/1/2038	\$	350,000	5.125%	\$ 86,868.75	\$ 523,738
11/1/2038				\$ 77,900.00	
5/1/2039	\$	370,000	5.125%	\$ 77,900.00	\$ 525,800
11/1/2039				\$ 68,418.75	
5/1/2040	\$	390,000	5.125%	\$ 68,418.75	\$ 526,838
11/1/2040				\$ 58,425.00	
5/1/2041	\$	410,000	5.125%	\$ 58,425.00	\$ 526,850
11/1/2041				\$ 47,918.75	
5/1/2042	\$	430,000	5.125%	\$ 47,918.75	\$ 525,838
11/1/2042				\$ 36,900.00	
5/1/2043	\$	455,000	5.125%	\$ 36,900.00	\$ 528,800
11/1/2043				\$ 25,240.63	
5/1/2044	\$	480,000	5.125%	\$ 25,240.63	\$ 530,481
11/1/2044				\$ 12,940.63	
5/1/2045	\$	505,000	5.125%	\$ 12,940.63	\$ 530,881

**Heritage Harbour North  
Community Development District  
Series 2017 Bonds - Debt Service Fund - Budget  
Fiscal Year 2020**

Description	Fiscal Year 2019 Budget	Actual at 03/31/2018	Anticipated Year End 09/30/19	Fiscal Year 2020 Budget
<b>Revenues and Other Sources</b>				
<b>Carryforward</b>		\$ -	\$ -	
<b>Interest Income</b>	\$ 300	\$ 939	\$ 939	\$ 300
<b>Gain (Loss) on Investments</b>		\$ -		
<b>Operating Transfers In</b>		\$ -	\$ -	\$ -
<b>Debt Proceeds</b>		\$ -	\$ -	
<b>Proceeds from Refunding Bonds</b>				
Transfer from Revenue Acct	\$ -	\$ -	\$ -	\$ -
<b>Special Assessment Revenue</b>				
Special Assessment - On-Roll	\$ 1,461,847	\$ 1,292,681	\$ 1,461,847	\$ 1,461,847
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
Special Assessment - Prepayment	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue &amp; Other Sources</b>	<b>\$ 1,462,147</b>	<b>\$ 1,293,620</b>	<b>\$ 1,462,786</b>	<b>\$ 1,462,147</b>
<b>Expenditures and Other Uses</b>				
<b>Debt Service</b>				
<b>Principal Debt Service - Mandatory</b>				
Series 2017 Bonds	\$ 590,000	\$ -	\$ 570,000	\$ 620,000
<b>Principal Debt Service - Early Redemptions</b>				
Series 2017 Bonds - from Property Owners	\$ -	\$ -	\$ -	\$ -
Series 2017 Prepayments from Excess Revenue			\$ -	
<b>Interest Expense</b>				
Series 2017 Bonds	\$ 776,150	\$ 192,088	\$ 776,150	\$ 746,613
<b>Operating Transfers Out</b>	\$ -	\$ -	\$ -	\$ -
<b>Other Fees and Charges</b>				
Discounts, Tax Collector Fees and Propety Appraiser Fees	\$ 95,635	\$ -	\$ 95,635	\$ 95,635
<b>Total Expenditures and Other Uses</b>	<b>\$ 1,461,785</b>	<b>\$ 192,088</b>	<b>\$ 1,441,785</b>	<b>\$ 1,462,247</b>
<b>Net Increase/(Decrease) in Fund Balance</b>	\$ 362	\$ 1,101,532	\$ 21,001	\$ (100)
<b>Fund Balance - Beginning</b>	\$ 469,353	\$ 469,353	\$ 469,353	\$ 490,354
<b>Fund Balance - Ending (Projected)</b>		<b>\$ 1,570,886</b>	<b>\$ 490,354</b>	<b>\$ 490,254</b>
<b>Restricted Fund Balance:</b>				
Reseve Account Requirement (suborinate Bonds)			\$ 27,194	
Restricted for November 1, 2020 Interest Payment			\$ 357,788	
<b>Total - Restricted Fund Balance:</b>			<b>\$ 384,981</b>	

<b>Assessment Comparison</b>					
	Number of Units	Fiscal Year 2019		Fiscal Year 2020	
		Off-Roll	On-Roll	Off-Roll	On-Roll
Single Family 55'	157		\$ 1,049.15		\$ 1,049.15
Single Family 65'	32		\$ 1,240.34		\$ 1,240.34
Single Family 75	123		\$ 1,430.58		\$ 1,430.58
Single Family 85'	90	\$ 1,514.78	\$ 1,620.81		\$ 1,620.81
TH/Coach/SF Attached	345	\$ 962.71	\$ 1,030.10		\$ 1,030.10
Condominium	610	\$ 888.95	\$ 951.18		\$ 951.18
<b>Total:</b>	<b>1357</b>				

