

Hacienda North Community Development District

707 Orchid Drive, Naples, FL 34102
P. 239-269-1341

**BOARD OF SUPERVISORS
HACIENDA NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Monday, June 10, 2024, 9:00 a.m.
4001 Tamiami Trail N. Suite 300
Naples, Florida 34103

I. Roll Call.

II. Public Comments on Agenda Items.

III. Organizational Matters:

A. Affidavit of Publication Exhibit 1

B. Hacienda North CDD FY 2024-2025 Budget Review. Exhibit 2

C. **Consideration of Resolution 2024-2:** A Resolution of the Board of Supervisors of Hacienda North Community Development District approving a proposed budget for Fiscal Year 2024-2025 and setting a public hearing date thereon pursuant to Florida Law.

Exhibit 3

IV. Administrative Matters

A. Approval of Minutes of the December 18, 2023 Meeting. Exhibit 4

B. Consideration of Mattice Business Services Proposal Exhibit 5

C. Consideration of Dissemination Services Proposal Exhibit 6

D. Consideration of Hacienda North CDD FY 2022-2023 Audit Exhibit 7

V. Business Matters

A. Consideration of the May 2024 Financials Exhibit 8

VI. Financial Matters

A. Series 2023 Bonds Update.

VII. Staff Reports.

A. Manager.

1. Supervisor of Elections Letter

Exhibit 9

2. Filing of Form1

Exhibit 10

B. Legal Counsel.

C. Engineer.

VIII. Public Comments

IX. Supervisors' Requests.

X. Adjournment.

EXHIBIT 1



Florida

PO Box 631244 Cincinnati, OH 45263-1244

GANNETT

AFFIDAVIT OF PUBLICATION

Russ Weyer
Hacienda North Community Development District
707 Orchid DR # 100
Naples FL 34102-5014

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned authority personally appeared, who on oath says that he or she is the Legal Advertising Representative of the Naples Daily News, a newspaper published in Collier County, Florida; that the attached copy of advertisement, being a Legal Ad in the matter of Govt Public Notices, was published on the publicly accessible website of Collier and Lee Counties, Florida, or in a newspaper by print in the issues of, on:

06/03/2024

Affiant further says that the website or newspaper complies with all legal requirements for publication in chapter 50, Florida Statutes.

Subscribed and sworn to before me, by the legal clerk, who is personally known to me, on 06/03/2024

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

Publication Cost: \$221.52

Tax Amount: \$0.00

Payment Cost: \$221.52

Order No: 10227996

Customer No: 1126129

PO #:

of Copies:

1

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

**HACIENDA NORTH COMMUNITY
DEVELOPMENT DISTRICT
NOTICE OF REGULAR MEETING
OF THE BOARD OF
SUPERVISORS**

Notice is hereby given that the Board of Supervisors (the "Board") of the Hacienda North Community Development District will hold a regular meeting of the Board on Monday, June 10, 2024 at 9:00 a.m. at the offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail N., Suite 300, Suite 201, Naples, FL 34103.

The meeting is open to the public and will be conducted in accordance with the provisions of Florida law. The meeting may be continued to a date, time, and place to be specified on the record at the meeting. There may be occasions when Board Supervisors or District Staff may participate by speaker telephone.

A copy of the agenda may be obtained at the offices of the District Manager, 707 Orchid Drive, Suite 100, Naples, Florida 34102, during normal business hours.

Any person requiring special accommodations to participate in this meeting is asked to advise the District Office at (239) 269-1341, at least forty-eight (48) hours before the meetings. If you are hearing or speech impaired, please contact the Florida Relay Service at 1-800-955-8771 for aid in contacting the District Office.

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the public hearing or meeting is advised that person will need a record of proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

Meetings may be cancelled from time to time without advertised notice.

District Manager
June 3, 2024

6/3/2024

KATHLEEN ALLEN
Notary Public
State of Wisconsin



EXHIBIT 2

APPENDIX A
Hacienda North Community Development District
Preliminary FY 2024-2025 Budget

