

HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT



MEETING AGENDA

FEBRUARY 6, 2025

PREPARED BY:

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HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT

January 30, 2025

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, February 6, 2025, at 1:00 P.M.** at the **River Strand Golf and Country Clubhouse, 7155 Grand Estuary Trail, Bradenton, Florida 34212.**

The following Webex link and telephone number are provided to join/watch the meeting.

<https://districts.webex.com/districts/j.php?MTID=mfc1bc5363ad4d555d3a35e14fb2cbaea>

Access Code: **2348 507 5290**, Event password: **Jpward**

Or phone: **408-418-9388** and enter the access code **2348 507 5290**, password: **Jpward (579274** from phones) to join the meeting.

The Public is provided two opportunities to speak during the meeting. The first time is on each agenda item, and the second time is at the end of the agenda, on any other matter not on the agenda. These are limited to three (3) minutes and individuals are permitted to speak on items not included in the agenda.

Agenda

1. Call to order & roll call.
2. Consideration of Minutes:
 - I. November 7, 2024 – Regular Meeting Minutes.
3. Consideration and Acceptance of the Audited Financial Statements for the Fiscal Year 2024, which ended September 30, 2024.
4. Consideration of **Resolution 2025-2**, a Resolution of the Board of Supervisors Approving the Proposed Fiscal Year 2026 Budget and setting the Public Hearing on **Thursday, May 1, 2025, at 1:00 P.M.** at the **Sanctuary Clubhouse (Community Room), 6835 Willowshire Way, Bradenton, Florida 34212.**

5. Staff Reports.

- I. District Attorney.
- II. District Engineer.
- III. District Manager.

a) **Important Board Meeting Dates for Balance of Fiscal Year 2026.**

- 1. May 1, 2025 – Public Hearings: Proposed Fiscal Year 2026 Budget.
- b) Financial Statement for period ending October 31, 2024 (unaudited).
- c) Financial Statement for period ending November 30, 2024 (unaudited).
- d) Financial Statement for period ending December 31, 2024 (unaudited).

6. Public Comments:

Public comment period is for items NOT listed on the agenda, and comments are limited to three (3) minutes per person and assignment of speaking time is not permitted; however, the Presiding Officer may extend or reduce the time for the public comment period consistent with Section 286.0114, Florida Statutes.

7. Supervisor's Requests.

8. Adjournment.

Staff Review

The first order of business is the call to order and roll call.

The second order of business is the consideration of the minutes of the Heritage Harbour North CDD Board of Supervisors Regular Meeting held on November 7, 2024.

The third order of business is the Consideration and Acceptance of the Audited Financial Statements for the Fiscal Year 2024, which ended September 30, 2024. A representative of the Audit Firm Grau & Associates will join the meeting to fully review the audit with the Board.

The fourth order of business is the consideration of **Resolution 2025-4**, a Resolution of the Board of Supervisors approving the proposed budget for Fiscal Year 2026 and setting a Public Hearing to adopt the Budget for Thursday, May 1, 2025, at 1:00 p.m., at the Sanctuary Clubhouse (Community Room), 6835 Willowshire Way, Bradenton, Florida 34212

The District's enabling legislation requires the District Manager to submit a Proposed Budget to the Board by June 15th of each year for your review and approval. The approval of the budget is only intended to permit the District to move through the process towards adopting the budget at a Public Hearing at a meeting of the Board of Supervisors.

The approval of the Budget does not bind the Board to any of the costs contained in the budget, any of the programs contained in the Budget and most importantly it does not bind the Board to any of the Assessment Rates contemplated as a result of the preparation of the Budget.

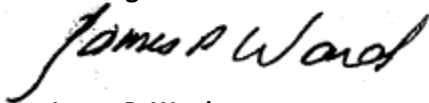
The Public Hearing is scheduled for Thursday, May 1, 2025, at 1:00 p.m. at the Sanctuary Clubhouse (Community Room), 6835 Willowshire Way, Bradenton, Florida 34212.

The fifth order of business are staff reports by the District Attorney, District Engineer, and the District Manager. The District Manager will report on Financial Statements (unaudited) for the periods ending October 31, 2024, November 30, 2024, and December 31, 2024.

The remainder of the agenda is standard in nature, and in the meantime, if you have any questions and/or comments before the meeting, please do not hesitate to contact me directly by phoning (954) 658-4900.

Yours sincerely,

Heritage Harbour North Community Development District



**James P. Ward
District Manager**

The Remainder of the Fiscal Year 2024-2025 meeting schedule is as follows:

February 6, 2025	March 6, 2025
April 3, 2025	May 1, 2025
June 5, 2025	July – No Meeting
September 4, 2025	August 7, 2025

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

10 The Regular Meeting of the Board of Supervisors of the Heritage Harbour North Community
11 Development District was held on Thursday, November 7, 2024, at 1:00 P.M. at the River Strand Golf
12 and Country Clubhouse, 7155 Grand Estuary Trail, Bradenton, Florida 34212.

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14

Present and constituting a quorum:

15 Nancy Lyons Chairperson
16 John Wisz Vice Chairperson
17 Pauline Tasler Assistant Secretary
18 Michael Fisher Assistant Secretary

19

Absent:

20 Louise Buckley Assistant Secretary

21

Also present were:

22 James P. Ward District Manager
23 Greg Urbancic District Counsel

24

Audience:

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

28
29 **PORTIONS OF THIS MEETING WERE TRANSCRIBED VERBATIM. ALL VERBATIM PORTIONS WERE**
30 **TRANSCRIBED IN *ITALICS*.**

31
32

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

33 Mr. James P. Ward called the meeting to order at approximately 1:07 p.m. He called roll and all
34 Members of the Board were present, with the exception of Supervisor Buckley, constituting a quorum.

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SECOND ORDER OF BUSINESS

Consideration of Minutes

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September 5, 2024 - Regular Meeting Minutes

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43 Mr. Ward asked if there were any additions, corrections, or deletions to the Minutes; there were none.

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On MOTION made by Michael Fisher, seconded by Pauline Tasler, and with all in favor, the September 5, 2024, Regular Meeting Minutes were approved.

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THIRD ORDER OF BUSINESS**Consideration of Resolution 2025-1**

Consideration of Resolution 2025-1, a Resolution of the Board of Supervisors Terminating the services of James P. Ward (Individually) and designating the firm of JPWard & Associates, LLC as District Manager effective October 1, 2024; Providing for severability, conflict; and invalid provisions and providing an effective date

Mr. Ward: You have been around as long as I have on this Board. My existing contract with you is me individually with you as an employee of the District and I have never changed that over to my company even though my company has been in existence for quite a number of years now. All I'm really doing is terminating the old employment contract, putting it under my company under the same fee structure that you have now for the services that I provide. The terms under the new agreement are exactly the same as what I use for all of my other CDDs and are more expanded than what I was in under the original employment contract. He asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Michael Fisher, seconded by Pauline Tasler, and with all in favor, Resolution 2025-1 was adopted, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS**Staff Reports****I. District Attorney**

Mr. Greg Urbancic reminded the Board to complete the ethics training before the end of the calendar year. He noted it was self-reporting; no certificate was needed.

II. District Engineer

No report.

III. District Manager

a) Financial Statement for period ending August 31, 2024 (unaudited)

b) Financial Statement for period ending September 30, 2024 (unaudited)

Mr. Ward: After our last meeting Greg was kind enough to prepare the agreement between the District and the Master Association. We transmitted that to the HOA not long after the last Board Meeting. I have not heard anything back from them. I reached out to them last week. They did write me an email back which I will try to succinctly tell you about. Essentially, they said they are working on an agreement with the Heritage Harbour South CDD at the moment and that is foremost in their minds, and once they finish with that then they will take up our agreement. One of the comments in the email was that they believe that the Master Association has to have easements in place for all facilities within the Heritage Harbour North CDD that are supposed to be taken over by the Master Association and barring that they would – I don't think they said no, but

95 *they implied with the email that they might not do that. Plus, they indicated as part of that email*
96 *that the drainage pipes, the pipework that connects the roadways to the water management*
97 *system, where sometimes you have lake interconnects also, they would not be in a position to take*
98 *those over at all. That was the email we received last week. Greg and I are going to work on (it's*
99 *really Greg) putting documents together showing who owned what within the context of the*
100 *system because it is an old system and we really don't have all of the documents from the original*
101 *construction, so we are going to try to put all of those together and see what we do own and*
102 *what's in the River Strand. Maybe some of this is in River Strand's name. I don't really know. We*
103 *are going to figure that out and go from there. I will keep you up to speed as we go through the*
104 *process.*

105
106 *Ms. _____5:37: I thought the Master Association already had an agreement with Heritage*
107 *Harbour South.*

108
109 *Mr. Ward: There is an agreement that I saw that was provided to me by South. They must be*
110 *amending the agreement, I'm guessing. I don't know why they are doing that, but that must be*
111 *what's going on, although the email did not say anything about that.*

112
113 *Ms. _____: I saw some going back and forth about the different parties having to change*
114 *attorneys because there is conflict since two of the entities are represented by the same attorney,*
115 *and when I saw your notes, it looked like everybody was good but then from their position it can't*
116 *be done. Somebody has got to get a new attorney. Any answers on any of that?*

117
118 *Mr. Greg Urbancic: I don't remember seeing that.*

119
120 *Mr. Ward: I don't remember seeing anything about attorneys in the email.*

121
122 *Ms. _____: I just wanted to see how long this would hold us up.*

123
124 *Mr. Ward: It's not going to be a quick process. It will be what it will be.*

125
126 *Ms. _____: Well, we have residents who are extraordinarily upset and printing copies of the*
127 *blueprints for all of the distribution systems and measuring the levels of the ponds and all of this.*

128
129 *Mr. Ward: It's November, so if you think going forward to October of next year when our new*
130 *budget year starts, we are going to start our budget process in February, the question you have to*
131 *answer is, based upon what has happened over the last year with the River Strand HOA, what's*
132 *now going on with the Master Association, and nobody knows what they are doing, is whether you*
133 *want to just say to the River Strand HOA, hey, why don't we just part ways and we gear up and*
134 *maintain our own water management system. I may be off base, but I did not get a warm and*
135 *fuzzy feeling from the Master Association's email, and the River Strand Association I think is trying*
136 *hard, but they are not always getting there with this.*

137
138 *Ms. _____: I've got some questions about how hard they are trying because they lied to me three*
139 *times point blank.*

140
141 *Mr. Ward: I think you need to think a little above all the detailed gory stuff and decide if you want*
142 *to maintain the system, we just need to put something in place to maintain it. It's not going to be*

143 *as cheap as doing it through the River Strand HOA because they have staff on site and we don't, so*
144 *we will have to deal with that problem, but we can do it if that's what you guys want to do. I don't*
145 *want to see you getting in the crosshairs with your own residents either, so I don't know the*
146 *answer to this question.*