**Heritage Harbour North  
Community Development District  
Series 2017 Bonds - Debt Service Fund - Budget  
Fiscal Year 2020**

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service	Bond Balance
Principal Balance - October 1, 2017		\$ 19,515,000	varies			
11/1/2017				\$ 430,943.75		
5/1/2018	\$ 250,000	\$ 570,000	varies	\$ 408,262.50	\$ 1,409,206	\$ 18,695,000
11/1/2018				\$ 388,075.00		
5/1/2019		\$ 590,000	varies	\$ 388,075.00	\$ 1,366,150	\$ 18,105,000
11/1/2019				\$ 373,306.25		
5/1/2020		\$ 620,000	varies	\$ 373,306.25	\$ 1,366,613	\$ 17,485,000
11/1/2020				\$ 357,787.50		
5/1/2021		\$ 650,000	varies	\$ 357,787.50	\$ 1,365,575	\$ 16,835,000
11/1/2021				\$ 341,518.75		
5/1/2022		\$ 680,000	varies	\$ 341,518.75	\$ 1,363,038	\$ 16,155,000
11/1/2022				\$ 324,500.00		
5/1/2023		\$ 720,000	varies	\$ 324,500.00	\$ 1,369,000	\$ 15,435,000
11/1/2023				\$ 306,475.00		
5/1/2024		\$ 755,000	varies	\$ 306,475.00	\$ 1,367,950	\$ 14,680,000
11/1/2024				\$ 287,575.00		
5/1/2025		\$ 795,000	varies	\$ 287,575.00	\$ 1,370,150	\$ 13,885,000
11/1/2025				\$ 267,675.00		
5/1/2026		\$ 835,000	varies	\$ 267,675.00	\$ 1,370,350	\$ 13,050,000
11/1/2026				\$ 246,775.00		
5/1/2027		\$ 875,000	varies	\$ 246,775.00	\$ 1,368,550	\$ 12,175,000
11/1/2027				\$ 224,875.00		
5/1/2028		\$ 920,000	varies	\$ 224,875.00	\$ 1,369,750	\$ 11,255,000
11/1/2028				\$ 208,556.25		
5/1/2029		\$ 950,000	varies	\$ 208,556.25	\$ 1,367,113	\$ 10,305,000
11/1/2029				\$ 191,712.50		
5/1/2030		\$ 985,000	varies	\$ 191,712.50	\$ 1,368,425	\$ 9,320,000
11/1/2030				\$ 174,256.25		
5/1/2031		\$ 1,020,000	varies	\$ 174,256.25	\$ 1,368,513	\$ 8,300,000
11/1/2031				\$ 156,143.75		
5/1/2032		\$ 1,055,000	varies	\$ 156,143.75	\$ 1,367,288	\$ 7,245,000
11/1/2032				\$ 137,418.75		
5/1/2033		\$ 1,095,000	varies	\$ 137,418.75	\$ 1,369,838	\$ 6,150,000
11/1/2033				\$ 116,662.50		
5/1/2034		\$ 1,135,000	varies	\$ 116,662.50	\$ 1,368,325	\$ 5,015,000
11/1/2034				\$ 95,156.25		
5/1/2035		\$ 1,185,000	varies	\$ 95,156.25	\$ 1,375,313	\$ 3,830,000
11/1/2035				\$ 72,675.00		
5/1/2036		\$ 1,225,000	varies	\$ 72,675.00	\$ 1,370,350	\$ 2,605,000



**Heritage Harbour North**  
**Community Development District**  
**Series 2017 Bonds - Debt Service Fund - Budget**  
**Fiscal Year 2020**

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service	Bond Balance
11/1/2036				\$ 49,443.75		
5/1/2037		\$ 1,280,000	varies	\$ 49,443.75	\$ 1,378,888	\$ 1,325,000
11/1/2037				\$ 25,143.75		
5/1/2038		\$ 1,325,000	varies	\$ 25,143.75	\$ 1,375,288	\$ -

## 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 1<sup>st</sup> 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 1<sup>st</sup> 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





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 NORTH  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2018**

**HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT  
MANATEE COUNTY, FLORIDA**

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**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280  
Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
Fax (561) 994-5823  
www.graucpa.com

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Supervisors  
Heritage Harbour North 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 North 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 December 21, 2018, 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 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 December 21, 2018, 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.



December 21, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Heritage Harbour North 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 plus deferred inflows of resources of the District exceeded its assets plus deferred outflows of resources at the close of the most recent fiscal year resulting in a net position deficit balance of (\$13,886,855).
- The change in the District's total net position in comparison with the prior fiscal year was \$58,638, an increase. 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 \$998,916, a decrease of (\$142,378) in comparison with the prior fiscal year. A portion of the 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 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 and liabilities and deferred inflows 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 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 plus deferred outflows of resources 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	\$ 999,500	\$ 1,142,184
Capital assets, net of depreciation	12,080,700	12,857,558
Total assets	13,080,200	13,999,742
Deferred amount on refunding	52,242	54,854
Current liabilities	484,054	1,203,891
Long-term liabilities	26,535,243	26,796,198
Total liabilities	27,019,297	28,000,089
Net Position		
Net investment in capital assets	(14,402,301)	(5,971,191)
Restricted	492,021	334,731
Unrestricted	23,425	(8,309,033)
Total net position	\$ (13,886,855)	\$ (13,945,493)

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 remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase was due to ongoing program revenues exceeding operating costs and depreciation.

