

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

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

Present and constituting a quorum:

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

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel
Ben Steets	Grau and Associates

Audience:

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

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

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. James P. Ward called the meeting to order at approximately 1:36 p.m.; all Members of the Board were present, constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Minutes

May 4, 2023 – Public Hearing and Regular Meeting Minutes

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

A blank was filled. The Minutes were amended.

On MOTION made by John Wisz, seconded by Michael Fisher, and with all in favor, the May 4, 2023 Public Hearing Regular Meeting Minutes were approved as amended.

THIRD ORDER OF BUSINESS

Consideration of Audited Financial Statements

Consideration and acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2023

Mr. Ward introduced Mr. Ben Steets.

Mr. Ben Steets with Grau and Associates indicated this audit was required by the State of Florida and the bond indentures. He reviewed the Audited Financial Statements indicating the first page declared the auditor’s opinion which was clean, which meant Grau and Associates believed the financial statements were fairly presented in accordance with generally accepted accounting principles (GAP). He stated next was the Management’s Discussion and Analysis which was a recap of the financial activity for the year comparing the current figures to the prior year. He stated page 4 was the condensed statement of net position (balance sheet), and page 5 was the condensed changes in net position (income statement).

Ms. Lyons asked about page 5 and the difference between 2022 and 2023 of \$22,000 for operating grants and contributions.

Mr. Steets explained this was investment earnings. He explained the interest income went up because the interest rates went up. He indicated starting on page 7 were the Financial Statements including the government wide financials; statement of net position; statement of activities; balance sheet; and statement of revenues, expenditures, and changes in fund balance. He reported page 13 began the notes to the financial statements. He discussed the remainder of the Audited Financial Statements which included various reports required by the State of Florida and the Florida Auditor General. He indicated the District was in compliance, Grau issued a clean opinion, and there were no findings.

Ms. Lyons asked about page 29, “the District has not met emergency conditions --.”

Mr. Steets explained the wording was confusing, but this simply meant there were no emergencies, so no emergency conditions were met, which meant the District’s financial situation was healthy.

Mr. Ward noted this was a very common confusion.

On MOTION made by John Wisz, seconded by Pauline Tasler, and with all in favor, the Audited Financial Statements for Fiscal Year ended September 30, 2023 were accepted.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2024-1

Consideration of Resolution 2024-1, a Resolution of the Board of Supervisors, Rescinding the July meeting date for Fiscal Year 2024 adopted by Resolution 2023-6, as the date is a Federal Holiday; and providing for an effective date

Mr. Ward indicated Resolutions 2024-1 and 2024-2 were housekeeping items. He stated Resolution 2024-1 simply removed July 4 from the meeting schedule.

On MOTION made by John Wisz, seconded by Michael Fisher, and with all in favor, Resolution 2024-1 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS**Consideration of Resolution 2024-2**

Consideration of Resolution 2024-2, a Resolution of the Board of Supervisors Affirming, Stating and Establishing the District's adoption of an Electronic Records Policy and a Policy on the use of Electronic Signatures; addressing severability, conflicts and an effective date

Mr. Ward explained Florida statute required Districts to have a records management policy; this policy was established a number of years ago by this District, but there had been a few minor changes to the statute over the years and Resolution 2024-2 reaffirmed and restated the existing policy and brought the policy into alignment with state statutes.

On MOTION made by Pauline Tasler, seconded by Louise Buckley, and with all in favor, Resolution 2024-2 was adopted, and the Chair was authorized to sign.

SIXTH ORDER OF BUSINESS**Consideration of Resolution 2024-3**

Consideration of Resolution 2024-3, a Resolution of the Board of Supervisors Approving the Proposed Fiscal Year 2025 Budget and setting the Public Hearing on Thursday, May 2, 2023 at 1:00 P.M. at the River Strand Golf & Country Club (Club House), 7155 Grand Estuary Trail, Bradenton, Florida 34212

Mr. Ward: Resolution 2024-3 will start your Fiscal Year 2025 Budget process. First it sets your public hearing for Thursday, May 2, 2024 at 1:00 p.m. here at the River Strand Country Club. The budget is comprised of two parts, one is our operating budget. In our operating budget the assessment rate for 2025 will be \$60.33. This is slightly down from the year we are in, which is \$67.21. The costs have remained relatively consistent with some minor changes to the general fund budget. Your debt service fund budget remains the same and assessments remains the same. The debt service changes slightly from year to year based on the amortization schedule for each series of bonds that you have. The approval of the budget does not bind you to the assessment rates nor the budget itself. It sets the maximum cap so you can never go over the assessment rate, but you can change this to a lower number if you want to when we get to the public hearing.

