

*Heron Isles  
Community Development District*

*August 1, 2019*

# *Heron Isles*

## *Community Development District*

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*475 West Town Place, Suite 114, St. Augustine, Florida 32092*

*Phone: 904-940-5850 Fax: 904-940-5899*

July 25, 2019

Board of Supervisors  
Heron Isles Community Development District

Dear Board Members:

A meeting of the Board of Supervisors of the Heron Isles Community Development District will be held Thursday, August 1, 2019 at 6:00 p.m. at the Association of Realtors, 910 South 14<sup>th</sup> Street, Fernandina Beach, Florida.

- I. Roll Call
- II. Audience Comments
- III. Affidavits of Publication
- IV. Approval of the Minutes of the May 2, 2019 Meeting
- V. Update on Pending Projects
  - A. Additional Parking for Playground Park and Soccer Field
  - B. Mail Kiosk Cover
- VI. Public Hearing to Adopt the Fiscal Year 2020 Budget
  - A. Consideration of Resolution 2019-07, Relating to Annual Appropriations and Adopting the Budget for Fiscal Year 2020
  - B. Consideration of Resolution 2019-08, Imposing Special Assessments and Certifying an Assessment Roll
- VII. Public Hearing to Adopt Rates and Fees Relating to Access Cards
  - A. Consideration of Resolution 2019-09
- VIII. Acceptance of the Fiscal Year 2018 Audit Report
- IX. Staff Reports
  - A. District Counsel
  - B. District Engineer
  - C. District Manager – Discussion of the Fiscal Year 2020 Meeting Schedule
  - D. Property Manager – Report
- X. Supervisors' Requests and Audience Comments
- XI. Financial Reports
  - A. Balance Sheet & Income Statement
  - B. Assessment Receipt Schedule
  - C. Approval of Check Register
- XII. Next Scheduled Meeting – TBD
- XIII. Adjournment

Enclosed under the third order of business are copies of the affidavits of publications for the public hearings.

Enclosed under the fourth order of business is a copy of the minutes of the May 2, 2019 meeting.

The fifth order of business is update on pending projects. Cost estimates for the parking lot expansion are enclosed for your review.

The sixth order of business is the public hearing to adopt the Fiscal Year 202 budget. Enclosed for your review and approval are copies of the budget, resolution 2019-07, and resolution 2019-08.

The seventh order of business is the public hearing to adopt rates and fees relating to access cards. A copy of resolution 2019-09 with the proposed rates is enclosed for your review and approval.

The eighth order of business is acceptance of the Fiscal Year 2018 audit report. A copy of the report is enclosed for your review.

Copies of the financial reports are enclosed for your review and approval.

The balance of the agenda is routine in nature. Staff reports and any additional support material will be presented and discussed at the meeting. If you have any questions, please contact me.

I look forward to seeing you at the meeting and in the meantime if you have any questions, please contact me.

Sincerely,

*Ernesto Torres*

Ernesto Torres  
District Manager

## *AGENDA*

# Heron Isles Community Development District *Agenda*

Thursday  
August 1, 2019  
6:00 p.m.

Association of Realtors  
910 South 14<sup>th</sup> Street  
Fernandina Beach, FL  
Call in #: 800-264-8432  
Passcode: 433354  
[www.heronislescdd.com](http://www.heronislescdd.com)

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### *THIRD ORDER OF BUSINESS*

**NEWS-LEADER**  
**Published Weekly**  
511 Ash Street/P.O. Box 16766 (904) 261-3696  
Fernandina Beach, Nassau County, Florida 32034

**STATE OF FLORIDA**  
**COUNTY OF NASSAU:**

Before the undersigned authority personally appeared  
**Foy R. Maloy, Jr**

Who on oath says that (s)he is the Publisher of the  
Fernandina Beach News-Leader, a weekly newspaper published at  
Fernandina Beach in Nassau County, Florida; that the attached  
copy the advertisement, being a **DISPLAY LEGAL NOTICE** in the  
matter of

**N/ MEETING AND MAP**  
**HERON ISLES CDD**

Was published in said newspaper in the issue(s) of


**07/03/2019 07/10/2019**  
**LEGAL DISPLAY**

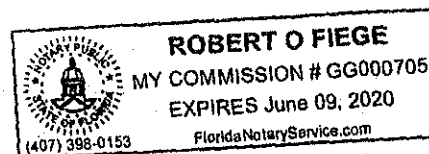
Affiant further says that the said News-Leader is  
a newspaper published at Fernandina Beach, in said Nassau  
County, Florida and that the said newspaper has heretofore been  
continuously published in said Nassau County, Florida, each week  
and has been entered as second class mail matter at the post office  
in Fernandina Beach in said Nassau County, Florida, for a period  
of one year preceding the first publication of the attached copy  
of advertisement; and Affiant further says that (s)he has neither paid  
nor promised any person, firm or corporation any discount,  
rebate, commission or refund for the purpose of securing this  
advertisement for publication in the said newspaper.



Sworn to and subscribed to before me  
This 10th day of July, A.D. 2019

  
Robert O. Fiege, Notary Public

 Personally Known





## HERON ISLES COMMUNITY DEVELOPMENT DISTRICT

**NOTICE OF PUBLIC HEARING TO CONSIDER THE ADOPTION OF THE FISCAL YEAR 2019/2020 BUDGET; NOTICE OF PUBLIC HEARING TO CONSIDER THE IMPOSITION OF OPERATIONS AND MAINTENANCE SPECIAL ASSESSMENTS, ADOPTION OF AN ASSESSMENT ROLL, AND THE LEVY, COLLECTION, AND ENFORCEMENT OF THE SAME; AND NOTICE OF REGULAR BOARD OF SUPERVISORS' MEETING.**

### Upcoming Public Hearings, and Regular Meeting

The Board of Supervisors ("Board") for the Heron Isles Community Development District ("District") will hold the following two public hearings and a regular meeting:

DATE:	August 1, 2019
TIME:	6:00 p.m.
LOCATION:	Association of Realtors 910 S. 14 <sup>th</sup> Street Fernandina Beach, Florida 32034

The first public hearing is being held pursuant to Chapter 190, *Florida Statutes*, to receive public comment and objections on the District's proposed budget ("Proposed Budget") for the fiscal year beginning October 1, 2019 and ending September 30, 2020 ("Fiscal Year 2019/2020"). The second public hearing is being held pursuant to Chapters 190 and 197, *Florida Statutes*, to consider the imposition of operations and maintenance special assessments ("O&M Assessments") upon the lands located within the District, to fund the Proposed Budget for Fiscal Year 2019/2020; to consider the adoption of an assessment roll; and, to provide for the levy, collection, and enforcement of assessments. At the conclusion of the hearings, the Board will, by resolution, adopt a budget and levy O&M Assessments as finally approved by the Board. A Board meeting of the District will also be held where the Board may consider any other District business.

### Description of Assessments

The District imposes O&M Assessments on benefitted property within the District for the purpose of funding the District's general administrative, operations, and maintenance budget and providing the funds necessary to pay debt service on outstanding bonds as reflected in the District's debt service budget. A geographic depiction of the property potentially subject to the proposed O&M Assessments is identified in the map attached hereto. The table below shows the schedule of the proposed O&M Assessments, which are subject to change at the hearing:

Land Use Description	Total # of Units	FY 2019 Gross Per Unit	FY 2019	Total # of Units	FY 2020 Gross Per Unit	FY 2020
Single Family	749	\$460.00	\$320,236	748	\$593.00	\$412,343
<b>TOTAL GROSS ASSESSMENT</b>			<b>\$344,340<sup>1</sup></b>			<b>\$443,380<sup>1</sup></b>

<sup>1</sup> Includes collection fees and discounts (7%)

The proposed O&M Assessments as stated include collection costs and/or early payment discounts, which Nassau County ("County") may impose on assessments that are collected on the County tax bill. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the "maximum rate" authorized by law for O&M Assessments, such that no assessment hearing shall be held or notice provided in future years unless the assessments are proposed to be increased or another criterion within Section 197.3632(4), *Florida Statutes*, is met. Note that the O&M Assessments do not include any debt service assessments previously levied by the District and due to be collected for Fiscal Year 2019/2020.

For Fiscal Year 2019/2020, the District intends to have the County tax collector collect the assessments imposed on certain developed property, and will directly collect the assessments imposed on the remaining benefitted property by sending out a bill prior to, or during, November 2019. It is important to pay your assessment because failure to pay will cause a tax certificate to be issued against the property which may result in loss of title, or for direct billed assessments, may result in a foreclosure action, which also may result in a loss of title. The District's decision to collect assessments on the tax roll or by direct billing does not preclude the District from later electing to collect those or other assessments in a different manner at a future time.

### Additional Provisions

The public hearings and meeting are open to the public and will be conducted in

**EXHIBIT 2**

**NEWS-LEADER**  
**Published Weekly**  
511 Ash Street/P.O. Box 16766 (904) 261-3696  
Fernandina Beach, Nassau County, Florida 32034

**STATE OF FLORIDA**  
**COUNTY OF NASSAU:**

Before the undersigned authority personally appeared  
**Foy R. Maloy, Jr**

Who on oath says that (s)he is the Publisher of the  
Fernandina Beach News-Leader, a weekly newspaper published at  
Fernandina Beach in Nassau County, Florida; that the attached  
copy the advertisement, being a DISPLAY LEGAL NOTICE in the  
matter of

**N/ RULE DEVELOPMENT**  
**HERON ISLES CDD**

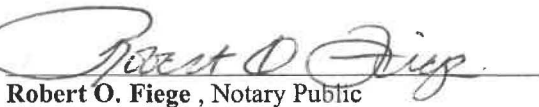
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**06/26/2019**  
**LEGAL DISPLAY**

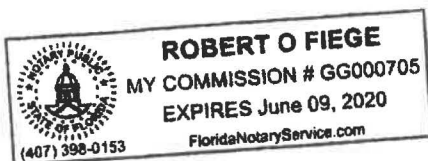
Affiant further says that the said News-Leader is  
a newspaper published at Fernandina Beach, in said Nassau  
County, Florida and that the said newspaper has heretofore been  
continuously published in said Nassau County, Florida, each week  
and has been entered as second class mail matter at the post office  
in Fernandina Beach in said Nassau County, Florida, for a period  
of one year preceding the first publication of the attached copy  
of advertisement; and Affiant further says that (s)he has neither paid  
nor promised any person, firm or corporation any discount,  
rebate, commission or refund for the purpose of securing this  
advertisement for publication in the said newspaper.



Sworn to and subscribed to before me  
**This 26th day of June, A.D. 2019**

  
**Robert O. Fiege, Notary Public**

 Personally Known



**NOTICE OF RULE DEVELOPMENT BY**  
**THE HERON ISLES COMMUNITY**  
**DEVELOPMENT DISTRICT**

In accordance with Chapters 190 and 120, Florida Statutes, the HERON ISLES COMMUNITY DEVELOPMENT DISTRICT ("District"), hereby gives notice of its intention to develop rules regarding the establishment of fees related to the use of the District's recreational facilities and services. The purpose and effect of these rules is to provide for efficient and effective District operations by setting rates and fees to implement the provisions of Section 190.035, Florida Statutes. Specific legal authority for the rules includes Sections 190.035(2), 190.011(5), 120.54 and 120.81, Florida Statutes (2018). A public hearing will be conducted by the District on August 1, 2019, at 6:00 p.m., at the offices of the Association of Realtors, 910 S. 14th Street, Fernandina Beach, Florida 32034. A copy of the proposed rules may be obtained by contacting the District Manager, at 475 West Town Place, Suite 114, St. Augustine, Florida 32092 or at (904) 940-5850.

**Ernesto Torres**  
District Manager

**NEWS-LEADER**  
Published Weekly  
511 Ash Street/P.O. Box 16766 (904) 261-3696  
Fernandina Beach, Nassau County, Florida 32034

**STATE OF FLORIDA**  
**COUNTY OF NASSAU:**

Before the undersigned authority personally appeared  
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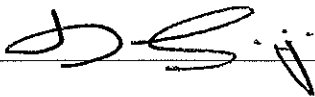
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**NOTICE OF RULE MAKING**  
**HERON ISLES CDD**

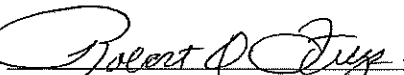
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**06/28/2019**  
**LEGAL DISPLAY**

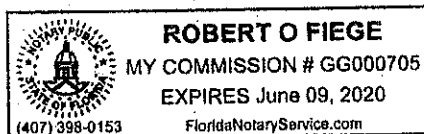
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nor promised any person, firm or corporation any discount,  
rebate, commission or refund for the purpose of securing this  
advertisement for publication in the said newspaper.



Sworn to and subscribed to before me  
This 28th day of June, A.D. 2019

  
Robert O. Fiege, Notary Public

 Personally Known



**NOTICE OF RULE MAKING FOR SETTING I**  
**HERON ISLES COMMUNITY DEVELOPMENT I**

A public hearing will be conducted by the Board of Supervisors of the Heron Isle  
District (the "District") on Thursday, August 1, 2019, at 6:00 p.m. at the offices of  
S. 14th Street, Fernandina Beach, Florida 32034.

The public hearing will provide an opportunity for the public to address a propo  
relating to the use of District amenity facilities. The purpose and effect of the r  
implement the provisions of Section 190.035, Florida Statutes and to provide for c  
operations.

Category	Pre
Initial Key Card	\$0.0
Replacement of Lost, Damaged, or Stolen Key Card	\$0.0

The proposed rates may be adjusted at the public hearing pursuant to discussion  
and public comment. The purpose of this rule is to implement the provisions  
Statutes, regarding the schedule of rates, fees and charges for the use of the Distr  
services.

Specific legal authority for the rule includes Sections 190.035(2), 190.011(5) and 12  
notice of rule development was published in the Fernandina Beach News-Leader o  
who wishes to provide the District with a proposal for a lower cost regulatory alter  
120.541(1), Florida Statutes, must do so in writing within twenty-one (21) days af

A request for a public hearing on the District's intent to adopt its proposed rule  
the District Manager, c/o Heron Isles Community Development District, 475 We  
Augustine, FL 32092, and received within twentyone (21) days after the date of th

This public hearing may be continued to a date, time and place to be specified on  
anyone chooses to appeal any decision of the Board with respect to any matter cor  
person will need a record of the proceedings and should accordingly ensure that a  
ceedings is made that includes the testimony and evidence upon which such appea  
requiring special accommodations at this hearing because of a disability or physica  
tact the District Manager at the address and number provided below. If you are l  
please contact the Florida Relay Service at 1-800-955-8770, for aid in contacting th  
the proposed rule may be obtained by contacting the District Manager, c/o Heron  
ment District, 475 West Town Place, Suite 114, St. Augustine, FL 32092 or at (904)

**TES**  
**TRICT**

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sociation of Realtors, 910

1 rule setting certain fees  
setting rates or fees is to  
lent and effective District

**osed Rate/Fee**

- \$10.00

- \$50.00

the Board of Supervisors  
Section 190.035, Florida  
recreation facilities and

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-5850.

## *MINUTES*

MINUTES OF MEETING  
HERON ISLES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Heron Isles Community Development District was held on Thursday, May 2, 2019 at 10:30 a.m. at the Compass Group Conference Room, 961687 Gateway Blvd., Suite 201K, Amelia Island, Florida.

Present and constituting a quorum were:

Kathleen Blessing	Supervisor
Robert Martyn	Supervisor
Justin Blessing	Supervisor

Also present were:

Ernesto Torres	District Manager
Jason Walters	District Counsel (by phone)
Cheryl Graham	Property Manager
Mike Yuro	District Engineer

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Torres called the meeting to order at 10:30 a.m.

**SECOND ORDER OF BUSINESS**

**Audience Comments**

Mr. Greg Watson, 85078 Furtherview Court, stated at the meeting in April the cleaning of the sidewalks was brought up in addition to the additional parking. I think you suggested that maybe we need a pool of funds before we start doing things, something to fall back on in case something happened to our roads or something like that. I looked at the sidewalks and they're a little dirty, but they're sidewalks. I think we need to get some money in savings in case something catastrophic happens so we would have something to fall back on.

Mr. Torres stated we are going to consider the FY 2020 budget today and at the last meeting we proposed that we start establishing a capital reserves account so we will get to that.

Mr. Watson stated I also think the sidewalks could probably be put off for a couple more years. I didn't really see the need to do it when I drove around. The other thing, and I've brought

it up before, is I think we need to have every other meeting at least in the evening so more residents can come.

Mr. Pete Henry, 96109 Stoney Glen Court, asked is now the time to talk about the proposed budget or are we going to be able to talk during that discussion?

Mr. Torres stated you can provide your comments now because it is on the agenda and the board is going to consider the budget. In August we will have a public hearing where we will open it up to all that attend to provide comments prior to the board adopting the budget. Right now it's just a proposed budget so we can propose it at a certain level and based on the public hearing it can be adjusted, as long as it is adjusted downwards, not upwards.

Mr. Henry stated I guess the question I have is I look at this and there's projected to be about \$400 in revenue from the bank. Who does the CDD use to invest the money? There's a local bank that for a \$10,000 minimum has a 2% money market. On \$200,000 there's \$4,000 right there instead of \$400. It also has a CD for 2.65% so I'm just curious as to who is investing the money and why are you not going for something that has a higher return.

Mr. Torres stated I don't have the information on the accounts or interest in the financials but I'd be happy to get that.

Mr. Henry stated the other issue that I have is in 2016 the rates were at \$376.58 and you're proposing \$505. That's a 34% increase in four years. Our social security checks have only gone up 5.2% and I don't know who here has gotten a 34% raise.

Mr. Torres stated I'm glad that you're mentioning that because we are going to talk about that but the history of the expanses in repairs and replacements for the community that you live in such as the vandalism in the bathrooms, the issues with the fence, your utilities and insurance and everything else has gone up so we have to adjust the budget in order to meet our financial obligations.

*Cheryl Graham and Mike Yuro joined the meeting at this time.*

### **THIRD ORDER OF BUSINESS**

### **Approval of Minutes**

#### **A. February 7, 2019 BOS Meeting**

There were no comments on the minutes.

#### **B. April 9, 2019 Special Meeting**

There were no comments on the minutes.



On MOTION by Mr. Blessing seconded by Ms. Blessing with all in favor the minutes of the February 7, 2019 Board of Supervisors meeting and April 9, 2019 special meeting were approved.