147
148 *Mr. ____ 9:24: I will dig out the original documents when Lennar turned over to the Master*
149 *Association. I should have brought it to this meeting. And the stormwater management, in the*
150 *original documents of the turnover, late 2017, the Master Association was in charge of all*
151 *stormwater management for all 377 doorways. I'll dig it up.*

152
153 *Ms. ____ 10:06: But we have the document from 2016 which says different.*

154
155 *Mr. ____: This was the turnover which was after that. We put together a task force of who was*
156 *going to do this. That's when we decided we would interview three or four different companies*
157 *and decided that Pond Grows was probably the best provider that we had, and they were hired to*
158 *do all the stormwater management for all of Heritage Harbour. That's still in place unless*
159 *Stoneybrook removed it.*

160
161 *Mr. Ward: That's a lot of details. All I can tell you is, we can let it sit, we can let everybody do their*
162 *thing and then whether River Strand wants to manage the system or the Master, they can both do*
163 *that, but if both of them wash their hands of it, we don't have a lot of recourse here. We are not*
164 *the heavy hand or the big guy in the room that says too bad you have to do it. We are just sitting*
165 *here and we own all of this stuff and we only have one time during the year that we can do this,*
166 *when we are doing our budget, so at some point by March this is not resolved, we are going to*
167 *have to make a decision regarding what we are going to do going forward. I think this Board and*
168 *the River Strand Board are going to be able to work much better together than this Board and the*
169 *Master HOA Board. There will need to be some discussion with the River Strand Board regarding*
170 *what they want to do, whether they want our help or not, what it will take to get it done, etc.*

171
172 *Mr. ____: The problem is all of the ponds. That's why during the storm we didn't have any*
173 *flooding, at least not as much as we could have had. They pump from one pond to the next pond*
174 *to the next. That's why they go up and down. Everything is connected.*

175
176 *Ms. ____ 13:23: And they were dumping ahead of time knowing that Milton was coming. It's*
177 *always been that way.*

178
179 *Mr. Ward: We have a few months. You guys should think about it, what we should do, and at*
180 *some point, in February or March we are going to have to see whether the Master comes to the*
181 *plate and takes over. If they don't, it is what it is. We are just going to have to figure this out.*

182
183 *Ms. ____ 13:59: Basically, we are in a holding pattern because we furnished draft documents to*
184 *the Master, the Master is not responding to those documents, and they potentially want to do it a*
185 *different way. We are just waiting to find out about how they want to do it.*

186
187 *Mr. Ward: From a larger picture I understand what they want to do. They want to go through the*
188 *process of who owns the entire water management system. They want to see if there are*
189 *easements in place over the system that they have rights to go in and maintain all of this stuff, and*
190 *they did point out that they are not going to deal with the pipework at all. That's basically where*

191 *we are. I would be very surprised to see that there were easements over a drainage system owned*
192 *by the Heritage Harbour North CDD to the Master Association. Maybe they have the easements,*
193 *maybe not, I don't know. We have to see what they say, but at the end of the day you still have all*
194 *of the pipework, and the last couple of complaints that I heard about were pipework problems.*
195 *Clogged drainage pipes that aren't being cleaned out. That's what I heard from everybody the last*
196 *few storms were the problem. That means the River Strand Association is not doing it on a regular*
197 *basis, which is fine, no big deal. We may want to pick that up and let them do the maintenance of*
198 *the lakes. There are a couple of alternatives, but we are just going to have to see.*

199
200 *Ms. _____16:05: Do you think it would be helpful for us to ask the Master, or whomever, to come*
201 *to a meeting and try to sort this out?*

202
203 *Mr. Ward: No. I think you have to let them do their process. They have a process in place. That's*
204 *what they want to do. It's the same thing I would tell another party if we were going through the*
205 *same thing, I want to make sure we have the easements, I want to see and go through all the*
206 *details. Let them do that. I respect their decision to do that. Greg and I will find our way on our*
207 *side of it and in two or three months we will round up the wagons again and see where we are.*

208
209 *Mr. _____16:57: If they are doing their due diligence, is there a time frame for that?*

210
211 *Mr. Ward: They said they want to get through the Heritage Harbour South stuff first. If I was*
212 *doing this, it would take us about a month to get through this process. The HOA is a little different.*
213 *They take longer periods of time. It will probably take them two or three months to get through*
214 *the South, and then hopefully they will start to focus on us. And I just don't know. They are really*
215 *hard to gauge.*

216
217 *Mr. _____17:55: (Indecipherable).*

218
219 *Ms. _____17:59: Then the other thing was, there were some quotes about the water relative to us*
220 *switching over to the Manatee County system that you discussed.*

221
222 *Mr. Ward: I did, and I floated that idea by the River Strand Association, and I haven't heard back,*
223 *but we have had a number of hurricanes since then.*

224
225 *Mr. _____18:30: The County would not take it over unless we replaced everything, and we are*
226 *talking about over a million dollars.*

227
228 *Mr. Ward: Yes, but as a CDD we can finance some of that, spread it over a number of years to*
229 *everybody. I clearly think being a part of the County's overall system for the entire community is a*
230 *much better long term solution for you all.*

231
232 *Ms. _____19:18: Well, let's try to do that. Maybe we can work with them, and we can't set strict*
233 *timelines for other people, but we can set up some timeframes. Because we've got to move this*
234 *along to a certain extent. We have four particular houses that are in real danger of being flooded,*
235 *and River Strand, if they are telling the truth, cleaned those drains which affected those four, but it*
236 *did no good when the last one came through. It may have done a little bit of good, and those are*
237 *theoretically maybe million dollar houses. They are concerned.*

238

239 *Mr. Ward: I think we still need to give them their space. There is not much we can do. Let's give*
240 *them three months and then go from there. Besides, I can't tell them we are going to give them*
241 *three months. It is not our decision. It's their decision and they are going to do their own thing.*
242

243

244 **FIFTH ORDER OF BUSINESS** **Public Comments**

245
246 **Public Comments: - Public comment period is for items NOT listed on the agenda, and comments are**
247 **limited to three (3) minutes per person and assignment of speaking time is not permitted; however,**
248 **the Presiding Officer may extend or reduce the time for the public comment period consistent with**
249 **Section 286.0114, Florida Statutes.**

250
251 Mr. Ward noted there were no members of the public present.

252

253

254 **SIXTH ORDER OF BUSINESS** **Supervisor's Requests**

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256 Mr. Ward asked if there were any Supervisor's Requests; there were none.

257

258

259 **SEVENTH ORDER OF BUSINESS** **Adjournment**

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

262

263 **On MOTION made by John Wisz, seconded by Pauline Tasler, and with**
264 **all in favor, the Meeting was adjourned.**

265

266

267 Heritage Harbour North
268 Community Development District

269

270

271

272 _____
273 James P. Ward, Secretary

272 _____
273 Nancy Lyons, Chairperson

**HERITAGE HARBOUR NORTH
COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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 is the responsibility of management and, 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 Information Included in the Financial Report

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c) but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



December 23, 2024

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, 2024. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets plus deferred outflows of resources at the close of the most recent fiscal year resulting in a net position deficit balance of (\$13,067,231). When the District was formed, assets exceeded liabilities and subsequently infrastructure was deeded to Manatee County creating the negative net position. The reason for the transfer of infrastructure was that the County is better able to maintain the infrastructure than the District. Further, financial condition assessment procedures have been applied and no deteriorating financial conditions were noted.
- The change in the District's total net position in comparison with the prior fiscal year was \$350,626, an increase. The majority of the increase represents the extent to which ongoing program revenues exceed the cost of operations and depreciation expense. 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, 2024, the District's governmental funds reported combined ending fund balances of \$1,092,652, an increase of \$29,357, 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.

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

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.

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 two 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 and debt service, both 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,	
	2024	2023
Current and other assets	\$ 1,092,652	\$ 1,064,234
Capital assets, net of depreciation	7,490,513	8,201,874
Total assets	8,583,165	9,266,108
Deferred amount on refunding	36,570	39,182
Current liabilities	377,453	397,679
Long-term liabilities	21,309,513	22,325,468
Total liabilities	21,686,966	22,723,147
Net Position		
Net investment in capital assets	(13,782,430)	(14,084,412)
Restricted	545,600	515,729
Unrestricted	169,599	150,826
Total net position	\$ (13,067,231)	\$ (13,417,857)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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.

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. 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,	
	2024	2023
Revenues:		
Program revenues		
Charges for services	\$ 2,019,135	\$ 2,008,709
Operating grants and contributions	66,256	22,430
General revenues	8	48
Total revenues	<u>2,085,399</u>	<u>2,031,187</u>
Expenses:		
General government	98,998	98,554
Maintenance and operations*	711,361	771,394
Interest	924,414	969,871
Total expenses	<u>1,734,773</u>	<u>1,839,819</u>
Change in net position	<u>350,626</u>	<u>191,368</u>
Net position - beginning	<u>(13,417,857)</u>	<u>(13,609,225)</u>
Net position - ending	<u>\$ (13,067,231)</u>	<u>\$ (13,417,857)</u>

* Comprised solely of the depreciation expense for current and prior fiscal years

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2024, was \$1,734,773. The costs of the District's activities were primarily funded by program revenues. Revenues increased over the prior year primarily as a result of an increase in interest income. In total, expenses, decreased from the prior fiscal year, the majority of the decrease is due to less interest expense incurred in the current year.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2024.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2024, the District had \$18,934,430 invested in capital assets for its governmental activities. The government-wide financial statements includes depreciation of \$11,443,917, which resulted in a net book value of \$7,490,513. 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, 2024, the District had \$21,110,000 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 2301 Northeast 37th Street, Fort Lauderdale, Florida 33308, (954) 658-4900.

**HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 169,599
Restricted assets:	
Investments	923,053
Capital assets:	
Depreciable, net	7,490,513
Total assets	8,583,165
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	36,570
Total deferred outflows of resources	36,570
 LIABILITIES	
Accrued interest payable	377,453
Non-current liabilities:	
Due within one year	970,000
Due in more than one year	20,339,513
Total liabilities	21,686,966
 NET POSITION	
Net investment in capital assets	(13,782,430)
Restricted for debt service	545,600
Unrestricted	169,599
Total net position	\$ (13,067,231)

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, 2024**

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	
Primary government:				
Governmental activities:				
General government	\$ 98,998	\$ 117,763	\$ -	\$ 18,765
Maintenance and operations	711,361	-	-	(711,361)
Interest on long-term debt	924,414	1,901,372	66,256	1,043,214
Total governmental activities	1,734,773	2,019,135	66,256	350,618
		General revenues:		
		Investment earnings	8	
		Total general revenues	8	
		Change in net position	350,626	
		Net position - beginning	(13,417,857)	
		Net position - ending	\$ (13,067,231)	

See notes to the financial statements

**HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Major Funds		Total Governmental Funds
	General	Debt Service	
ASSETS			
Cash and cash equivalents	\$ 169,599	\$ -	\$ 169,599
Investments	-	923,053	923,053
Total assets	\$ 169,599	\$ 923,053	\$ 1,092,652
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Total liabilities	-	-	-
Fund balances:			
Restricted for:			
Debt service	-	923,053	923,053
Unassigned	169,599	-	169,599
Total fund balances	169,599	923,053	1,092,652
Total liabilities and fund balances	\$ 169,599	\$ 923,053	\$ 1,092,652

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, 2024**

Fund balance - governmental funds \$ 1,092,652

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>(11,443,917)</u>	7,490,513

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. 36,570

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	(377,453)	
Original issue discount	(7,275)	
Original issue premium	(192,238)	
Bonds payable	<u>(21,110,000)</u>	<u>(21,686,966)</u>

Net position of governmental activities		<u><u>\$ (13,067,231)</u></u>
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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, 2024**

	Major Funds		Total Governmental Funds
	General	Debt Service	
REVENUES			
Special assessments	\$ 117,763	\$ 1,901,372	\$ 2,019,135
Interest earnings	8	66,256	66,264
Total revenues	117,771	1,967,628	2,085,399
EXPENDITURES			
Current:			
General government	98,998	-	98,998
Debt service:			
Principal	-	1,005,000	1,005,000
Interest	-	952,044	952,044
Total expenditures	98,998	1,957,044	2,056,042
Excess (deficiency) of revenues over (under) expenditures	18,773	10,584	29,357
Fund balances - beginning	150,826	912,469	1,063,295
Fund balances - ending	\$ 169,599	\$ 923,053	\$ 1,092,652

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, 2024**

Net change in fund balances - total governmental funds	\$	29,357
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.		1,005,000
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		(711,361)
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.		19,287
Change in net position of governmental activities	\$	<u>350,626</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 qualified electors within the District. 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. Approving the hiring and firing of key personnel.
4. 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.

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 acquisition 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, and in certain instances the District Manager.
- 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, 2024:

	<u>Amortized cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
US Bank Mmkt	\$ 923,053	N/A	N/A
	<u>\$ 923,053</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 bond indenture determines the allowable investments and maturities, while any surplus funds are covered by the alternative investment guidelines and are generally of a short duration thus limiting the District's exposure to interest rate risk.

However, the Bond Indenture limits the type of investments held using unspent proceeds. The District's investments listed above meet these requirements under the indenture.

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, 2024, 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	<u>18,934,430</u>	<u>-</u>	<u>-</u>	<u>18,934,430</u>
Less accumulated depreciation for:				
Earthwork	5,850,099	378,808	-	6,228,907
Landscaping and irrigation	982,449	-	-	982,449
Professional fees	1,193,612	85,139	-	1,278,751
Utilities	101,571	14,685	-	116,256
Water management	2,604,825	232,729	-	2,837,554
Total accumulated depreciation	<u>10,732,556</u>	<u>711,361</u>	<u>-</u>	<u>11,443,917</u>
Total capital assets, being depreciated, net	<u>8,201,874</u>	<u>(711,361)</u>	<u>-</u>	<u>7,490,513</u>
Governmental activities capital assets, net	<u>\$ 8,201,874</u>	<u>\$ (711,361)</u>	<u>\$ -</u>	<u>\$ 7,490,513</u>

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, 2024.

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, 2019 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, 2019 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. This occurred during the current fiscal year as the District collected assessments from lot closings and prepaid \$80,000 of the Series 2017 A-2 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 and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2024.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2024, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2014	\$ 6,825,000	\$ -	\$ 175,000	\$ 6,650,000	\$ 185,000
Less: original issue discount	4,077	-	(3,198)	7,275	-
Series 2017	15,290,000	-	830,000	14,460,000	785,000
Plus: original issue premium	206,391	-	14,153	192,238	-
Total	<u>\$ 22,325,468</u>	<u>\$ -</u>	<u>\$ 1,015,955</u>	<u>\$ 21,309,513</u>	<u>\$ 970,000</u>

NOTE 6 - LONG TERM LIABILITIES (Continued)

Long-term Debt Activity (Continued)

At September 30, 2024, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2025	\$ 970,000	\$ 901,688	\$ 1,871,688
2026	1,015,000	853,163	1,868,163
2027	1,065,000	802,388	1,867,388
2028	1,115,000	749,113	1,864,113
2029	1,160,000	706,763	1,866,763
2030-2034	6,515,000	2,832,350	9,347,350
2035-2039	6,600,000	1,426,694	8,026,694
2040-2044	2,165,000	473,806	2,638,806
2045	505,000	25,881	530,881
	<u>\$ 21,110,000</u>	<u>\$ 8,771,846</u>	<u>\$ 29,881,846</u>

NOTE 7 - MANAGEMENT COMPANY

The District has contracted with a manager to perform management advisory services, which include financial and accounting advisory services. The manager also serves as an officer (Board appointed non-voting position) of the District.

NOTE 8 - RISK MANAGEMENT

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

**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, 2024**

	Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original & Final		
REVENUES			
Special assessments	\$ 126,298	\$ 117,763	\$ (8,535)
Interest earnings	10	8	(2)
Total revenues	126,308	117,771	(8,537)
EXPENDITURES			
Current:			
General government	126,308	98,998	27,310
Total expenditures	126,308	98,998	27,310
Excess (deficiency) of revenues over (under) expenditures	\$ -	18,773	\$ 18,773
Fund balance - beginning		150,826	
Fund balance - ending		\$ 169,599	

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, 2024.

**HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT
MANATEE COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	1
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	16
Employee compensation	\$43,425
Independent contractor compensation	\$41,006
Construction projects to begin on or after October 1; (>\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes;	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - \$67.21 Debt service - \$745.32 - \$1,892.20
Special assessments collected	\$2,019,135
Outstanding Bonds	see Note 6 for details



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, 2024, 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 23, 2024.

Report on 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bhav & Associates

December 23, 2024



**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, 2024. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

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 23, 2024



**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, 2024, and have issued our report thereon dated December 23, 2024.

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 23, 2024, 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 23, 2024

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, 2023.

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, 2024.

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, 2024.

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, 2024. 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.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 24.

RESOLUTION 2025-2

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2026 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, 2025, a Proposed Budget for Fiscal Year 2026; 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 2026 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, May 1, 2025
TIME: 1:00 P.M.
LOCATION: Sanctuary Clubhouse, Community Room
6835 Willowshire Way
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.

RESOLUTION 2025-4

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2026 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

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 affect the validity of the other provisions thereof.

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

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

PASSED AND ADOPTED by the Board of Supervisors of the Heritage Harbour North Community Development District this 6th day of February 2025.

ATTEST:

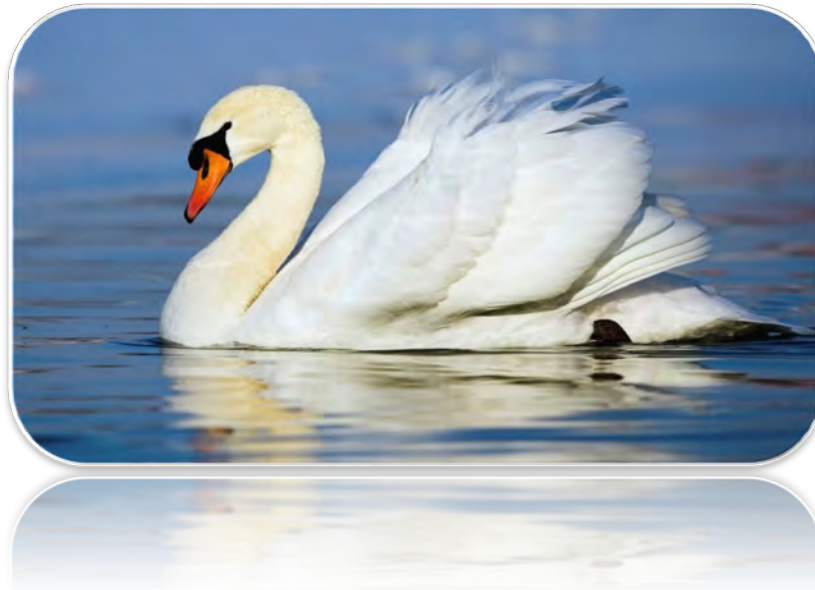
**HERITAGE HARBOUR NORTH COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Nancy Lyons, Chairperson

Exhibit A: Proposed Fiscal Year 2026 Budget

HERITAGE HARBOUR NORTH COMMUNITY DEVELOPMENT DISTRICT



PROPOSED BUDGET

FISCAL YEAR 2026

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37 STREET, FORT LAUDERDALE, FLORIDA 33308

T: 954-658-4900 E: JimWard@JPWardAssociates.com

Heritage Harbour North Community Development District
General Fund - Budget
Fiscal Year 2026

Description	Fiscal Year 2025 Budget	Actual at 01/26/2025	Anticipated Year End 09/30/2025	Fiscal Year 2026 Budget	Notes
Revenues and Other Sources					
Carryforward	\$ -	\$ -	\$ -	\$ -	Negative Number is Added Cash Required to Partially Fund 1st Quarter Operations
Interest Income - General Account	\$ 10	\$ -	\$ -	\$ -	Interest on General Bank Account
Miscellaneous Revenue - Boundary Expansion	\$ -	\$ -	\$ -	\$ -	
Special Assessment Revenue					Assessments from Property Owner's
Special Assessment - On-Roll	\$ 113,369	\$ 93,432	\$ 113,369	\$ 136,429	
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -	
Total Revenue & Other Sources	\$ 113,379	\$ 93,432	\$ 113,369	\$ 136,429	
Expenditures and Other Uses					
Legislative					
Board of Supervisor's Fees	\$ 3,000	\$ 800	\$ 3,000	\$ 4,000	Statutory Required Feed
Board of Supervisor's - FICA	\$ 230	\$ 61	\$ 61	\$ -	FICA (if applicable)
Executive					
Professional Management	\$ 42,446	\$ 15,448	\$ 46,344	\$ 55,600	District Manager
Professional Management - FICA	\$ 3,897	\$ -	\$ -	\$ -	
Financial and Administrative					
Audit Services	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	Statutory required audit yearly
Accounting Services	\$ 5,000	\$ 1,667	\$ 5,000	\$ 5,000	All funds
Assessment Roll Preparation	\$ 8,500	\$ 2,833	\$ 8,500	\$ 9,000	Par Outstanding and yearly work with Property Appraiser
Arbitrage Rebate Fees	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	IRS Required Calc. to insure interest on Bond Funds does not exceed interest paid on bonds
Other Contractual Services					
Recording and Transcription	\$ 250	\$ -	\$ -	\$ -	Transcription of Board Meetings
Legal Advertising	\$ 1,500	\$ -	\$ 750	\$ 1,000	Statutory Required Legal Advertising
Trustee Services	\$ 11,900	\$ 4,760	\$ 11,021	\$ 11,021	Trust Fees for Bond Issues
Dissemination Agent Services	\$ 2,250	\$ 100	\$ 2,350	\$ 2,350	Required Reporting for Bond Issues
Bank Service Fees	\$ 650	\$ -	\$ 250	\$ 250	Bank Fees - Governmental Accounts
Travel and Per Diem	\$ -	\$ -	\$ -	\$ -	
Communications and Freight Services					
Telephone	\$ -	\$ -	\$ -	\$ -	N/A