	Fiscal Year Budget	
REVENUES		
CARRY OVER REVENUE TO EQUALIZE ASSESSMENTS	\$	-
ON-ROLL ASSESSMENTS	\$	- 413 Platted Lots
OFF ROLL DEVELOPER ASSESSMENTS	\$	185,215 Balance of Unplatted Acres
INTEREST REVENUE		-
MISCELLANEOUS REVENUE		-
TOTAL REVENUES	\$	185,215
EXPENDITURES		
ADMINISTRATIVE		
BOARD OF SUPERVISORS PAYROLL	\$	6,000 6 meetings @ \$1,000 each
PAYROLL SERVICE FEE		140 Mattice 1099 Preparation
MANAGEMENT CONSULTING SERVICES		30,000 \$2,500/Month
ASSESSMENT ADMINISTRATION		11,850 MBS Capital Reporting, U.S. Bank, Cusip Fee
ASSESSMENT ROLL PREPARATION		2,500 Assessment Roll Preparation for Tax Collector
MISCELLANEOUS		250 Office Supplies, etc.
AUDITING		6,000 2022-2023 Audit
ACCOUNTING FIRM		6,000 Mattice Business Services - \$500 month
INSURANCE (Liability, Property & Casualty)		6,400 DAO Insurance
LEGAL ADVERTISING		3,000 2 Ads at \$1,250/each and 1 @ \$500/each
REGULATORY AND PERMIT FEES		175 State Filing Fee
LEGAL SERVICES		10,000 Coleman Yovanovich & Koester
ENGINEERING SERVICES - General		10,000 Atwell
WEBSITE HOSTING & ADMINISTRATION		2,500 Required by State Law - VGlobal Contract Price + Quickbooks
MISCELLANEOUS SERVICES		-
TOTAL ADMINISTRATIVE EXPENDITURES	\$	94,815
NOTE: Field Operations estimated to start 4/1/24 so estimated budget is for a half year.		
FIELD OPERATIONS		
FIELD OPERATIONS MANAGEMENT STAFF	\$	-
LANDSCAPING & FIELD MAINTENANCE		60,000 \$5,000 a month. Take over October, 2024
LANDSCAPE REPLACEMENT		- Plants are under warrenty for a year.
LANDSCAPE MULCHING		2,500 Mulching once a year @ \$2,500 each
IRRIGATION REPAIRS		3,000 Irrigation \$250/month
SOD REPLACEMENT		-
TREE PRUNING		-
MASTER PUMP MAINTENANCE		-
LAKE BANK MAINTENANCE RESERVE		- Annual Reserve Contribution
ELECTRICITY		1,500 Approximately \$250/month
FOUNTAINS		- Fountain Repair and Maintenance
WATER USE MONITORING		9,000 Cardno Entrix @ \$750/month
ENTRY MONUMENTS MAINTENANCE		- Pressure Cleaning, Painting, etc.
HOLIDAY DECORATIONS		- Trimmers Christmas Decorations
STREET SWEEPING		-
SFWMD ERP ANNUAL REPORT		- Annual
LAKE TESTING		- Once per year
LAKE MAINTENANCE		14,400 \$200 per month for 6 lakes + plus rounding
TOTAL FIELD OPERATIONS EXPENDITURES	\$	90,400
TOTAL EXPENDITURES	\$	185,215

EXHIBIT 3

RESOLUTION 2023-5

A RESOLUTION OF THE BOARD OF SUPERVISORS OF HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2023-24 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors (the “Board”) a proposed budget for Fiscal Year 2023-24 prior to June 15, 2023, a copy of which is attached hereto and made a part hereof as Exhibit “A”; and

WHEREAS, the Board has considered said proposed budget and desires to set the required public hearing thereon.

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

SECTION 1. That the foregoing whereas clauses are true and correct and incorporated herein as if written into this Section.

SECTION 2. The proposed Budget submitted by the District Manager for Fiscal Year 2023-24 and attached hereto as Exhibit “A” is hereby approved as the basis for conducting a public hearing to adopt said budget.

SECTION 3. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE:	Monday, August 19, 2024
HOUR:	10:00 a.m.
LOCATION:	8490 Viale Circle Naples, FL 34114

SECTION 4. The District Manager is hereby directed to submit a copy of the proposed budget to Collier County at least sixty (60) days prior to the hearing date set forth above.

SECTION 5. Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than fifteen (15) days prior to the date of the public hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. Further, in accordance with Section 189.418, Florida Statutes the proposed budget will be posted on the District’s website at least two days prior to budget public hearing. At the time and place designated in the notice, the Board shall hear all objections to the budget as proposed and may make such changes as the board deems necessary.

SECTION 6. 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. All Resolutions, sections or parts of sections of any Resolutions or actions of the Board of Supervisors in conflict are hereby repealed to the extent of such conflict.

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

PASSED AND ADOPTED this 10th day of June, 2024, by the Board of Supervisors of Hacienda North Community Development District, Collier County, Florida.