**FOURTH ORDER OF BUSINESS****Update on Pending Projects****A. Landscaping – HOA Contribution**

Mr. Torres stated this came up at the last meeting and at the end of the meeting we discovered the HOA was willing to make a contribution towards the landscaping. We do not have the chair or vice chair present today so I will coordinate or have Cheryl coordinate for Ricky to sign the letter to the HOA, along with the other documents from this meeting. We will proceed with that once we have the chair and the HOA sign the document.

**B. Additional Parking for Playground Park and Soccer Field**

Mr. Yuro stated at our meeting last month I was asked to come up with a couple of scenarios and concept drawings for some additional parking at the soccer field area. I've shown them both here on one exhibit to give you a better overall view but I think clearly the board is looking at one or the other. Option number one, which is the angled parking off the Parkway, includes eight parking spaces. As I was laying that one out I thought it could potentially be problematic just because of the geometry of the road. The road is on a curve so people parking there and backing out could create some challenges, particularly if there is any landscaping along the edge of the road. I did reach out to the county to see if that would even be allowed because my understanding is this is a county road and I have not gotten an answer yet because what I did find out is the public works director is no longer there so the email I sent bounced back and I'm still trying to see if that angled parking option would even be allowable. As soon as I find out I will let you know. That kind of white square you see is an existing lift station and there is an area behind that that I did a concept sketch for that includes twelve spaces. This is also to give you guys some budget ideas. The other thing I want to make you aware of as far as budget numbers is these are fairly small projects so if the board wants to proceed I would want to get some budget numbers from a contractor. I used my best judgment having to actually bump up some unit pricing because the smaller the project the bigger the unit price per square foot or square yard. The other thing I want to point out, getting back to the angled parking, is there are several obstacles I was trying to make sure we avoided; one being the lift station, and that dark square you see I think is a well. It looks like there's some electrical control. I'm not sure if it's a well for irrigation but there is some kind of utility there we would need to avoid.

Ms. Graham stated it's the infrastructure for the water service there.

Mr. Yuro stated okay that's what I assumed. I've outlined where the playground currently is and then continuing left as you're looking at the sheet there is an electrical box there so with the angled parking we would certainly need to establish where existing utilities and easements are. Knowing that there is an underground electric box there tells me there is likely an underground electric easement. I haven't seen the plats for this but typically the electric companies like to have their easement outside of the right of ways, they like to have their own dedicated easement so that is just one other thing that could potentially be problematic with that angled parking. As we relate to the more traditional parking lot, certainly it's going to be more expensive because you have more square footage of asphalt and base material and fill and so forth. You need a 26' entry area for cars to come and go. That area is also fairly low so I was estimating at least three feet of fill would also be necessary to be brought in. With that being said, I put the numbers on there and the very rough cost estimates for the angled parking is in the neighborhood of \$50,000 and about \$130,000 for the more traditional parking layout. From a ratio perspective, even if my unit prices are off, I think that's fair for you guys to get an idea that the traditional parking layout is likely going to be 2.5 times more expensive than the other one because it has to be bigger for the entry road and for the fill. I showed you guys a layout at the last meeting and this one really hasn't changed other than the color. It is comparable to the angled parking and is in the neighborhood of \$50,000. Again, that's just based on adding eight parking spaces so it's about the same square footage of asphalt and base material and so forth as the angled parking. I wouldn't write those numbers in stone just yet but I'm just trying to give you guys something to react to and look at as you make decisions on whether you want to move forward or not with any of these options.

Mr. Blessing asked so this second one you just handed out there are no potential issues are far as putting these spaces in?

Mr. Yuro stated I think there are less potential issues because we already have something. I think there was a light pole on either end. Let me just back up a bit. The other thing I did not include in the cost estimate is any soft costs, engineering survey, geotechnical exploration, permitting fees or anything like that but to your question about this existing parking, I think there are much less issues because the area was already set up for parking so my expectation would be if there is a utility easement or utility lines I'm not expecting that we would have as many

potential impacts but we would certainly need to confirm that with survey to determine it. The only thing I do know for sure is right at the end of the one I just handed out there is a light pole on either end that we would want to identify and make sure we stay short of it but anything that is underground because there's already a curved parking lot there, with extending it I would not expect to have as many potential issues as we might if there were no parking lot to begin with. Again, I do have a phone call into the county. I'm not sure if I'm getting the right person because in their directory other than the public works director that is the only person that had a title and that person is no longer there so hopefully I will be able to get some feedback from them on if the angled parking will even be an option.

Mr. Blessing stated people go so fast on that road anyway backing up from that angled parking lot would be dangerous.

Mr. Yuro stated particularly with that curve.

Ms. Blessing stated I think so too. I think the addition to our parking is the better option.

Mr. Torres stated I know the board also asked at the last meeting to explore financing options for these small projects that we've talked about. Jason, do you want to talk about funding options that may possibly exist for this? It appears without the soft costs we're already at \$180,000 so I would say with soft costs I'd look at somewhere in the neighborhood of \$200,000.

Mr. Walters stated in terms of a project that size you're accessing the bond market similar to what we did at the beginning of the district. It isn't economically feasible because of all of the costs associated with it. Generally the cost of issuing that size of the bond would be about as much as the proceeds that you would generate so it's an extremely inefficient model. We can certainly talk to banks. I know Sete has talked to Ernesto a little bit and they have some good banking relationships so that's an option we could explore. The only hesitancy banks generally have is they are more used to your general securities so like when you have a mortgage on your house, the value of that house and land is pledged as security. Since we're a unit of government they can't lien or execute against that lien on district property so their only real security is our pledge to levy assessments sufficient to cover the interest and principal payments on that loan. In terms of a financing option the other model is either a one-time special assessment that would entirely fund the project or a build up of assessments over time until there are sufficient funds in the bank account to complete the project.

Mr. Torres stated as he said I did have a conversation with MBS as well and I was told the same thing that Jason is saying so those would be the three options. It's not feasible to consider a bond financing for this so there would be a smaller loan and increase of the capital reserves or even create an account that makes a contribution for the next three years or so towards something like this but understand the cost of the project would probably go up if we delay it. The last and less attractive option to the residents would be a one-time assessment for each rooftop. We can talk about that a little bit more when we get into the budget but that is your update on the parking.

### **C. Mail Kiosk Cover**

Mr. Torres stated last month when we met I don't believe Cheryl had heard back from any contractors.

Ms. Graham stated I had not but just in the last couple days I was able to get some quotes in. I'm going to give you a heads up they do exceed that \$4,000 budget that I was initially provided. Bill Harvey has also been helping me trying to find quotes.

Mr. Torres stated Cheryl has provided us two quotes for the mail kiosk, one at \$24,950 and the other at \$49,601. Several months ago I know the board approved an amount not to exceed \$4,000.

Ms. Graham stated there has been a challenge given the size. The dimensions have to be 17'x22' so then it pushes it up to the next tier in cost. In the photo I provided I was trying to use it as an idea to have contractors bid. In their original design they were using cedar but I told them they could use pressure-treated and we could paint it to save on costs, and then there's the metal roof but they're still coming in at these prices. Shorebreak did say that they would get us a quote but I'm still waiting on him. He said they've just been swamped but he assured me they would get one over to us. That company is the one that reconstructed the restroom facility.

Mr. Torres stated I recommend the board continue to table this and continue to get updates from Cheryl and try to at least get the Short Break quote to compare.

Mr. Blessing asked are there any other options other than this gazebo thing? I don't want to spend \$25,000 on a gazebo.

Ms. Graham stated that's why I gave them a photo of what I thought would be fairly simple framing and a metal roof. This particular photo came with the metal roof, which was nice because we have metal roofs on the pavilions and restroom facility.

Ms. Blessing stated we had something like that built in our backyard without the roof for \$1,000.

Mr. Blessing stated it's going to be bigger.

Ms. Blessing stated I know but \$25,000 or \$50,000?

Mr. Blessing stated and our engineer is estimating an entire parking lot is going to cost \$50,000. It just seems high.

Ms. Graham stated I could continue to talk to other smaller contractors.

Ms. Blessing stated our old neighbor moved away but I can ask because he has a company.

Mr. Blessing asked is people's mail getting wet inside the boxes?

Ms. Graham stated yes.

A resident stated I had expensive photos ruined because we don't have a cover over our mailboxes.

Ms. Graham stated out of curiosity I stopped at the center on 200 that has the pre-constructed sheds. Aesthetically it's not going to give you a very nice look in the community but that was \$17,000. I showed it to Bill and he said it won't even look good in the neighborhood but I'm trying whatever option I can to get a price.

Mr. Torres stated let's just keep working on it.

## **FIFTH ORDER OF BUSINESS**

### **Discussion of Amenity Policies – Access Cards**

Mr. Torres stated this item came up as we realized we now have District equipment that was recently installed that requires access cards. Cheryl do you have a draft of what our new rules should be related to the access cards?

Ms. Graham stated the only thing we've created so far was a form for the owners to fill out to get a card but a card will be provided to every owner at no cost and if there is a tenant we need a copy of their lease, which the owner will provide, which will help us know who all of the renters are in the community and will give us a contact person. They would also have the ability to get a card. They are a resident in the community so they would have to have access. Additional cards could be purchased for \$25. If they're lost then we wanted to charge a \$50 fee for replacements.

Mr. Torres stated anything that is rate related that you are going to charge residents in addition to their assessment for either rental fees for use of your facilities, or like in this case, access card replacement the fee has to be adopted by the district and we will have to have a public hearing for which we will publish a notice in the newspaper. At this point I'd like to have the public hearing during August's meeting to adopt the \$25 charge, or whatever the board chooses for replacement cards. It's up to the board to decide what that rate is going to be. We need a max rate or range and then we would publish that for the August meeting.

Mr. Walters stated that's correct. We will come up with a range and we will just include it all in the same notice for the meeting and then it will be up to the board to set that final rate for the cards.

Mr. Blessing asked how much do the cards cost?

Ms. Graham stated they are about \$7 a card.

Ms. Blessing stated I think \$25 is good.

Mr. Torres stated if you put the range of \$25-\$50 and the board decided three years from now that cards cost more you would not have to have another public hearing to increase the fee if it's within that range. We can decide on the final rate at the public hearing.

Mr. Blessing asked does it cost us money to deactivate the cards?

Ms. Graham stated it does. There is staff time to go into the system, the programming of it and also making the changes.

Mr. Blessing stated as someone who loses a lot of stuff I think we can go a little lower.

Ms. Blessing stated it just encourages them not to lose the card.

Mr. Martyn stated I think \$50 is pretty steep and personally I think \$25 is a little steep.

Mr. Blessing asked do you need a motion?

Mr. Torres stated no just some board guidance.

Mr. Blessing stated so we will do \$25-\$50 range.

Mr. Torres stated just a range but again the board will approve the actual replacement rate at the August meeting. Cheryl I will work with you if you want to send me a draft policy and I will work with counsel to add to it and we will adopt it at the next meeting.

Ms. Graham asked is it okay in the meantime to start activating cards and get owners used to it? The system is in place it's just not being used right now.

Mr. Torres stated that's fine.

**SIXTH ORDER OF BUSINESS**

**Ratification of Contract with Absolute Contracting, Co. for Graylon Drive Storm Drain Repairs**

Mr. Torres stated this issue came up in between meetings so it calls for ratification. There was an emergency repair needed for a storm drain that was causing erosion. Cheryl, has the project been completed?

Ms. Graham stated we have some more fill dirt to go into that area because it's sunk down a little bit but the repair has been completed.

Mr. Torres asked will there be any additional repair to the sidewalk?

Ms. Graham stated not that I'm aware of. That was the worry that if it went further we would have to pull the sidewalk up.

Mr. Torres stated so what we're looking for is ratification of the contract with Absolute Contracting not to exceed \$5,250.

On MOTION by Ms. Blessing seconded by Mr. Blessing with all in favor the contract for storm drain repairs made by Absolute Contracting Co. was ratified.
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Ms. Graham stated while we're on that subject I just want you to know that we became aware of another location in Phase 3-C. We are going to look at it first. An owner reported that around a culvert it's turned into some rather deep holes and it's in a new area at the end of Breezeway Court so I've asked them to come look at it.

Mr. Torres asked is it something the developer could get involved in?

Ms. Graham stated that's the newest area. I don't know what the warranty period is for that but I'm definitely going to make them aware and I've got some photos to send over to Kathy Wilford and I'm having Rick look at it with a little camera that he puts in there to see if there are any breaks in the line. We're hoping that it just for some reason needs dirt but we don't want to just assume that. We want to make sure if it's anything worse it gets fixed before it gets worse so we will know by tomorrow at the latest.

**SEVENTH ORDER OF BUSINESS****Consideration of Resolution 2019-06,  
Approving the Proposed Budget for Fiscal  
Year 2020 and Setting a Public Hearing Date  
for Adoption**

Mr. Torres stated as I alluded to earlier our next meeting is scheduled for August 1<sup>st</sup> so I would recommend to the board we use August 1, 2019 at 10:30 a.m. and the location is 910 South 14<sup>th</sup> Street, Fernandina Beach, FL for the public hearing.

Mr. Blessing asked did you say 10:30 a.m.?

Mr. Torres stated yes we had some issues trying to get the hotel and the location we spoke about at the last meeting so the Recording Secretary has explored a few options. We are keeping the August 1<sup>st</sup> date since it was already announced at the beginning of the fiscal year and this is the best she could come up with. You think it will hold at least 90 people?

Ms. Graham stated it will. This is the evening meeting?

Mr. Torres stated we couldn't get the evening time booked so it's going to be 10:30. If you'll turn to the budget, I can go over some of the increases that you will see. From fiscal year 2019 to what we're proposing for FY20 you will see under administrative costs an increase from \$100,000 to \$117,000 and the biggest cost there is for charges that are paid to the county per our agreement, which was adopted many years ago when the CDD was first formed. We have an agreement with Nassau County and there is an administrative fee for collecting our assessments so you will see a \$7,000 increase there. There are other administrative increases, such as insurance costs. The other increase you will find is under contract services. At our last meeting the board provided some guidance on adding a landscape contingency line of \$15,000 so that we could do some necessary landscaping that was not included in our contract. Again, this is not a contractual obligation to have a contingency, but it's nice to have. The other change to the budget is we wanted to establish a capital reserves account so the recommendation was to move the repairs and maintenance funds to our capital reserve account and increase our facility repairs to \$15,000. That would give us two pools of funds if and when the facility repairs exceeded the \$15,000 for fiscal year 2020. As you can see from this past year there have been things we didn't plan for. Although the vandalism may be done in the bathrooms and the cards certainly help, we've had a couple of other issues such as the drain issues. The proposed budget is up for discussion and we will adopt at our August meeting. The only thing we can't do in August is realize we need additional funds and increase it. Under this draft budget there is no line for an



additional contribution to our future parking lot expansion project. If we don't add a line all we can hope for is that we continue to build our capital reserves, we keep the repairs and replacements low then in three years from now you could fund the project out of your capital reserves account or if you'd rather continue to establish some sort of a contribution account towards a project such as the parking lot for the next few years you could do that but we'd have to add it as a line on your budget.

Mr. Martyn asked the assessments going from \$320 to \$354 - is that because of the new section?

Mr. Torres stated yes that's because of all of the increases I just laid out.

Mr. Martyn stated so the increase would show up in people's taxes?

Mr. Torres stated yes. We would go from \$404 to \$505 if you keep this current budget.

Mr. Martyn stated so residents would have to pay \$101 additional.

Mr. Torres stated you're going to have an increase just with the administrative fees, especially the ones collected by the county, and our insurance.

Ms. Blessing stated the insurance fees looked like they went up somewhere near 40%. Has there been a suggestion to look for different insurance companies and get some quotes? Why did they go up? Because we put claims in?

Mr. Torres stated the claims that we have, such as the fence, was of no fault to the district.

Ms. Blessing stated I think we should go out for quotes because as a homeowner you always go out for quotes. They will just keep raising it until you stop them. It seems like a big increase and when they do that to me I go with another company.

Mr. Torres stated okay I can come back in August and see if there are any other insurance providers that can provide the same coverage that we currently have.

Ms. Blessing stated another thing Cheryl had brought up a couple meetings ago were the wells to hopefully save us a little money on water, but they might cost us a little more on electric. Do you have any estimates on what they would cost?

Ms. Cheryl stated I know what I've worked with in other communities; I don't know what exactly it would be for Heron Isles. Given the size and depth of them they will be on average around \$11,000 for initial installation of a deep one. I don't know how much it would cover and if two would be sufficient or if we would need three to make sure we had the right

amount of water to supply all of the common areas. Once you have them in place in time they would pay for themselves.

Mr. Blessing stated the water is costing us \$44,000.

Ms. Blessing stated we might be able to cover some of the cost in the savings. We don't have enough numbers to know, like how much would the electric go up. It seems like the water went down a lot.

Mr. Torres stated yes the water has gone down from \$46,000 to \$44,000.

Ms. Blessing stated I'm saying if we had wells it would go down a lot but electric would go up so we need to know.

Mr. Blessing asked what do we need to do to get that in motion? That's a no brainer to me.

Ms. Graham stated we just need some quotes. I had talked to Martex about that to work with the layout of what we would need.

Ms. Blessing stated if they could give us some estimates of how much you would save and how much more it would cost in electric that would be good.

Ms. Graham stated it could be quite the savings because city water is very expensive.

Mr. Blessing stated and this gentleman's idea of putting our reserves into a higher yield savings account - is that something we can talk about now? I think that's a great idea.

Mr. Torres stated if that opportunity is available I'm sure we can do that. I don't know the ins and outs.

Ms. Blessing stated I looked at that too and I'm not sure if we actually have that \$200,000 in there or if we pay off the loan each month.

Mr. Torres stated right now you have no capital reserves so there is no capital reserves account.

Ms. Blessing stated it looks like there's about \$50,000 generally monthly.

Mr. Torres asked are you talking about the funds from the debt assessment?

Ms. Blessing stated no the cash that we have that we could get interest on.

Mr. Torres stated I can bring back to the board where the accounts are and what interest we're earning.

Mr. Martyn stated this gentleman here mentioned earlier how five years ago it went up and now we're talking about going up another \$101. I think we need to look at where we can cut. \$15,000 in facility repairs, what would that be?

Mr. Torres stated we just had \$5,200 worth of repairs that we just had to commit to the storm drain so those are the kinds of things that would fall under that line.