Heritage Harbour North Community Development District
General Fund - Budget
Fiscal Year 2026

Description	Fiscal Year 2025 Budget	Actual at 01/26/2025	Anticipated Year End 09/30/2025	Fiscal Year 2026 Budget	Notes
Postage, Freight & Messenger	\$ 400	\$ 61	\$ 400	\$ 400	Agenda Mailings and other misc. mail
Rentals and Leases					
Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	N/A
Computer/Web Site Services	\$ 7,900	\$ 300	\$ 1,800	\$ 2,400	Statutory Web Site hosting/maintenance
Insurance	\$ 7,895	\$ 7,483	\$ 7,483	\$ 7,883	General Liability and D&O Liability Insurance
Printing and Binding	\$ 200		\$ 250	\$ 250	Agenda Books and copies
Office Supplies	\$ -	\$ -	\$ -	\$ -	
Subscriptions and Memberships	\$ 175	\$ 175	\$ 175	\$ 175	Department of Economic Opportunity Fee
Legal Services					
General Counsel	\$ 3,000	\$ 2,531	\$ 4,500	\$ 4,500	District Attorney
Boundary Expansion	\$ -	\$ -	\$ -	\$ -	
Other General Government Services					
Engineering Services	\$ 750	\$ 400	\$ 750	\$ 750	District Engineer
Contingencies	\$ -	\$ -	\$ -	\$ -	N/A
Capital Outlay	\$ -	\$ -	\$ -	\$ -	N/A
Reserves					
Operaton Reserve (Addition)	\$ -	\$ -	\$ -	\$ 16,800	Reserve for any future operating requirements
Other Fees and Charges					
Discounts, Tax Collector Fee and	\$ 7,936	\$ -	\$ 7,936	\$ 9,550	Discounts/Fees to place assessments on Tax Rolls
Total Expentitures and Other Uses	<u>\$ 113,379</u>	<u>\$ 41,117</u>	<u>\$ 106,070</u>	<u>\$ 136,429</u>	
Net Increase/(Decrease) in Fund		\$ 52,315	\$ 7,299	\$ 16,800	
Fund Balance - Beginning	\$ 169,599	\$ 169,599	\$ 169,599	\$ 176,898	
Fund Balance - Ending (Projected)	<u>\$ 169,599</u>	<u>\$ 221,914</u>	<u>\$ 176,898</u>	<u>\$ 193,698</u>	
Reserved: (Fund Balance)					
Reserved for Operations				\$ 25,012	To Insure sufficient cash for October & November Expenses
Extraordinary Capital/Operations				\$ 168,686	To fund operations needs or capital
Cap Rate (Adopted 2008)	\$ 72.60			\$ 72.60	
Assessment Comparison	\$ 60.33			\$ 72.60	

Heritage Harbour North Community Development District
Series 2014 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

Description	Fiscal Year 2025 Budget	Actual at 01/26/2025	Anticipated Year End 09/30/2025	Fiscal Year 2026 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ 9,000	\$ 7,715	\$ 23,146	\$ 21,989
Special Assessment Revenue				
Special Assessment - On-Roll	\$ 551,308	\$ 461,155	\$ 551,308	\$ 551,308
Special Assessment - Off-Roll		\$ -	\$ -	\$ -
Special Assessment - Prepayments		\$ -	\$ -	
Total Revenue & Other Sources	\$ 560,308	\$ 468,870	\$ 574,454	\$ 573,296

Expenditures and Other Uses

Debt Service

Principal Debt Service - Mandatory

Series 2014 Bonds \$ 185,000 \$ - \$ 185,000 \$ 190,000

Principal Debt Service - Early Redemptions

Series 2014 Bonds \$ - \$ - \$ - \$ -

Interest Expense

Series 2014 Bonds \$ 337,925 \$ 168,963 \$ 337,925 \$ 328,675

Operating Transfers Out

\$ - \$ - \$ - \$ -

Other Fees and Charges

Discounts, Tax Collector Fees and Propety

Appraiser Fees \$ 31,205 \$ - \$ 31,205 \$ 31,205

Total Expenditures and Other Uses **\$ 554,130** **\$ 168,963** **\$ 554,130** **\$ 549,880**

Net Increase/(Decrease) in Fund Balance \$ 6,177 \$ 299,908 \$ 20,323 \$ 23,416

Fund Balance - Beginning \$ 550,816 \$ 550,816 \$ 550,816 \$ 571,140

Fund Balance - Ending (Projected) **\$ 556,994** **\$ 850,724** **\$ 571,140** **\$ 594,556**

Restricted Fund Balance:

Reserve Account Requirement \$ 265,441

Restricted for November 1, 2026 Interest Payment \$ 159,588

\$ 425,028

Assessment Comparison			
	Units	Rate	Rate
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
Total:	507		

Heritage Harbour North Community Development District
Series 2014 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service	Bond Balance
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	\$7,830,000
11/1/2016				\$ 198,462.50		
5/1/2017		\$ 125,000	5.000%	\$ 198,462.50	\$ 521,925	\$7,705,000
11/1/2017				\$ 195,337.50		
5/1/2018		\$ 130,000	5.000%	\$ 195,337.50	\$ 520,675	\$7,580,000
11/1/2018	\$ 35,000.00			\$ 192,087.50		
5/1/2019		\$ 135,000	5.000%	\$ 192,087.50	\$ 519,175	\$7,415,000
11/1/2019				\$ 188,712.50		
5/1/2020		\$ 145,000	5.000%	\$ 188,712.50	\$ 522,425	\$7,280,000
11/1/2020				\$ 185,087.50		
5/1/2021		\$ 150,000	5.000%	\$ 185,087.50	\$ 520,175	\$7,135,000
11/1/2021				\$ 181,337.50		
5/1/2022		\$ 155,000	5.000%	\$ 181,337.50	\$ 517,675	\$6,985,000
11/1/2022				\$ 177,462.50		
5/1/2023		\$ 165,000	5.000%	\$ 177,462.50	\$ 519,925	\$6,830,000
11/1/2023				\$ 173,337.50		
5/1/2024		\$ 175,000	5.000%	\$ 173,337.50	\$ 521,675	\$6,665,000
11/1/2024				\$ 168,962.50		
5/1/2025		\$ 185,000	5.000%	\$ 168,962.50	\$ 522,925	\$6,490,000
11/1/2025				\$ 164,337.50		
5/1/2026		\$ 190,000	5.000%	\$ 164,337.50	\$ 518,675	\$6,305,000
11/1/2026				\$ 159,587.50		
5/1/2027		\$ 200,000	5.000%	\$ 159,587.50	\$ 519,175	\$6,115,000
11/1/2027				\$ 154,587.50		
5/1/2028		\$ 210,000	5.000%	\$ 154,587.50	\$ 519,175	\$5,915,000
11/1/2028				\$ 149,337.50		
5/1/2029		\$ 225,000	5.000%	\$ 149,337.50	\$ 523,675	\$5,705,000
11/1/2029				\$ 143,712.50		
5/1/2030		\$ 235,000	5.000%	\$ 143,712.50	\$ 522,425	\$5,480,000
11/1/2030				\$ 137,837.50		
5/1/2031		\$ 245,000	5.000%	\$ 137,837.50	\$ 520,675	\$5,245,000
11/1/2031				\$ 131,712.50		
5/1/2032		\$ 260,000	5.000%	\$ 131,712.50	\$ 523,425	\$5,000,000
11/1/2032				\$ 125,212.50		
5/1/2033		\$ 275,000	5.000%	\$ 125,212.50	\$ 525,425	\$4,740,000
11/1/2033				\$ 118,337.50		
5/1/2034		\$ 285,000	5.000%	\$ 118,337.50	\$ 521,675	\$4,465,000

Heritage Harbour North Community Development District
Series 2014 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service	Bond Balance
11/1/2034				\$ 111,212.50		
5/1/2035		\$ 300,000	5.125%	\$ 111,212.50	\$ 522,425	\$4,180,000
11/1/2035				\$ 103,525.00		
5/1/2036		\$ 315,000	5.125%	\$ 103,525.00	\$ 522,050	\$3,880,000
11/1/2036				\$ 95,453.13		
5/1/2037		\$ 335,000	5.125%	\$ 95,453.13	\$ 525,906	\$3,565,000
11/1/2037				\$ 86,868.75		
5/1/2038		\$ 350,000	5.125%	\$ 86,868.75	\$ 523,738	\$3,230,000
11/1/2038				\$ 77,900.00		
5/1/2039		\$ 370,000	5.125%	\$ 77,900.00	\$ 525,800	\$2,880,000
11/1/2039				\$ 68,418.75		
5/1/2040		\$ 390,000	5.125%	\$ 68,418.75	\$ 526,838	\$2,510,000
11/1/2040				\$ 58,425.00		
5/1/2041		\$ 410,000	5.125%	\$ 58,425.00	\$ 526,850	\$2,120,000
11/1/2041				\$ 47,918.75		
5/1/2042		\$ 430,000	5.125%	\$ 47,918.75	\$ 525,838	\$1,710,000
11/1/2042				\$ 36,900.00		
5/1/2043		\$ 455,000	5.125%	\$ 36,900.00	\$ 528,800	\$1,280,000
11/1/2043				\$ 25,240.63		
5/1/2044		\$ 480,000	5.125%	\$ 25,240.63	\$ 530,481	\$825,000
11/1/2044				\$ 12,940.63		
5/1/2045		\$ 505,000	5.125%	\$ 12,940.63	\$ 530,881	\$345,000

Heritage Harbour North Community Development District
Series 2017 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

