

**Naples Heritage Community
Development District**

November 5, 2019

Agenda Package

Naples Heritage Community Development District

Inframark, Infrastructure Management Services

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Telephone: (954) 603-0033 • Fax: (954) 345-1292

October 29, 2019

Board of Supervisors
Naples Heritage Community
Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Naples Heritage Community Development District will be held **Tuesday, November 5, 2019 at 9:00 a.m.** at Naples Heritage Golf and Country Club Clubhouse, 8150 Heritage Club Way, Naples, Florida. Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment on Agenda Items
3. Organizational Matters
 - A. Oath of Office – Tom Rutkowski
4. Approval of the Minutes of the May 7, 2019 Meeting
5. Old Business
 - A. Master Association Club Expansion Update
 - B. Campus Suite ADA Website Compliance Proposal
6. New Business
 - A. Supervisor Direct Deposit
7. Manager's Report
 - A. Acceptance of Financial Statements
 - B. Motion to Assign Fund Balance
 - C. Resolution 2020-1 Amending FY 2019 Budget
 - D. Engagement Letter FY 2019 Audit – Grau & Associates
 - E. Field Manager's Report
 - F. Follow Up Items
 - i. FEMA First Appeal Determination
8. Attorney's Report
9. Engineer's Report
10. Supervisors' Requests
11. Audience Comments
12. Adjournment

Supporting documents for agenda items are enclosed or will be distributed at the meeting.

The balance of the agenda is routine in nature and staff will present their reports at the meeting. If you have any questions in the meantime, please contact me.

Sincerely,

Justin Faircloth

Justin Faircloth
District Manager

Fourth Order of Business

**MINUTES OF MEETING
NAPLES HERITAGE
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Naples Heritage Community Development District was held on Tuesday, May 7, 2019 at 9:00 a.m. at the Naples Heritage Golf and Country Clubhouse, 8150 Club Way, Naples, Florida.

Present and constituting a quorum were:

Peter J. Lombardi	Chairman
Peter Ramundo	Vice Chairman
Kenneth R. Gaynor	Assistant Secretary
Gerald James	Assistant Secretary
Richard Leonhard	Assistant Secretary

Also present were:

Justin Faircloth	District Manager
Patrick Dorbad	NHGCC General Manager
Chad Montgomery	NHGCC
Residents	

The following is a summary of the discussions and actions taken at the May 7, 2019 Board of Supervisors meeting.

FIRST ORDER OF BUSINESS

Roll Call

The meeting was called to order and all Supervisors were present.

SECOND ORDER OF BUSINESS

Public Comment on Agenda Items

None

THIRD ORDER OF BUSINESS

Approval of the Minutes of the April 2, 2019 Meeting

Mr. Faircloth stated each Board member received a copy of the minutes of the April 2, 2019 meeting and requested any corrections, additions or deletions.

On MOTION by Mr. Gaynor seconded by Mr. Leonhard with all in favor the minutes of the April 2, 2019 meeting were approved.
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FOURTH ORDER OF BUSINESS

**Public Hearing to Consider
Resolution 2019-6, Adopting the
Budget for Fiscal Year 2020 and
Resolution 2019-7 Levy of Non-Ad
Valorem Assessments**

A. Open the Public Hearing to Public Comment

On MOTION by Mr. Ramundo seconded by Mr. James
with all in favor the Budget Public Hearing was opened.

- A resident commented on the 20% increase of assessments. Mr. Lombardi commented on lake maintenance, aeration projects, and cost increases.

B. Close the Public Hearing to Public Comment

On MOTION by Mr. James seconded by Mr. Leonhard
with all in favor the budget public hearing was closed.

- Mr. Gaynor gave an overview of future lake projects.

On MOTION by Mr. Gaynor seconded by Mr. Leonhard
with all in favor Resolution 2019-6 relating to the annual
appropriations of the District and adopting the budget for
the fiscal year beginning October 1, 2019, and ending
September 30, 2020, and referencing the maintenance and
benefit special assessments to be levied by the District for
said fiscal year; providing for an effective date was
adopted.