Ms. Blessing stated I actually think we are getting about \$900 a year in interest.

Mr. Blessing stated so we have about \$58,000 in a Wells Fargo and Bank of America account so if we're getting \$900 on \$58,000 that's pretty good.

Ms. Blessing stated yes because that came out to 1.5%, which is a fairly good savings account these days. You can get some information on that.

Mr. Blessing asked so if we want to start building up for the parking lot we need to raise the assessments even further? I don't think we can just count on the capital reserve. We need the budget for it if we want to do it.

Mr. Martyn stated it would be more than the \$101 a year.

Mr. Blessing stated yes if that's what we wanted to do.

Ms. Graham asked and that would have to be presented today to have it in the budget for discussion in August?

Mr. Torres stated that's correct.

Ms. Blessing stated I would think a three-year plan because we don't have the parking lot now.

Mr. Blessing stated if we push this forward we're just going to be raising the rates every single year instead of just doing it now and getting it over with.

Mr. Martyn stated it sounds like we've already been doing that.

Ms. Blessing stated with 748 people that's \$70 a person for one parking lot in one year. I would pay \$70 for a parking lot and I wouldn't use it but I think we should have one. Maybe we could do a one-time fee for one parking lot.

Mr. Blessing asked a special assessment for one parking lot?

Ms. Blessing stated yes.

Mr. Blessing stated that's for one of the cheaper ones and that's an estimated cost.

Ms. Blessing stated I don't think it would go more than \$80,000 though.

Mr. Blessing asked would the special assessment have to be in the budget?

Mr. Torres stated Jason in the event the board decides to pursue the parking lot expansion by the playground it's estimated at \$49,000 but it could range up to maybe \$54,000 or more when you add in the soft costs so what they're entertaining is if there is a special one-time assessment is that something we structure with the adopted budget in August to where it would not occur again in 2021?

Mr. Walters stated I think the smartest way to do it would be to include an item in the budget for capital improvements or you could even label it capital improvements/parking and whatever that number is, \$55,000 or \$55,000, you would have that line item that would be included in the budget. We would obviously notice that as a hearing and once those assessments are collected we would use those funds to build the parking lot.

Mr. Torres asked and then in 2021 when we propose the budget that line is just zeroed out and not funded?

Mr. Walters stated correct and then we would bring the budget in line with the expected assessments for the next year.

Mr. Yuro stated I would add probably another 15% on for soft costs. If this is the one they want to go with I can talk to some contractors and fine-tune the unit costs.

Mr. Blessing asked what happens if the special assessment doesn't fully fund it? Say it comes in way over budget.

Mr. Torres stated we would have to look into your capital reserves account. We adopt in August and we're in May so if we're planning for a worst-case scenario \$58,000 then by August would you have some harder numbers?

Mr. Yuro stated I think I could. You're not going to get hard numbers until you have final plans and make sure there's nothing funky under the ground when you get a geotech done but if this is what you think you want to move forward with then I can at least start talking to some contractors and tighten up that budget number for sure.

Mr. Martyn asked how much did you come up with that we would increase it by?

Ms. Blessing stated it's \$77.54 so you say \$78.

Mr. Martyn stated plus the \$101 so it would come out to \$179 per resident.

Ms. Blessing stated yes but this is a one-time assessment that would go away and this is a proposed budget.

Mr. Torres stated exactly. This is a proposed budget and it gives the board a little time to think it through and it also gives the engineer time to maybe come closer to the numbers and in August we can always go down. You can decrease your contingency, you can decrease your capital reserves contribution, there are several things you can do to adjust the numbers it just gives us time. We have to at least propose the budget now. If you're looking for a one-time assessment to fund the parking lot that's certainly the way to do it.

Ms. Blessing stated and then everyone in the neighborhood can look at it and when they're voicing their opinion on the budget they can voice their opinion on the parking lot. I think it's reasonable. I don't like taking loans out and it gets it done.

Mr. Blessing asked what if we did a special assessment on the smaller parking lot and then put extra reserves into the budget for the larger one long term maybe four or five years down the line and maybe that smaller parking increase will be enough and there won't be as much issues out there and we can reroute that money. We're going to increase assessments this year. Do we want to do this again next year? How many years in a row do we want to increase assessments?

Mr. Torres stated well you will continue to increase assessments until you start budgeting correctly. We have capital reserves; the repairs and replacements that are happening are unbudgeted so we have to find the money to fund these items. These improvements such as this parking lot came about at a meeting.

Mr. Blessing stated what I'm saying is I don't want to be sitting here six months from now with Don and John and everybody and talking about building this parking lot again but it's not budgeted and we're six months away from another budget. I would rather just have the money budgeted and if we don't want to do it we don't have to do it but it's in there.

Mr. Torres stated without the other two board members being present I would recommend you at least add it to the proposed budget and discuss it more later so we would add a capital project improvement line to the category where you see reserves so you would have capital reserves of \$30,000 and then we would have a capital improvement project line of \$57,500.

Ms. Blessing stated the other 12 spaces would cost \$203.87 apiece so say \$205. That's a lot for 12 spaces and plus it's going to go up if you're putting a contingency plan on it to go out three or four years.

Ms. Graham stated we do not have reserves for roadway repairs.

Mr. Torres stated we're trying to get there by putting \$30,000 in capital reserves.

Ms. Blessing stated I think the second parking lot is unrealistic at this time because we need other things more. If you want to add it in it's \$205 a person for one year and if you spread it out over three years it's \$68 a year per person.

Mr. Torres asked what is your proposed capital project improvement total?

Ms. Blessing stated \$152,500.

Mr. Torres stated if in August you decide not to do either parking lot or Mike comes back with a different cost, as he may, then we can adjust the line.

Ms. Blessing asked they're going to be separate lines?

Mr. Torres stated no it's just one capital improvement project line and the board will know it's for the two parking lots.

Mr. Blessing stated she didn't add them together. That's just for one parking lot.

Ms. Blessing stated if you add them together it's \$210,000.

Mr. Blessing stated we don't have to do the second parking lot. I'm not in favor of the second parking lot necessarily; I just don't want us going forward to be talking about this every meeting. I'm fine with doing the one-time assessment, get the smaller one and see if we need more parking after that and go from there. Maybe that will fix the whole problem and then we don't have to spend this extra money. I make a motion that we approve the \$15,000 landscaping, the \$15,000 extra for facility maintenance, the \$30,000 in capital reserves and the one-time assessment on the existing parking lot for \$57,500.

On MOTION by Mr. Blessing seconded by Ms. Blessing with all in favor resolution 2019-06, approving the proposed budget as amended and setting the public hearing date for August 1, 2019 was approved.

## **EIGHTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. District Counsel**

There being none, the next item followed.

#### **B. District Engineer**

Mr. Yuro stated for clarification for the next meeting you want me to fine tune this budget estimate and maybe get some proposals for soft costs that might be necessary?

Ms. Blessing stated yes.

**C. District Manager – Report on the Number of Registered Voters (1,230)**

Mr. Torres stated as of April 15, 2019 Heron Isles Community Development District has 1,230 registered voters.

**D. Property Manager - Report**

Ms. Graham stated the packet that I presented to you is a duplicate for the most part from what was presented last month on the maintenance items that I still need approval on. Item four is listed on the agenda, which is the gazebo for the mail kiosk and we've already discussed that one. The proposals for the pressure washing of the sidewalks and play structures, those three service providers are still in place and interested in performing the services it's just the direction from the board on whether you wish to have this done. Painting of the fence is the crown caps and repairs for which there are proposals from Crystal Clean, Gene Pruitt and HuGus. Just a thought, the crown caps are Styrofoam and when we get storms some always blow off no matter how we fasten them down. We've added some rebar to them to help secure them but they still pop off. The top of them is actually filled with concrete and what they did initially I discovered is there is a flat surface and they were just gluing them right on top, the glue dries out, a storm comes and off they go. Because they are Styrofoam they crack and get dinged up and over time they get stained to where regular pressure washing has not been successful and they do need to be painted. What if we didn't have those tops? Just riding around looking at other communities and their fencing structures I kept seeing more and more that are not using the caps. Then you have nothing to blow off. The columns are fine; that part is stable.

Ms. Blessing stated we spend a lot of money on those caps.

Ms. Graham stated just for those repairs alone you're looking at \$8,000; \$2,400 for six new caps. That's \$350 each just to make a new cap. Repairing 27 of the caps you're looking at another \$2,509. I was looking at budgets and how we're always trying to figure out the best deal and I'm not getting anyone to come down on their pricing to fix these things.

Ms. Blessing stated I can't really visualize them without the caps.

A resident asked isn't there one without a cap on it right now?

Ms. Graham stated yes there are about six without caps.

A resident stated if the board will go around and look at it. I looked at it and it looks fine to me but we don't get a vote.

Ms. Graham stated the surface is all formed and there are designed columns in place. I took a picture yesterday but it didn't come out very well and theirs was just shadowbox fencing that they use but they have masonry and I'm seeing that more and more. I don't know what they had previously and if they decided to take them off. I know other communities have the same problems. Sometimes it's just a tree branch falls and cracks it and you have to replace it.

A resident stated why don't we take them off, set them to the side, see how we like it and then go instead of just taking them off and throwing them away. We're not going to know for sure until we see them without them and if they're an eyesore then at least we still have them and we can figure something else out. I don't know how hard it is to get them off but it's something we might be able to do.

Ms. Graham stated they're not hard at all to get off. Total there are 161 caps. Some of them are damaged and need to be repaired anyway. If we're just going to take a section of them there's a storage room at the restroom facility that we could put them in for now.

Mr. Torres asked you're going to obtain quotes to have them removed?

Ms. Graham stated yes I don't think it will cost anywhere around these numbers just to pop them off. The inside is just concrete. You can't really see the top unless you're on a ladder and then you'll see that it's just concrete. If you just stain it to where it's just a brown color to match the masonry.

Mr. Blessing stated good idea.

Ms. Graham stated then you still have your sidewalks.

Ms. Blessing asked didn't we discuss this last meeting and we didn't have the money for the sidewalks?

Mr. Torres stated with the repairs we just had for the storm drain you have spent about \$8,000 for repairs and replacements out of \$30,000.

Mr. Blessing stated so we're still under the old budget if we approve this today, so no, we don't have the money.

Mr. Torres stated you would have somewhere around \$22,000.

Mr. Blessing stated that's why we're doing the \$15,000 next year so we can do this so I say no on that still.



Ms. Graham stated I got some pricing on the rubber mulch as was requested.

Mr. Torres asked was that part of the approval from the HOA?

Ms. Graham stated I'm sure the owners association would consider that if the district weren't going to. The playground is the District's. For using the red rubber mulch Martex's quote is \$6,839.93 versus their quote for regular certified playground mulch at \$1,663.98. I checked with Mulch Masters as well and they had quoted for the wooden playground mulch \$3,800 and their rubber mulch is \$13,800, which is amazing that it would cost so much. We've been checking to get a breakdown on that mulch direct.

Mr. Blessing asked how much does the rubber mulch last?

Ms. Blessing stated it would last forever but you'd still probably have to add some.

Ms. Graham stated it does move around in the rain and get washed out so we would still have to put a border around to keep it in place.

Ms. Blessing stated yes our rubber mulch moves over the borders if we don't keep them high enough but we've had it for three years and we still have the same amount of mulch.

Mr. Blessing stated you would see a cost savings after a little over four years if you were to maintain most of the mulch at least. We need mulch on the playground.

Ms. Graham stated definitely.

Ms. Blessing stated I guess we have to go with the regular mulch for now.

Mr. Blessing stated maybe we can do the rubber when we've budgeted for it next year.

Mr. Torres stated if you can't delay it and you want to add regular mulch, add the regular mulch and then see where we are at the end of September before the fiscal year ends and see how much we have remaining in the account.

Mr. Watson stated when I had a lawn care business I tried to talk a person into not putting the rubber mulch in and it got washed away after a couple years so he had to spend almost as much money to put it back in. I don't know about this but I've seen playgrounds where it's kind of painting in and it's like rubber. That may get destroyed also or may be more expensive but replenishing mulch, either artificial or natural is going to be an ongoing process. If we put in the stuff that is painted or glued in or however they do it it's really soft. You say it's playground safe but that natural mulch can hurt kids. I've seen that happen and even the artificial mulch can. To me it's a little bit of a hazard and that's just from experience. My church just put it in and I thought it was beautiful but they have supervision to where it won't get destroyed.

Ms. Graham stated there is one that has was you're referring to; I think it's the rec center over on Atlantic.

Mr. Martyn asked do you know how much that costs?

Ms. Graham stated it's more than what's been quoted but I can find out and at least have some numbers for the next meeting. I checked on it a few years ago because I was impressed when they did it over at the rec center.

Mr. Torres asked do you want to approve the regular mulch?

Mr. Blessing made the motion below.

Mr. Martyn asked is that including something around it to keep it in?

Ms. Graham stated no that's just the mulch itself. We could maybe put something like Mondo grass as a border around it.

Mr. Blessing asked what's the best way to keep mulch in place?

Mr. Watson stated I put a huge PVC pipe, drilled down through it, and held it in place like that. Anything you put in people will find a way to destroy it. You could do landscaping but I don't know if that would work as well as a PVC pipe and it probably wouldn't be as safe.

On MOTION by Mr. Blessing seconded by Ms. Blessing with all in favor Martex's proposal 4443 for natural mulch to be installed at the playground in the amount of \$1,663.98 was approved.

## **NINTH ORDER OF BUSINESS**

### **Supervisor's Requests and Audience Comments**

#### **Supervisors' Requests**

Mr. Blessing stated with the gazebo if this Shorebreak offer comes in and it's looking like it's going to cost us somewhere around \$25,000 could you get with the HOA maybe? They seem willing to help foot the cost on certain things.

Ms. Graham stated yes I will make Bill aware of it.

#### **Audience Comments**

Mr. Henry stated the point that I was trying to make about the interest on the account is that looking on your website you had mentioned the amount of voters but it also showed the District collected between \$250,000 and \$276,000 in December and you have to put that money somewhere. All I'm saying is there's got to be something we can do to get a higher return. We're not just talking about \$50,000; we're talking about a big chunk of money.

Ms. Blessing stated I agree but I don't know how long we hold onto that money.

Mr. Henry stated it doesn't matter. With a money market you just have to have at least \$10,000 in there.

Mr. Torres stated what he's referring to is the debt service that you've collected.

Mr. Henry stated I'm talking about the ad valorem taxes that you get from the county. What I'm saying is taking that money and getting a higher interest return for us. Even if it's \$3,000 or \$4,000 it helps you pay for something. I personally agree that the lower parking lot is a good choice and it's not that far of a walk from there to the other parking lot so if you're going to put parking somewhere that seems like a reasonable idea. The other thing is I don't think I've ever seen a budget go down so just to set it straight, we're paying \$460 now so prior to what you did today it's only a \$45 a year increase because you were going from \$460 to \$505, which is not unreasonable. What I'm saying by the budget not going down, if it goes through, you're going to have next year to do that parking lot and the following year you're going to have that additional \$70 dollars because you're probably not going to lower the budget.

Ms. Blessing stated the expense is going to come off the budget so it should go down but if we need to spend money on something else it would go back up.

Mr. Henry stated I'm just saying if you kept that money in there for three years or so you would have your reserves built up so you're not getting stuck. Just a thought.

Mr. Blessing asked is there anything we can do with that money in December? Is that a possibility because I'm all for getting more money in interest.

Mr. Torres stated I will bring more information back to the board on what's available in the market.

Ms. Blessing stated I think it may actually be going into some kind of interest bearing fund.

Mr. Torres stated I'm sure it is but it's also cash that the district has.

Ms. Blessing stated I don't think it's kept for too long is what I'm thinking. You pay off the notes rather quickly after you get the money.

Mr. Henry stated that's a separate amount because our home builder when we bought our house that debt service was already paid off so we're only paying the ad valorem. What you're talking about is the additional \$447 a year that all of the homeowners pay so we're talking two different items.

Mr. Torres stated I understand what you're saying. I'll find out.

Mr. Henry stated I may be totally wrong and you may be getting a great interest rate but it's something to look at.

Mr. Torres stated absolutely.

Ms. Sonya Henry, 96109 Stoney Glen County stated I have a question for Cheryl. Where is the heron that was on top of the gazebo? It isn't back there that I recall now.

Ms. Graham stated it is not. It broke when they were working on the roof. I planned to relocate and it broke.

Mr. Watson stated I think the budget hearing needs to be in evening. You saw how many people showed up last year. It's like night and day. If you're going to have a budget meeting you ought to give the residents an opportunity to be there.

Ms. Henry stated a lot of people have commented on the CDD meetings being during the day. Most people work. You really should have the meeting in the evening so people can voice their opinions.

Ms. Blessing asked Cheryl you had looked into the college?

Ms. Graham stated it wasn't available that day.

Mr. Watson asked have you checked with local churches. We can't get the realtor's office for that meeting?

Ms. Graham stated probably. That's where the meeting is scheduled to be.

Mr. Torres stated if you'd like to reschedule and have a meeting next month so we can talk about the time and location but the resolution we just proposed is to set the public hearing date. We have to have a meeting in order to discuss this.

## **TENTH ORDER OF BUSINESS**

### **Financial Reports**

#### **A. Balance Sheet & Income Statement**

Mr. Torres stated pages one through two give you your general and debt service break out. Pages three and four are your actual expenditures year to date. There are no variances at this point that I feel the district can't cover with our current budget.

#### **B. Assessment Receipt Schedule**

Mr. Torres stated you are 100% collected already, which is good.

#### **C. Approval of Check Register**

Mr. Torres stated these are checks that have been paid from January 1, 2019 through March 31, 2019 from your general fund for a total of \$42,923.43 as well as some online payments for utilities in the amount of \$15,131.13.

On MOTION by Mr. Blessing seconded by Mr. Martyn with all in favor the Check Register was approved.

**ELEVENTH ORDER OF BUSINESS****Next Scheduled Meeting**

Mr. Torres stated our next scheduled meeting is August 1, 2019 at 10:30 a.m. at the Association of Realtors. The address is 910 South 14<sup>th</sup> Street, Fernandina Beach.