Attest:

**HACIENDA NORTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

Chairman/Vice Chairman

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TOTAL EXPENDITURES	\$	185,215

EXHIBIT 4

HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
Suite 100, 707 Orchid Drive
Naples, FL 34102

MINUTES OF MEETING

Board of Supervisors Meeting
Monday, December 18, 2023, 9:01 a.m.
4001 Tamiami Trail N. Suite 300
Naples, Florida 34103

Present and constituting a quorum were:

Bob Mulhere	Board Member
Jason Tomassetti	Board Member
Dwight Nadeau	Board Member
Clifford "Chip" Olson	Board Member

Absent was:

Gary Hains	Board Member
------------	--------------

Also present were:

Russ Weyer	District Manager, Real Estate Econometrics, Inc.
Greg Urbancic	District Counsel, Coleman, Yovanovich & Koester, P.A.
David Torres	Hacienda Lakes of Naples LLC
Tyler Whitcomb	Hacienda Lakes of Naples LLC

FIRST ORDER OF BUSINESS

Call to Order and Roll Call

Mr. Weyer called the meeting to order and proceeded with the roll call. The members in attendance are as outlined above. He noted that this general meeting and audit committee meeting was advertised according to Florida Statute requirements.

SECOND ORDER OF BUSINESS

Mr. Weyer noted that the Florida Statutes require that there be an opportunity for Public Comment.

1 There were no public comments.
2 **THIRD ORDER OF BUSINESS**

Organization Matters

3
4 There were no organizational matters to be considered.
5

6 **FOURTH ORDER OF BUSINESS**

Administrative Matters

7
8 **A. Approval of the November 20, 2023, Board Meeting minutes.**
9

10 Mr. Weyer presented the November 20, 2023, Board Meeting minutes.
11

12 There was no discussion.
13

14 On MOTION by Mr. Nadeau and seconded by Mr. Olson with all in favor, the Board of
15 Supervisors of the Hacienda North Community Development District approved the meeting
16 minutes from the November 20, 2023, Board meeting.

17
18 The Board of Supervisors recessed the general meeting and is now sitting as the Audit
19 Committee.
20

21 **B. Consideration of the Hacienda North CDD Audit Proposals**
22

23 Mr. Weyer presented the affidavit of Audit RFP ad publication. He said that he placed the
24 ad but due to the fact that most audit firms are out of the area, he requested proposals from
25 5 firms via mail and email. The District received two proposals – one from Berger, Toombs
26 Elam, Gaines & Frank CPAs out of Fort Pierce and Grau and Associates out of Boca Raton.
27

28 Mr. Nadeau requested to see the fee summary from Toombs. The cost is \$5,150 per year.
29 Grau was \$3,800 per year. Mr. Nadeau said that Grau's proposal was professional, and
30 that Toombs looks like they had all of the districts in the state. Mr. Weyer noted that Grau
31 has quite a few districts from around the state as well.
32

33 Mr. Olson asked Mr. Weyer who of the two has he has the most and best experience with.
34 Mr. Weyer said Grau as they are working on two other districts he manages which has
35 allowed Grau and Real Estate Econometrics systems to correlate and become more
36 efficient. Mr. Olson asked Mr. Urbancic the same question and he replied that he has
37 experienced audits from both firms and that they are both quite capable of performing the
38 auditing service. Mr. Weyer agreed that either firm is capable of performing.
39

40 Mr. Nadeau gave his scores for Grau and Toombs – Grau 90 and Toombs 92. Mr. Mulhere
41 said his scores were Grau 92 and Toombs 85. Mr. Tomassetti said he favored Grau without
42 giving a score and Mr. Olson also said that he favored Grau without giving a score.
43
44
45

1 Mr. Mulhere presented his scores for adoption by the audit committee. The scores were as
2 follows:

3	4	5	6
	Evaluation	Grau	Berger Toombs
6	Personnel	20	15
7	Experience	20	20
8	Scope of Work	20	20
9	Furnish Services	17	15
10	Price	<u>15</u>	<u>15</u>
11			
12	Total Score	92	85

13
14 Mr. Urbancic recommended that the Board make a motion to accept the District
15 Chairman's rankings as Grau #1 and Berger Toombs #2.

16
17 On MOTION by Mr. Olson and seconded by Mr. Tomassetti with all in favor, the Board of
18 Supervisors of the Hacienda North Community Development District accepted the District
19 Chairman's rankings as Grau #1 and Berger Toombs #2.

20
21 The Board of Supervisors reconvened the general meeting.

22
23
24 **FIFTH ORDER OF BUSINESS**

Business Matters

25
26 Mr. Urbancic recommended that a motion be considered that accepts the Audit
27 Committee's ranking of the audit firm proposals and authorizes the District Manager to
28 negotiate a contract with the highest ranked audit firm.