Description	Fiscal Year 2025 Budget	Actual at 01/26/2025	Anticipated Year End 09/30/2025	Fiscal Year 2026 Budget
Revenues and Other Sources				
Carryforward		\$ -	\$ -	
Interest Income	\$ 10,000	\$ 3,970	\$ 11,910	\$ 11,315
Gain (Loss) on Investments		\$ -		
Operating Transfers In	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	\$ -	\$ -	\$ -	\$ -
Proceeds from Refunding Bonds				
Transfer from Revenue Acct	\$ -	\$ -	\$ -	\$ -
Special Assessment Revenue				
Special Assessment - On-Roll	\$ 1,461,847	\$ 1,211,613	\$ 1,461,847	\$ 1,461,847
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
Special Assessment - Prepayment	\$ -	\$ -		\$ -
Total Revenue & Other Sources	\$ 1,471,847	\$ 1,215,583	\$ 1,473,758	\$ 1,473,162
Expenditures and Other Uses				
Debt Service				
Principal Debt Service - Mandatory				
Series 2017 Bonds	\$ 790,000	\$ -	\$ 785,000	\$ 830,000
Principal Debt Service - Early Redemptions				
Series 2017 Bonds - from Property Owners	\$ -	\$ 10,000	\$ 10,000	\$ -
Interest Expense				
Series 2017 Bonds	\$ 567,700	\$ 281,881	\$ 567,700	\$ 527,800
Operating Transfers Out	\$ -	\$ -	\$ -	\$ -
Other Fees and Charges				
Discounts, Tax Collector Fees and Property Appraiser Fees	\$ 95,635	\$ -	\$ 95,635	\$ 95,635
Total Expenditures and Other Uses	\$ 1,453,335	\$ 291,881	\$ 1,458,335	\$ 1,453,435
Net Increase/(Decrease) in Fund Balance	\$ 18,512	\$ 923,702	\$ 15,423	\$ 19,727
Fund Balance - Beginning	\$ 372,237	\$ 372,237	\$ 372,237	\$ 387,659
Fund Balance - Ending (Projected)	\$ 390,749	\$ 1,295,938	\$ 387,659	\$ 407,387
Restricted Fund Balance:				
Reserve Account Requirement (subordinate Bonds)			\$ 27,194	
Restricted for November 1, 2026 Interest Payment			\$ 243,131	
Total - Restricted Fund Balance:			\$ 270,325	

Assessment Comparison				
	Units	Rate		Rate
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	\$	1,620.81	\$ 1,620.81
TH/Coach/SF Attached	345	\$	1,030.10	\$ 1,030.10
Condominium	610	\$	951.18	\$ 951.18
Total:	1357			

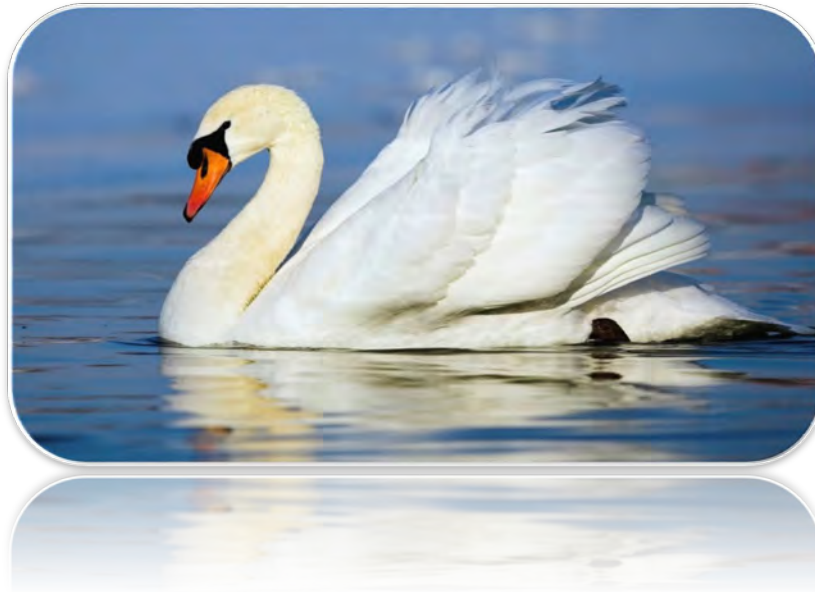
Heritage Harbour North Community Development District
Series 2017 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

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	\$ 50,000	\$ 590,000	varies	\$ 388,075.00	\$ 1,366,150	\$ 18,055,000
11/1/2019				\$ 372,031.25		
5/1/2020	\$ 5,000	\$ 620,000	varies	\$ 371,943.75	\$ 1,363,975	\$ 17,430,000
11/1/2020				\$ 356,425.00		
5/1/2021	\$ 15,000	\$ 650,000	varies	\$ 356,425.00	\$ 1,362,850	\$ 16,765,000
11/1/2021				\$ 340,156.25		
5/1/2022		\$ 680,000	varies	\$ 340,156.25	\$ 1,360,313	\$ 16,085,000
11/1/2022	\$ 80,000			\$ 322,743.75		
5/1/2023		\$ 715,000	varies	\$ 320,643.75	\$ 1,358,388	\$ 15,290,000
11/1/2023	\$ 5,000			\$ 302,750.00		
5/1/2024		\$ 825,000	varies	\$ 302,750.00	\$ 1,430,500	\$ 14,460,000
11/1/2024	\$ 10,000			\$ 283,850.00		
5/1/2025		\$ 790,000	varies	\$ 283,850.00	\$ 1,357,700	\$ 13,660,000
11/1/2025				\$ 263,900.00		
5/1/2026		\$ 830,000	varies	\$ 263,900.00	\$ 1,357,800	\$ 12,830,000
11/1/2026				\$ 243,131.25		
5/1/2027		\$ 870,000	varies	\$ 243,131.25	\$ 1,356,263	\$ 11,960,000
11/1/2027				\$ 221,362.50		
5/1/2028		\$ 905,000	varies	\$ 221,362.50	\$ 1,347,725	\$ 11,055,000
11/1/2028				\$ 205,393.75		
5/1/2029		\$ 940,000	varies	\$ 205,393.75	\$ 1,350,788	\$ 10,115,000
11/1/2029				\$ 188,812.50		
5/1/2030		\$ 970,000	varies	\$ 188,812.50	\$ 1,347,625	\$ 9,145,000
11/1/2030				\$ 171,706.25		
5/1/2031		\$ 1,005,000	varies	\$ 171,706.25	\$ 1,348,413	\$ 8,140,000
11/1/2031				\$ 153,856.25		
5/1/2032		\$ 1,040,000	varies	\$ 153,856.25	\$ 1,347,713	\$ 7,100,000
11/1/2032				\$ 135,393.75		
5/1/2033		\$ 1,080,000	varies	\$ 135,393.75	\$ 1,350,788	\$ 6,020,000
11/1/2033				\$ 114,900.00		
5/1/2034		\$ 1,120,000	varies	\$ 114,900.00	\$ 1,349,800	\$ 4,900,000
11/1/2034				\$ 93,656.25		
5/1/2035		\$ 1,160,000	varies	\$ 93,656.25	\$ 1,347,313	\$ 3,740,000
11/1/2035				\$ 71,531.25		
5/1/2036		\$ 1,205,000	varies	\$ 71,531.25	\$ 1,348,063	\$ 2,535,000
11/1/2036				\$ 48,562.50		
5/1/2037		\$ 1,250,000	varies	\$ 48,562.50	\$ 1,347,125	\$ 1,285,000

Heritage Harbour North Community Development District
Series 2017 Bonds - Debt Service Fund - Budget
Fiscal Year 2026

Description	Prepayments	Principal	Coupon Rate	Interest	Annual Debt Service	Bond Balance
11/1/2037				\$ 24,750.00		
5/1/2038		\$ 1,285,000	varies	\$ 24,750.00	\$ 1,334,500	\$ -

HERITAGE HARBOR NORTH COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS – OCTOBER 31, 2024

FISCAL YEAR 2025

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

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Heritage Harbour North Community Development District

**Balance Sheet - All Funds and Account Groups
as of October 31, 2024**

	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			
Assets								
Cash and Investments								
General Fund - Invested Cash	\$ 167,769	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,769
Capital Projects Fund								
Construction Account	-	-	-	-	-	-	-	-
Deferred Cost Account	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-
Debt Service Funds								
Revenue Account	-	292,177	349,221	-	-	-	-	641,398
Excess Revenue - Subordinated Bonds	-	-	-	-	-	-	-	-
Excess Reserve	-	-	-	-	-	-	-	-
Reserve Account	-	259,275	11,110	-	-	-	-	270,385
Prepayment Account	-	1,642	13,403	-	-	-	-	15,045
Interest Accounts	-	-	2	-	-	-	-	2
Sinking Fund Accounts	-	-	-	-	-	-	-	-
Due from Other Funds								
General Fund	-	1,476	3,878	-	-	-	-	5,355
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
Due from Other Governments								
Accrued Interest Receivable	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	-	-	932,185	-	932,185
Amount to be Provided by Debt Service Funds	-	-	-	-	-	19,387,815	-	19,387,815
General Fixed Assets	-	-	-	-	-	-	8,201,874	8,201,874
Total Assets	\$ 167,769	\$ 554,570	\$ 377,615	\$ -	\$ -	\$ 20,320,000	\$ 8,201,874	\$ 29,621,828

Heritage Harbour North Community Development District

**Balance Sheet - All Funds and Account Groups
as of October 31, 2024**

	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			
Liabilities								
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	3,878	-	-	-	-	-	-	3,878
Debt Service Fund - Series 2014	1,476	-	-	-	-	-	-	1,476
Bonds Payable - Series 2014	-	-	-	-	-	6,650,000	-	6,650,000
Bonds Payable - Series 2017	-	-	-	-	-	13,670,000	-	13,670,000
Total Liabilities	<u>\$ 5,355</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,320,000</u>	<u>\$ -</u>	<u>\$ 20,325,355</u>
Fund Equity and Other Credits								
Investment in General Fixed Assets	-	-	-	-	-	-	8,201,874	8,201,874
Fund Balance								
Restricted								
Beginning: October 1, 2023	-	550,816	372,237	-	-	-	-	923,053
Results from Current Operations	-	3,754	5,377.96	-	-	-	-	9,132
Unassigned								
Beginning: October 1, 2023	169,599	-	-	-	-	-	-	169,599
Results from Current Operations	(7,184)	-	-	-	-	-	-	(7,184)
Total Fund Equity and Other Credits	<u>162,415</u>	<u>554,570</u>	<u>377,615</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,201,874</u>	<u>9,296,473</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 167,769</u>	<u>554,570</u>	<u>\$ 377,615</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,320,000</u>	<u>\$ 8,201,874</u>	<u>\$ 29,621,828</u>

Heritage Harbour North Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the period Ending October 31, 2024