*Following the meeting it was discovered the agenda listed the August 1<sup>st</sup> meeting time at 10:30 a.m. in error. The meeting will be held at 6:00 p.m. on August 1, 2019 at the Association of Realtors.*

**TWELFTH ORDER OF BUSINESS****Adjournment**

On MOTION by Ms. Blessing seconded by Mr. Martyn with all in favor the meeting was adjourned.

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Secretary/Assistant Secretary

---

Chairman/Vice Chairman

## *FIFTH ORDER OF BUSINESS*

*A.*



- Engineering / Permitting
- Development Services
- Property Management
- Construction Management
- ADA Consulting

7/24/2019

## ***Heron Isles CDD - Parking Lot Expansion***

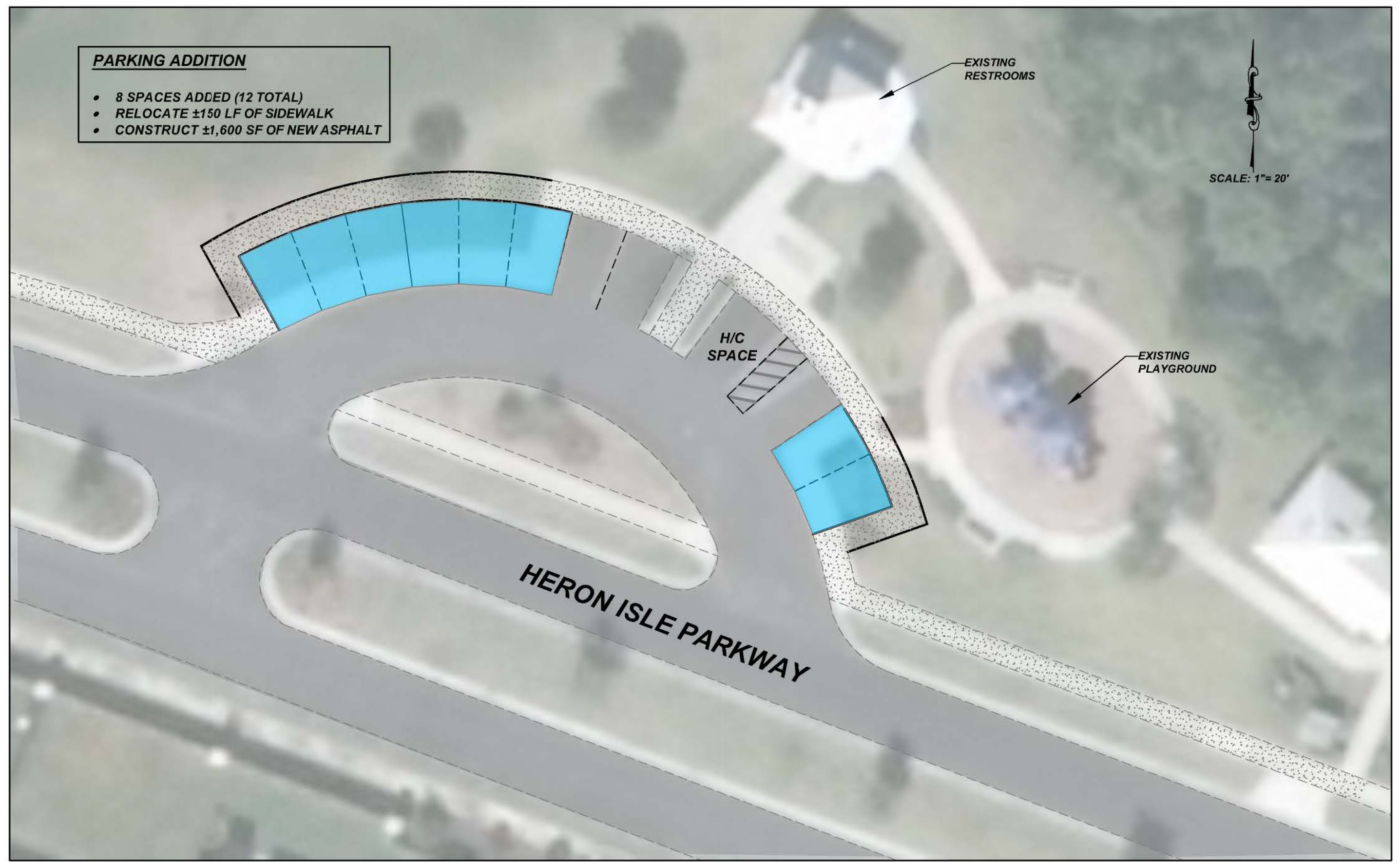
### **Cost Estimate**

<b>Item</b>	<b>Unit</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Price</b>
<b>Construction Cost</b>				
Mobilization	LS	1	\$3,500.00	\$3,500.00
Clearing & Grubbing	AC	0.3	\$6,500.00	\$1,625.00
Embankment (Fill)	CY	100	\$12.00	\$1,200.00
Stabilized Subgrade	SF	1,600	\$4.50	\$7,200.00
Limerock Base (6")	SF	1,600	\$6.50	\$10,400.00
Asphalt (1.5")	SF	1,600	\$6.00	\$9,600.00
Concrete Curb	LF	130	\$19.00	\$2,470.00
Concrete Sidewalk (flatwork)	SF	740	\$4.50	\$3,330.00
parking lot striping	LF	216	\$6.00	\$1,296.00
Grassing (Sod)	SF	1,200	\$1.50	\$1,800.00
Maintenance of Traffic	LS	1	\$1,500.00	\$1,500.00
Irrigation Repairs	LS	1	\$1,200.00	\$1,200.00
			<b>Sub Total</b>	<b>\$45,121.00</b>
<b>Soft Costs</b>				
Engineering Design	LS	1	\$12,500.00	\$12,500.00
Permitting (Nassau County & SJRWMD)	LS	1	\$3,500.00	\$3,500.00
Topographic Survey	LS	1	\$3,500.00	\$3,500.00
Geotechnical Investigation	LS	1	\$3,750.00	\$3,750.00
			<b>Sub Total</b>	<b>\$23,250.00</b>
			Contingency (15%)	\$10,255.65
			<b>Total</b>	<b>\$78,626.65</b>



- PARKING ADDITION

  - 8 SPACES ADDED (12 TOTAL)
  - RELOCATE ±150 LF OF SIDEWALK
  - CONSTRUCT ±1,600 SF OF NEW ASPHALT



NO.	DATE	REVISIONS	PROJECT NO.	Y19 - 707	 <div> <div>145 Hilden Road, Unit 108</div> <div>Ponte Vedra, FL 32081</div> <div>(904) 342-5199</div> </div> <div>CERTIFICATE OF AUTHORIZATION NO. 28658</div>	<div>MICHAEL J. YURO, P.E.</div> <div>FLORIDA P.E. LICENSE NO. 65247</div> <div>REGISTERED PROFESSIONAL</div>	<div>PLAYGROUND - PARKING IMPROVEMENTS</div> <div>PREPARED FOR:</div> <div>HERON ISLES - CDD</div> <div>CONCEPTUAL SITE PLAN</div>	SHEET NO.
			DRAWN BY:	JMR				2
			CHECKED BY:	MJY				
			DATE:	7/24/19				

## *SIXTH ORDER OF BUSINESS*

***Approved Budget  
Fiscal Year 2020***

***Heron Isles Community  
Development District***

***August 1, 2019***



**Heron Isles  
Community Development District**

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# Heron Isles

## Community Development District

## General Fund

Description	Adopted Budget FY 2019	Actual Thru 6/30/19	Projected Next 3 Months	Total Projected 9/30/19	Approved Budget FY 2020
<b>Revenues</b>					
Assessments - On Roll	\$320,236	\$324,160	\$0	\$324,160	\$412,343
Interest Income	\$400	\$628	\$150	\$778	\$400
Carryforward Surplus	\$0	\$0	\$0	\$0	\$750
<b>TOTAL REVENUES</b>	<b>\$320,637</b>	<b>\$324,788</b>	<b>\$150</b>	<b>\$324,938</b>	<b>\$413,494</b>
<b>Expenditures</b>					
<i>Administrative</i>					
Supervisor Fees	\$4,000	\$3,400	\$1,000	\$4,400	\$6,000
FICA Expense	\$306	\$260	\$77	\$337	\$459
Engineering	\$5,000	\$2,600	\$2,400	\$5,000	\$5,000
Assessment Roll	\$7,500	\$7,500	\$0	\$7,500	\$7,500
Dissemination	\$1,500	\$1,125	\$375	\$1,500	\$1,500
Attorney	\$15,000	\$7,504	\$5,496	\$13,000	\$15,000
Annual Audit	\$4,000	\$0	\$3,250	\$3,250	\$3,250
Trustee Fees	\$2,200	\$0	\$3,717	\$3,717	\$3,800
Management Fees	\$45,423	\$34,067	\$11,356	\$45,423	\$45,423
Computer Time	\$1,000	\$750	\$250	\$1,000	\$1,000
Website Compliance	\$500	\$2,125	\$125	\$2,250	\$1,700
Telephone	\$100	\$139	\$68	\$207	\$200
Postage	\$500	\$735	\$39	\$773	\$800
Printing & Binding	\$1,250	\$1,013	\$245	\$1,258	\$1,500
Rental & Leases	\$0	\$640	\$80	\$720	\$120
Meeting Room Rental	\$1,300	\$400	\$200	\$600	\$1,000
Insurance	\$6,700	\$10,663	\$0	\$10,663	\$11,196
Legal Advertising	\$2,500	\$5,724	\$0	\$5,724	\$5,350
Other Current Charges	\$1,000	\$6,252	\$165	\$6,417	\$7,000
Office Supplies	\$100	\$59	\$41	\$100	\$100
Dues, Licenses & Subscriptions	\$175	\$175	\$0	\$175	\$175
Capital Outlay	\$250	\$0	\$0	\$0	\$0
<b>TOTAL ADMINISTRATIVE EXPENDITURES</b>	<b>\$100,304</b>	<b>\$85,132</b>	<b>\$28,883</b>	<b>\$114,015</b>	<b>\$118,073</b>
<b>UTILITIES:</b>					
Electric	\$32,005	\$18,501	\$6,300	\$24,801	\$31,740
Water & Sewer	\$46,813	\$25,316	\$14,041	\$39,357	\$44,064
<b>SUBTOTAL UTILITIES</b>	<b>\$78,818</b>	<b>\$43,817</b>	<b>\$20,341</b>	<b>\$64,158</b>	<b>\$75,804</b>
<b>CONTRACT SERVICES</b>					
Landscape Maintenance	\$64,250	\$74,814	\$15,213	\$90,027	\$60,852
Landscape Contingency	\$0	\$0	\$0	\$0	\$15,000
Irrigation Maintenance	\$3,000	\$2,679	\$321	\$3,000	\$3,000
Lake Maintenance	\$12,900	\$9,675	\$3,225	\$12,900	\$12,900
Janitorial Services	\$7,200	\$4,800	\$2,400	\$7,200	\$7,200
Trash Removal Services	\$7,440	\$4,500	\$1,500	\$6,000	\$7,440
Management Company	\$9,000	\$6,000	\$3,000	\$9,000	\$9,000
Pest Control Services	\$225	\$227	\$0	\$227	\$225
Holiday Decorations	\$1,500	\$1,710	\$0	\$1,710	\$1,500
<b>SUBTOTAL CONTRACT SERVICES</b>	<b>\$105,515</b>	<b>\$104,405</b>	<b>\$25,659</b>	<b>\$130,064</b>	<b>\$117,117</b>
<b>REPAIRS &amp; MAINTENANCE</b>					
Repairs & Maintenance	\$30,000	\$7,113	\$1,360	\$8,473	\$0
Facility Repairs	\$0	\$0	\$0	\$0	\$15,000
<b>SUBTOTAL REPAIRS &amp; MAINTENANCE</b>	<b>\$30,000</b>	<b>\$7,113</b>	<b>\$1,360</b>	<b>\$8,473</b>	<b>\$15,000</b>
<b>RESERVES</b>					
Capital Reserve	\$6,000	\$500	\$5,500	\$6,000	\$30,000
Capital Project Improvements	\$0	\$0	\$0	\$0	\$57,500
<b>SUBTOTAL RESERVES</b>	<b>\$6,000</b>	<b>\$500</b>	<b>\$5,500</b>	<b>\$6,000</b>	<b>\$87,500</b>
<b>TOTAL FIELD EXPENDITURES</b>	<b>\$220,333</b>	<b>\$155,835</b>	<b>\$52,861</b>	<b>\$208,695</b>	<b>\$295,421</b>
<b>TOTAL EXPENDITURES</b>	<b>\$320,637</b>	<b>\$240,967</b>	<b>\$81,743</b>	<b>\$322,710</b>	<b>\$413,494</b>
<b>Excess Revenues</b>	<b>\$0</b>	<b>\$83,821</b>	<b>(\$81,593)</b>	<b>\$2,228</b>	<b>\$0</b>

	FY 2018	FY 2019	FY 2020
NET ASSESSMENTS	\$281,122	\$320,236	\$412,343
PLUS COLLECTION FEES (7%)	\$21,160	\$24,104	\$31,037
GROSS ASSESSMENTS	\$302,281	\$344,340	\$443,380
NO. OF UNITS	749	749	748
PER UNIT ASSESSMENT	\$404	\$460	\$593

# **HERON ISLES**

## **COMMUNITY DEVELOPMENT DISTRICT**

### **GENERAL FUND BUDGET FISCAL YEAR 2020**

#### **REVENUES:**

##### **Maintenance Assessments**

The District will levy a non ad-valorem special assessment on all assessable property within the District to fund all of the General Operating Expenditures for the fiscal year.

##### **Interest Income**

The District will have all excess funds invested with U.S. Bank. The amount is based upon the estimated average balance of funds available during the fiscal year.

#### **EXPENDITURES:**

##### **Administrative:**

##### **Supervisor Fees**

The Florida Statutes allows each board member to receive \$200 per meeting not to exceed \$4,000 in one year. The amount for the fiscal year is based upon all five supervisors attending the estimated 4 annual meetings.

##### **FICA Expense**

Represents the Employer's share of Social Security and Medicare taxes withheld from Board of Supervisors checks.

##### **Engineering Fees**

The District's engineer will be providing general engineering services to the District including attendance and preparation for board meetings, etc.

##### **Assessment Roll**

Governmental Management Services serves as the District's collection agent and certifies the District's non-ad valorem assessments with the county tax collector.

##### **Dissemination Agent**

The District is required by the Security and Exchange Commission to comply with Rule 15(c) (2)-12(b) (5), which relates to additional reporting requirements for un-rated bond issues.

##### **Attorney**

The District's legal counsel will be providing general legal services to the District, i.e., attendance and preparation for monthly meetings, review operating and maintenance contracts.

##### **Annual Audit**

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm.

##### **Trustee Fees**

The District issued Series 2005 Capital Improvement Revenue Bonds, which are held with a Trustee at US Bank. The amount of the trustee fees is based on the agreement between US Bank and the District.

# **HERON ISLES**

## **COMMUNITY DEVELOPMENT DISTRICT**

### **GENERAL FUND BUDGET FISCAL YEAR 2020**

#### **Management Fees**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Governmental Management Services. These services are further outlined in Exhibit "A" of the Management Agreement.

#### **Computer Time**

The District processes all of its financial activities, i.e., accounts payable, financial statements, etc. on a mainframe computer leased by Governmental Management Services.

#### **Website Compliance**

Per Chapter 2014-22, Laws of Florida, all Districts must have a website by October 1, 2015 to provide detailed information on the CDD as well as links to useful websites regarding Compliance issues. This website will be maintained by GMS, LLC and updated monthly. ADA Human audit fee will be included in this line.

#### **Telephone**

Telephone and fax machine.

#### **Postage**

Mailing of agenda packages, overnight deliveries, correspondence, etc.

#### **Printing & Binding**

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc.

#### **Rental & Leases**

Record storage fees to maintain district files by McCranie & Associates Inc at \$10/month.

#### **Insurance**

The District's General Liability & Public Officials Liability Insurance policy is with Florida Insurance Alliance. Florida Insurance Alliance specializes in providing insurance coverage to governmental agencies.

#### **Legal Advertising**

The District is required to advertise various notices for monthly Board meetings, public hearings, etc. in a newspaper of general circulation.

#### **Other Current Charges**

Bank charges and any other miscellaneous expenses that are incurred during the year.

#### **Office Supplies**

Miscellaneous office supplies.

#### **Meeting Room Rental**

This item includes the cost to rent a boardroom for the Heron Isles Community Development District monthly supervisor meetings. The rental fees are based on the quarterly meetings.

# HERON ISLES

## COMMUNITY DEVELOPMENT DISTRICT

### GENERAL FUND BUDGET

FISCAL YEAR 2020

#### Dues, Licenses & Subscriptions

The District is required to pay an annual fee to the Department of Economic Opportunity for \$175. This is the only expense under this category for the District.

#### Capital Outlay

Represents any minor capital expenditures the District may need to make during the Fiscal Year such as a file cabinet for District files.

#### Utilities:

##### Electric

This item includes the cost of electricity for Heron Isles CDD that will be provided by FPL.

Location	Account #	Monthly	Annual
100 Heron Isles Pkwy	55251-34119	\$2,000	\$24,000
96103 Heron Isles Pkwy	79367-06030	\$15	\$180
96116 Heron Isles Pkwy	15371-18034	\$15	\$180
961164 Heron Isles Pkwy #IRR	17007-82129	\$15	\$180
96139 Heron Isles Pkwy	89411-73059	\$25	\$300
96148 Heron Isles Pkwy	59739-27030	\$15	\$180
96443 Heron Isles Pkwy #IRR	62356-51129	\$15	\$180
96638 Heron Isles Pkwy #IRR	62602-83129	\$15	\$180
96331 Starfish Dr entwall	39110-92496	\$15	\$180
928 Chester Rd# Entrance	62761-04061	\$15	\$180
Contingency		\$500	\$6,000
Total		\$2667	\$31,740

##### Water & Sewer

This item includes the cost of water and/or sewer from JEA.

Location	Meter #	Monthly	Annual
96059 Heron Isles PY	82505651	\$1210	\$14,520
96059 Heron Isles PY	82505651	\$384	\$4,608
96259 Heron Isles PY	83582184	\$847	\$10,164
96320 Starfish Dr	67059090	\$20	\$240
96416 Heron Isles PY	67133229	\$579	\$6,948
96572 Heron Isles PY	67133293	\$600	\$7,200
928 Chester Road Apt IR01	83714954	\$32	\$384
Totals		\$3,036	\$44,064



# HERON ISLES

## COMMUNITY DEVELOPMENT DISTRICT

### GENERAL FUND BUDGET FISCAL YEAR 2020

#### Contract Services:

##### Landscape Maintenance

Landscape services are to maintain the common areas within the District. The District has contracted with Martex Services for these services pertaining to entryway maintenance. The contract provides for a 30 day termination.