On MOTION by Mr. Ramundo seconded by Mr. Gaynor
with all in favor Resolution 2019-7 levying and imposing
non ad valorem maintenance special assessments for
Naples Heritage Community Development District,
increasing assessments from \$125 to \$150, and certifying
an assessment roll for fiscal year 2019-2020; providing a
severability clause; providing for conflict and providing an
effective date was adopted.

FIFTH ORDER OF BUSINESS**Old Business****A. Master Association Club Expansion Update**

- Mr. Gaynor gave an update on the current status noting that information continues to be provided to SFWMD. Once approval is obtained from SFWMD it will then be forwarded to the Corp of Engineers for approval.
- He commented they are also working with Collier County hoping to be on the Planning Committee docket for June 6, 2019 approval; and the June 24th County Commissioner meeting.
- Mr. Montgomery gave an update on lake maintenance.

SIXTH ORDER OF BUSINESS**New Business****A. Acceptance of Fiscal Year 2018 Audit**

- The Fiscal Year 2018 Audit prepared by Grau & Associates was presented.
- Page 12 third paragraph should be corrected to read that *The Supervisors are elected by qualified electors within the District.*

On MOTION by Mr. Ramundo seconded by Mr. Leonhard with all in favor the audit prepared by Grau & Associates for the fiscal year ended September 30, 2018 was accepted as amended and the Chairman was authorized to execute the AFR.

SEVENTH ORDER OF BUSINESS**Manager's Report****A. Acceptance of Financial Statements**

- The financial statements for the period ending March 31, 2019 were reviewed.

On MOTION by Mr. James seconded by Mr. Gaynor with all in favor the financials for the period ending March 31, 2019 were accepted.

B. Fiscal Year 2020 Meeting Schedule

- The meeting schedule for fiscal year 2020 was presented.

On MOTION by Mr. Gaynor seconded by Mr. Leonhard with all in favor the fiscal year 2020 meeting schedule was accepted as presented.

C. Number of Registered Voters (573)

- A letter from the Collier County Supervisor of Elections indicates there were 573 registered voters residing in the District as of April 15, 2019.

D. Follow Up Items

- Staff provided an update on items noting the appeal was filed for gate and the roadway expenses with FEMA related to Hurricane Irma expenses; the State recommended payment regarding both appeals and the final decision from FEMA is anticipated soon; noted repairs on structure 5 were in progress by Copeland Southern Enterprises, Inc; and commented on various items found during the May 2, 2019 annual inspection.

EIGHTH ORDER OF BUSINESS

Attorney's Report

There not being any, the next item followed.

NINTH ORDER OF BUSINESS

Engineer's Report

There not being any, the next item followed.

TENTH ORDER OF BUSINESS

Supervisors' Requests

- Mr. Lombardi noted he would be resigning effective the end of the day from the Naples Heritage Board of Supervisors as he will be relocating outside of the District.
- He was thanked for his long service on the Board and to the residents of Naples Heritage.

On MOTION by Mr. Ramundo seconded by Mr. Gaynor with all in favor the resignation of Mr. Lombardi effective at the end of the day was accepted with regret.

Mr. Ramundo MOVED to appoint Mr. Tom Rutkowski to fill Seat 2 vacated by Mr. Lombardi and Mr. Leonhard seconded the nomination.

- The prior motion was discussed.

On VOICE vote with all in favor the prior motion was approved.

Mr. Ramundo nominated Mr. Gaynor as Chairman and Mr. James seconded the nomination; there being no other nominations Mr. Gaynor was appointed Chairman.

Mr. James nominated Mr. Ramundo as Vice Chairman and Mr. Leonhard seconded the nomination; there being no other nominations Mr. Ramundo was appointed Vice Chairman.

- Mr. Rutkowski was appointed Assistant Secretary with the remaining slate of officers staying the same.