29
30 On MOTION by Mr. Mulhere and seconded by Mr. Olson with all in favor, the Board of
31 Supervisors of the Hacienda North Community Development District accepted the Audit
32 Committee's rankings as Grau #1 and Berger Toombs #2 and authorize3d the District Manager to
33 negotiate a contract with Grau & Associates.

34
35
36 **SIXTH ORDER OF BUSINESS**

Financial Matters

37
38 Series 2023 bonds update. Mr. Torres said that the District Engineer is waiting for more
39 invoices to come in so that the initial bond requisitions can be prepared.
40
41

1 **SEVENTH ORDER OF BUSINESS**

Operating Budget Metters

2
3 **A. Consideration of the District Financials through November 30, 2023.**

4
5 Mr. Weyer presented the District Financials through November 30, 2023. He pointed out
6 that the first half off roll assessments totaling \$64,307.50 have been received from the
7 developers. The District's administrative costs are \$14,000 for the first two months leaving
8 a cash flow positive amount of \$50,000 for the next four months.

9
10 Mr. Weyer noted that the District is still waiting for legal invoices and Mr. Urbancic said
11 he will look into the status of their invoices. The balance sheet is the bank account which
12 has \$92,808.55 with the carryover from the previous fiscal year.

13
14 There was no further discussion.

15
16 On MOTION by Mr. Olson and seconded by Mr. Nadeau with all in favor, the Board of
17 Supervisors of the Hacienda North Community Development District accepted the District
18 financial statements through Noember 30, 2023.

19
20 **EIGHTH ORDER OF BUSINESS**

Staff Reports

21
22 **Manager's Report –**

23
24 Mr. Weyer had nothing further to report.

25
26 **Attorney's Report –**

27
28 Mr. Urbancic reminded the Board that next year they will be required to perform 4 hours
29 of ethics training. Mr. Nadeau asked if there were any particular sites to take ethics
30 training. Mr. Urbancic said he will put together a list of sites.

31
32 **Engineer's Report –**

33
34 The District Engineer was not present.

35
36 **NINTH ORDER OF BUSINESS**

Public Comments

37
38 There were no public comments.

39
40 **TENTH ORDER OF BUSINESS**

Supervisors Requests

41
42 There were no Supervisor Requests.

ELEVENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Mulhere and seconded by Mr. Nadeau, with all in favor, the meeting of the Board of Supervisors of the Hacienda North Community Development District was adjourned.

Secretary/Assistant Secretary

Chairperson/Vice-Chairperson

Print Name

Print Name

EXHIBIT 5

Mattice Business Services, Inc.

April 18, 2024

Hacienda North Community Development District
C/O Real Estate Econometrics, Inc.
Russ Weyer
Suite 100
707 Orchid Drive
Naples, Florida 34102

Dear Russ,

We appreciate the opportunity of providing accounting and bookkeeping consulting services. To ensure a complete understanding between us, this letter will describe the scope and limitations of the services we will provide for you.

What We Will Do:

Services will include the following for Hacienda North CDD for Fiscal Year Ending 9/30/25:

Monthly Services to include:

- Journal Entries to reflect distributions of funds from the Trust Account
- Review all transactions in General Ledger to assure accuracy and make necessary adjustments.
- Reconcile all Trust bank accounts monthly.

Annual Services to include:

- Aid in getting files ready for audit, i.e. journal entries, reconciliations, etc.
- Create Trial Balance by class for audit and fulfill any other audit requests.
- Work with Russ Weyer on year-end entries.
- Enter Year End Adjusting Journal Entries from Audit
- Enter new fiscal year budget into QuickBooks Online

What We Won't Do

We will make no audit or other verification of the data you submit. We may provide reports that contain portions of financial information; these reports are for internal management use only. We will not provide any financial statements and will not perform any compilation, review or audit of any of the financial information. We do not at any time provide legal services of any type. We have not been requested to discover misrepresentations, fraud, illegal acts, or theft but will make you aware of anything out of the ordinary that we feel needs to be brought to your attention. Therefore, have not

included any procedures designed or intended to discover such acts, and you agree we have no responsibility to do so.

When We'll Do It

This engagement will begin upon signing and as long as this agreement is signed and returned to our office and will continue on an as needed basis or until either party terminates the agreement. This engagement is made on a time-and-materials, best-efforts basis. You further agree that, should you be approached by a person who is or has been an employee or independent contractor of Mattice Business Services, Inc., beginning with the period described above, you will not offer to nor employ or retain as an independent contractor or agent any such person for a period of 2 years following the termination of this agreement.