<u>Vendor</u>	<u>Monthly</u>	<u>Annual</u>
Martex	\$5,071	\$60,852

##### Landscape Contingency

Other Landscape service cost such as tree trimmings, tree and plant disposal and replacements.

<u>Vendor</u>	<u>Monthly</u>	<u>Annual</u>
Martex	\$1,250	\$15,000

##### Irrigation Maintenance

Irrigation services are to maintain the common areas within the District. The District has contracted with Martex Services for these services pertaining to entryway maintenance. The contract provides for a 30 day termination.

##### Lake Maintenance

The District has a contract with The Lake Doctors who provide monthly water management services to all the lakes throughout the District.

##### Janitorial Services

The District has a contract with All Repairs & Maintenance for Janitorial services for the District.

##### Trash Removal Service

The District has a contract with All Repairs & Maintenance for Trash Removal Services.

##### Management Company

Management Fees include managing, supervising and coordinating the management, operation and maintenance. The District has a contract with Leland Management Inc. to provide these services, the monthly charge is \$750.00 and the contract can be terminated by either party within 30 days notice.

##### Pest Control

The District has a contract with Kelly Termite for pest control services.

##### Holiday Decorations:

Represents estimated costs for the District to decorate the amenity center throughout the Fiscal Year.

# HERON ISLES

## COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND BUDGET  
FISCAL YEAR 2020

### **REPAIRS & MAINTENANCE:**

#### **Repairs & Maintenance**

Unscheduled repairs and maintenance to the District's facilities through the community

#### **Facility Repairs**

Repairs and maintenance for the District's amenity center.

### **RESERVES:**

#### **Capital Reserve:**

Represents any Capital expenditures the District may need outside of the regular maintenance.

#### **Capital Project Improvements:**

Used to fund minor construction or improvements to District property. This includes renovations, repairs, parking lot expansion, or road repairs.

# Heron Isles

Community Development District

Debt Service Fund

Series 2017A1-A2

	Adopted Budget FY 2019	Actual Thru 6/30/19	Projected Next 3 Months	Total Projected 9/30/19	Approved Budget FY 2020
<b>Description</b>					
<b>Revenues</b>					
(1) Special Assessments - On Roll	\$233,370	\$228,957	\$4,413	\$233,370	\$233,370
Interest Income	\$0	\$402	\$69	\$471	\$0
Prepayments	\$0	\$5,196	\$0	\$5,196	\$0
(2) Carry Forward Surplus	\$58,302	\$95,331	\$0	\$95,331	\$65,405
<b>TOTAL REVENUES</b>	<b>\$291,672</b>	<b>\$329,886</b>	<b>\$4,482</b>	<b>\$334,368</b>	<b>\$298,775</b>
<b>Expenditures</b>					
Series 2017A1					
Interest - 11/1	\$29,863	\$29,863	\$0	\$29,863	\$28,475
Special Call - 11/1	\$0	\$30,000	\$0	\$30,000	\$0
Interest - 5/1	\$29,863	\$29,475	\$0	\$29,475	\$28,475
Principal - 5/1	\$100,000	\$100,000	\$0	\$100,000	\$100,000
Special Call - 5/1	\$0	\$0	\$0	\$0	\$0
Series 2017A2					
Interest - 11/1	\$20,000	\$20,000	\$0	\$20,000	\$19,000
Special Call - 11/1	\$0	\$15,000	\$0	\$15,000	\$5,000
Interest - 5/1	\$20,000	\$19,625	\$0	\$19,625	\$19,000
Principal - 5/1	\$30,000	\$25,000	\$0	\$25,000	\$30,000
<b>TOTAL EXPENDITURES</b>	<b>\$229,725</b>	<b>\$268,963</b>	<b>\$0</b>	<b>\$268,963</b>	<b>\$229,950</b>
<b>Other Sources/(Uses)</b>					
(3) Interfund Transfer In/(Out)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL OTHER SOURCES/USES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS REVENUES</b>	<b>\$61,947</b>	<b>\$60,924</b>	<b>\$4,482</b>	<b>\$65,405</b>	<b>\$68,825</b>

11/1/2020 Debt Service \$ 45,725.00

(1) Maximum Annual Debt Service

(2) Carry forward surplus is net of the reserve requirement

	FY 2020
PLUS COLLECTION FEES (7%)	\$17,565
GROSS ASSESSMENTS	\$250,935
NO. OF UNITS	543
PER UNIT ASSESSMENT:	\$447

## Heron Isles

### Community Development District

Series 2017A-1 Capital Improvement Revenue Refunding Bonds (Senior Bonds)

### AMORTIZATION SCHEDULE

DATE	BALANCE	PRINCIPAL	INTEREST	TOTAL
11/01/19	\$ 2,055,000.00	\$ -	\$ 28,475.00	\$ 157,950.00
05/01/20	\$ 2,055,000.00	\$ 100,000.00	\$ 28,475.00	
11/01/20	\$ 1,955,000.00	\$ -	\$ 27,475.00	\$ 155,950.00
05/01/21	\$ 1,955,000.00	\$ 100,000.00	\$ 27,475.00	
11/01/21	\$ 1,850,000.00	\$ -	\$ 26,475.00	\$ 153,950.00
05/01/22	\$ 1,850,000.00	\$ 105,000.00	\$ 26,475.00	
11/01/22	\$ 1,745,000.00	\$ -	\$ 25,425.00	\$ 156,900.00
05/01/23	\$ 1,745,000.00	\$ 105,000.00	\$ 25,425.00	
11/01/23	\$ 1,635,000.00	\$ -	\$ 24,375.00	\$ 154,800.00
05/01/24	\$ 1,635,000.00	\$ 105,000.00	\$ 24,375.00	
11/01/24	\$ 1,530,000.00	\$ -	\$ 23,193.75	\$ 152,568.75
05/01/25	\$ 1,530,000.00	\$ 110,000.00	\$ 23,193.75	
11/01/25	\$ 1,415,000.00	\$ -	\$ 21,887.50	\$ 155,081.25
05/01/26	\$ 1,415,000.00	\$ 110,000.00	\$ 21,887.50	
11/01/26	\$ 1,305,000.00	\$ -	\$ 20,512.50	\$ 152,400.00
05/01/27	\$ 1,305,000.00	\$ 115,000.00	\$ 20,512.50	
11/01/27	\$ 1,185,000.00	\$ -	\$ 19,003.13	\$ 154,515.63
05/01/28	\$ 1,185,000.00	\$ 120,000.00	\$ 19,003.13	
11/01/28	\$ 1,065,000.00	\$ -	\$ 17,353.13	\$ 156,356.26
05/01/29	\$ 1,065,000.00	\$ 115,000.00	\$ 17,353.13	
11/01/29	\$ 945,000.00	\$ -	\$ 15,556.25	\$ 147,909.38
05/01/30	\$ 945,000.00	\$ 120,000.00	\$ 15,556.25	
11/01/30	\$ 825,000.00	\$ -	\$ 13,681.25	\$ 149,237.50
05/01/31	\$ 825,000.00	\$ 125,000.00	\$ 13,681.25	
11/01/31	\$ 700,000.00	\$ -	\$ 11,728.13	\$ 150,409.38
05/01/32	\$ 700,000.00	\$ 130,000.00	\$ 11,728.13	
11/01/32	\$ 570,000.00	\$ -	\$ 9,534.38	\$ 151,262.51
05/01/33	\$ 570,000.00	\$ 135,000.00	\$ 9,534.38	
11/01/33	\$ 435,000.00	\$ -	\$ 7,256.25	\$ 151,790.63
05/01/34	\$ 435,000.00	\$ 140,000.00	\$ 7,256.25	
11/01/34	\$ 295,000.00	\$ -	\$ 4,893.75	\$ 152,150.00
05/01/35	\$ 295,000.00	\$ 140,000.00	\$ 4,893.75	
11/01/35	\$ 150,000.00	\$ -	\$ 2,531.25	\$ 147,425.00
05/01/36	\$ 150,000.00	\$ 150,000.00	\$ 2,531.25	\$ 152,531.25
		\$2,025,000	\$ 598,712.54	\$ 2,753,187.54

## Heron Isles

### Community Development District

Series 2017A-2 Capital Improvement Revenue Refunding Bonds (Subordinate Bonds)

#### AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/01/19	\$ 760,000.00	5.000%	\$ -	\$ 19,000.00	\$ -
05/01/20	\$ 760,000.00	5.000%	\$ 30,000.00	\$ 19,000.00	\$ 68,000.00
11/01/20	\$ 730,000.00	5.000%	\$ -	\$ 18,250.00	\$ -
05/01/21	\$ 730,000.00	5.000%	\$ 30,000.00	\$ 18,250.00	\$ 66,500.00
11/01/21	\$ 700,000.00	5.000%	\$ -	\$ 17,500.00	\$ -
05/01/22	\$ 700,000.00	5.000%	\$ 30,000.00	\$ 17,500.00	\$ 65,000.00
11/01/22	\$ 670,000.00	5.000%	\$ -	\$ 16,750.00	\$ -
05/01/23	\$ 670,000.00	5.000%	\$ 35,000.00	\$ 16,750.00	\$ 68,500.00
11/01/23	\$ 635,000.00	5.000%	\$ -	\$ 15,875.00	\$ -
05/01/24	\$ 635,000.00	5.000%	\$ 35,000.00	\$ 15,875.00	\$ 66,750.00
11/01/24	\$ 600,000.00	5.000%	\$ -	\$ 15,000.00	\$ -
05/01/25	\$ 600,000.00	5.000%	\$ 35,000.00	\$ 15,000.00	\$ 65,000.00
11/01/25	\$ 565,000.00	5.000%	\$ -	\$ 14,125.00	\$ -
05/01/26	\$ 565,000.00	5.000%	\$ 40,000.00	\$ 14,125.00	\$ 68,250.00
11/01/26	\$ 525,000.00	5.000%	\$ -	\$ 13,125.00	\$ -
05/01/27	\$ 525,000.00	5.000%	\$ 40,000.00	\$ 13,125.00	\$ 66,250.00
11/01/27	\$ 485,000.00	5.000%	\$ -	\$ 12,125.00	\$ -
05/01/28	\$ 485,000.00	5.000%	\$ 45,000.00	\$ 12,125.00	\$ 69,250.00
11/01/28	\$ 440,000.00	5.000%	\$ -	\$ 11,000.00	\$ -
05/01/29	\$ 440,000.00	5.000%	\$ 45,000.00	\$ 11,000.00	\$ 67,000.00
11/01/29	\$ 395,000.00	5.000%	\$ -	\$ 9,875.00	\$ -
05/01/30	\$ 395,000.00	5.000%	\$ 50,000.00	\$ 9,875.00	\$ 69,750.00
11/01/30	\$ 345,000.00	5.000%	\$ -	\$ 8,625.00	\$ -
05/01/31	\$ 345,000.00	5.000%	\$ 50,000.00	\$ 8,625.00	\$ 67,250.00
11/01/31	\$ 295,000.00	5.000%	\$ -	\$ 7,375.00	\$ -
05/01/32	\$ 295,000.00	5.000%	\$ 55,000.00	\$ 7,375.00	\$ 69,750.00
11/01/32	\$ 240,000.00	5.000%	\$ -	\$ 6,000.00	\$ -
05/01/33	\$ 240,000.00	5.000%	\$ 55,000.00	\$ 6,000.00	\$ 67,000.00
11/01/33	\$ 185,000.00	5.000%	\$ -	\$ 4,625.00	\$ -
05/01/34	\$ 185,000.00	5.000%	\$ 60,000.00	\$ 4,625.00	\$ 69,250.00
11/01/34	\$ 125,000.00	5.000%	\$ -	\$ 3,125.00	\$ -
05/01/35	\$ 125,000.00	5.000%	\$ 60,000.00	\$ 3,125.00	\$ 66,250.00
11/01/35	\$ 65,000.00	5.000%	\$ -	\$ 1,625.00	\$ -
05/01/36	\$ 65,000.00	5.000%	\$ 65,000.00	\$ 1,625.00	\$ 68,250.00
			\$ 760,000.00	\$ 388,000.00	\$ 1,148,000.00

# Heron Isles

Community Development District

Capital Reserve Fund

Description	Proposed Budget FY 2019	Actual Thru 6/30/19	Projected Next 3 Months	Total Projected 9/30/19	Approved Budget FY 2020
<b>Revenues</b>					
Capital Reserve Transfer In	\$0	\$0	\$5,500	\$5,500	\$30,000
Carry Forward Surplus	\$0	\$0	\$0	\$0	\$5,500
Interest Income	\$0	\$0	\$0	\$0	\$250
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,500</b>	<b>\$5,500</b>	<b>\$35,750</b>
<b>Expenditures</b>					
Capital Outlay	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,500</b>	<b>\$5,500</b>	<b>\$35,750</b>

*A.*

## **RESOLUTION 2019-07**

### **THE ANNUAL APPROPRIATION RESOLUTION OF THE HERON ISLES COMMUNITY DEVELOPMENT DISTRICT (“DISTRICT”) RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGETS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019, AND ENDING SEPTEMBER 30, 2020; AUTHORIZING BUDGET AMENDMENTS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has, prior to the fifteenth (15<sup>th</sup>) day in June, 2019, submitted to the Board of Supervisors (“**Board**”) of the Heron Isles Community Development District (“**District**”) proposed budgets (“**Proposed Budget**”) for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (“**Fiscal Year 2019/2020**”) along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), *Florida Statutes*; and

**WHEREAS**, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), *Florida Statutes*; and

**WHEREAS**, the Board set a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), *Florida Statutes*; and

**WHEREAS**, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

**WHEREAS**, Section 190.008(2)(a), *Florida Statutes*, requires that, prior to October 1<sup>st</sup> of each year, the Board, by passage of the Annual Appropriation Resolution, shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

**WHEREAS**, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HERON ISLES COMMUNITY DEVELOPMENT DISTRICT:**

#### **SECTION 1. BUDGET**

- a. The Board has reviewed the Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Local Records Office, and hereby approves certain amendments thereto, as shown in Section 2 below.



- b. The Proposed Budget, attached hereto as **Exhibit “A,”** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), *Florida Statutes* (“**Adopted Budget**”), and incorporated herein by reference; provided, however, that the comparative figures contained in the Adopted Budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures.
- c. The Adopted Budget, as amended, shall be maintained in the office of the District Manager and at the District’s Local Records Office and identified as “The Budget for the Heron Isles Community Development District for the Fiscal Year Ending September 30, 2020.”
- d. The Adopted Budget shall be posted by the District Manager on the District’s official website within thirty (30) days after adoption, and shall remain on the website for at least 2 years.

## **SECTION 2. APPROPRIATIONS**

There is hereby appropriated out of the revenues of the District, for Fiscal Year 2019/2020, the sum of \$\_\_\_\_\_ to be raised by the levy of assessments and/or otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$ _____
DEBT SERVICE FUND(S)	\$ _____
CAPITAL RESERVE FUND	\$ _____
TOTAL ALL FUNDS	\$ _____

## **SECTION 3. BUDGET AMENDMENTS**

Pursuant to Section 189.016, *Florida Statutes*, the District at any time within Fiscal Year 2019/2020 or within 60 days following the end of the Fiscal Year 2019/2020 may amend its Adopted Budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016, *Florida Statutes*, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget under subparagraphs c. and d. above are posted on the District's website within 5 days after adoption and remain on the website for at least 2 years.

**SECTION 4. EFFECTIVE DATE.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED THIS 1<sup>ST</sup> DAY OF AUGUST, 2019.**

ATTEST:

**HERON ISLES COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary/Assistant Secretary

By:\_\_\_\_\_

Its:\_\_\_\_\_

*B.*

## RESOLUTION 2019-08

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HERON ISLES COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT AND IMPOSING SPECIAL ASSESSMENTS FOR FISCAL YEAR 2019/2020; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Heron Isles Community Development District (“**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

**WHEREAS**, the District is located in Nassau County, Florida (“**County**”); and

**WHEREAS**, the District has constructed or acquired various infrastructure improvements and provides certain services in accordance with the District’s adopted capital improvement plan and Chapter 190, *Florida Statutes*; and

**WHEREAS**, the Board of Supervisors (“**Board**”) of the District hereby determines to undertake various operations and maintenance and other activities described in the District’s budget (“**Adopted Budget**”) for the fiscal year beginning October 1, 2019 and ending September 30, 2020 (“**Fiscal Year 2019/2020**”), attached hereto as **Exhibit “A”** and incorporated by reference herein; and

**WHEREAS**, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the Adopted Budget; and

**WHEREAS**, the provision of such services, facilities, and operations is a benefit to lands within the District; and

**WHEREAS**, Chapter 190, *Florida Statutes*, provides that the District may impose special assessments on benefitted lands within the District; and

**WHEREAS**, it is in the best interests of the District to proceed with the imposition of the special assessments for operations and maintenance in the amount set forth in the Adopted Budget; and

**WHEREAS**, the District has previously levied an assessment for debt service, which the District desires to collect for Fiscal Year 2019/2020; and

**WHEREAS**, Chapter 197, *Florida Statutes*, provides a mechanism pursuant to which such special assessments may be placed on the tax roll and collected by the local tax collector (“**Uniform Method**”), and the District has previously authorized the use of the Uniform Method by, among other things, entering into agreements with the Property Appraiser and Tax Collector of the County for that purpose; and

**WHEREAS**, it is in the best interests of the District to adopt the Assessment Roll of the Heron Isles Community Development District (“**Assessment Roll**”) attached to this Resolution as **Exhibit “B”** and incorporated as a material part of this Resolution by this reference, and to certify the Assessment Roll to the County Tax Collector pursuant to the Uniform Method; and

**WHEREAS**, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll, certified to the County Tax Collector by this Resolution, as the Property Appraiser updates the property roll for the County, for such time as authorized by Florida law.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD  
OF SUPERVISORS OF THE HERON ISLES COMMUNITY  
DEVELOPMENT DISTRICT:**

**SECTION 1. BENEFIT & ALLOCATION FINDINGS.** The Board hereby finds and determines that the provision of the services, facilities, and operations as described in **Exhibit “A”** confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the cost of the assessments. The allocation of the assessments to the specially benefitted lands, as shown in **Exhibits “A” and “B,”** is hereby found to be fair and reasonable.