Mr. Leonard MOVED to adopt Resolution 2019-8 designating officers as discussed and Mr. James seconded the resolution.

- As this item was not on the agenda, comments from the audience were requested, there not being any,

On VOICE vote with all in favor Resolution 2019-8 appointing Kenneth Gaynor Chairman; Peter Ramundo Vice Chairman; Justin Faircloth Secretary; Stephen Bloom Treasurer; Alan Baldwin Assistant Treasurer; Gerald James, Richard Leonhard and Tom Rutkowski Assistant Secretaries was adopted.

- Mr. Rutkowski will be sworn in at the November meeting.

ELEVENTH ORDER OF BUSINESS

Audience Comments

- A resident commented lake water levels.

TWELFTH ORDER OF BUSINESS

Adjournment

There being no further business,

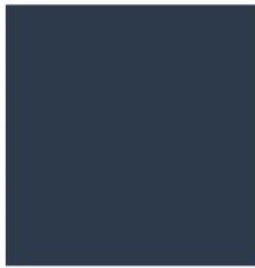
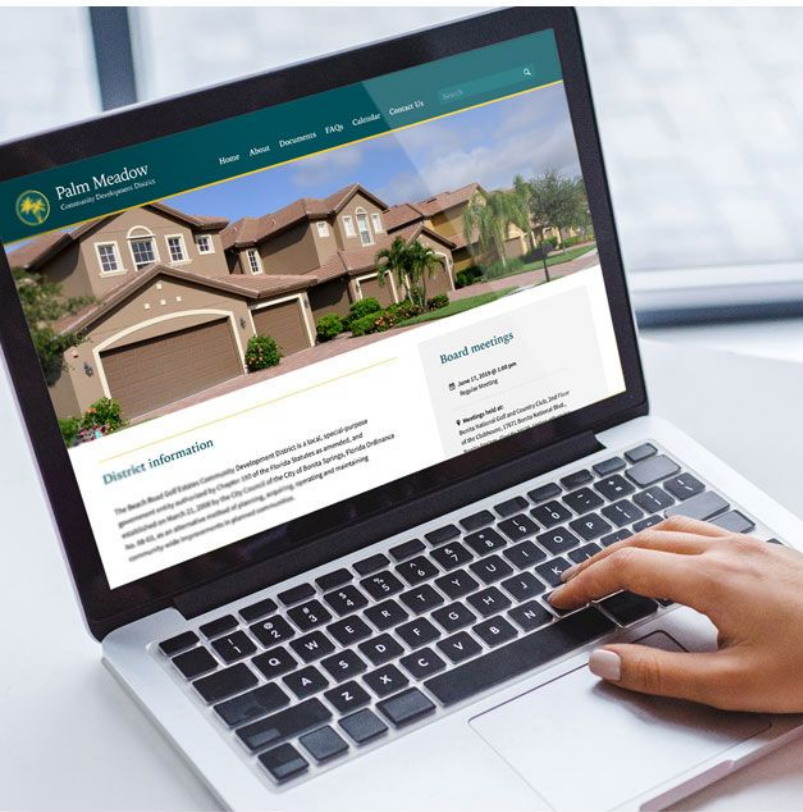
On MOTION by Mr. Ramundo seconded by Mr. Leonhard with all in favor the meeting was adjourned at 9:52 a.m.

Justin Faircloth
Secretary

Kenneth R. Gaynor
Chairman

Fifth Order of Business

5B.



Keeping your community informed. And you compliant.