	October	Year to Date	Annual Budget	% of Budget
Revenue and Other Sources				
Carryforward	\$ -	-	\$ -	N/A
Miscellaneous Revenue		-	-	N/A
Interest				
Interest - General Checking	-	-	10	0%
Special Assessment Revenue				
Special Assessments - Uniform Method	299	299	105,433	0%
Special Assessments - Non-Uniform Mthd	-	-	-	N/A
Total Revenue and Other Sources:	\$ 299	299	\$ 105,443	0%
Expenditures and Other Uses				
Legislative				
Board of Supervisor's Fees	\$ -	-	\$ 3,000	0%
Board of Supervisor's - FICA		-	230	0%
Executive				
Executive Salaries	-	-	42,446	0%
Executive Salaries - FICA	-	-	3,897	0%
Executive Salaries - Insurance		-	-	0%
Financial and Administrative				
Audit Services		-	4,500	0%
Accounting Services		-	5,000	0%
Assessment Roll Preparation	-	-	8,500	0%
Arbitrage Rebate Services		-	1,000	0%
Manager Services		-	-	N/A
Professional Services				
District Manager Services		-	-	N/A
Other Contractual Services				
Recording and Transcription		-	250	0%
Legal Advertising		-	1,500	0%
Trustee Services		-	11,900	0%
Bond Amortization Schedules		-	-	N/A
Dissemination Agent Services		-	2,250	0%
Property Appraiser Fees		-	-	N/A
Bank Services	-	-	650	0%
Travel and Per Diem	-	-	-	N/A

Heritage Harbour North Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the period Ending October 31, 2024

	October	Year to Date	Annual Budget	% of Budget
Communications & Freight Services				
Telephone		-	-	N/A
Postage, Freight & Messenger		-	400	0%
Rentals & Leases				
Miscellaneous Equipment Leasing		-	-	N/A
Computer Services	-	-	7,900	0%
Insurance	7,483	7,483	7,895	95%
Printing & Binding			200	0%
Office Supplies			-	N/A
Subscription & Memberships			175	0%
Legal Services				
Legal - General Counsel		-	3,000	0%
Other General Government Services				
Engineering Services - General Fund		-	750	0%
Stormwater Needs Analysis		-	-	N/A
Other Current Charges-Manatee Cty Taxes		-	-	N/A
Payroll Services			-	N/A
Capital Outlay				
Operating Transfers Out			-	N/A
Reserves				
Operation Reserve (Addition)	-	-	-	0%
Total Expenditures and Other Uses:	\$ 7,483	7,483	\$ 105,443	7%
Net Increase/ (Decrease) of Fund Balance	(7,184)	(7,184)	-	
Fund Balance - Beginning	160,634	160,634	160,634	
Fund Balance - Ending	\$ 153,450	153,450	\$ 160,634	

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 October 31, 2024

	October	Year to Date	Budget	% of Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	\$ -	N/A
Interest Income				
Capitalized Interest	-	-	-	N/A
Revenue Account	1,198	1,198	9,000	13%
Reserve Account	1,073	1,073	-	N/A
Interest Account		-	-	N/A
Sinking Fund		-	-	N/A
Prepayment Account	7	7	-	N/A
Special Assessment Revenue				
Special Assessments - Uniform Method	1,476	1,476	520,103	0%
Special Assessments - Non-Uniform Mthd	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	N/A
Other Financing Sources				
Debt Proceeds	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,754	\$ 3,754	\$ 529,103	1%
Expenditures and Other Uses				
Debt Service				
Principal - Mandatory	\$ -	\$ -	\$ 185,000	0%
Principal - Early Redemptions	-	-	-	N/A
Interest Expense	-	-	337,925	0%
Inter-Fund Group Transfers Out	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ 522,925	0%
Net Increase/ (Decrease) of Fund Balance	3,754	3,754	6,178	
Fund Balance - Beginning	550,816	550,816	513,592	
Fund Balance - Ending	\$ 554,570	\$ 554,570	\$ 519,770	

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 October 31, 2024

	October	Year to Date	Budget	% of Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	\$ -	N/A
Interest Income				
Revenue Account	1,438	1,438	-	N/A
Reserve Account	55	55	10,000	1%
Interest Account	0	0	-	N/A
Sinking Fund	-	-	-	N/A
Prepayment Account	-	-	-	N/A
Excess Revenue	-	-	-	N/A
Excess Reserve	7	7	-	N/A
Gain (loss) on Investments	-	-	-	N/A
Special Assessment Revenue				
Special Assessments - Uniform Method	3,878	3,878	1,366,212	0%
Special Assessments - Non-Uniform Mthd	-	-	-	N/A
Special Assessments - Prepaid	-	-	-	N/A
Debt Proceeds	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	N/A
Total Revenue and Other Sources:	\$ 5,378	\$ 5,378	\$ 1,376,212	0%
Expenditures and Other Uses				
Debt Service				
Principal - Mandatory	\$ -	\$ -	\$ 790,000	0%
Principal - Early Redemptions	-	-	-	N/A
Interest Expense	-	-	567,700	0%
Special Items	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ 1,357,700	0%
Net Increase/ (Decrease) of Fund Balance	5,377.96	5,378	18,512	
Fund Balance - Beginning	372,237	372,237	393,560	
Fund Balance - Ending	\$ 377,615	\$ 377,615	\$ 412,072	

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 October 31, 2024

	October	Year to Date	Budget	% of Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	\$ -	N/A
Interest Income				
Construction Account	-	-	-	N/A
Cost of Issuance	-	-	-	N/A
Other Financing Sources				
Debt Proceeds	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	N/A
Expenditures and Other Uses				
Financial and Administrative				
Special Assessment Methodology	\$ -	\$ -	\$ -	N/A
District Manager Services	-	-	-	N/A
Underwriters' Services	-	-	-	N/A
Other Contractual Services				
Trustee Services	-	-	-	N/A
Printing & Binding	-	-	-	N/A
Legal Services	-	-	-	N/A
Flood Control - Stormwater Management				
Engineering Services	-	-	-	N/A
Legal Services	-	-	-	N/A
Capital Outlay	-	-	-	N/A
Other Financing Uses				
Original Issue Discount	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	N/A
Net Increase/ (Decrease) of Fund Balance	-	-	-	
Fund Balance - Beginning	-	-	-	
Fund Balance - Ending	\$ -	-	\$ -	

Heritage Harbour North Community Development District

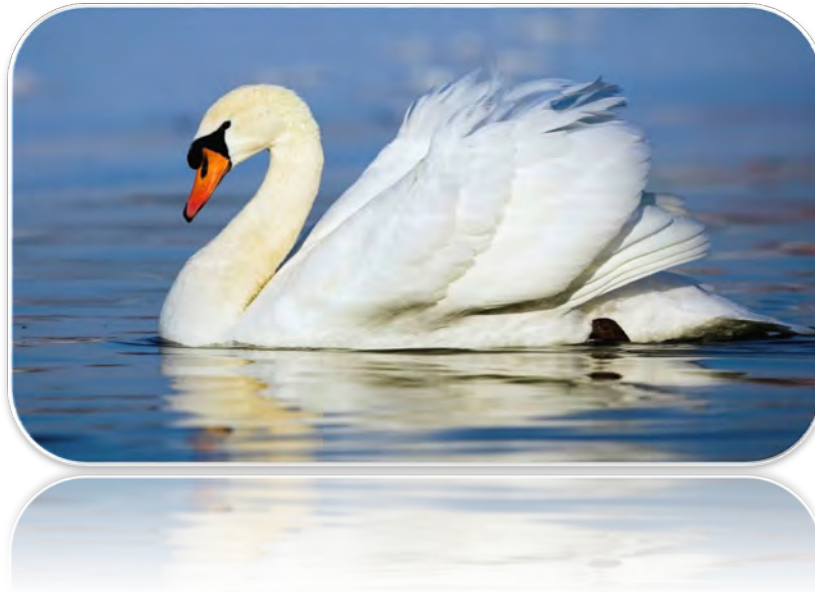
Capital Projects Fund - Series 2017 Bonds

Statement of Revenue, Expenditures and Changes in Fund Balance

for the period Ending October 31, 2024

	October	Year to Date	Budget	% of Budget
Revenue and Other Sources				
Carryforward	\$ -	\$ -	\$ -	N/A
Interest Income				
Deferred Cost Account	-	-	-	N/A
Debt Proceeds	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	N/A
Expenditures and Other Uses				
Professional Services				
District Manager Services	\$ -	\$ -	\$ -	N/A
Underwriter's Services	-	-	-	N/A
Rating Agency & Verification Agency	-	-	-	N/A
Other Contractual Services				
Trustee Services	-	-	-	N/A
Printing & Binding	-	-	-	N/A
Legal Services				
Legal - General Counsel	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	N/A
Net Increase/ (Decrease) of Fund Balance	-	-	-	
Fund Balance - Beginning	-	-	-	
Fund Balance - Ending	\$ -	\$ -	\$ -	

HERITAGE HARBOR NORTH COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS – NOVEMBER 30, 2024

FISCAL YEAR 2025

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

T: 954-658-4900 E: JimWard@JPWardAssociates.com

Heritage Harbour North Community Development District

**Balance Sheet - All Funds and Account Groups
as of November 30, 2024**

	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			
Assets								
Cash and Investments								
General Fund - Invested Cash	\$ 153,233	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 153,233
Capital Projects Fund								
Construction Account	-	-	-	-	-	-	-	-
Deferred Cost Account	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-
Debt Service Funds								
Revenue Account	-	136,426	28,889	-	-	-	-	165,316
Excess Revenue - Subordinated Bonds	-	-	68,331	-	-	-	-	68,331
Excess Reserve	-	-	-	-	-	-	-	-
Reserve Account	-	259,275	11,110	-	-	-	-	270,385
Prepayment Account	-	1,649	3,878	-	-	-	-	5,527
Interest Accounts	-	-	0	-	-	-	-	0
Sinking Fund Accounts	-	-	-	-	-	-	-	-
Due from Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
Due from Other Governments								
-	-	-	-	-	-	-	-	-
Accrued Interest Receivable								
-	-	-	-	-	-	-	-	-
Accounts Receivable								
-	-	-	-	-	-	-	-	-
Prepaid Expenses								
-	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds								
-	-	-	-	-	-	509,559	-	509,559
Amount to be Provided by Debt Service Funds								
-	-	-	-	-	-	19,800,441	-	19,800,441
General Fixed Assets								
-	-	-	-	-	-	-	8,201,874	8,201,874
Total Assets	\$ 153,233	\$ 397,350	\$ 112,208	\$ -	\$ -	\$ 20,310,000	\$ 8,201,874	\$ 29,174,666