Ms. Lyons: This is a 10% reduction. I think our constituents will be very happy to hear that. We had a situation where when you instigated the refinance of some of the bonds, we were fortunate enough given the timing to get some really good rates and we reduced the line item on average for our community \$500 dollars a year per unit for 20 years. We never told anybody that. We need to tell people that. And this is another thing. I think we need to make people aware of us doing that.

Ms. Tasler: They say you have the opportunity to pay the CDD your portion of it at that time. Somebody asked me if they can go back and do it now?

Mr. Ward: Sure. The capital assessment is what you can prepay. You can prepay that at any time. On the District's website there is a parcel search feature from the home page. You take your property ID

number that's on your tax bill, which is in the upper left side. You put that number in the search feature, and it will give you a printable page of what your par debt is on your lot and instructions on how to do the pay off, including my contact information. The operating assessment will never go away. You cannot pay that off, so the only thing that will be left is the \$60 operating assessment if they pay the capital assessment off. If they have questions, my cell phone number is on the website. They can just give me a call and I will be glad to help them through the process.

On MOTION made by Nancy Lyons, seconded by Louise Buckley, and with all in favor, Resolution 2024-3 was adopted, and the Chair was authorized to sign.

SEVENTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

Mr. Greg Urbancic: This is going to be an election year, so we will have qualifying and everything that goes with it. I know that will likely be coming forward to you at a subsequent meeting. Also, the Legislature started its Legislative Session in January. January 9. So, they are several weeks in. It ends on March 8. So, we will see what comes out of that. There are some bills that could affect us a little bit. There is one bill in particular that is garnering a lot of interest, and it has tied into it certain requirements such as establishing performance measures and things like that. We will see what happens with this session and I will definitely update you once it's over and we can sort through the carnage and see what survived and what got left on the chopping block.

II. District Engineer

No report.

III. District Manager

- a) Florida Law changes to Form 1 Filings
- b) Important Board Meeting Reminders for Fiscal Year 2024 Meetings
 - 1) February 1, 2024 – Present Proposed Budget for FY2025
 - 2) May 2, 2024 – Public Hearings, Fiscal Year 2025 Budget
 - 3) June 10 – June 14, 2024 – Candidate Qualifying period (Seats 2&4)
- c) Financial Statement for period ending October 31, 2023 (unaudited)
- d) Financial Statement for period ending November 30, 2023 (unaudited)
- e) Financial Statement for period ending December 31, 2023 (unaudited)

Mr. Ward indicated the Board will not have to file a Form 6. He explained the Board only had to file a Form 1. He stated this year the Board would be required to complete four hours of ethics training. He indicated he would send a word file memorandum which would include links to the ethics training website. He noted the training had to be done this year for the Form 1 for next year; this year's Form 1 did not require ethics training. He recommended the Board Members complete the ethics training sooner rather than later. He indicated the other change was, Form 1 could no longer be filed manually with the Supervisor of Elections, Form 1 had to be filed online through the ethics website. He noted this was actually an easy process. He stated the memorandum would include a link and instructions on how to file Form 1. He noted Form 1 was due July 1 and he strongly suggested Form 1 be filed sometime before July 1, at least in June. He stated Board Members could

call Mr. Urbancic or himself (Mr. Ward) with any questions. He noted June 10th through June 13th was the qualifying period for those who were up for election. He stated he would send an email with this information. He indicated he would remind the Board of this in May as well.

EIGHTH ORDER OF BUSINESS

Supervisor’s Requests and Audience Comments

Mr. Ward asked if there were any Supervisor’s requests.

Ms. Lyons: Just so you are aware, I went to a couple of the meetings they have been having around here with information about the renovations they want to do. And this flashed across in one of the power point presentations that they are talking with the CDD North and Civil Engineer about creating additional golf cart parking at the clubhouse. Well, since I didn’t know anything about that, I figured you might not know anything about that either, so I had a meeting with Joe Rassler (ph) and I said what is this, and he said that this is the land between here and the townhouses right over there. It’s a preserve. It’s a conservation area of some kind. You will have to work with SWFMD if you want to do anything with it, but they want to potentially present us with something very sketchy to start with to work together with us to find out what is the status of it, can any of it be changed, can portions of it be changed, can we use any credit tradeoffs or whatever with them relative to other properties that we might have so that maybe – there was a suggestion at one point about a year ago when they started talking about this kind of stuff where there was the idea that we couldn’t sell it to a nongovernmental entity, but maybe a lease of some kind, something could be worked out. Anyway, they want to talk to us about this situation and see what the implications are and are there any possibilities to do it. Apparently, the membership is adamant about having more parking here in this area. I wanted to be sure you knew about it. I told Joe yesterday he has to propose something. We are not going to dig something up.

NINTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 2:04 p.m.

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

Heritage Harbour North
Community Development District


James P. Ward, Secretary


Nancy Lyons, Chairperson