

**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, April 1, 2021 at 2:00 p.m., at the River Strand Golf and Country Club, 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
Racquel McIntosh	Grau and Associates

Audience:

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

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

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

District Manager James P. Ward called the meeting to order at approximately 2:00 p.m. He called roll and all Members of the Board were present constituting a quorum.

SECOND ORDER OF BUSINESS

Consideration of Minutes

February 4, 2021 Regular Meeting

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

Ms. Nancy Lyons: On page 3, line 115, this whole section down to 140. I know that you Jim wrote a letter, an official letter to the HOA sometime back, letting them know they had to contact us and run their plans by our engineers. So, all I thought was, and I don't know if it is best to change it here or to change it in today's meeting minutes, or add it in today's meeting minutes, to reflect the fact that we did

send them an official letter requiring them to send their specs to us and their plans to us, so we have a documentation of the fact that we did that.

Mr. Ward: That will be reflected in today's Minutes.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Mr. Michael Fisher, seconded by Ms. Louise Buckley, and with all in favor, the February 4, 2021 Regular Meeting Minutes were approved.

THIRD ORDER OF BUSINESS

Public Hearing

a. PUBLIC HEARING – FISCAL YEAR 2022 BUDGET

Mr. Ward: This is the Budget that begins on October 1, 2021 and ends on September 30, 2022. We used a two public hearing process. The first public hearing is with respect to your budget itself, and the second public hearing is with respect to the adoption of the general fund assessments necessary to fund your FY-2022 Budget. We started this process 2 months ago. The general fund budget is the one we have control over. Your total anticipated expenditures for Fiscal Year 2022 are \$125,170 dollars, around \$3,000 dollars lower than it was in 2021. The assessment rate is \$66.92 per unit for the entire year. In 2021 it was \$68.75 per unit for the entire year. Essentially it is the same budget you had last year with some minor changes. Your debt service fund budget – you have two debt service fund budgets, one with respect to your 2014 refinanced bonds and your 2017 refinanced bonds. These are exactly the same as they were the prior year. They will always have the same assessment rates on them. He asked if there were any questions; there were none.

I. Public Comment and Testimony

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

On MOTION made by Ms. Nancy Lyons, seconded by Mr. Michael Fisher, and with all in favor, the Public Hearing was opened.

Mr. Ward asked if there any audience members present in person, via telephone or video conference, with any public comments or questions with respect to the Fiscal Year 2022 Budget; hearing none, he called for a motion to close the public hearing.

On MOTION made by Mr. Michael Fisher, seconded by Ms. Nancy Lyons, and with all in favor, the Public Hearing was closed.

II. Board Comment

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

III. Consideration of Resolution 2021-3 relating to the annual appropriations and adopting the budget for Fiscal Year 2022

Mr. Ward called for a motion.

On MOTION made by Mr. John Wisz, seconded by Ms. Louise Buckley, and with all in favor, Resolution 2021-3 was adopted, and the Chair was authorized to sign.

b. FISCAL YEAR 2022 IMPOSING SPECIAL ASSESSMENTS; ADOPTING AN ASSESSMENT ROLL AND APPROVING THE GENERAL FUND SPECIAL ASSESSMENT METHODOLOGY

Mr. Ward indicated this public hearing was related to the imposition of the special assessments and adopting an assessment roll for the District for Fiscal Year 2022.

I. Public Comment and Testimony

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

On MOTION made by Ms. Nancy Lyons, seconded by Mr. Michael Fisher, and with all in favor, the Public Hearing was opened.

Mr. Ward: The general fund methodology contained in the resolution is the same methodology we have used in the past. It simply levies your total assessments across all of the units that are within the Heritage Harbor North CDD on an individual basis, so everybody pays the same. It is not a sliding scale based upon lot sizes or anything like that.

Mr. Ward asked if there any audience members present in person, via telephone or video conference with public comments or questions; hearing none, he called for a motion to close the Public Hearing.