Heritage Harbour North Community Development District

Balance Sheet - All Funds and Account Groups
as of November 30, 2024

	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			
Liabilities								
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Bonds Payable - Series 2014	-	-	-	-	-	6,650,000	-	6,650,000
Bonds Payable - Series 2017	-	-	-	-	-	13,660,000	-	13,660,000
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,310,000	\$ -	\$ 20,310,000
Fund Equity and Other Credits								
Investment in General Fixed Assets	-	-	-	-	-	-	8,201,874	8,201,874
Fund Balance								
Restricted								
Beginning: October 1, 2023	-	550,816	372,237	-	-	-	-	923,053
Results from Current Operations	-	(153,466)	(260,028)	-	-	-	-	(413,495)
Unassigned								
Beginning: October 1, 2023	169,599	-	-	-	-	-	-	169,599
Results from Current Operations	(16,365)	-	-	-	-	-	-	(16,365)
Total Fund Equity and Other Credits	153,233	397,350	112,208	-	-	-	8,201,874	8,864,666
Total Liabilities, Fund Equity and Other Credits	\$ 153,233	397,350	\$ 112,208	\$ -	\$ -	\$ 20,310,000	\$ 8,201,874	\$ 29,174,666

Heritage Harbour North Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the period Ending November 30, 2024

	October	November	Year to Date	Annual Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	-	\$ -	N/A
Miscellaneous Revenue			-	-	N/A
Interest					
Interest - General Checking	-	-	-	10	0%
Special Assessment Revenue					
Special Assessments - Uniform Method	299	1,929	2,228	105,433	2%
Special Assessments - Non-Uniform Mthd	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 299	\$ 1,929	2,228	\$ 105,443	2%
Expenditures and Other Uses					
Legislative					
Board of Supervisor's Fees	\$ -	\$ 800	800	\$ 3,000	27%
Board of Supervisor's - FICA		61	61	230	27%
Executive					
Professional Management	-	7,724	7,724	42,446	18%
Executive Salaries - FICA			-	3,897	0%
Financial and Administrative					
Audit Services			-	4,500	0%
Accounting Services		833	833	5,000	17%
Assessment Roll Preparation	-	1,417	1,417	8,500	17%
Arbitrage Rebate Services			-	1,000	0%
Manager Services			-	-	N/A
Professional Services					
District Manager Services			-	-	N/A
Other Contractual Services					
Recording and Transcription			-	250	0%
Legal Advertising			-	1,500	0%
Trustee Services			-	11,900	0%
Bond Amortization Schedules		100	100	-	N/A
Dissemination Agent Services		-	-	2,250	0%
Property Appraiser Fees			-	-	N/A
Bank Services	-	-	-	650	0%
Travel and Per Diem	-	-	-	-	N/A

Heritage Harbour North Community Development District

General Fund

Statement of Revenue, Expenditures and Changes in Fund Balance for the period Ending November 30, 2024

	October	November	Year to Date	Annual Budget	% of Budget
Communications & Freight Services					
Telephone			-	-	N/A
Postage, Freight & Messenger			-	400	0%
Rentals & Leases			-		
Miscellaneous Equipment Leasing			-	-	N/A
Computer Services	-	-	-	7,900	0%
Insurance	7,483	-	7,483	7,895	95%
Printing & Binding			-	200	0%
Office Supplies			-	-	N/A
Subscription & Memberships		175	175	175	100%
Legal Services					
Legal - General Counsel			-	3,000	0%
Other General Government Services					
Engineering Services - General Fund			-	750	0%
Stormwater Needs Analysis			-	-	N/A
Other Current Charges-Manatee Cty Taxes			-	-	N/A
Payroll Services			-	-	N/A
Capital Outlay					
Operating Transfers Out			-	-	N/A
Reserves					
Operation Reserve (Addition)	-	-	-	-	0%
Total Expenditures and Other Uses:	\$ 7,483	\$ 11,110	18,593	\$ 105,443	18%
Net Increase/ (Decrease) of Fund Balance	(7,184)	(9,181)	(16,365)	-	
Fund Balance - Beginning	160,634	153,450	160,634	160,634	
Fund Balance - Ending	<u>\$ 153,450</u>	<u>\$ 144,269</u>	<u>144,269</u>	<u>\$ 160,634</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 November 30, 2024

	October	November	Year to Date	Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income					
Capitalized Interest	-	-	-	-	N/A
Revenue Account	1,198	1,174	2,372	9,000	26%
Reserve Account	1,073	1,043	2,116	-	N/A
Interest Account	-	-	-	-	N/A
Sinking Fund	-	-	-	-	N/A
Prepayment Account	7	7	13	-	N/A
Special Assessment Revenue					
Special Assessments - Uniform Method	1,476	9,519	10,996	520,103	2%
Special Assessments - Non-Uniform Mthd	-	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	-	N/A
Other Financing Sources					
Debt Proceeds	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,754	\$ 11,743	\$ 15,496	\$ 529,103	3%
Expenditures and Other Uses					
Debt Service					
Principal - Mandatory	\$ -	\$ -	\$ -	\$ 185,000	0%
Principal - Early Redemptions	-	-	-	-	N/A
Interest Expense	-	168,963	168,963	337,925	50%
Inter-Fund Group Transfers Out	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 168,963	\$ 168,963	\$ 522,925	32%
Net Increase/ (Decrease) of Fund Balance	3,754	(157,220)	(153,466)	6,178	
Fund Balance - Beginning	550,816	554,570	550,816	513,592	
Fund Balance - Ending	\$ 554,570	\$ 397,350	\$ 397,350	\$ 519,770	

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 November 30, 2024

	October	November	Year to Date	Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income					
Revenue Account	1,438	1,404	2,841	-	N/A
Reserve Account	55	45	100	10,000	1%
Interest Account	0	0	0	-	N/A
Sinking Fund	-	-	-	-	N/A
Prepayment Account	-	0	0	-	N/A
Excess Revenue	-	-	-	-	N/A
Excess Reserve	7	16	23	-	N/A
Gain (loss) on Investments	-	-	-	-	N/A
Special Assessment Revenue					
Special Assessments - Uniform Method	3,878	25,011	28,889	1,366,212	2%
Special Assessments - Non-Uniform Mthd	-	-	-	-	N/A
Special Assessments - Prepaid	-	-	-	-	N/A
Debt Proceeds	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 5,378	\$ 26,475	\$ 31,853	\$ 1,376,212	2%
Expenditures and Other Uses					
Debt Service					
Principal - Mandatory	\$ -	\$ -	\$ -	\$ 790,000	0%
Principal - Early Redemptions	-	10,000	10,000	-	N/A
Interest Expense	-	281,881	281,881	567,700	50%
Special Items	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 291,881	\$ 291,881	\$ 1,357,700	21%
Net Increase/ (Decrease) of Fund Balance	5,377.96	(265,406)	(260,028)	18,512	
Fund Balance - Beginning	372,237	377,615	372,237	393,560	
Fund Balance - Ending	\$ 377,615	\$ 112,209	\$ 112,209	\$ 412,072	

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 November 30, 2024

	October	November	Year to Date	Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income					
Construction Account	-	-	-	-	N/A
Cost of Issuance	-	-	-	-	N/A
Other Financing Sources					
Debt Proceeds	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	\$ -	N/A
Expenditures and Other Uses					
Financial and Administrative					
Special Assessment Methodology	\$ -	\$ -	\$ -	\$ -	N/A
District Manager Services	-	-	-	-	N/A
Underwriters' Services	-	-	-	-	N/A
Other Contractual Services					
Trustee Services	-	-	-	-	N/A
Printing & Binding	-	-	-	-	N/A
Legal Services	-	-	-	-	N/A
Flood Control - Stormwater Management					
Engineering Services	-	-	-	-	N/A
Legal Services	-	-	-	-	N/A
Capital Outlay	-	-	-	-	N/A
Other Financing Uses					
Original Issue Discount	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	N/A
Net Increase/ (Decrease) of Fund Balance	-	-	-	-	
Fund Balance - Beginning	-	-	-	-	
Fund Balance - Ending	\$ -	-	-	\$ -	

Heritage Harbour North Community Development District

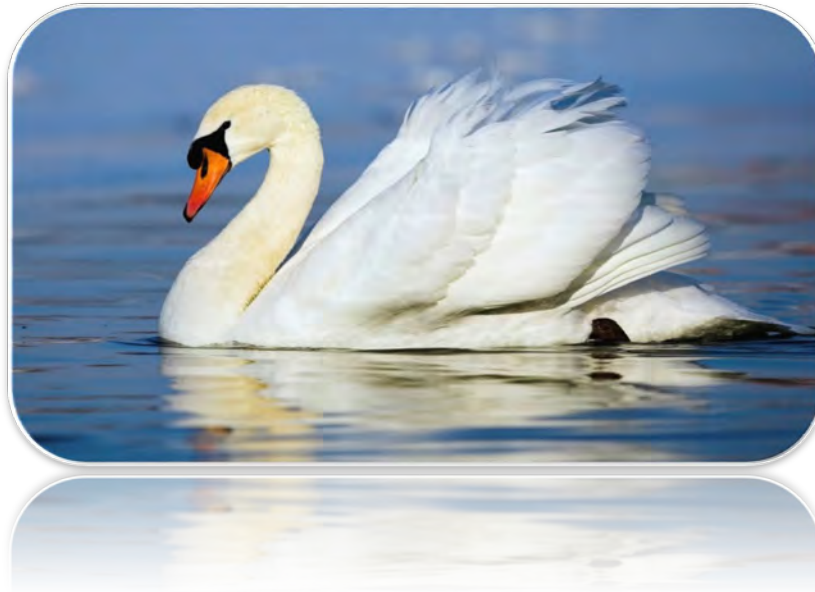
Capital Projects Fund - Series 2017 Bonds

Statement of Revenue, Expenditures and Changes in Fund Balance

for the period Ending November 30, 2024

	October	November	Year to Date	Budget	% of Budget
Revenue and Other Sources					
Carryforward	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income					
Deferred Cost Account	-	-	-	-	N/A
Debt Proceeds	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	\$ -	N/A
Expenditures and Other Uses					
Professional Services					
District Manager Services	\$ -	\$ -	\$ -	\$ -	N/A
Underwriter's Services	-	-	-	-	N/A
Rating Agency & Verification Agency	-	-	-	-	N/A
Other Contractual Services					
Trustee Services	-	-	-	-	N/A
Printing & Binding	-	-	-	-	N/A
Legal Services					
Legal - General Counsel	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	N/A
Net Increase/ (Decrease) of Fund Balance	-	-	-	-	
Fund Balance - Beginning	-	-	-	-	
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -	

HERITAGE HARBOR NORTH COMMUNITY DEVELOPMENT DISTRICT



FINANCIAL STATEMENTS - DECEMBER 31, 2024

FISCAL YEAR 2025

PREPARED BY:

JPWARD & ASSOCIATES, LLC, 2301 NORTHEAST 37TH STREET, FORT LAUDERDALE, FL 33308

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Heritage Harbour North Community Development District