Naples Heritage Community Development District

Proposal date: 2019-08-01

Proposal ID: CC6MW-BJAAY-GEJ8F-RN9H2

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Ted Saul
Director - Digital Communication
 Certified Specialist

campus
suite

Pricing

Effective date: 2019-08-15

Implementation	Quantity	Subtotal
On-boarding of ADA Compliant Website and Remediation of Historical Documents <ul style="list-style-type: none"> • Migration website pages and present on a staged website for approval • Initial PDF Accessibility Compliance Service for 1500 pages of remediation 	1	\$1,512.30
<hr/>		
Annual ongoing services	Quantity	Subtotal
Website services <ul style="list-style-type: none"> • Hosting, support and training for users • Website management tools to make updates • Secure certification (https) • Monthly accessibility site reporting, monitoring and error corrections 	1	\$615.00
<hr/>		
Ongoing PDF Accessibility Compliance Service <ul style="list-style-type: none"> • Remediation of all PDFs stored on your website • Remediation of up to 750 PDF pages • Dashboard for reporting and managing all PDFs • 48-hour turnaround for fixes for board agendas • PDF manager dashboard 	750*	\$937.50
<hr/>		
Social Media Manager		Included

*Maximum PDF pages per 12 month period

Total: \$3,064.80





Accountable, compliant communications

Keeping your residents and property owners informed is a big responsibility – one that requires constant diligence. Staying current with the laws that apply to public access to district records, reports and other legal requirements presents a big challenge for many CDD communities.

When it comes to your website and all the web-based documents you are required to publish, they all need to be fully accessible. Florida statutes and federal laws require you and every special district be compliant with ADA (Americans with Disabilities Act) and accessibility regulations.

Keeping it all accessible – and legal

Campus Suite provides the total accessibility solution to keep all your web communications and web documents on the right side of these laws – specifically chapters 189 and 282 of the Florida Statutes.

Designed for districts



Easy-to-update website, hosting and support



Worry-free ADA-compliance, auditing and full reporting



Meets Florida statutes and federal laws



Save CDD board time and money

Keeping your community informed and compliant.



Accessibility Compliance
with Campus Suite

We'll handle all your website and document accessibility.

We take on the responsibility of making and keeping your website fully accessible to people with disabilities. We know what's at stake if your website is not ADA-compliant, so we handle it all – monitoring, reporting, and remediation.

We stand behind our seal of approval.

Each page of your website will have our official certification of a website that meets the required accessibility standards.

A website with all the features your district needs.

Communication is key to success in any organization, and your community development district is no exception. At Campus Suite, we understand the unique communication needs of CDDs and create a comprehensive website that serves as your communication hub.

Your property owners and residents will come to depend on the wealth of information at their fingertips. And your board members, management team and staff will come to rely on the role your website serves in streamlining the critical communications functions you're required by law to provide.

Maintain ADA compliance:

- ✓ Website and documents meet WCAG 2.1 requirements
- ✓ Monthly accessibility scanning audits and reporting
- ✓ In-house team that fixes all of the accessibility errors
- ✓ On-demand PDF remediation (48-hour turnaround)

Your district website features:

- ✓ Professional website design
- ✓ Easy-to-use tools to make updates
- ✓ Total document management
- ✓ Support and training for users
- ✓ Calendar of events
- ✓ Clubhouse and rental scheduling
- ✓ Meeting notices and minutes

The logo for Campus Suite, with 'campus' in a bold, green, sans-serif font and 'suite' in a smaller, italicized, grey font below it.

A trusted name for compliance.

For over 15 years, Campus Suite has built a reputation helping public schools across the country eliminate communication barriers and improve school community engagement. We do it by creating easy-to-use, affordably priced websites featuring professional design, unmatched customer service, and paving a leadership role in website accessibility.

We've helped districts build web accessibility policies and websites, and even created contingency plans for responding to web issues and complaints from the OCR (U.S. Office for Civil Rights). These include detailed resolution plans when clients need to respond to avoid fines and the negative publicity that sometimes surrounds non-compliance.

Campus Suite has also pioneered educating public institutions about website accessibility by establishing the Website Accessibility Education Center, a valuable resource for website administrators..



W3C[®]
WCAG 2.0



**Campus Suite Academy
Website Accessibility Center**

www.campussuite.com/accessibility-center

Frequently asked questions

For PDF service, what is the price per page?