On MOTION made by Ms. Louise Buckley, seconded by Ms. Nancy Lyons, and with all in favor, the Public Hearing was closed.

II. Board Comment

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

III. Consideration of Resolution 2021-4 imposing special assessments, certifying an assessment roll, and approving the general fund special assessment methodology

Mr. Ward called for a motion.

On MOTION made by Mr. John Wisz, seconded by Ms. Louise Buckley, and with all in favor, Resolution 2021-4 was adopted, and the Chair was authorized to sign.

FOURTH ORDER OF BUSINESS**Consideration of Resolution 2021-5****Consideration of Resolution 2021-5 designating the dates, time, and location for regular meetings of the Board of Supervisors of the District**

Mr. Ward stated Resolution 2021-5 set the Board Meeting dates, times and locations for Fiscal Year 2021 Board Meetings. *The meetings are set at the same time, date, and locations as we have in the current year. I see my office moved them up to 1:30 p.m. instead of 2:00 p.m. I don't care what you do. If you want to do 1:30 p.m. or 2:00 p.m., either works.* Discussion ensued regarding the time. It was decided to hold the meetings at 1:30 p.m.

Mr. Ward asked if there were any questions; hearing none, he called for a motion.

On MOTION made by Ms. Nancy Lyons, seconded by Mr. John Wisz, and with all in favor, Resolution 2021-5 was adopted, and the Chair was authorized to sign.

FIFTH ORDER OF BUSINESS**Consideration of Audited Financial Statements****Consideration of the Acceptance of the Audited Financial Statements for the Fiscal Year ended September 30, 2020**

Mr. Ward indicated Racquel McIntosh with Grau and Associates would present the Audited Financial Statements.

Ms. Racquel McIntosh with Grau and Associates reviewed the Audited Financial Statements for the Fiscal Year ended September 30, 2020. She stated page 1 reflected the Independent Auditor's Opinion. She indicated Grau and Associates had an unmodified/clean opinion of the Financial Statements, which meant Grau believed the Financial Statements were presented fairly in all respects. She stated page 9 was the Balance Sheet for the Governmental Funds. She reported the District ended with total assets of just under \$1.1 million dollars, the majority of which was in the Debt Service Fund with approximately \$942,000 dollars in assets, and the General Fund had just under \$130,000 dollars. She reported this page also reflected the total fund balance for the year which was \$1,023,415 dollars overall; the majority of this was in the Debt Service fund (\$942,000 dollars). She stated the General fund had just under \$81,000 dollars in fund balance. She explained the fund balance for the Debt Service fund was restricted for use for the debt issued while the General fund balance was unassigned and available for spending at the Board's discretion. She stated on page 11 of the report was the Statement of Revenues, Expenditures, and Changes in Fund Balances: \$37,479 dollars was the overall change; the general fund provided \$29,000 dollars of this and the debt service provided \$8,400 dollars of this; both were increases to the fund balances which indicated the District earned more revenues than expenditures. She indicated the notes to the financial statements did not change significantly for the year. She noted

page 20 reflected the long-term debt activity; the District still had \$7.295 million dollars outstanding on the Series 2014 bonds, and on the Series 2017 bonds, the District still had \$17.43 million dollars outstanding. She reported on page 22 was the Budget to Actual Report for the General Fund. She stated the Board adopted a Budget with revenues and appropriations of \$128,702 dollars; revenues came in at \$126,046 dollars, and expenditures came in at \$91,671 dollars; therefore, the District was in compliance with the Budget Statute. She stated on page 24 was Grau's report on the District's Internal Control over Financial Reporting and Compliance which reflected Grau did not detect any material weaknesses or significant deficiencies in the Internal Controls, nor did Grau have any compliance related findings or other findings related to Internal Controls. She reported Grau also had an unmodified opinion regarding the District's Compliance with Florida Statute 218.415 which meant Grau believed the District complied in all material respects with the requirements of Florida Statute 218.415. She stated page 28 of the report indicated there were no current or prior year findings for the Fiscal Year ended September 30, 2020. She asked if there were any questions; there were none.