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	\$ 2,133,124	\$ 2,453,325
Operating grants and contributions	2,023	5,116
Capital grants and contributions	9	-
General revenues	247	286,965
Total revenues	<u>2,135,403</u>	<u>2,745,406</u>
Expenses:		
General government	97,900	113,682
Maintenance and operations	776,858	772,560
Bond issuance cost	-	1,045,231
Interest	1,202,007	1,585,015
Total expenses	<u>2,076,765</u>	<u>3,516,488</u>
Change in net position	<u>58,638</u>	<u>(771,082)</u>
Net position - beginning	<u>(13,945,493)</u>	<u>(13,174,411)</u>
Net position - ending	<u>\$ (13,886,855)</u>	<u>\$ (13,945,493)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2018 was \$2,076,765. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, decreased from the prior fiscal year as a result of decreased assessment levy. In total, expenses, including depreciation, decreased from the prior fiscal year, the majority of the decrease is associated with the cost of issuing Series 2017 Refunding Bonds that occurred in the prior 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. 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 \$18,934,430 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$6,853,730 has been taken, which resulted in a net book value of \$12,080,700. More detailed information about the District's capital assets is presented in the notes of the financial statements.



## CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

### Capital Debt

At September 30, 2018, the District had \$26,270,000 in Bonds outstanding for its governmental activities. 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 North Community Development District at the office of the District Manager, James P. Ward at 2900 Northeast 12<sup>th</sup> Terrace, Suite 1, Oakland Park, Florida 33334, (954) 658-4900.

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

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 21,368
Assessments receivable	7,462
Restricted assets:	
Investments	970,670
Capital assets:	
Depreciable, net	12,080,700
Total assets	13,080,200
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred amount on refunding	52,242
Total deferred outflows of resources	52,242
 <b>LIABILITIES</b>	
Accounts payable	584
Accrued interest payable	483,470
Non-current liabilities:	
Due within one year	725,000
Due in more than one year	25,810,243
Total liabilities	27,019,297
 <b>NET POSITION</b>	
Net investment in capital assets	(14,402,301)
Restricted for debt service	492,021
Unrestricted	23,425
Total net position	\$ (13,886,855)

See notes to the financial statements

**HERITAGE HARBOUR NORTH 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>	<u>Governmental Activities</u>
Primary government:					
Governmental activities:					
General government	\$ 97,900	\$ 103,802	\$ -	\$ -	\$ 5,902
Maintenance and operations	776,858	-	-	9	(776,849)
Interest on long-term debt	1,202,007	2,029,322	2,023	-	829,338
Total governmental activities	2,076,765	2,133,124	2,023	9	58,391
General revenues:					
					247
					247
					58,638
					(13,945,493)
					\$ (13,886,855)

See notes to the financial statements

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

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 21,368	\$ -	\$ -	\$ 21,368
Investments	-	970,670	-	970,670
Assessments receivable	7,462	-	-	7,462
Due from other funds	-	4,821	-	4,821
Total assets	<u>\$ 28,830</u>	<u>\$ 975,491</u>	<u>\$ -</u>	<u>\$ 1,004,321</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 584	\$ -	\$ -	\$ 584
Due to other funds	4,821	-	-	4,821
Total liabilities	<u>5,405</u>	<u>-</u>	<u>-</u>	<u>5,405</u>
Fund balances:				
Restricted for:				
Debt service	-	975,491	-	975,491
Unassigned	23,425	-	-	23,425
Total fund balances	<u>23,425</u>	<u>975,491</u>	<u>-</u>	<u>998,916</u>
Total liabilities and fund balances	<u>\$ 28,830</u>	<u>\$ 975,491</u>	<u>\$ -</u>	<u>\$ 1,004,321</u>

See notes to the financial statements

**HERITAGE HARBOUR NORTH 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 \$ 998,916

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	18,934,430	
Accumulated depreciation	<u>(6,853,730)</u>	12,080,700

Deferred amount on refunding of debt are not reported as assets in the governmental funds. The statements of net position includes these costs, net of amortization.