Pricing can range based on the volume of PDFs you have on your website and if it is part of the initial remediation or the on-demand service. The price range is between \$1.05 per page to \$1.75 per page.

What does the PDF scan and remediation process look like?

You'll upload your documents to the dashboard. We are notified and begin setting up the scan. After the fixes are made, we put the documents back onto the dashboard and you are notified. You then put them back to the appropriate location on your website.

What does the ADA managed service process for our website look like?

Our team performs monthly scans of your site utilizing software. Our team then goes through the results and fixes the content-related errors by hand. A report is produced for your records and uploaded to your ADA dashboard. Any outlying issues we may encounter, you will be notified until the issue is resolved.

How long does it take?

For non-urgent doc remediation, we can scan and fix up to 2000 pages per week. We also have urgent services available for an additional fee with a turnaround time of 48 hours.

What standards do you follow for ADA?

We follow WCAG AA 2.1 guidelines

Are there any hidden fees?

No.

How long does it take to build the website?

It depends upon your responsiveness, but generally only a couple of weeks.

Can we change the design of our website?

Our themes are customizable to address your preferences. There are some guardrails in place to help ensure ADA compliance to a degree, but you can select colors, images, etc...

Do your sites offer a calendar?

Yes. This site can be utilized in many different ways. One of which is a calendar to help with your clubhouse availability/rental schedule.

Statement of work

1. **On-boarding of ADA Compliant Website and Remediation of Historical Documents.** Contractor will deliver a functional, responsive, working ADA compliant website that can display content submitted to the Contractor by the District. At a minimum, the website and the documents on the website will:
 1. Comply with the guidelines provided by Web Content Accessibility Guidelines 2.1, as amended and/or replaced by new releases from time to time (“WCAG”);
 2. Contain a website accessibility policy that includes: a commitment to accessibility for persons with disabilities, the accessibility standard used and applied to the website (at a minimum WCAG), and contact information of the District Manager or their designee (email and phone number) in case users encounter any problems;
 3. Display an ADA compliance shield, seal, or certification;
 4. Provide options to create a CDD-branded design (colors, logo, etc...)
 5. Be accessible on modern versions of Internet Explorer, Edge, Mozilla, Safari, and Chrome web browsers and be “mobile friendly” and offer a “mobile version” of the sites content for access from tablets or smart phones.
 6. Be free of any commercial advertising;
 7. Be free of any known spyware, virus, or malware;
 8. Secure certification (https)
 9. Secure cloud hosting with fail-overs
 10. Allow for data backups, and record retention as required by law;
 11. Allow for the display a calendar, reservation request form, and newsletter;
 12. Creation of a dashboard for the District to upload and remove content, manage all documents, manage document remediation, and review reports generated by the Contractor; and
 13. Remediate 1500 pages identified by the District for the new website in an ADA compliant format.*
2. **Domain Fee.** The Contractor shall pay the annual fee for the domain name of the District’s website.
3. **Maintenance and Management of the Website.**
 1. Contractor will manage and maintain the website;
 2. Remediate in an ADA compliant format new documents (a not to exceed 750 pages per year) uploaded by the District Manager to the document portal;*
 1. For Agenda Packages, the Contractor shall turn around the documents within 2 business days
 3. District shall be responsible for uploading the documents onto the document portal for the website. Upon completion of the remediation services, Contractor shall ensure that the remediated documents are live on the website. Contractor shall ensure that the District only has the ability to upload documents to the document portal (not the ability to make documents go live on the website) or remove documents on the website and cannot alter any other aspect of the website;
 4. Contractor will store all District data, including files, text and parameters; data will be backed-up on a separate storage system at regular intervals; and

5. The ADA compliant website will be on-line at all times unless maintenance or upgrades require it to be unavailable. When maintenance or upgrades require the website to be unavailable, Contractor will provide the District with reasonable advance notice in writing.