Ms. Lyons: In section 3 on page 28, bullet point number 5, "the district has not complied with financial emergency conditions described in the—."

Ms. McIntosh explained this language came from the Auditor General, but actually meant the District did not meet any of the conditions requiring a financial emergency, which was good.

Mr. Ward noted this question was often raised. He stated these Audited Financial Statements had been filed with the appropriate entities and should be accepted for purposes of inclusion in the record.

On MOTION made by Ms. Nancy Lyons, seconded by Mr. John Wisz, and with all in favor, the Audited Financial Statements for the Fiscal Year ended September 30, 2020 were accepted for purposes of inclusion in the record.

Mr. Ward thanked Ms. Racquel McIntosh.

SIXTH ORDER OF BUSINESS

Staff Reports

I. District Attorney

Mr. Urbancic: The legislative session is in full swing and there are several bills pending that may affect what we do a little bit in some ways in the future, but it is a little too premature to know whether or not those are going to pass. There is one that is getting a lot of discussion which would actually affect a little bit what Racquel was talking about. It would impose a few more audit requirements, although nothing as far as the audit that's overly substantial, but there is another provision of the bill that's pending that creates a concept of a performance audit as well. It is really interesting concept and right now they are only applied to certain types of special districts like soil districts and certain water districts, but there has been commentary from some members of the legislature that they want to expand that, but it's a little too premature to really say at this point in time what will happen with that. We will wait and see how the legislative session pans out. There are a lot of similar bills that we have seen in the past that often seem like they are going to get legs and pass, but they end up failing at the last second because of some lobby group, particularly like

advertising. For some reason it seems to get all the way to the finish line and then just falls at the last second, and we know it is just newspaper lobby. I will keep you updated. As of right now I don't know of anything overly significant which would affect us, but there could be some things that affect us. He asked if there were any questions; there were none.

II. District Engineer

No report.

III. District Manager

- a) Financial Statement for period ending January 31, 2021 (unaudited)
- b) Financial Statement for period ending February 28, 2021 (unaudited)

No report.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

Mr. Ward asked if there were any Supervisor's requests; there were none. He asked if there were any audience members present with questions; there were none.

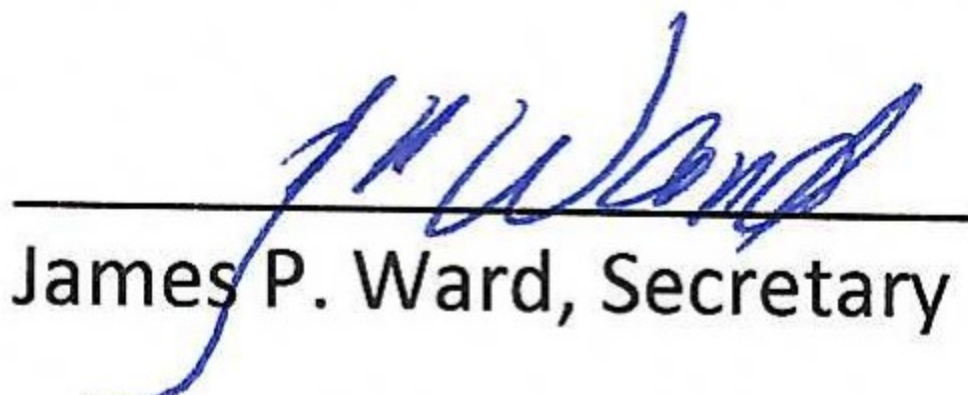
EIGHTH ORDER OF BUSINESS

Adjournment

Mr. Ward adjourned the meeting at approximately 2:30 p.m.

On MOTION made by Mr. Louise Buckley, seconded by Mr. John Wisz, and with all in favor, the Meeting was adjourned.

Heritage Harbour North
Community Development District


James P. Ward, Secretary


Nancy Lyons, Chairperson