**SECTION 2. ASSESSMENT IMPOSITION.** Pursuant to Chapters 190 and 197, *Florida Statutes*, and using the procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefitted lands within the District, and in accordance with **Exhibits “A” and “B.”** The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution. Moreover, pursuant to Section 197.3632(4), *Florida Statutes*, the lien amount shall serve as the “maximum rate” authorized by law for operation and maintenance assessments.

**SECTION 3. COLLECTION.** The collection of the operation and maintenance special assessments and previously levied debt service assessments shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as indicated on **Exhibits “A” and “B.”** The decision to collect special assessments by any particular method – e.g., on the tax roll or by direct bill – does not mean that such method will be used to collect special assessments in future years, and the District reserves the right in its sole discretion to select collection methods in any given year, regardless of past practices.

**SECTION 4. ASSESSMENT ROLL.** The Assessment Roll, attached to this Resolution as **Exhibit “B,”** is hereby certified to the County Tax Collector and shall be collected by the

County Tax Collector in the same manner and time as County taxes. The proceeds therefrom shall be paid to the District.

**SECTION 5. ASSESSMENT ROLL AMENDMENT.** The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.

**SECTION 6. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

**PASSED AND ADOPTED** this 1<sup>st</sup> day of August, 2019.

ATTEST:

**HERON ISLES COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary / Assistant Secretary

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Exhibit A:** Budget  
**Exhibit B:** Assessment Roll

## *SEVENTH ORDER OF BUSINESS*

*A.*



## **RESOLUTION 2019-09**

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HERON ISLES COMMUNITY DEVELOPMENT DISTRICT ADOPTING RATES AND FEES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Heron Isles Community Development District (“District”) is a local unit of special purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated in Nassau County, Florida; and

**WHEREAS**, Chapters 120 and 190, *Florida Statutes*, authorizes the District to adopt rules, rates, charges and fees to govern the administration of the District and defray costs of operation and to adopt resolutions as may be necessary for the conduct of District business; and

**WHEREAS**, the Board finds that the imposition of fees for utilization of the recreation facilities and related services is necessary in order to provide for the expenses associated with the operation and maintenance of the recreation facilities and is in the best interests of the District; and

**WHEREAS**, the Board finds that the fee structure outlined in **Exhibit A** is just and equitable having been based upon (i) the amount of service furnished; and (ii) other factors affecting the use of the facilities furnished; and

**WHEREAS**, the Board of Supervisors has complied with applicable Florida law concerning rule development and adoption.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HERON ISLES COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The fees in **Exhibit A** are just and equitable and have been based upon (i) the amount of service furnished; and (ii) other factors affecting the use of the facilities furnished.

**SECTION 2.** Fees for use of the District’s recreation facilities and services are adopted in accordance with **Exhibit A** for the purpose of providing revenues to maintain the operation and maintenance of the facilities, and are hereby ratified, approved and confirmed.

**SECTION 3.** If any provision of this resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 4.** This resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED** this 1<sup>st</sup> day of August, 2019.

ATTEST:

**HERON ISLES COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Print Name: \_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairperson

**Exhibit A:**    Amenity Related Fees and Services

**EXHIBIT A**

***Rates and Fees***

<b>Category</b>	<b>Proposed Rate/Fee</b>
Initial Key Card	\$0.00 - \$10.00
Replacement of Lost, Damaged, or Stolen Key Card	\$0.00 - \$50.00

*EIGHTH ORDER OF BUSINESS*

**Heron Isles  
Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2018**

**Heron Isles Community Development District**

**ANNUAL FINANCIAL REPORT**

**September 30, 2018**

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Berger, Toombs, Elam,  
Gaines & Frank

Certified Public Accountants PL

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Suite 200  
Fort Pierce, Florida 34950

772/461-6120 // 461-1155  
FAX: 772/468-9278

## **REPORT OF INDEPENDENT AUDITORS**

To the Board of Supervisors  
Heron Isles Community Development District  
Nassau County, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Heron Isles Community Development District as of and for the year ended September 30, 2018, and the related notes to financial statements that collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Fort Pierce / Stuart

To the Board of Supervisors  
Heron Isles Community Development District

## Opinion

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

## Other Matters

### *Required Supplementary Information*

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *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 in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated June 26, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Heron Isles Community Development District's internal control over financial reporting and compliance.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

June 26, 2019



**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

Management's discussion and analysis of Heron Isles Community Development District's (the "District") financial performance provides an objective and easily readable analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position is reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and interest on long term debt.

*Fund financial statements* present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

*Fund financial statements* include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues that are restricted to certain uses or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including infrastructure and improvements are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental activities, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

*Notes to financial statements* provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

**Financial Highlights**

The following are the highlights of the financial activity for the year ended September 30, 2018.

- ◆ The District's total liabilities exceeded total assets by \$(1,136,951) (net position). Unrestricted net position for Governmental Activities was \$(526,716). Restricted net position-debt service was \$128,605. Net investment in capital assets was \$(738,840).
- ◆ Governmental activities revenues totaled \$596,177 while governmental activities expenses totaled \$491,264.

**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District**

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

**Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Current assets	\$ 126,663	\$ 133,890
Prepaid bond insurance	75,888	80,184 *
Restricted assets	130,144	118,231
Capital assets	1,516,443	1,590,327
<b>Total Assets</b>	<b>1,849,138</b>	<b>1,922,632</b>
Current liabilities	243,248	164,019
Non-current liabilities	2,742,841	3,000,477
<b>Total Liabilities</b>	<b>2,986,089</b>	<b>3,164,496</b>
Net position - net investment in capital assets	(738,840)	(1,521,506)
Net position - restricted	128,605	159,995 *
Net position - unrestricted	(526,716)	119,647
<b>Total Net Position</b>	<b>\$ (1,136,951)</b>	<b>\$ (1,241,864) *</b>

\*Restated

The decrease in total liabilities is related primarily to the current year principal payments.

The decrease in capital assets is primarily related to current year depreciation.

The increase in net investment in capital assets and the decrease in unrestricted net position is related to the reclassification of debt.

**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Financial Analysis of the District (Continued)**

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

**Financial Activity**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Program Revenues		
Charges for services	\$ 595,246	\$ 610,096
Grants and contributions	-	461
General Revenues		
Investment earnings	931	341
Total Revenues	<u>596,177</u>	<u>610,898</u>
Expenses		
General government	96,905	326,765 *
Physical environment	287,317	263,608
Interest and other charges	107,042	177,849 *
Total Expenses	<u>491,264</u>	<u>768,222</u>
Change in Net Position	104,913	(157,324)
Net Position - Beginning of Year	<u>(1,241,864) *</u>	<u>(1,084,540)</u>
Net Position - End of Year	<u><u>\$ (1,136,951)</u></u>	<u><u>\$ (1,241,864) *</u></u>

\*Restated

The decrease in general government expenses is related to the bond issuance costs associated with the issuance of debt in the prior year.

The decrease in interest and other charges is related to current year principal payments and the bond refunding in the prior year.

**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Capital Assets Activity**

The following schedule provides a summary of the District's capital assets activity as of September 30, 2018 and 2017:

Description	Governmental Activities	
	2018	2017
Land and improvements	\$ 38,761	\$ 38,761
Infrastructure	2,216,522	2,216,522
Accumulated depreciation	(738,840)	(664,956)
Capital assets, net	<u>\$ 1,516,443</u>	<u>\$ 1,590,327</u>

Depreciation was \$73,844 in the current year.

**General Fund Budgetary Highlights**

Budgeted expenditures exceeded actual expenditures primarily due to lower utility costs than were anticipated.

The September 30, 2018 budget was amended primarily for increased capital outlay.

**Debt Management**

Governmental Activities debt includes the following:

- ◆ In June 2017, the District issued \$2,315,000 Series 2017A-1 Senior Capital Improvement Revenue Refunding Bonds and \$850,000 Series 2017A-2 Subordinate Capital Improvement Revenue Refunding Bonds. These bonds were issued to refund and redeem the Series 2005 Capital Improvement Revenue Bonds. The balance of the Series 2017A-1 and Series 2017A-2 Bonds were \$2,155,000 and \$800,000, respectively.

**Economic Factors and Next Year's Budget**

Heron Isles Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year 2019.

**Heron Isles Community Development District  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2018**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

**Request for Information**

The financial report is designed to provide a general overview of Heron Isles Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Heron Isles Community Development District, Governmental Management Services, 475 West Town Place, Suite 114, St. Augustine, FL 32092.

**Heron Isles Community Development District**  
**STATEMENT OF NET POSITION**  
**September 30, 2018**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 45,543
Investment	67,740
Accounts receivable	1,137
Prepaid expenses	10,663
Deposits	1,580
Total Current Assets	<u>126,663</u>
Non-current Assets:	
Prepaid bond insurance	75,888
Restricted assets:	
Investments	130,144
Capital assets not being depreciated	
Land and improvements	38,761
Capital assets being depreciated	
Infrastructure	2,216,522
Accumulated depreciation	<u>(738,840)</u>
Total Non-current Assets	<u>1,722,475</u>
Total Assets	<u>1,849,138</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	31,696
Accrued interest payable	41,552
Bonds payable	170,000
Total Current Liabilities	<u>243,248</u>
Non-current Liabilities:	
Bonds payable, net	<u>2,742,841</u>
Total Liabilities	<u>2,986,089</u>
<b>NET POSITION</b>	
Net investment in capital assets	(738,840)
Restricted-debt service	128,605
Unrestricted	<u>(526,716)</u>
Total Net Position	<u><u>\$ (1,136,951)</u></u>

*See accompanying notes to financial statements.*

**Heron Isles Community Development District**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

<b><u>Functions/Programs</u></b>	<b><u>Expenses</u></b>	<b><u>Program Revenues Charges for Services</u></b>	<b><u>Net (Expense) Revenues and Changes in Governmental Activities</u></b>
<b>Primary government</b>			
Governmental Activities			
General government	\$ (96,905)	\$ 89,047	\$ (7,858)
Physical environment	(287,317)	196,125	(91,192)
Interest and other charges	(107,042)	310,074	203,032
Total Governmental Activities	<u>\$ (491,264)</u>	<u>\$ 595,246</u>	<u>103,982</u>
	<b>General revenues:</b>		
	Investment earnings		931
	Total General Revenues		<u>931</u>
	 Change in Net Position		 104,913
	 Net Position - October 1, 2017		 <u>(1,241,864)</u>
	Net Position - September 30, 2018		<u><u>\$ (1,136,951)</u></u>

*See accompanying notes to financial statements.*



**Heron Isles Community Development District**  
**BALANCE SHEET –**  
**GOVERNMENTAL FUNDS**  
**September 30, 2018**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 45,543	\$ -	\$ 45,543
Investment	67,740	-	67,740
Accounts receivable	1,137	-	1,137
Prepaid expenses	10,663	-	10,663
Deposits	1,580	-	1,580
Restricted assets:			
Restricted investments	-	130,144	130,144
Total Assets	<u>\$ 126,663</u>	<u>\$ 130,144</u>	<u>\$ 256,807</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	<u>\$ 31,696</u>	<u>\$ -</u>	<u>\$ 31,696</u>
<b>FUND BALANCES</b>			
Nonspendable-prepays/deposits	12,243	-	12,243
Restricted for:			
Debt Service	-	130,144	130,144
Unassigned	<u>82,724</u>	<u>-</u>	<u>82,724</u>
Total Fund Balances	<u>94,967</u>	<u>130,144</u>	<u>225,111</u>
Total Liabilities and Fund Balances	<u>\$ 126,663</u>	<u>\$ 130,144</u>	<u>\$ 256,807</u>

*See accompanying notes to financial statements.*

**Heron Isles Community Development District**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
**September 30, 2018**

Total Governmental Fund Balances	\$ 225,111
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets, land and improvements (\$38,761), and infrastructure (\$2,216,522), net of accumulated depreciation (\$738,840) used in governmental activities are not current financial resources; and therefore, are not reported at the fund level.	1,516,443
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Prepaid bond insurance was recognized as an other debt service cost at the fund level in the year the debt was issued, however, at the government-wide level it is recognized as an asset and amortized over the life of the bonds.	75,888
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Long-term liabilities, including bonds payable (\$2,955,000), net of net bond discount (\$42,159) are not due and payable in the current period; therefore, are not reported at the governmental fund level.	(2,912,841)
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Accrued interest expense for long-term debt is not a current financial use; therefore, it is not reported at the governmental fund level.	<u>(41,552)</u>
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Net Position of Governmental Activities	<u><u>\$ (1,136,951)</u></u>
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*See accompanying notes to financial statements.*

**Heron Isles Community Development District  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS  
For the Year Ended September 30, 2018**

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 285,172	\$ 310,074	\$ -	\$ 595,246
Investment earnings	486	443	2	931
Total Revenues	<u>285,658</u>	<u>310,517</u>	<u>2</u>	<u>596,177</u>
Expenditures				
Current				
General government	96,905	-	-	96,905
Physical environment	213,433	-	-	213,433
Debt service				
Principal	-	210,000	-	210,000
Interest	-	89,055	-	89,055
Total Expenditures	<u>310,338</u>	<u>299,055</u>	<u>-</u>	<u>609,393</u>
Excess of Revenues over/(under) Expenditures	<u>(24,680)</u>	<u>11,462</u>	<u>2</u>	<u>(13,216)</u>
Other Financing Sources/(Uses)				
Transfers in	-	8,646	-	8,646
Transfers out	-	-	(8,646)	(8,646)
Total Other Financing Sources/(Uses)	<u>-</u>	<u>8,646</u>	<u>(8,646)</u>	<u>-</u>
Net Change in Fund Balances	(24,680)	20,108	(8,644)	(13,216)
Fund Balances - October 1, 2017	<u>119,647</u>	<u>110,036</u>	<u>8,644</u>	<u>238,327</u>
Fund Balances - September 30, 2018	<u>\$ 94,967</u>	<u>\$ 130,144</u>	<u>\$ -</u>	<u>\$ 225,111</u>

See accompanying notes to financial statements.

**Heron Isles Community Development District**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2018**

Net Change in Fund Balances - Total Governmental Funds	\$ (13,216)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, at the government-wide level, the cost of those assets is allocated over their estimated useful lives as depreciation. This is the amount of depreciation in the current year.	(73,884)
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Payment of long-term liabilities are reported as expenditures in the governmental fund statement but such repayments reduce long-term liabilities in the Statement of Net Position.	210,000
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Prepaid bond insurance was recognized as an expenditure at the fund level the year the bond was issued, at the government-wide level it was recorded as an asset and is amortized over the life of the bond. This is the current year amortization.	(4,296)
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Amortization expense of bond discounts does not require the use of current resources and therefore is not reported at the governmental funds level. This governmental funds level. This is the amount of amortization in the current period.	(2,364)
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In the Statement of Activities, interest is accrued on outstanding bonds; whereas at governmental funds level, interest expenditures are reported when due. This is the change in accrued interest from the prior year.	(11,327)
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Change in Net Position of Governmental Activities	\$ 104,913
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*See accompanying notes to financial statements.*

**Heron Isles Community Development District**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –**  
**GENERAL FUND**  
**For the Year Ended September 30, 2018**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
Revenues				
Special assessments	\$ 281,122	\$ 284,035	\$ 285,172	\$ 1,137
Interest earnings	-	486	486	-
Total Revenues	<u>281,122</u>	<u>284,521</u>	<u>285,658</u>	<u>1,137</u>
Expenditures				
Current				
General government	96,837	103,690	96,905	6,785
Physical environment	190,745	208,025	213,433	(5,408)
Capital outlay	<u>250</u>	<u>19,942</u>	<u>-</u>	<u>19,942</u>
Total Expenditures	<u>287,832</u>	<u>331,657</u>	<u>310,338</u>	<u>21,319</u>
Net Change in Fund Balances	(6,710)	(47,136)	(24,680)	22,456
Fund Balances - October 1, 2017	<u>6,710</u>	<u>47,136</u>	<u>119,647</u>	<u>72,511</u>
Fund Balances - September 30, 2018	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,967</u>	<u>\$ 94,967</u>

*See accompanying notes to financial statements.*

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

**1. Reporting Entity**

The District was established on September 1, 2004, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes and Nassau County, Florida Ordinance 2004-41. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, bridges or culverts, district roads, landscaping, street lights and other basic infrastructure projects within or without the boundaries of the Heron Isles Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at-large basis by landowners within the District. The District operates within the criteria established by Chapter 190.

As required by GAAP, these financial statements present the Heron Isles Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, selection of governing authority, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria as set forth by the Governmental Accounting Standards Board, the District has identified no component units.

**2. Measurement Focus and Basis of Accounting**

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**a. Government-wide Financial Statements**

Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

**b. Fund Financial Statements**

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds**

The District implemented the Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

**Nonspendable Fund Balance** – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

**Restricted Fund Balance** – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

**Assigned Fund Balance** – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

**Unassigned Fund Balance** – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**Fund Balance Spending Hierarchy** – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.



**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2. Measurement Focus and Basis of Accounting (Continued)**

**b. Fund Financial Statements (Continued)**

**Governmental Funds (Continued)**

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

**3. Basis of Presentation**

**a. Governmental Major Funds**

General Fund – The General Fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Debt Service Fund – Accounts for debt service requirements to retire the capital improvement bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Fund – Accounts for the remaining construction funds and the Board assigned capital reserves.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**3. Basis of Presentation (Continued)**

**b. Non-current Governmental Assets/Liabilities**

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds, be reported in the governmental activities column in the government-wide Statement of Net position.

**4. Assets, Liabilities, and Net Position or Equity**

**a. Cash and Investments**

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

**b. Restricted Assets**

Certain net position of the District will be classified as restricted assets on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**c. Capital Assets**

Capital assets, which include land improvements, buildings and improvements, improvements other than buildings, and equipment are reported in governmental activities.

The District defines capital assets as assets with an initial, individual cost of \$750 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over the assets' estimated useful lives ranging from 3 to 39 years.

**d. Bond Discounts**

Bond discounts are amortized over the life of the bonds.