4. Monthly Auditing and Remediation Services.

1. Every month Contractor will comprehensively audit the website's compliance with (1) WCAG and (2) any applicable laws, rules, and regulations (including, the Department of Justice);
2. After the audit, Contractor will remediate any web accessibility deficiencies of the website or content on the website; and
3. The Contractor will provide a written report to the District that summarizes the audit and any remediations made.

5. Support Services.

Contractor will supply telephone and/or email support to the District on a reasonable and necessary basis to within business hours – Monday to Friday 9 am to 6 pm EST, exclusive of holidays. The Contractor will provide a listing of detailed hours, holidays, and service availability on their website, and reserves the right to modify the times technical support is available.

*If certain PDFs are not able to be fully remediated, Contractor shall work with the District to create a summary of the content in the PDF and provide contact information if anyone needs reasonable accommodations to access the full content within that PDF.

Website Creation and Management Agreement

This Website Creation and Management Agreement (this “Agreement”) is entered into as of 2019-08-15, between the Naples Heritage Community Development District, whose mailing address is 210 N University Dr, STE 702, Coral Springs, FL 33071 (the “District”) and Innersync Studio, LLC., an Ohio limited liability company (d/b/a Campus Suite), whose mailing address is 752 Dunwoodie Dr., Cincinnati, Ohio 45230 (the “Contractor”).

Background Information:

The District is a local unit of special-purpose government established pursuant to the Uniform Community Development District Act of 1980, as codified in Chapter 190, Florida Statutes. The District is required to have a website and desires to have a website created, regularly updated, managed, inspected, and remediated to ensure compliance with the Americans with Disabilities Act (the “ADA”). The Contractor has the technical expertise to provide the above-mentioned services. The District desires to retain the Contractor to provide services as described in this Agreement.

Operative Provisions:

1. Incorporation of Background Information. The background information stated above is true and correct and by this reference is incorporated as a material part of this Agreement.

2. Scope of Services. The Contractor will perform all work, including all labor, equipment, and supervision necessary to perform the services described in the “Statement of Work” attached hereto.

3. Term and Renewal. The initial term of this Agreement will be for one year from the date of this Agreement. At the end of the initial term, this Agreement will automatically renew for subsequent one-year terms pursuant to the same price and contract provisions as the initial term, until terminated by either party pursuant to the termination provisions below.

4. Termination.

a. Either party may terminate this Agreement without cause, with an effective termination date of the next scheduled renewal date, by providing at least thirty (30) days written (letter, facsimile, email) notice to the other party prior to the next renewal date.

b. Either party may terminate this Agreement with cause for material breach provided, however, that the terminating party has given the other party at least thirty (30) days written (letter, facsimile, email) of, and

the opportunity to cure the breach.

c. Upon termination of this Agreement:

- i. The Contractor will be entitled to payment for all work and/or services rendered up until the effective termination of this Agreement, subject to whatever claims or off-sets the District may have against the Contractor. If any deposit or advanced payments exceeds these costs, Contractor will refund the appropriate amount to the District.
- ii. The Contractor will provide the District or its designee with all domain names, authorizations, usernames, passwords, and content (including remediated content) in the format in which it was stored on the server, at a cost not to exceed \$50 to the District.
- iii. The Contractor will be permitted to remove its name and ADA compliance shield, seal, or certificate from the website on the effective date of the termination.
- iv. If the Contractor was using certain software (including content management software) that is proprietary and was licensed to the District during the term of the Agreement, then the Contractor shall coordinate with the District as to the end of the license or simply create a simple splash page of the District with information on the transition to a new website.

5. Compensation and Prompt Payment.

- a. Upon execution of this Agreement, the District agrees to pay Contractor for a one-time payment of \$1,512.30 for the Onboarding of ADA Compliant Website and Remediation of Historical Documents.
- b. Starting on October 1, 2019 the District agrees to compensate the Contractor \$1,552.50 for Domain Fee, Maintenance and Management of the Website, Monthly Auditing and Remediation Services, and Support Services as described in the Statement of Work. The District shall make such payments in advance of the services to be provided. Contractor will provide the District with an invoice on a annual basis for work to be performed. The District will pay Contractor within 15 days of receipt of the invoice.