Hardware and Software Warranties

During the course of the engagement, we may recommend a purchase and installation of computer or technological hardware, software, communications, or services by your company. Warranties, to the extent they exist, are provided only by the manufacturer/vendor of those computer products.

Services Outside the Scope of this Letter

You may request that we perform additional services at a future date not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope and estimated cost of these additional services. Engagements for additional services will necessitate that we issue a separate engagement letter to reflect the obligations of both parties.

Fees

The monthly fee will be \$400.00 per month.

This fee will be billed monthly due on the first of each month commencing November 1, 2024 and is due upon receipt.

Any services not outlined above will be billed separately.

Confidentiality

All information seen or heard regarding a client's business or personal information will be kept strictly confidential.

Retainer

No retainer will be required for this engagement.

Approvals

Please date and sign a copy of this letter and return to us to acknowledge your agreement with the terms of this engagement.

Sincerely yours,

Lynn Mattice

Lynn Mattice, President
MATTICE BUSINESS SERVICES, INC.
www.MATTICEBUSINESS.com

Acknowledged:

Signature and Title

Date

EXHIBIT 6

DISCLOSURE SERVICES, LLC

DISSEMINATION AGREEMENT Hacienda North Community Development District

April 29, 2024

Board of Supervisors
Hacienda North Community Development District

Dear Supervisors:

DISCLOSURE SERVICES, LLC ("Dissemination Agent") hereby agrees with the Hacienda North Community Development District (the "District") to act as the District's Dissemination Agent. The duties of the Dissemination Agent are set forth in this Dissemination Agreement (the "Agreement"). The purpose of this Agreement is to facilitate the District's compliance with the Securities and Exchange Commission's (the "SEC's") Rule 15c2-12(b)(5) (the "Rule") related to continuing disclosure. The Dissemination Agent is acting as an independent contractor for purposes of facilitating the District's Rules obligations and is not an agent of the District. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Continuing Disclosure Agreements.

1. **Duties:** The Dissemination Agent shall have only such duties as are specifically set forth in the Continuing Disclosure Agreements.
2. **Fees:** The Dissemination Agent will be responsible for all out-of-pocket expenses. The annual fee for the Dissemination Agent's services under this Agreement is \$5,000 for the District's Series 2023 Bonds, plus \$1,000 for each additional bond issue of the District, subject to these disclosure requirements.
3. **Assignment:** The Dissemination Agent reserves the right to engage a third party for the purpose of carrying out the services outlined in this Agreement.
4. **Termination:** Both the District and the Dissemination Agent will have the right to terminate this Agreement upon 30 days prior written notice.
5. **Representation of the District:** The District represents and warrants that it will not withhold any information necessary for the Dissemination Agent to carry out its duties under this Agreement and that it will supply all information requested by the Dissemination Agent.

DISCLOSURE SERVICES, LLC

Page 2

6. **Indemnification**: To the extent permitted by law, the District will indemnify the Dissemination Agent for any action or actions brought by Owners as a result of the failure (including omission and misrepresentation) of the District to meet its requirements under this Agreement and the Continuing Disclosure Agreement as determined by a court of competent jurisdiction. To the extent permitted by law, the Dissemination Agent will indemnify the District for any action or actions brought by Owners as a result of the Dissemination Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction.
7. **Responsibility for Information**: The District acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be produced by the District. The Dissemination Agent's duties are those of collection and collation and not of authorship or production, consequently the Dissemination Agent shall have no responsibility for the content of the information disseminated by it and any and all securities law liabilities, including compliance with the Rule, will remain with the District.
8. **Agreement Governed by Florida Law**: The terms and conditions of this Agreement shall be governed by the laws of the State of Florida.

This Agreement shall be effective upon the District's acceptance hereof.

Regards,
Disclosure Services, LLC

Tara Carter

Approved and Accepted:

Hacienda North Community Development District

By: _____

Title: _____

Date: _____

EXHIBIT 7

**HACIENDA NORTH
COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

DRAFT

**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Hacienda North Community Development District
Collier County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Hacienda North Community Development District, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of September 30, 2023, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information Included in the Financial Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **Xxxx, xxxx**, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Xxxx, xxxx

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Hacienda North Community Development District, Collier County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

The District was established pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes and created by Ordinance No. 2022-21 of Collier County, Florida effective on June 14, 2022 and no audit was required for the prior period. As a result, the balances as of and for the period ended September 30, 2022 are for less than a twelve month period and are unaudited.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$42,005.
- The change in the District's total net position in comparison with the prior period was (\$5,043), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported ending fund balance of \$42,005. The total fund balance is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessments and Developer contributions. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category: governmental funds.