52,242

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	(483,470)	
Original issue discount	11,913	
Original issue premium	(277,156)	
Bonds payable	<u>(26,270,000)</u>	<u>(27,018,713)</u>
Net position of governmental activities		<u>\$ (13,886,855)</u>

See notes to the financial statements

**HERITAGE HARBOUR NORTH 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	
<b>REVENUES</b>				
Special assessments	\$ 103,802	\$ 1,911,295	\$ -	\$ 2,015,097
Prepaid assessments	-	118,027	-	118,027
Interest earnings	247	2,023	9	2,279
Total revenues	<u>104,049</u>	<u>2,031,345</u>	<u>9</u>	<u>2,135,403</u>
<b>EXPENDITURES</b>				
Current:				
General government	97,900	-	-	97,900
Debt service:				
Principal	-	950,000	-	950,000
Interest	-	1,229,881	-	1,229,881
Total expenditures	<u>97,900</u>	<u>2,179,881</u>	<u>-</u>	<u>2,277,781</u>
Excess (deficiency) of revenues over (under) expenditures	6,149	(148,536)	9	(142,378)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in / (out)	-	14,207	(14,207)	-
Total other financing sources (uses)	<u>-</u>	<u>14,207</u>	<u>(14,207)</u>	<u>-</u>
Net change in fund balances	6,149	(134,329)	(14,198)	(142,378)
Fund balances - beginning	<u>17,276</u>	<u>1,109,820</u>	<u>14,198</u>	<u>1,141,294</u>
Fund balances - ending	<u>\$ 23,425</u>	<u>\$ 975,491</u>	<u>\$ -</u>	<u>\$ 998,916</u>

See notes to the financial statements

**HERITAGE HARBOUR NORTH 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	\$ (142,378)
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.	950,000
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(776,858)
Amortization of bond discounts/premiums is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	10,955
Amortization of deferred charges is not recognized in the governmental fund statements, but is reported as an expense in the statement of activities.	(2,612)
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.	<u>19,531</u>
Change in net position of governmental activities	<u><u>\$ 58,638</u></u>

See notes to the financial statements

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

**NOTE 1 - NATURE OF ORGANIZATION AND REPORTING ENTITY**

Heritage Harbour North Community Development District (the "District") was created on November 13, 2006 by Ordinance 06-71 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 was established for the purposes 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 by the owners of the property within the District. At September 30, 2018, one Supervisor was affiliated with the Developer of the community, Lennar Homes, LLC. The Board of Supervisors of the District exercises all powers granted to the District pursuant to Chapter 190, Florida Statutes.

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. 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.

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>
Earthwork	25-30
Landscaping and Irrigation	15
Professional Fees	20-30
Utilities	25
Water Management	25-30

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.

#### 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.

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### Deferred Outflows/Inflows of Resources (Continued)

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.

#### Refundings of Debt

For current refundings and advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources and recognized ratably as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. In connection with the refunding, \$2,612 was recognized as a component of interest expense in the current fiscal year.

#### 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	\$ 970,670	N/A	N/A
	<u>\$ 970,670</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 - 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				
Earthwork	\$ 9,515,612	\$ -	\$ -	\$ 9,515,612
Landscaping and Irrigation	982,449	-	-	982,449
Professional Fees	2,204,036	-	-	2,204,036
Utilities	367,121	-	-	367,121
Water Management	5,865,212	-	-	5,865,212
Total capital assets, being depreciated	18,934,430	-	-	18,934,430
Less accumulated depreciation for:				
Earthwork	3,577,251	378,808	-	3,956,059
Landscaping and Irrigation	594,931	65,497	-	660,428
Professional Fees	682,778	85,139	-	767,917
Utilities	13,461	14,685	-	28,146
Water Management	1,208,451	232,729	-	1,441,180
Total accumulated depreciation	6,076,872	776,858	-	6,853,730
Total capital assets, being depreciated, net	12,857,558	(776,858)	-	12,080,700
Governmental activities capital assets, net	\$ 12,857,558	\$ (776,858)	\$ -	\$ 12,080,700

Depreciation was charged to the maintenance and operations function.

## NOTE 6 - LONG TERM LIABILITIES

### Series 2014

On November 13, 2014, the District issued \$7,945,000 of Series 2014 Special Assessment Bonds consisting of \$3,605,000 2014 Term Bonds due on May 1, 2034 with a fixed interest rate of 5% and \$4,340,000 of 2014 Term Bonds due on May 1, 2045 with a fixed interest rate of 5.125%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is paid semiannually on each May 1 and November 1. Principal is paid serially commencing May 1, 2016 through May 1, 2045.

The Series 2014 Bonds are subject to redemption at the option of the District prior to their maturity. The Series 2014 Bonds are not subject to optional redemption. The Bonds are subject to extraordinary mandatory redemption prior to their selected 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.

## NOTE 6 - LONG TERM LIABILITIES (Continued)

### Series 2017

On April 21, 2017, the District issued \$19,515,000 of Series 2017 Capital Improvement Revenue Refunding Bonds consisting of \$6,945,000 2017A-1 Serial Bonds due annually from May 1, 2018 through May 1, 2027 with a fixed interest rate of 5%, \$4,830,000 2017A-1 Term Bonds due on May 1, 2032 with a fixed interest rate of 3.5%, \$7,075,000 2017A-1 Term Bonds due on May 1, 2038 with a fixed interest rate of 3.75%, and \$665,000 of 2017A-2 Term Bonds due on May 1, 2038 with a fixed interest rate of 5.25%. The Bonds were issued to refund the Series 2007 Bonds. Interest is paid semiannually on each May 1 and November 1. Principal is paid serially commencing May 1, 2018 through May 1, 2038.