**e. Prepaid Bond Insurance**

Prepaid bond insurance associated with the issuance of refunding bonds are presented on the financial statements as a non-current asset and amortized over the life of the bonds using the straight-line method.

**f. Budgets**

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. All budgeted appropriations lapse at year end. Formal budgets are adopted for the general and debt service funds. As a result, deficits in the budget columns of the accompanying financial statements may occur.

**g. Net Position**

Net position represents the difference between assets and liabilities and is reported in three categories. Net investment in capital assets, represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. Unrestricted net position is assets that do not meet definitions of the classifications previously described.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net position**

“Total fund balances” of the District’s governmental funds, \$225,111, differs from “net position” of governmental activities, \$(1,136,951), reported in the Statement of Net Position. This difference primarily results from the long-term economic focus of the Statement of Net position versus the current financial resources focus of the Governmental Fund Balance Sheet. The effect of the differences is illustrated below.

**Capital related items**

When capital assets (land improvements and infrastructure that are to be used in governmental activities) are purchased or constructed, the cost of those assets is reported as expenditures in governmental funds. However, the Statement of Net Position included those capital assets among the assets of the District as a whole.

Land and improvements	\$ 38,761
Infrastructure	2,216,522
Accumulated depreciation	<u>(738,840)</u>
Net Capital Assets	<u><u>\$ 1,516,443</u></u>

**Prepaid bond insurance**

Prepaid bond insurance is recognized as an asset at the government-wide level and amortized over the life of the long-term debt.

Prepaid bond insurance	<u><u>\$ 75,888</u></u>
------------------------	-------------------------

**Long-term debt transactions**

Long-term liabilities and the deferred amount on refunding applicable to the District’s governmental activities are not current uses or resources and accordingly are not reported at the fund level. All uses and resources (both current and long-term) are reported in the Statement of Net Position. Balances at September 30, 2018 were:

Bonds payable	\$ (2,955,000)
Bond discount, net	<u>42,159</u>
Total	<u><u>\$ (2,912,841)</u></u>

**Accrued interest**

Accrued liabilities in the Statement of Net Position differ from the amount reported in governmental funds due to the accrued interest on bonds.

Accrued interest	<u><u>\$ (41,552)</u></u>
------------------	---------------------------

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

**2. Explanation of Differences Between the Governmental Fund Operating Statements and the Statement of Activities**

The “net change in fund balances” for government funds, \$(13,216), differs from the “change in net position” for governmental activities, \$104,913, reported in the Statement of Activities. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

**Capital related items**

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation. The loss on disposal of capital assets is recognized at the government-wide level. The following is the amount of depreciation in the current year.

Depreciation	<u>\$ (73,884)</u>
--------------	--------------------

**Long-term debt transactions**

Repayment of long-term liabilities are reported as expenditures at the fund level but such repayments reduce liabilities at the government-wide level.

Debt principal payments	<u>\$ 210,000</u>
-------------------------	-------------------

Amortization of the bond discount and prepaid bond insurance does not require the use of current resources and therefore is not reported at the fund level.

Bond discount	<u>\$ 2,364</u>
---------------	-----------------

Prepaid bond insurance	<u>\$ 4,296</u>
------------------------	-----------------

Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest payable	<u>\$ (11,327)</u>
------------------------------------	--------------------

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE C – CASH AND INVESTMENTS**

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District follows the provisions of Chapter 280, Florida Statutes regarding deposits and investments to manage custodial credit risk. The District maintains all deposits in a qualified public depository, so that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes. As of September 30, 2018, the District's bank balance was \$55,848 and the carrying value was \$45,543.

As of September 30, 2018, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Local Government Surplus Funds, Florida PRIME	33 Days*	\$ 205
U S Bank Money Market	N/A	197,679
Total		<u>\$ 197,884</u>

\* Weighted Average Maturity

The District categorizes its fair value measurements within the fair value hierarchy recently established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that use the best information available under the circumstances, which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investment in U S Bank Money Market is a Level 1 asset.

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. Among other investments, the policy allows the District to invest in the State Board of Administration Local Government Surplus Trust Funds.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE C – CASH AND INVESTMENTS (CONTINUED)**

Investments (Continued)

Cash placed with the State Board of Administration represents the District's participation in the Local Government Surplus Trust Funds Investment Pool and is reported at fair value. As a pool participant the District invests in pools of investments in which shares are owned in the pool rather than the underlying investments.

Interest Rate Risk

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

Credit Risk

The District's investments in treasury funds, commercial paper, and government loans are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices. As of September 30, 2018, the District's investment in SBA Local Government Surplus Fund was rated AAAm by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest. The investments in U S Bank Money Market represent 99% and the investments in Local Government Surplus Fund, Florida PRIME represents 1% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2018 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

**NOTE D – SPECIAL ASSESSMENT REVENUES**

Assessments are non-ad valorem assessments on benefitted property within the District. Operating and Maintenance Assessments are based upon adopted general fund budget and levied annually. Debt Service Assessments are levied when bonds are issued and collected annually. The District may collect assessments directly or utilize the uniform method of collection (Chapter 197.3632, Florida Statutes). Direct collected assessments are due as determined by annual assessment resolution adopted by the Board of Supervisors. Assessments collected under the uniform method are mailed by the Nassau County Tax Collector on November 1 and due on or before March 31 of each year.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE E – CAPITAL ASSETS**

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

	Balance October 1, 2017	Additions	Deletions	Balance September 30, 2018
<u>Governmental Activities:</u>				
Capital assets, not being depreciated				
Land and improvements	\$ 38,761	\$ -	\$ -	\$ 38,761
Capital assets, being depreciated:				
Infrastructure	2,216,522	-	-	2,216,522
Less accumulated depreciation for:				
Infrastructure	(664,956)	(73,884)	-	(738,840)
Total Capital Assets Depreciated, Net	1,551,566	(73,884)	-	1,477,682
Governmental Activities, Capital Assets	<u>\$ 1,590,327</u>	<u>\$ (73,884)</u>	<u>\$ -</u>	<u>\$ 1,516,443</u>

Depreciation of \$73,844 was charged to physical environment.



**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE F – LONG-TERM DEBT**

The following is a summary of debt activity for the District for the year ended September 30, 2018:

Long-term debt at October 1, 2017	\$ 3,165,000
Principal payments	<u>(210,000)</u>
Long-term debt at September 30, 2018	\$ 2,955,000
Less: bond discount, net	<u>(42,159)</u>
Total long-term debt, September 30, 2018	<u><u>\$ 2,912,841</u></u>

Long-term debt for Governmental Activities is comprised of the following:

Capital Improvement Revenue Refunding Bonds

\$2,315,000 Series 2017A-1 Senior Capital Improvement Revenue Refunding Bonds due in annual principal installments maturing May 2036. Interest is due semi-annually on May 1 and November 1, at various rates between 2% and 3.375%. Current portion is \$130,000.

\$ 2,155,000

\$850,000 Series 2017A-2 Subordinate Capital Improvement Revenue Refunding Bonds due in annual principal installments maturing May 2036. Interest is due semi-annually on May 1 and November 1 with a fixed interest rate of 5%. Current portion is \$40,000.

800,000

Bond payable 2,955,000

Bond discount, net (42,159)

Bonds Payable, Net \$ 2,912,841

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE F – LONG-TERM DEBT (CONTINUED)**

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2018 are as follows:

Year Ending September 30,	Principal	Interest	Total
2019	\$ 170,000	\$ 98,963	\$ 268,963
2020	130,000	94,950	224,950
2021	130,000	91,450	221,450
2022	135,000	87,950	222,950
2023	140,000	84,350	224,350
2024-2028	755,000	358,444	1,113,444
2029-2033	880,000	221,457	1,101,457
2034-2036	615,000	48,114	663,114
Totals	<u>\$ 2,955,000</u>	<u>\$ 1,085,678</u>	<u>\$ 4,040,678</u>

Summary of Significant Bond Resolution Terms and Covenants

**Capital Improvement Revenue Refunding Bonds**

Significant Bond Provisions

The Series 2017 Senior and Subordinate Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2027 at a redemption price equal to the principal amount of the Series 2017 Senior and Subordinate Bonds to be redeemed, together with accrued interest to the date of redemption. The Series 2017 Senior and Subordinate 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 Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has 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.

**Heron Isles Community Development District**  
**NOTES TO FINANCIAL STATEMENTS**  
**September 30, 2018**

**NOTE F – LONG-TERM DEBT (CONTINUED)**

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Fund – The Series 2017A-1 and Series 2017A-2 Reserve Account requirements are equal to 50 percent of the maximum annual debt outstanding for Series 2017A-1 and Series 2017A-2 Bonds. The Series 2017A-1 Bonds Reserves are satisfied by the Reserve Insurance Policy which will terminate on the final maturity date or upon earlier, in full, payment of the Series 2017A-1 Bonds. The Series 2017A-2 Bonds were funded from the proceeds of the Series 2017A-2 Bonds in amounts. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve deposits as of September 30, 2018

<u>Capital Improvement Revenue Refunding Bonds</u>	<u>Balance</u>	<u>Requirement</u>
Senior Series 2017A-1	\$ 81,258	\$ 81,258
Subordinate Series 2017A-2	\$ 35,875	\$ 34,250

**NOTE G – 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 for which the government carries commercial insurance.



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**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  
Heron Isles Community Development District  
Nassau 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 Heron Isles Community Development District, as of and for the year ended September 30, 2018, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Heron Isles Community Development District's internal control over financial reporting 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 Heron Isles Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of Heron Isles Community Development District's internal control over financial reporting.

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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Supervisors  
Heron Isles Community Development District

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Heron Isles Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants  
Fort Pierce, Florida

June 26, 2019



Berger, Toombs, Elam,  
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## **MANAGEMENT LETTER**

To the Board of Supervisors  
Heron Isles Community Development District  
Nassau County, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the Heron Isles Community Development District as of and for the year ended September 30, 2018, and have issued our report thereon dated June 26, 2019.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States; 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 Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with *AICPA Professionals 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 June 26, 2019, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations in the preceding audit.

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not Heron Isles Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that Heron Isles Community Development District did not meet any of the conditions described in Section 218.503(1) Florida Statutes.

To the Board of Supervisors  
Heron Isles Community Development District

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for Heron Isles Community Development District. It is management's responsibility to monitor the Heron Isles Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same as of September 30, 2018.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

#### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

#### **Purpose of this Letter**

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, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

June 26, 2019



Berger, Toombs, Elam,  
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**INDEPENDENT ACCOUNTANT'S REPORT/COMPLIANCE  
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors  
Heron Isles Community Development District  
Nassau County, Florida

We have examined Heron Isles Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2018. Management is responsible for Heron Isles Community Development District's compliance with those requirements. Our responsibility is to express an opinion on Heron Isles Community Development 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 and, accordingly, included examining, on a test basis, evidence about Heron Isles Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Heron Isles Community Development District's compliance with the specified requirements.

In our opinion, Heron Isles Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2018.

*Berger Toombs Elam  
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank  
Certified Public Accountants PL  
Fort Pierce, Florida

June 26, 2019



## *NINTH ORDER OF BUSINESS*

*C.*

**Notice of Meetings**  
**Heron Isles**  
**Community Development District**

The Board of Supervisors of the Heron Isles Community Development District will hold their regularly scheduled public meetings for Fiscal Year 2020 at the Compass Group Conference Room, 961687 Gateway Blvd., Suite 201M, Amelia Island, Florida at 10:30 A.M. on the first Thursday of the following months (\*exceptions noted):

November 7, 2019

February 6, 2019

May 7, 2019

August 6, 2019 (\*to be held at 6:00 p.m., location TBD)

*ELEVENTH ORDER OF BUSINESS*

*A.*

**HERON ISLES**  
**Community Development District**  
**Unaudited Financial Statements**  
**as of**  
**June 30, 2019**

**Meeting Date**  
**August 1, 2019**

**Heron Isles**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**BALANCE SHEET**  
June 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>			
Cash - Wells Fargo	\$45,053	---	\$45,053
State Board	\$209	---	\$209
Custody-Reserves	\$752	---	\$752
Custody-Excess Funds	\$132,492	---	\$132,492
Investments:			
Series 2017A-1			
Reserve	---	---	\$0
Revenue	---	\$55,194	\$55,194
Excess Revenue	---	\$0	\$0
Series 2017A-2			
Reserve	---	\$34,813	\$34,813
Prepayment	---	\$5,730	\$5,730
Prepaid Expenses	---	---	\$0
Electric Deposits	\$1,580	---	\$1,580
Due from Other	\$6,262	---	\$6,262
<b>TOTAL ASSETS</b>	<u>\$186,347</u>	<u>\$95,737</u>	<u>\$282,084</u>
<b>LIABILITIES:</b>			
Accounts Payable	\$5,619	---	\$5,619
Accrued Expenses	\$1,940	---	\$1,940
<b>FUND BALANCES:</b>			
Restricted for Debt Service	---	\$95,737	\$95,737
Restricted for Capital Projects	---	---	\$0
Nonspendable	\$1,580	---	\$1,580
Assigned	\$0	---	\$0
Unassigned	\$177,208	---	\$177,208
<b>TOTAL LIABILITIES &amp; FUND EQUITY &amp; OTHER CREDITS</b>	<u>\$186,347</u>	<u>\$95,737</u>	<u>\$282,084</u>

# HERON ISLES

## COMMUNITY DEVELOPMENT DISTRICT

### GENERAL FUND

Statement of Revenues, Expenditures and Changes in Fund Balance  
For The Period Ending June 30, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 6/30/2019	ACTUAL THRU 6/30/2019	VARIANCE
<b><u>Revenues</u></b>				
Assessments - On Roll	\$320,236	\$320,236	\$324,160	\$3,924
Interest/Miscellaneous Income	\$400	\$300	\$628	\$327
<b><i>Total Revenues</i></b>	<b>\$320,637</b>	<b>\$320,537</b>	<b>\$324,788</b>	<b>\$4,251</b>
<b><u>Expenditures</u></b>				
<b><u>Administrative</u></b>				
Supervisors	\$4,000	\$3,000	\$3,400	(\$400)
FICA Expense	\$306	\$230	\$260	(\$31)
Engineering	\$5,000	\$3,750	\$2,600	\$1,150
Assessment Roll	\$7,500	\$7,500	\$7,500	\$0
Dissemination	\$1,500	\$1,125	\$1,125	\$0
Attorney	\$15,000	\$11,250	\$7,504	\$3,746
Auditing	\$4,000	\$0	\$0	\$0
Trustee Fees	\$2,200	\$0	\$0	\$0
Management Fees	\$45,423	\$34,067	\$34,067	\$0
Computer Time	\$1,000	\$750	\$750	\$0
Website Compliance	\$500	\$375	\$2,125	(\$1,750)
Telephone	\$100	\$75	\$139	(\$64)
Postage	\$500	\$375	\$735	(\$360)
Printing & Binding	\$1,250	\$938	\$1,013	(\$75)
Rental & Leases	\$0	\$0	\$640	(\$640)
Meeting Room Rental	\$1,300	\$975	\$400	\$575
Insurance	\$6,700	\$6,700	\$10,663	(\$3,963)
Legal Advertising	\$2,500	\$5,724	\$5,724	\$0
Other Current Charges	\$1,000	\$750	\$6,252	(\$5,502)
Office Supplies	\$100	\$75	\$59	\$16
Dues, Licenses & Subscriptions	\$175	\$175	\$175	\$0
Capital Outlay	\$250	\$250	\$0	\$250
<b><i>Total Administrative Expenditures</i></b>	<b>\$100,304</b>	<b>\$78,083</b>	<b>\$85,132</b>	<b>(\$7,049)</b>
<b><u>Utilities</u></b>				
Electric	\$32,005	\$24,004	\$18,501	\$5,502
Water & Sewer	\$46,813	\$35,110	\$25,316	\$9,794
<b><i>Total Utilities</i></b>	<b>\$78,818</b>	<b>\$59,114</b>	<b>\$43,817</b>	<b>\$15,296</b>



**HERON ISLES**  
**COMMUNITY DEVELOPMENT DISTRICT**

**GENERAL FUND**

Statement of Revenues, Expenditures and Changes in Fund Balance  
For The Period Ending June 30, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 6/30/2019	ACTUAL THRU 6/30/2019	VARIANCE
<b>Expenditures</b>				
<i><u>Contract Services</u></i>				
Landscape Maintenance	\$64,250	\$48,188	\$74,814	(\$26,626)
Irrigation Maintenance	\$3,000	\$2,250	\$2,679	(\$429)
Lake Maintenance	\$12,900	\$9,675	\$9,675	\$0
Janitorial Services	\$7,200	\$5,400	\$4,800	\$600
Trash Removal Services	\$7,440	\$5,580	\$4,500	\$1,080
Management Company	\$9,000	\$6,750	\$6,000	\$750
Pest Control Services	\$225	\$169	\$227	(\$58)
Holiday Decorations	\$1,500	\$1,500	\$1,710	(\$210)
<b><i>Total Contract Services</i></b>	<b>\$105,515</b>	<b>\$79,511</b>	<b>\$104,405</b>	<b>(\$24,893)</b>
<i><u>Repairs &amp; Maintenance</u></i>				
Repairs & Maintenance	\$30,000	\$22,500	\$7,113	\$15,387
<b><i>Total Repairs &amp; Maintenance</i></b>	<b>\$30,000</b>	<b>\$22,500</b>	<b>\$7,113</b>	<b>\$15,387</b>
<i><u>Reserves</u></i>				
Capital Reserve	\$6,000	\$4,500	\$500	\$4,000
<b><i>Total Reserves</i></b>	<b>\$6,000</b>	<b>\$4,500</b>	<b>\$500</b>	<b>\$4,000</b>
<b><i>TOTAL EXPENDITURES</i></b>	<b>\$320,637</b>	<b>\$243,708</b>	<b>\$240,967</b>	<b>\$2,741</b>
EXCESS REVENUES (EXPENDITURES)	<b>\$0</b>		<b>\$83,821</b>	
FUND BALANCE - Beginning	<b>\$0</b>		<b>\$94,967</b>	
FUND BALANCE - Ending	<b>\$0</b>		<b>\$178,788</b>	