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OVERVIEW OF FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one governmental fund for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

NET POSITION SEPTEMBER 30,			
	2023	2022 (unaudited)	
Current and other assets	\$ 46,142	\$ 47,048	
Total assets	46,142	47,048	
Current liabilities	4,137	-	
Total liabilities	4,137	-	
Net position			
Unrestricted	42,005	47,048	
Total net position	\$ 42,005	\$ 47,048	

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Key elements of the change in net position are reflected in the following table:

CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,			
	2023	2022*	(unaudited)
Revenues:			
Program revenues			
Charges for services	\$ 49,998	\$ -	
Operating grants and contributions	7,170	78,412	
Total revenues	57,168	78,412	
Expenses:			
General government	62,211	31,364	
Total expenses	62,211	31,364	
Change in net position	(5,043)	47,048	
Net position - beginning	47,048	-	
Net position - ending	\$ 42,005	\$ 47,048	

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2023, was \$62,211. The costs of the district's activities were primarily funded by program revenues which is comprised of special assessments and Developer contributions. The increase in current fiscal year expenses is primarily the result of an increase in professional services.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Subsequent to fiscal year end, the District issued \$13,395,000 of Special Assessment Revenue Bonds, Series 2023, consisting of multiple term bonds with due dates ranging from May 1, 2033 - May 1, 2053 and fixed interest rates ranging from 5.5% to 6.5%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

If you have questions about this report or need additional financial information, contact the Hacienda North Community Development District's Finance Department at 707 Orchid Drive, Suite 100, Naples, Florida 34102.

**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 10,574
Due from Developer	<u>35,568</u>
Total assets	<u>46,142</u>
LIABILITIES	
Accounts payable	<u>4,137</u>
Total liabilities	<u>4,137</u>
NET POSITION	
Unrestricted	<u>42,005</u>
Total net position	<u><u>\$ 42,005</u></u>

See notes to the financial statements

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**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Primary government:				
Governmental activities:				
General government	\$ 62,211	\$ 49,998	\$ 7,170	\$ (5,043)
Total governmental activities	62,211	49,998	7,170	(5,043)
Change in net position				(5,043)
Net position - beginning				47,048
Net position - ending				<u>\$ 42,005</u>

See notes to the financial statements

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**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	<u>Major Fund</u>	<u>Total</u>
	General	Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 10,574	\$ 10,574
Due from Developer	35,568	35,568
Total assets	<u>\$ 46,142</u>	<u>\$ 46,142</u>
 LIABILITIES, AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 4,137	\$ 4,137
Total liabilities	<u>4,137</u>	<u>4,137</u>
 Fund balances:		
Unassigned	<u>42,005</u>	<u>42,005</u>
Total fund balances	<u>42,005</u>	<u>42,005</u>
 Total liabilities and fund balances	<u>\$ 46,142</u>	<u>\$ 46,142</u>

See notes to the financial statements

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**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

	<u>Major Fund</u>	<u>Total</u>
	General	Governmental Funds
REVENUES		
Assessments	\$ 49,998	\$ 49,998
Developer contributions	7,170	7,170
Total revenues	<u>57,168</u>	<u>57,168</u>
EXPENDITURES		
Current:		
General government	62,211	62,211
Total expenditures	<u>62,211</u>	<u>62,211</u>
Excess (deficiency) of revenues over (under) expenditures	(5,043)	(5,043)
Fund balances - beginning	<u>47,048</u>	<u>47,048</u>
Fund balances - ending	<u>\$ 42,005</u>	<u>\$ 42,005</u>

See notes to the financial statements

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**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS**

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

The Hacienda North Community Development District ("District") was created on June 14th, 2022, by Ordinance No. 2022-21 of the Board of County Commissioners of Collier County, Florida, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District. The District is comprised of approximately 197.82 acres.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes. **As of September 30, 2023, all the Board members are affiliated with Hacienda Lakes of Naples, LLC (the "Developer").**

The Board has the responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments

Assessments are non-ad valorem assessments on benefitted lands within the District. Assessments are levied to pay for the operations and maintenance and debt service of the District. The fiscal year for which annual operations and maintenance assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. The portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental fund:

General Fund

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

Assets, Liabilities and Net Position or Equity

Restricted Assets

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories.
- d) Direct obligations of the U.S. Treasury.