The Series 2017 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture. For the Series 2017 Bonds, this occurred during the current fiscal year as the District collected prepaid assessments and prepaid \$250,000 of the Bonds.

The Bond Indenture provides for a surety bond to be obtained in place of funding for the Debt Service Reserve Fund (the "Reserve Fund"). The Debt Service Reserve Fund Surety Bond constitutes a Debt Service Reserve Fund Insurance Policy under the Bond Indenture. The District has obtained the required bonding and is in compliance with the reserve requirement.

The Bond Indenture established certain 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. 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 2014	\$ 7,705,000	\$ -	\$ 130,000	\$ 7,575,000	\$ 135,000
Less: original issue discount	(15,111)	-	(3,198)	(11,913)	-
Series 2017	19,515,000	-	820,000	18,695,000	590,000
Plus: original issue premium	291,309	-	14,153	277,156	-
Total	<u>\$ 27,496,198</u>	<u>\$ -</u>	<u>\$ 960,955</u>	<u>\$ 26,535,243</u>	<u>\$ 725,000</u>

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	\$ 725,000	\$ 1,160,325	\$ 1,885,325
2020	765,000	1,124,038	1,889,038
2021	800,000	1,085,750	1,885,750
2022	835,000	1,045,713	1,880,713
2023	885,000	1,003,925	1,888,925
2024-2028	5,140,000	4,308,375	9,448,375
2029-2033	6,345,000	3,111,800	9,456,800
2034-2038	7,735,000	1,748,956	9,483,956
2039-2043	2,055,000	579,125	2,634,125
2044-2045	985,000	76,363	1,061,363
	<u>\$ 26,270,000</u>	<u>\$ 15,244,370</u>	<u>\$ 41,514,370</u>

**NOTE 7 – MANAGEMENT COMPANY**

The District has contracted with a management company to perform management services, which include financial and accounting services. Certain employees of the management company also serve as officers of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, computer and other administrative costs.

**NOTE 8 – DEVELOPER TRANSACTIONS & CONCENTRATION**

For the current fiscal year, Developer assessment revenue in the debt service funds was \$86,168.

The District's activity is dependent upon the continued involvement of the Developer, the loss of which could have a material adverse effect on the District's operations.

**NOTE 9 - 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.



**HERITAGE HARBOUR NORTH 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**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Special assessments	\$ 112,048	\$ 103,802	\$ (8,246)
Interest earnings	150	247	97
Total revenues	112,198	104,049	(8,149)
<b>EXPENDITURES</b>			
Current:			
General government	112,198	97,900	14,298
Total expenditures	112,198	97,900	14,298
Excess (deficiency) of revenues over (under) expenditures	\$ -	6,149	\$ 6,149
Fund balance - beginning		17,276	
Fund balance - ending		\$ 23,425	

See notes to required supplementary information

**HERITAGE HARBOUR NORTH 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. 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 North 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 North 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 December 21, 2018.

**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.



December 21, 2018



**Grau & Associates**  
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280  
Boca Raton, Florida 33431  
(561) 994-9299 • (800) 299-4728  
Fax (561) 994-5823  
www.graucpa.com

**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 North Community Development District  
Manatee County, Florida

We have examined Heritage Harbour North 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 North 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*

December 21, 2018



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

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

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of Heritage Harbour North 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 December 21, 2018.

**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 Florida 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 December 21, 2018, 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 North 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 North 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*

December 21, 2018

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

### 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.

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 NORTH  
COMMUNITY DEVELOPMENT DISTRICT**

**FINANCIAL STATEMENTS  
March 31, 2019**



James P. Ward  
District Manager  
2900 NE 12th Terrace, Suite 1  
Oakland Park, FL 33334  
Phone: 954-658-4900  
E-mail:  
JimWard@jpwardassociates.com