**HERON ISLES**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**DEBT SERVICE FUND - SERIES 2017**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For The Period Ending June 30, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 6/30/2019	ACTUAL THRU 6/30/2019	VARIANCE
<b><u>Revenues</u></b>				
Special Assessments - On Roll	\$233,370	\$233,370	\$228,957	(\$4,413)
Prepayments	\$0	\$0	\$5,196	\$5,196
Interest Income	\$0	\$0	\$402	\$402
<b><i>Total Revenues</i></b>	<b>\$233,370</b>	<b>\$233,370</b>	<b>\$234,555</b>	<b>\$1,185</b>
<b><u>Expenditures</u></b>				
<b><u>Series 2017A1</u></b>				
Interest - 11/1	\$29,863	\$29,863	\$29,863	\$0
Special Call - 11/1	\$0	\$0	\$30,000	(\$30,000)
Interest - 5/1	\$29,863	\$29,863	\$29,475	\$388
Principal - 5/1	\$100,000	\$100,000	\$100,000	\$0
<b><u>Series 2017A2</u></b>				
Interest - 11/1	\$20,000	\$20,000	\$20,000	\$0
Special Call - 11/1	\$0	\$0	\$15,000	(\$15,000)
Interest - 5/1	\$20,000	\$20,000	\$19,625	\$375
Principal - 5/1	\$30,000	\$30,000	\$25,000	\$5,000
<b><i>Total Expenditures</i></b>	<b>\$229,725</b>	<b>\$229,725</b>	<b>\$268,963</b>	<b>(\$39,238)</b>
<b><u>Other Sources/(Uses)</u></b>				
Interfund Transfer In(Out)	\$0	\$0	\$0	\$0
<b><i>Total Other Sources/(Uses)</i></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
EXCESS REVENUES (EXPENDITURES)	\$3,645		(\$34,407)	
FUND BALANCE - Beginning	\$58,302		\$130,144	
FUND BALANCE - Ending	<u>\$61,947</u>		<u>\$95,737</u>	

***Heron Isles***  
***Community Development District***  
***Long Term Debt Report***

**Series 2017A-1 Capital Improvement Revenue Bonds**

Interest Rate:	2.0%-3.375%
Maturity Date:	11/1/36
Reserve Fund Definition:	50% of Max Annual Debt Service
Reserve Fund Requirement:	\$78,975.00
Reserve Balance:	---
Bonds outstanding - 9/30/2018	\$2,155,000
Less: November 1, 2018	(\$30,000)
Less: May 1, 2019	(\$100,000)

Current Bonds Outstanding	\$2,025,000
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**Series 2017A-2 Capital Improvement Revenue Bonds**

Interest Rate:	5.00%
Maturity Date:	11/1/36
Reserve Fund Definition:	50% of Max Annual Debt Service
Reserve Fund Requirement:	\$34,250.00
Reserve Balance:	\$34,812.50
Bonds outstanding - 9/30/2018	\$800,000
Less: November 1, 2018	(\$15,000)
Less: May 1, 2019	(\$25,000)

Current Bonds Outstanding	\$760,000
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*B.*

## HERON ISLES COMMUNITY DEVELOPMENT DISTRICT FISCAL YEAR 2019 ASSESSMENT RECEIPTS SUMMARY

		SERIES 2017A-2		
	#UNITS	DEBT SERVICE	FY19 O&M	
ASSESSED	ASSESSED	ASSESSED	ASMT	TOTAL ASSESSED
NET ASSESSMENTS TAX ROLL	748	225,882.03	319,806.58	545,688.61
TOTAL NET ASSESSMENTS		225,882.03	319,806.58	545,688.61

[illegible]

TOTAL DUE TAX ROLL RECEIPTS	\$	(7,428.74)	\$	(3,075.07)	\$	(4,353.67)
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PERCENT COLLECTED	TOTAL	DEBT	O&M
% COLLECTED TAX ROLL	101.36%	101.36%	101.36%

*C.*

**HERON ISLES**  
**Community Development District**

Check Register Summary- General Fund

4/01/2019 - 6/31/2019

<i><b>Check Date</b></i>	<i><b>Check #'s</b></i>	<i><b>Total Amount</b></i>
4/1/19 - 4/30/19	17-26	\$27,018.37
5/1/19 - 5/31/19	27-43	\$26,862.58
6/1/19 - 6/30/19	44-63	\$46,530.59

**Total**

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**\$100,411.54**

4/5/19	FPL Online Payment	\$2,064.14
5/2/19	JEA Online Payment	\$2,113.36
5/7/19	FPL Online Payment	\$2,113.88
6/3/19	JEA Online Payment	\$3,099.55
6/4/19	FPL Online Payment	\$2,111.68

**Total**

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**\$11,502.61**

AP300R  
 \*\*\* CHECK NOS. 000017-000063

YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
 HERON ISLES CDD - GENERAL FUND  
 BANK B HERON ISLES - GF

RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
4/03/19	00014	4/01/19 180	201904 310-51300-34000	MANAGEMENT FEE-APR19	*	3,785.25	
		4/01/19 180	201904 310-51300-35110	WEBSITE ADMIN-APR19	*	41.67	
		4/01/19 180	201904 310-51300-35100	INFORMATION TECH-APR19	*	83.33	
		4/01/19 180	201904 310-51300-31300	DISSEMINATION FEE-APR19	*	125.00	
		4/01/19 180	201904 310-51300-51000	OFFICE SUPPLIES	*	.30	
		4/01/19 180	201904 310-51300-42000	POSTAGE	*	5.00	
		4/01/19 180	201904 310-51300-42500	COPIES	*	8.40	
		4/01/19 180	201904 310-51300-41000	TELEPHONE	*	45.94	
GOVERNMENTAL MANAGEMENT SERVICES							4,094.89 000017
4/03/19	00006	3/29/19 106511	201902 310-51300-31500	GENERAL COUNSEL-FEB19	*	1,704.00	
HOPPING GREEN & SAMS							1,704.00 000018
4/03/19	00062	3/27/19 03272019	201903 320-57200-34000	MGMT FEE 03/27/19	*	750.00	
LELAND MANAGEMENT INC							750.00 000019
4/03/19	00082	2/01/19 5348	201902 320-57200-46200	LANDSCAPE MAINT-FEB19	*	5,071.00	
		3/01/19 5675	201903 320-57200-46200	LANDSCAPE MAINT-MAR19	*	5,071.00	
		3/28/19 5931	201903 320-57200-46250	RPLC 2 MALFUNCT.VALVE ENT	*	282.38	
MARTEX SERVICES							10,424.38 000020
4/03/19	00015	2/01/19 410495	201902 320-57200-46500	LAKE MAINTENANCE-FEB19	*	1,075.00	
		3/01/19 415971	201903 320-57200-46500	LAKE MAINTENANCE-MAR19	*	1,075.00	
THE LAKE DOCTORS, INC.							2,150.00 000021
4/10/19	00045	3/31/19 1399	201903 320-57200-46600	JANITORIAL SERVICE MAR19	*	600.00	
		3/31/19 1399	201903 320-57200-46700	TRASH PICKUP MAR19	*	500.00	
		3/31/19 1399	201903 320-57200-46000	DEBRIS CLEANUP MAR19	*	120.00	
ALL REPAIRS & MAINTENANCE							1,220.00 000022
HIC -HERON ISLES - BPEREGRINO							



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YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
 HERON ISLES CDD - GENERAL FUND  
 BANK B HERON ISLES - GF

RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
4/10/19	00082	3/27/19 5910	201903 320-57200-46200	SEASONL FLOWER INST.MAR19	*	647.50	
		4/01/19 6020	201904 320-57200-46200	LANDSCAPE MAINT-APR19	*	5,071.00	
		4/04/19 6125	201904 320-57200-46000	CHEMICAL FOR GRAFFITI RMV	*	103.50	
				MARTEX SERVICES			5,822.00 000023
4/17/19	00102	3/13/19 42751701	201903 320-57200-46000	NO PARK SIGN/MOUNT/IGLOO	*	246.35	
		3/14/19 42752156	201903 320-57200-46000	NO OUTLET SIGN/8FT POLE	*	259.15	
				GREAT AMERICAN BUSINESS PRODUCTS			505.50 000024
4/17/19	00058	4/10/19 501188	201904 310-51300-48000	NOT.OF MEETING 04/19/19	*	247.60	
				NEWS LEADER			247.60 000025
4/24/19	00004	4/17/19 2033	201904 310-51300-44500	CONFERENCE ROOM 04/09/19	*	100.00	
				COMPASS GROUP, INC.			100.00 000026
5/01/19	00109	4/01/19 1022	201904 300-13100-10200	TRBLSHT/RPLC AVYCON CAM	*	349.00	
		4/08/19 1025	201904 300-13100-10200	DOORKING1838/INST.CRD RDR	*	4,373.98	
		4/08/19 1026	201904 300-13100-10200	FREQ.ANTENNA KIT/RPR NTKW	*	1,538.98	
				DAVID STANTON DBA HALCYON AV, LLC			6,261.96 000027
5/01/19	00082	4/16/19 6179	201904 320-57200-46000	PREE.WASH GRAFFITI SDWLK	*	200.00	
		4/16/19 6186	201904 320-57200-46250	IRRIGATION RPRS-APR19	*	200.70	
				MARTEX SERVICES			400.70 000028
5/15/19	00045	4/30/19 1415	201904 320-57200-46600	APR JANITORIAL SERVICE	*	600.00	
		4/30/19 1415	201904 320-57200-46700	APR TRASH PICK UP	*	500.00	
		4/30/19 1415	201904 320-57200-46000	APR DEBRIS CLEANUP	*	120.00	
				ALL REPAIRS & MAINTENANCE			1,220.00 000029
5/15/19	00014	5/01/19 181	201905 310-51300-34000	MAY MANAGEMENT FEES	*	3,785.25	

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YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
 HERON ISLES CDD - GENERAL FUND  
 BANK B HERON ISLES - GF

RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
		5/01/19 181	201905 310-51300-35110		*	41.67	
			MAY WEBSITE ADMIN				
		5/01/19 181	201905 310-51300-35100		*	83.33	
			MAY INFORM TECHNOLOGY				
		5/01/19 181	201905 310-51300-31300		*	125.00	
			MAY DISSEMINATION SERVICE				
		5/01/19 181	201905 310-51300-51000		*	15.15	
			OFFICE SUPPLIES				
		5/01/19 181	201905 310-51300-42000		*	2.50	
			POSTAGE				
		5/01/19 181	201905 310-51300-42500		*	123.15	
			COPIES				
				GOVERNMENTAL MANAGEMENT SERVICES			4,176.05 000030
5/15/19 00006		4/30/19 107202	201903 310-51300-31500		*	696.00	
			MAR GENERAL COUNSEL				
				HOPPING GREEN & SAMS			696.00 000031
5/15/19 00062		4/24/19 04242019	201904 320-57200-34000		*	750.00	
			APR MANAGEMENT FEE				
				LELAND MANAGEMENT INC			750.00 000032
5/15/19 00082		4/19/19 6236	201904 320-57200-46250		*	60.90	
			APR IRRIGATION REPAIR				
				MARTEX SERVICES			60.90 000033
5/15/19 00082		5/01/19 6409	201905 320-57200-46200		*	5,071.00	
			MAY LANDSCAPE MAINTENANCE				
				MARTEX SERVICES			5,071.00 000034
5/15/19 00015		5/01/19 428174	201905 320-57200-46500		*	1,075.00	
			MAY LAKE MAINTENANCE				
				THE LAKE DOCTORS, INC.			1,075.00 000035
5/15/19 00110		5/13/19 2383	201903 310-51300-31100		*	780.00	
			MAR ENGINEERNG SERVICES				
				YURO AND ASSOCIATES, LLC.			780.00 000036
5/15/19 00110		5/13/19 2384	201904 310-51300-31100		*	455.00	
			APR ENGINEERING SERVICES				
				YURO AND ASSOCIATES, LLC.			455.00 000037
5/23/19 00112		4/22/19 042019	201904 320-57200-46000		*	3,750.00	
			CONCREET PIPE REPAIR				
				ABSOLUTE CONTRACTING			3,750.00 000038
				HIC -HERON ISLES - BPEREGRINO			

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YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
 HERON ISLES CDD - GENERAL FUND  
 BANK B HERON ISLES - GF

RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
5/23/19	00003	5/07/19 65444879	201904 310-51300-42000 APR FEDEX POSTAGE SRVC	FEDEX	*	78.26	78.26 000039
5/23/19	00003	5/14/19 65509498	201905 310-51300-42000 MAY FEDEX POSTAGE SRVC	FEDEX	*	35.71	35.71 000040
5/23/19	00015	4/01/19 421765	201904 320-57200-46500 APR LAKE MAINTENANCE	THE LAKE DOCTORS, INC.	*	1,075.00	1,075.00 000041
5/30/19	00100	5/23/19 9863612	201905 320-57200-34800 TERMITE WARRANTY RECURRIN	BUG OUT SERVICES	*	227.00	227.00 000042
5/30/19	00062	5/15/19 05152019	201905 320-57200-34000 MAY MANAGEMENT FEE	LELAND MANAGEMENT INC	*	750.00	750.00 000043
6/06/19	00004	5/30/19 2037	201905 310-51300-44500 CONFERENCE ROOM 05/02/19	COMPASS GROUP, INC.	*	100.00	100.00 000044
6/06/19	00003	5/28/19 65668047	201905 310-51300-42000 MAY FEDEX POSTAGE	FEDEX	*	24.00	24.00 000045
6/06/19	00006	5/31/19 107731	201904 310-51300-31500 GENERAL COUNSEL APR	HOPPING GREEN & SAMS	*	1,275.00	1,275.00 000046
6/06/19	00082	5/22/19 6595	201905 320-57200-46250 IRRIGATION REPAIR	MARTEX SERVICES	*	149.31	149.31 000047
6/06/19	00082	5/22/19 6606	201905 320-57200-46200 STREET MEDIAN TREE PALAN		*	3,733.61	
		5/22/19 6606	201905 320-57200-46200 PLANTING REPLACEMENT		*	3,000.55	
		5/22/19 6606	201905 320-57200-46200 OAK TREE PLANING BED		*	2,597.79	
				MARTEX SERVICES			9,331.95 000048
6/06/19	00082	5/28/19 6624	201905 320-57200-46200 PLAYGROUND PLANTING BED		*	2,696.01	

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YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
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RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
		5/28/19 6624	201905 320-57200-46200		*	3,024.46	
			PLAYGROUND PLANT REPLAC				
				MARTEX SERVICES			5,720.47 000049
6/06/19 00082		5/28/19 6638	201905 320-57200-46250		*	133.20	
			IRRIGATION REPAIR				
				MARTEX SERVICES			133.20 000050
6/12/19 00045		6/05/19 1444	201905 320-57200-46600		*	600.00	
			MAY JANITORIAL SERVICE				
		6/05/19 1444	201905 320-57200-46700		*	500.00	
			MAY TRASH PICK UP				
		6/05/19 1444	201905 320-57200-46000		*	120.00	
			MAY DEBRIS CLEANUP				
				ALL REPAIRS & MAINTENANCE			1,220.00 000051
6/12/19 00014		6/01/19 182	201906 310-51300-34000		*	3,785.25	
			JUN MANAGEMENT FEES				
		6/01/19 182	201906 310-51300-35110		*	41.67	
			JUN WEBSITE ADMIN				
		6/01/19 182	201906 310-51300-35100		*	83.33	
			JUN INFORM TECHNOLOGY				
		6/01/19 182	201906 310-51300-31300		*	125.00	
			JUN DISSEMINATION SRVC				
		6/01/19 182	201906 310-51300-51000		*	.81	
			OFFICE SUPPLIES				
		6/01/19 182	201906 310-51300-42000		*	22.30	
			POSTAGE				
		6/01/19 182	201906 310-51300-42500		*	17.40	
			COPIES				
		6/01/19 182	201906 310-51300-41000		*	67.39	
			TELEPHONE				
				GOVERNMENTAL MANAGEMENT SERVICES			4,143.15 000052
6/12/19 00082		5/29/19 6644	201905 320-57200-46200		*	12,173.22	
			JUNIPER REMOVAL/REPLANT				
				MARTEX SERVICES			12,173.22 000053
6/12/19 00082		5/30/19 6653	201905 320-57200-46250		*	417.31	
			IRRIGATION REPAIR				
				MARTEX SERVICES			417.31 000054
6/12/19 00082		6/01/19 6690	201906 320-57200-46200		*	5,071.00	
			JUN LANDSCAPE MAINTENANCE				
				MARTEX SERVICES			5,071.00 000055

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YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER  
 HERON ISLES CDD - GENERAL FUND  
 BANK B HERON ISLES - GF

RUN 7/23/19

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CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
6/12/19	00015	6/01/19 434283	201906 320-57200-46500	JUN LAKE MAINTENANCE	*	1,075.00	
				THE LAKE DOCTORS, INC.			1,075.00 000056
6/20/19	00058	6/18/18 515971	201906 310-51300-48000	NOTICE MEETING/MAP	*	3,003.76	
				NEWS LEADER			3,003.76 000057
6/20/19	00058	6/17/19 515770	201906 310-51300-48000	NOTICE RULE DEVELOPMENT	*	247.60	
				NEWS LEADER			247.60 000058
6/20/19	00058	6/18/19 515974	201906 310-51300-48000	NOTICE OF RULE MAKING	*	366.40	
				NEWS LEADER			366.40 000059
6/29/19	00070	6/21/18 142878	201906 310-51300-42500	MAILED NOTICES	*	465.50	
		6/21/18 142878	201906 310-51300-42000	POSTAGE	*	372.00	
				ADVANCED DIRECT MARKETING SERVICES			837.50 000060
6/29/19	00082	6/18/19 6939	201906 320-57200-46250	IRRIGATION REPAIRS	*	449.60	
				MARTEX SERVICES			449.60 000061
6/29/19	00082	6/19/19 6956	201906 320-57200-46250	IRRIGATION REPAIRS	*	482.12	
				MARTEX SERVICES			482.12 000062
6/29/19	00087	2/17/19 19205	201902 320-57200-46000	REPAIR MESSAGE BOARD	*	70.00	
		2/17/19 19205	201902 320-57200-46000	REPLACE DOOR HANDLES BR	*	150.00	
		2/17/19 19205	201902 320-57200-46000	STUCCO CAPS BRICK COLUMNS	*	90.00	
				SG MAINTENANCE SERVICES INC			310.00 000063
TOTAL FOR BANK B						100,411.54	
TOTAL FOR REGISTER						100,411.54	

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