Securities listed in paragraphs c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, any unspent proceeds are required to be held in investments as specified in the Bond Indenture.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

Assigned fund balance – Includes spendable fund balance amounts established by the Board of Supervisors that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two component

Other Disclosures

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 – BUDGETARY INFORMATION

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

NOTE 4 – DEPOSITS

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

NOTE 5 - DEVELOPER TRANSACTIONS

For the current fiscal year, Developer assessment revenues in the general fund was \$49,998, of which \$35,568 was due from the Developer as of September 30, 2023.

The Developer has agreed to fund the general operations of the District. In connection therewith, Developer contribution revenue reflected in the general fund for the current fiscal year was \$7,170.

NOTE 6 – CONCENTRATION

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

NOTE 7 – MANAGEMENT COMPANY

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

NOTE 8 – RISK MANAGEMENT

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

NOTE 9 – BOND ISSUANCE

Subsequent to fiscal year end, the District issued \$13,395,000 of Special Assessment Revenue Bonds, Series 2023, consisting of multiple term bonds with due dates ranging from May 1, 2033 - May 1, 2053 and fixed interest rates ranging from 5.5% to 6.5% The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023**

	Budgeted Amounts <u>Original & Final</u>	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 62,657	\$ 65,711	\$ 3,054
Interest	-	180	180
Total revenues	<u>62,657</u>	<u>65,891</u>	<u>3,234</u>
EXPENDITURES			
Current:			
General government	62,657	68,306	(5,649)
Maintenance and operations	-	985	(985)
Total expenditures	<u>62,657</u>	<u>69,291</u>	<u>(6,634)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	(3,400)	<u>\$ (3,400)</u>
Fund balance - beginning		<u>42,615</u>	
Fund balance - ending		<u>\$ 39,215</u>	

See notes to required supplementary information

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**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the general fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

**HACIENDA NORTH COMMUNITY DEVELOPMENT DISTRICT
COLLIER COUNTY, FLORIDA
OTHER INFORMATION – DATA ELEMENTS
REQUIRED BY FL STATUTE 218.39(3)(C)
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2023
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	0
Employee compensation	0
Independent contractor compensation	0
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Non ad valorem special assessments;	Not applicable
Special assessment rate	Direct Billed
	Debt service - \$0
Special assessments collected	\$49,998
Outstanding Bonds:	Not applicable

**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
Hacienda North Community Development District
Collier County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Hacienda North Community Development District, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated **Xxxx, xxxx**.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Xxxx, xxxx

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors
Hacienda North Community Development District
Collier County, Florida

We have examined Hacienda North Community Development District, Collier County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, management, and the Board of Supervisors of Hacienda North Community Development District, Collier County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Xxxx, xxxx

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

To the Board of Supervisors
Hacienda North Community Development District
Collier County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Hacienda North Community Development District, Collier County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated **Xxxx, xxxx**.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated **Xxxx, xxxx**, should be considered in conjunction with this management letter.

Purpose of this Letter

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General of the state of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. **Current year findings and recommendations.**
- II. **Status of prior year findings and recommendations.**
- III. **Compliance with the Provisions of the Auditor General of the State of Florida.**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, as applicable, management, and the Board of Supervisors of Hacienda North Community Development District, Collier County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Hacienda North Community Development District, Collier County, Florida and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

Xxxx, xxxx

DRAFT

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Not applicable. First year audit.

III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Not applicable. First year audit.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. Noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures, and no deteriorating financial conditions were noted as of September 30, 2023. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 18.

EXHIBIT 8

Hacienda North Community Development District

Cash Flow

May 31, 2024

	<u>Total</u>
Revenue	
1363116 Off Roll Assessments	\$128,615.00
Total Revenue	\$128,615.00
Expenditures	
1100000 Administrative	
1511001 Board of Supervisors Stipend	\$2,600.00
1512100 Management Consulting Services	20,000.00
1513000 Miscellaneous Expense	0.00
1513014 Website Hosting & Administration	0.00
1513020 Office Expense	36.76
1513040 Regulatory and Permit Fees	0.00
1513048 Distrtict Filing Fee	175.00
1513055 Legal Advertising	745.20
1513060 Assessment Administration	0.00
1513063 Assessment Roll Preparation	0.00
1513070 Auditing	0.00
1513075 Accounting Services	3,750.00
1513100 Insurance- General Liability	5,200.00
1513080 Engineering Services	0.00
1514010 Legal Services	11,276.92
1514020 Bond Validation Legal Expenses	0.00
Total Administrative	\$43,783.88
1160000 Field Operations	
1531010 Electricity - General	\$0.00
1572010 LANDSCAPING & MAINTENANCE	0.00
1572030 Lake Maintenance	0.00
1572060 Water Use Monitoring	0.00
Total Field Operations	\$0.00
Total Expenditures	\$43,783.88
Net Cash Flow	\$84,831.12