**Heritage Harbour North Community Development District**

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

	Governmental Funds							Totals (Memorandum Only)
	General Fund	Debt Service Funds		Capital Projects Fund		General Long Term Debt	General Fixed Assets	
	Operations	Series 2014	Series 2017	Series 2014	Series 2017			
<b>Assets</b>								
<b>Cash and Investments</b>								
General Funds - Invested Cash	\$ 124,710	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,710
Capital Projects Fund								
Construction Account	-	-	-	-	-	-	-	-
Deferred Cost Account	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-
Debt Service Funds								
Revenue Account	-	531,287	1,270,506	-	-	-	-	1,801,792
Excess Revenue - Subordinated Bonds	-	-	42,039	-	-	-	-	42,039
Reserve Account	-	259,400	27,195	-	-	-	-	286,595
Prepayment Account	-	1,393	8,027	-	-	-	-	9,420
Interest	-	-	0	-	-	-	-	0
<b>Due from Other Funds</b>								
General Fund	-	9,877	26,193	-	-	-	-	36,070
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
<b>Due from Other Governments</b>	-	-	-	-	-	-	-	-
<b>Accrued Interest Receivable</b>	-	-	-	-	-	-	-	-
<b>Accounts Receivable</b>	741	-	-	-	-	-	-	741
<b>Prepaid Expenses</b>	-	-	-	-	-	-	-	-
<b>Amount Available in Debt Service Funds</b>	-	-	-	-	-	2,175,916	-	2,175,916
<b>Amount to be Provided by Debt Service Funds</b>	-	-	-	-	-	24,094,084	-	24,094,084
<b>General Fixed Assets</b>	-	-	-	-	-	-	12,324,253	12,324,253
<b>Total Assets</b>	<b>\$ 125,451</b>	<b>\$ 801,957</b>	<b>\$ 1,373,959</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,270,000</b>	<b>\$ 12,324,253</b>	<b>\$ 40,895,620</b>

**Heritage Harbour North Community Development District**

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

	Governmental Funds							Totals (Memorandum Only)
	General Fund	Debt Service Funds		Capital Projects Fund		General Long Term Debt	General Fixed Assets	
	Operations	Series 2014	Series 2017	Series 2014	Series 2017			
<b>Liabilities</b>								
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	26,193	-	-	-	-	-	-	26,193
Debt Service Fund - Series 2014	9,877	-	-	-	-	-	-	9,877
Bonds Payable - Series 2014	-	-	-	-	-	7,575,000	-	7,575,000
Bonds Payable - Series 2017	-	-	-	-	-	18,695,000	-	18,695,000
<b>Total Liabilities</b>	<b>\$ 36,070</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,270,000</b>	<b>\$ -</b>	<b>\$ 26,306,070</b>
<b>Fund Equity and Other Credits</b>								
Investment in General Fixed Assets	-	-	-	-	-	-	12,324,253	12,324,253
<b>Fund Balance</b>								
<b>Restricted</b>								
Beginning: October 1, 2018	-	506,135	469,353	-	-	-	-	975,489
Results from Current Operations	-	295,821	904,606	-	-	-	-	1,200,428
<b>Unassigned</b>								
Beginning: October 1, 2018	23,425	-	-	-	-	-	-	23,425
Results from Current Operations	65,955	-	-	-	-	-	-	65,955
<b>Total Fund Equity and Other Credits</b>	<b>89,380</b>	<b>801,957</b>	<b>1,373,959</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,324,253</b>	<b>14,589,550</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$ 125,451</b>	<b>801,957</b>	<b>\$ 1,373,959</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,270,000</b>	<b>\$ 12,324,253</b>	<b>\$ 40,895,620</b>

**Heritage Harbour North 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
<b>Revenue and Other Sources</b>									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Miscellaneous Revenue	-	-	-	-	-	-	-	-	N/A
<b>Interest</b>									
Interest - General Checking	1	1	23	6	4	5	41	150	27%
<b>Special Assessment Revenue</b>									
Special Assessments - Uniform Method	-	16,195	79,603	10,353	5,090	2,302	113,543	120,148	95%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 1</b>	<b>\$ 16,197</b>	<b>\$ 79,626</b>	<b>\$ 10,359</b>	<b>\$ 5,094</b>	<b>\$ 2,307</b>	<b>\$ 113,584</b>	<b>\$ 120,298</b>	<b>94%</b>
<b>Expenditures and Other Uses</b>									
<b>Legislative</b>									
Board of Supervisor's Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400	0%
Board of Supervisor's - FICA	-	-	-	-	-	-	-	184	0%
<b>Executive</b>									
Executive Salaries	2,692	4,039	2,692	2,692	2,692	2,692	17,500	35,000	50%
Executive Salaries - FICA	253	380	253	253	253	253	1,645	3,290	50%
Executive Salaries - Insurance	333	333	333	333	333	333	1,997	3,600	55%
<b>Financial and Administrative</b>									
Audit Services	-	-	-	1,000	-	3,500	4,500	4,500	100%
Accounting Services	-	430	176	690	90	400	1,786	6,000	30%
Assessment Roll Preparation	615	923	615	615	615	615	4,000	8,000	50%
Arbitrage Rebate Services	500	-	500	-	-	-	1,000	500	200%
Manager Services	-	-	-	-	-	-	-	-	N/A
<b>Professional Services</b>									
District Manager Services	-	-	-	-	-	-	-	-	N/A
<b>Other Contractual Services</b>									
Recording and Transcription	-	-	-	-	-	-	-	500	0%
Legal Advertising	-	-	94	-	-	-	94	1,500	6%
Trustee Services	-	-	-	4,760	-	-	4,760	11,900	40%