**Balance Sheet - All Funds and Account Groups
as of December 31, 2024**

	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			
Assets								
Cash and Investments								
General Fund - Invested Cash	\$ 177,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,047
Capital Projects Fund								
Construction Account	-	-	-	-	-	-	-	-
Deferred Cost Account	-	-	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-
Debt Service Funds								
Revenue Account	-	311,647	485,564	-	-	-	-	797,211
Excess Revenue - Subordinated Bonds	-	-	68,331	-	-	-	-	68,331
Excess Reserve	-	-	-	-	-	-	-	-
Reserve Account	-	259,275	11,110	-	-	-	-	270,385
Prepayment Account	-	1,655	3,878	-	-	-	-	5,533
Interest Accounts	-	-	0	-	-	-	-	0
Sinking Fund Accounts	-	-	-	-	-	-	-	-
Due from Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
Due from Other Governments								
-	-	-	-	-	-	-	-	-
Accrued Interest Receivable								
-	-	-	-	-	-	-	-	-
Accounts Receivable								
-	-	-	-	-	-	-	-	-
Prepaid Expenses								
-	-	-	-	-	-	-	-	-
Amount Available in Debt Service Funds								
-	-	-	-	-	-	1,141,460	-	1,141,460
Amount to be Provided by Debt Service Funds								
-	-	-	-	-	-	19,958,540	-	19,958,540
General Fixed Assets								
-	-	-	-	-	-	-	8,201,874	8,201,874
Total Assets	\$ 177,047	\$ 572,577	\$ 568,883	\$ -	\$ -	\$ 21,100,000	\$ 8,201,874	\$ 30,620,381

Heritage Harbour North Community Development District

Balance Sheet - All Funds and Account Groups
as of December 31, 2024

	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			
Liabilities								
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-	-	-	-	-
Due to Other Funds								
General Fund	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2017	-	-	-	-	-	-	-	-
Debt Service Fund - Series 2014	-	-	-	-	-	-	-	-
Bonds Payable - Series 2014	-	-	-	-	-	6,650,000	-	6,650,000
Bonds Payable - Series 2017	-	-	-	-	-	14,450,000	-	14,450,000
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,100,000	\$ -	\$ 21,100,000
Fund Equity and Other Credits								
Investment in General Fixed Assets	-	-	-	-	-	-	8,201,874	8,201,874
Fund Balance								
Restricted								
Beginning: October 1, 2023	-	550,816	372,237	-	-	-	-	923,053
Results from Current Operations	-	21,761	196,646	-	-	-	-	218,407
Unassigned								
Beginning: October 1, 2023	169,599	-	-	-	-	-	-	169,599
Results from Current Operations	7,449	-	-	-	-	-	-	7,449
Total Fund Equity and Other Credits	177,047	572,577	568,883	-	-	-	8,201,874	9,520,381
Total Liabilities, Fund Equity and Other Credits	\$ 177,047	\$ 572,577	\$ 568,883	\$ -	\$ -	\$ 21,100,000	\$ 8,201,874	\$ 30,620,381

Heritage Harbour North Community Development District

General Fund

**Statement of Revenue, Expenditures and Changes in Fund Balance
for the period Ending December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	-	\$ -	N/A
Miscellaneous Revenue				-	-	N/A
Interest						
Interest - General Checking	-	-	-	-	10	0%
Special Assessment Revenue						
Special Assessments - Uniform Method	299	1,929	35,208	37,436	105,433	36%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 299	\$ 1,929	\$ 35,208	37,436	\$ 105,443	36%
Expenditures and Other Uses						
Legislative						
Board of Supervisor's Fees	\$ -	\$ 800	\$ -	800	\$ 3,000	27%
Board of Supervisor's - FICA		61	-	61	230	27%
Executive						
Professional Management	-	7,724	3,862	11,586	42,446	27%
Executive Salaries - FICA				-	3,897	0%
Financial and Administrative						
Audit Services			-	-	4,500	0%
Accounting Services		833	417	1,250	5,000	25%
Assessment Roll Preparation	-	1,417	708	2,125	8,500	25%
Arbitrage Rebate Services				-	1,000	0%
Manager Services				-	-	N/A
Professional Services						
District Manager Services				-	-	N/A
Other Contractual Services						
Recording and Transcription				-	250	0%
Legal Advertising				-	1,500	0%
Trustee Services			4,760	4,760	11,900	40%
Bond Amortization Schedules		100	-	100	-	N/A
Dissemination Agent Services		-		-	2,250	0%
Property Appraiser Fees				-	-	N/A
Bank Services	-	-	-	-	650	0%
Travel and Per Diem	-	-	-	-	-	N/A

Heritage Harbour North Community Development District

General Fund

**Statement of Revenue, Expenditures and Changes in Fund Balance
for the period Ending December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Communications & Freight Services						
Telephone				-	-	N/A
Postage, Freight & Messenger			61	61	400	15%
Rentals & Leases				-		
Miscellaneous Equipment Leasing				-	-	N/A
Computer Services	-	-	-	-	7,900	0%
Insurance	7,483	-	-	7,483	7,895	95%
Printing & Binding				-	200	0%
Office Supplies				-	-	N/A
Subscription & Memberships		175		175	175	100%
Legal Services						
Legal - General Counsel			1,588	1,588	3,000	53%
Other General Government Services						
Engineering Services - General Fund				-	750	0%
Stormwater Needs Analysis				-	-	N/A
Other Current Charges-Manatee Cty Taxes				-	-	N/A
Payroll Services				-	-	N/A
Capital Outlay						
Operating Transfers Out				-	-	N/A
Reserves						
Operation Reserve (Addition)	-	-	-	-	-	0%
Total Expenditures and Other Uses:	\$ 7,483	\$ 11,110	\$ 11,395	29,988	\$ 105,443	28%
Net Increase/ (Decrease) of Fund Balance	(7,184)	(9,181)	23,814	7,449	-	
Fund Balance - Beginning	160,634	153,450	144,269	160,634	160,634	
Fund Balance - Ending	<u>\$ 153,450</u>	<u>\$ 144,269</u>	<u>\$ 168,083</u>	<u>168,083</u>	<u>\$ 160,634</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 December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income						
Capitalized Interest	-	-	-	-	-	N/A
Revenue Account	1,198	1,174	473	2,845	9,000	32%
Reserve Account	1,073	1,043	968	3,084	-	N/A
Interest Account				-	-	N/A
Sinking Fund				-	-	N/A
Prepayment Account	7	7	6	20	-	N/A
Special Assessment Revenue						
Special Assessments - Uniform Method	1,476	9,519	173,779	184,774	520,103	36%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	N/A
Special Assessments - Prepayments	-	-	-	-	-	N/A
Other Financing Sources						
Debt Proceeds	-	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 3,754	\$ 11,743	\$ 175,227	\$ 190,723	\$ 529,103	36%
Expenditures and Other Uses						
Debt Service						
Principal - Mandatory	\$ -	\$ -	\$ -	\$ -	\$ 185,000	0%
Principal - Early Redemptions	-	-	-	-	-	N/A
Interest Expense	-	168,963	-	168,963	337,925	50%
Inter-Fund Group Transfers Out	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 168,963	\$ -	\$ 168,963	\$ 522,925	32%
Net Increase/ (Decrease) of Fund Balance	3,754	(157,220)	175,227	21,761	6,178	
Fund Balance - Beginning	550,816	554,570	397,350	550,816	513,592	
Fund Balance - Ending	<u>\$ 554,570</u>	<u>\$ 397,350</u>	<u>\$ 572,577</u>	<u>\$ 572,577</u>	<u>\$ 519,770</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 December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income						
Revenue Account	1,438	1,404	42	2,883	-	N/A
Reserve Account	55	45	41	141	10,000	1%
Interest Account	0	0	-	0	-	N/A
Sinking Fund	-	-	-	-	-	N/A
Prepayment Account	-	0	-	0	-	N/A
Excess Revenue	-	-	0	0	-	N/A
Excess Reserve	7	16	14	37	-	N/A
Gain (loss) on Investments	-	-	-	-	-	N/A
Special Assessment Revenue						
Special Assessments - Uniform Method	3,878	25,011	456,577	485,466	1,366,212	36%
Special Assessments - Non-Uniform Mthd	-	-	-	-	-	N/A
Special Assessments - Prepaid	-	-	-	-	-	N/A
Debt Proceeds	-	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 5,378	\$ 26,475	\$ 456,675	\$ 488,527	\$ 1,376,212	35%
Expenditures and Other Uses						
Debt Service						
Principal - Mandatory	\$ -	\$ -	\$ -	\$ -	\$ 790,000	0%
Principal - Early Redemptions	-	10,000	-	10,000	-	N/A
Interest Expense	-	281,881	-	281,881	567,700	50%
Special Items	-	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 291,881	\$ -	\$ 291,881	\$ 1,357,700	21%
Net Increase/ (Decrease) of Fund Balance	5,377.96	(265,406)	456,675	196,646	18,512	
Fund Balance - Beginning	372,237	377,615	112,209	372,237	393,560	
Fund Balance - Ending	<u>\$ 377,615</u>	<u>\$ 112,209</u>	<u>\$ 568,883</u>	<u>\$ 568,883</u>	<u>\$ 412,072</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 December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income						
Construction Account	-	-	-	-	-	N/A
Cost of Issuance	-	-	-	-	-	N/A
Other Financing Sources						
Debt Proceeds	-	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Expenditures and Other Uses						
Financial and Administrative						
Special Assessment Methodology	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
District Manager Services	-	-	-	-	-	N/A
Underwriters' Services	-	-	-	-	-	N/A
Other Contractual Services						
Trustee Services	-	-	-	-	-	N/A
Printing & Binding	-	-	-	-	-	N/A
Legal Services	-	-	-	-	-	N/A
Flood Control - Stormwater Management						
Engineering Services	-	-	-	-	-	N/A
Legal Services	-	-	-	-	-	N/A
Capital Outlay	-	-	-	-	-	N/A
Other Financing Uses						
Original Issue Discount	-	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/A</u>
Net Increase/ (Decrease) of Fund Balance	-	-	-	-	-	
Fund Balance - Beginning	-	-	-	-	-	
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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 December 31, 2024**

	<u>October</u>	<u>November</u>	<u>December</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Revenue and Other Sources						
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Interest Income						
Deferred Cost Account	-	-	-	-	-	N/A
Debt Proceeds	-	-	-	-	-	N/A
Inter-Fund Group Transfers In	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Expenditures and Other Uses						
Professional Services						
District Manager Services	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Underwriter's Services	-	-	-	-	-	N/A
Rating Agency & Verification Agency	-	-	-	-	-	N/A
Other Contractual Services						
Trustee Services	-	-	-	-	-	N/A
Printing & Binding	-	-	-	-	-	N/A
Legal Services						
Legal - General Counsel	-	-	-	-	-	N/A
Inter-Fund Group Transfers Out	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Net Increase/ (Decrease) of Fund Balance	-	-	-	-	-	
Fund Balance - Beginning	-	-	-	-	-	
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	