Hacienda North Community Development District
Budget to Actual
May 31, 2024

Category	Total	Budget	Balance
Revenue			
Carry Over from 9-30-23	\$36,386.20	\$0.00	\$36,386.20
1363116 Off Roll Assessments	128,615.00	128,615.00	0.00
Total Revenue	\$165,001.20	\$128,615.00	\$36,386.20
Expenditures			
1100000 Administrative			
1511001 Board of Supervisors Stipend	\$2,600.00	\$6,000.00	\$3,400.00
1512100 Management Consulting Services	20,000.00	30,000.00	10,000.00
1513000 Miscellaneous Expense	0.00	0.00	0.00
1513014 Website Hosting & Administration	0.00	2,500.00	2,500.00
1513020 Office Expense	36.76	250.00	213.24
1513040 Regulatory and Permit Fees	0.00	0.00	0.00
1513048 District Filing Fee	175.00	175.00	0.00
1513055 Legal Advertising	745.20	3,000.00	2,254.80
1513060 Assessment Administration	0.00	11,850.00	11,850.00
1513063 Assessment Roll Preparation	0.00	0.00	0.00
1513070 Auditing	0.00	5,000.00	5,000.00
1513075 Accounting Services	3,750.00	6,140.00	2,390.00
1513100 Insurance- General Liability	5,200.00	6,400.00	1,200.00
1513080 Engineering Services	0.00	10,000.00	10,000.00
1514010 Legal Services	11,276.92	10,000.00	-1,276.92
1514020 Bond Validation Legal Expenses	0.00	0.00	0.00
Total Administrative	\$43,783.88	\$91,315.00	\$47,531.12
1160000 Field Operations			
1531010 Electricity - General	0.00	0.00	0.00
1572010 LANDSCAPING & MAINTENANCE	0.00	0.00	0.00
1572030 Lake Maintenance	0.00	0.00	0.00
1572060 Water Use Monitoring	0.00	0.00	0.00
Total Field Operations	\$0.00	\$0.00	\$0.00
Total Expenditures			
Net Cash Flow	\$121,217.32	\$37,300.00	\$83,917.32

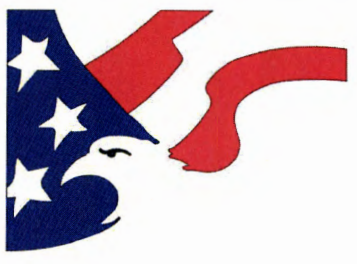
Hacienda North Community Development District

Statement of Financial Position

As of May 31, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
1101000 Business Ckg (*0741) - 1	\$125,836.07
Total Bank Accounts	<u>\$125,836.07</u>
Total Current Assets	<u>\$125,836.07</u>
TOTAL ASSETS	<u><u>\$125,836.07</u></u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
1202000 Accounts Payable	\$0.00
Total Accounts Payable	<u>\$0.00</u>
Total Current Liabilities	<u>\$0.00</u>
Total Liabilities	<u>\$0.00</u>
Equity	
Retained Earnings	\$42,004.95
Net Revenue	\$83,831.12
Total Equity	<u>\$125,836.07</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$125,836.07</u></u>

EXHIBIT 9



**Melissa R Blazier
Supervisor of Elections
Collier County, Florida**

April 15, 2024

Mr. Russ Weyer
Hacienda North CDD
707 Orchid Drive Suite 100
Naples, FL 34102

Dear Mr. Weyer,

In compliance with 190.06 of the Florida Statutes, this letter is to inform you that the official records of the Collier County Supervisor of Election indicate 0 active registered voters residing in the Hacienda North CDD as of April 15, 2024.

Should you have any question regarding election services for this district please feel free to contact our office.

Sincerely,

David B Carpenter
Qualifying Officer
Collier County Supervisor of Elections
3750 Enterprise Avenue
Naples FL 34104
(239) 252-8501
Dave.Carpenter@colliervotes.gov

EXHIBIT 10

Filing of Form 6 or Form 1 (Financial Interests)

Beginning January 1, 2024 you will no longer have access to a paper (hard copy) form for filing your statement of financial interests as a incumbent or candidate.

To complete the form you will need to go online to the Florida Commission on Ethics and complete the form by logging on through their portal.

<https://disclosure.floridaethics.gov/Account/Login?ReturnUrl=%2f>

The Commission has created several helpful videos to assist with the process