**Heritage Harbour North Community Development District**

**General Fund**

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

	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>% of Budget</b>
Dissemination Agent Services	-	-	-	-	-	-	-	5,000	0%
Property Appraiser Fees	-	-	-	-	-	-	-	-	N/A
Bank Services	69	73	82	97	62	86	470	1,200	39%
<b>Travel and Per Diem</b>	-	-	-	-	-	-	-	-	N/A
<b>Communications &amp; Freight Services</b>									
Telephone	-	-	-	-	-	-	-	-	N/A
Postage, Freight & Messenger	-	-	-	-	10	-	10	400	3%
<b>Rentals &amp; Leases</b>									
Miscellaneous Equipment Leasing	-	-	-	-	-	-	-	-	N/A
Computer Services	609	609	608	609	609	609	3,651	8,000	46%
<b>Insurance</b>	5,778	-	-	-	-	-	5,778	6,000	96%
<b>Printing &amp; Binding</b>	-	-	-	-	18	-	18	1,650	1%
<b>Office Supplies</b>	-	-	-	-	-	-	-	-	N/A
<b>Subscription &amp; Memberships</b>	175	-	-	-	-	-	175	175	100%
<b>Legal Services</b>									
Legal - General Counsel	-	-	210	-	-	35	245	4,000	6%
<b>Other General Government Services</b>									
Engineering Services - General Fund	-	-	-	-	-	-	-	1,000	0%
<b>Payroll Services</b>	-	-	-	-	-	-	-	-	N/A
<b>Capital Outlay</b>									
<b>Reserves</b>									
Operation Reserve (Addition)	-	-	-	-	-	-	-	15,500	0%
<b>Total Expenditures and Other Uses:</b>	<b>\$ 11,024</b>	<b>\$ 6,786</b>	<b>\$ 5,564</b>	<b>\$ 11,049</b>	<b>\$ 4,683</b>	<b>\$ 8,523</b>	<b>\$ 47,628</b>	<b>\$ 120,299</b>	<b>40%</b>
Net Increase/ (Decrease) of Fund Balance	(11,023)	9,411	74,062	(690)	411	(6,216)	65,955	15,500	
Fund Balance - Beginning	23,425	12,402	21,813	95,875	95,185	95,596	23,425	19,677	
Fund Balance - Ending	<u>\$ 12,402</u>	<u>\$ 21,813</u>	<u>\$ 95,875</u>	<u>\$ 95,185</u>	<u>\$ 95,596</u>	<u>\$ 89,380</u>	<u>89,380</u>	<u>\$ 35,177</u>	

**Heritage Harbour North Community Development District**

**Debt Service Fund - Series 2014 Bonds**

**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>
<b>Revenue and Other Sources</b>									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
<b>Interest Income</b>									
Capitalized Interest	-	-	-	-	-	-	-	-	N/A
Revenue Account	60	62	23	37	121	117	421	600	70%
Reserve Account	64	66	64	66	66	60	386	-	N/A
Prepayment Account	0	0	0	0	0	0	2	-	N/A
<b>Special Assessment Revenue</b>									
Special Assessments - Uniform Method	-	69,477	341,497	44,415	21,834	9,877	487,100	515,119	95%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	-	-	-	-	-	N/A
<b>Other Financing Sources</b>									
Debt Proceeds	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers In</b>									
	-	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 125</b>	<b>\$ 69,606</b>	<b>\$ 341,584</b>	<b>\$ 44,519</b>	<b>\$ 22,022</b>	<b>\$ 10,054</b>	<b>\$ 487,909</b>	<b>\$ 515,719</b>	<b>95%</b>
<b>Expenditures and Other Uses</b>									
<b>Debt Service</b>									
Principal - Mandatory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000	0%
Principal - Early Redemptions	-	-	-	-	-	-	-	-	N/A
Interest Expense	-	192,088	-	-	-	-	192,088	384,175	50%
<b>Inter-Fund Group Transfers Out</b>									
	-	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 192,088</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 192,088</b>	<b>\$ 519,175</b>	<b>37%</b>
Net Increase/ (Decrease) of Fund Balance	125	(122,482)	341,584	44,519	22,022	10,054	295,821	(3,456)	
Fund Balance - Beginning	506,135	506,260	383,778	725,362	769,881	791,902	506,135	506,466	
Fund Balance - Ending	<u>\$ 506,260</u>	<u>\$ 383,778</u>	<u>\$ 725,362</u>	<u>\$ 769,881</u>	<u>\$ 791,902</u>	<u>\$ 801,957</u>	<u>\$ 801,957</u>	<u>\$ 503,010</u>	

**Heritage Harbour North Community Development District**

**Debt Service Fund - Series 2017 Bonds**

**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>
<b>Revenue and Other Sources</b>									
<b>Carryforward</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
<b>Interest Income</b>									
Revenue Account	106	110	2	64	286	279	846	-	N/A
Reserve Account	7	7	7	7	7	6	40	300	13%
Interest Account	-	-	-	-	-	-	-	-	N/A
Prepayment Account	2	2	2	2	2	2	12	-	N/A
Excess Revenue	-	-	9	11	11	10	40	-	N/A
<b>Gain (loss) on Investments</b>	-	-	-	-	-	-	-	-	N/A
<b>Special Assessment Revenue</b>									
Special Assessments - Uniform Method	-	184,246	905,617	117,783	57,903	26,193	1,291,743	1,366,212	95%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	-	-	-	N/A
Special Assessments - Prepaid	-	-	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers In</b>	-	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ 115</b>	<b>\$ 184,365</b>	<b>\$ 905,637</b>	<b>\$ 117,867</b>	<b>\$ 58,208</b>	<b>\$ 26,490</b>	<b>\$ 1,292,681</b>	<b>\$ 1,366,512</b>	<b>95%</b>
<b>Expenditures and Other Uses</b>									
<b>Debt Service</b>									
Principal - Mandatory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 590,000	0%
Principal - Early Redemptions	-	-	-	-	-	-	-	-	N/A
Interest Expense	-	388,075	-	-	-	-	388,075	776,150	50%
<b>Special Items</b>	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers Out</b>	-	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ 388,075</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 388,075</b>	<b>\$ 1,366,150</b>	<b>28%</b>
Net Increase/ (Decrease) of Fund Balance	115	(203,710)	905,637	117,867	58,208	26,490	904,606	362	
Fund Balance - Beginning	469,353	469,468	265,758	1,171,394	1,289,262	1,347,470	469,353	482,217	
Fund Balance - Ending	<u>\$ 469,468</u>	<u>\$ 265,758</u>	<u>\$ 1,171,394</u>	<u>\$ 1,289,262</u>	<u>\$ 1,347,470</u>	<u>\$ 1,373,959</u>	<u>\$ 1,373,959</u>	<u>\$ 482,579</u>	

**Heritage Harbour North Community Development District**

Capital Projects Fund - Series 2014 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
<b>Revenue and Other Sources</b>									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
<b>Interest Income</b>									
Construction Account	-	-	-	-	-	-	-	-	N/A
Cost of Issuance	-	-	-	-	-	-	-	-	N/A
<b>Other Financing Sources</b>									
Debt Proceeds	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers In</b>									
<b>Total Revenue and Other Sources:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>									
<b>Financial and Administrative</b>									
Special Assessment Methodology	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
District Manager Services	-	-	-	-	-	-	-	-	N/A
Underwriters' Services	-	-	-	-	-	-	-	-	N/A
<b>Other Contractual Services</b>									
Trustee Services	-	-	-	-	-	-	-	-	N/A
<b>Printing &amp; Binding</b>									
Legal Services	-	-	-	-	-	-	-	-	N/A
<b>Flood Control - Stormwater Management</b>									
Engineering Services	-	-	-	-	-	-	-	-	N/A
Legal Services	-	-	-	-	-	-	-	-	N/A
Capital Outlay	-	-	-	-	-	-	-	-	N/A
<b>Other Financing Uses</b>									
Original Issue Discount	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers Out</b>									
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
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>

**Heritage Harbour North Community Development District**

Capital Projects Fund - Series 2017 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
<b>Revenue and Other Sources</b>									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
<b>Interest Income</b>									
Deferred Cost Account	-	-	-	-	-	-	-	-	N/A
<b>Debt Proceeds</b>									
Debt Proceeds	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers In</b>									
Inter-Fund Group Transfers In	-	-	-	-	-	-	-	-	N/A
<b>Total Revenue and Other Sources:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
<b>Expenditures and Other Uses</b>									
<b>Professional Services</b>									
District Manager Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Underwriter's Services	-	-	-	-	-	-	-	-	N/A
Rating Agency & Verification Agency	-	-	-	-	-	-	-	-	N/A
<b>Other Contractual Services</b>									
Trustee Services	-	-	-	-	-	-	-	-	N/A
<b>Printing &amp; Binding</b>									
Printing & Binding	-	-	-	-	-	-	-	-	N/A
<b>Legal Services</b>									
Legal - General Counsel	-	-	-	-	-	-	-	-	N/A
<b>Inter-Fund Group Transfers Out</b>									
Inter-Fund Group Transfers Out	-	-	-	-	-	-	-	-	N/A
<b>Total Expenditures and Other Uses:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
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>



**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](http://VoteManatee.com) • [Info@VoteManatee.com](mailto:Info@VoteManatee.com)**

May 1, 2019

Heritage Harbour North  
Jim Ward at 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 North Community Development District of April 15, 2019. According to our records, there were 1,938 persons registered in the Heritage Harbour North 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,

A handwritten signature in black ink, appearing to read "Michael Bennett".

Michael Bennett  
Supervisor of Elections

MB/klj