6. Additional Work. If the District should desire additional work or services, the Contractor agrees to negotiate in good faith to undertake such additional work or services. Upon successful negotiations, the parties will agree in writing to an addendum (for changes to the regular services) or work authorization order (for all other services). The Contractor will be compensated for such agreed additional work or services based upon a payment amount acceptable to the parties and agreed to in writing.

7. Ownership of Website, Domain Name, and Content. The District will be the owner of the website, domain name, and all content (including remediated content provided by the Contractor) on the website.

8. No Infringement of Intellectual Property. Contractor warrants and represents that neither the Statement of Work nor any product or services provided by Contractor will infringe, misappropriate, or otherwise violate the intellectual property rights of any third-party. Contractor shall take all steps to ensure that the District has no access to confidential software or data that is proprietary (whether it's the Contractor's or another provider's through a license agreement).

9. Promotion. The District permits Contractor to identify the District as a customer of Contractor in Contractor's marketing materials (including using the District's name and logo for such limited purposes).

10. Warranty. The Contractor warrants that the work: (a) will conform to the requirements of the Statement of Work, (b) will be performed in a prompt, diligent, good, safe and workmanlike manner in accordance with all laws, industry standards, and all applicable ADA and WCAG regulations, and (c) will be performed without defects in workmanship or in code. To the extent that any defects are found and reported to the Contractor, the Contractor shall correct such defects within thirty (30) days.

11. Relationship Between the Parties. It is understood that the Contractor is an independent contractor and will perform the services contemplated under this Agreement. As an independent contractor, nothing in this Agreement will be deemed to create a partnership, joint venture, or employer-employee relationship between the Contractor and the District. The Contractor will not have the right to make any contract or commitments for, or on behalf of, the District without the prior written approval of the District. The Contractor assumes full responsibility for the payment and reporting of all local, state, and federal taxes and other contributions imposed or required of the Contractor during the performance of services to the District.

12. Compliance with Governmental Regulations. The Contractor will comply with necessary economic, operational, safety, insurance, and other compliance requirements imposed by federal, state, county, municipal or regulatory bodies, relating to the contemplated operations and services hereunder. The Contractor warrants and represents the Contractor is currently in compliance with and will hereafter comply with all federal, state and local laws and ordinances relating in any way to the services provided hereunder. Contractor is solely responsible for complying with all applicable laws pertaining to website accessibility, including but not limited to the ADA and those certain WCAG standards, and other web accessibility guidelines as amended from time to time.

13. Insurance. Contractor will, at its own expense, maintain commercial general liability insurance coverage of no less than \$1,000,000 for the duration of the term of this Agreement and for any renewals of the term, as mutually agreed upon by the parties, which names the District, its officers, agents, staff, and employees as an additional insured. The Contractor will deliver to the District proof of insurance referred to herein or a certificate evidencing the coverage provided pursuant to this Agreement. Such insurance policy may not be canceled without a thirty-day written notice to the District. The Contractor will maintain Workers

Compensation insurance as required by law.

14. Limitation of Liability. Either party's total liability under this Agreement, regardless of cause or theory of recovery, will not exceed the total amount of fees paid by the District to the Contractor during the twelve-month period immediately preceding the occurrence or act or omission giving rise to any claim. Contractor shall not be liable for ADA compliance of any content posted by the District without first being remediated by the Contractor.

15. Indemnification. Contractor agrees to, subject to the limitation of liability described above, indemnify, defend and hold the District and its supervisors, officers, managers, agents and employees harmless from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries or damage of any nature, arising out of, or in connection with, the work to be performed by Contractor, including litigation or any appellate proceedings with respect thereto. Contractor further agrees that nothing herein will constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, Florida Statutes, or other statute or law. Any subcontractor retained by the Contractor will acknowledge the same in writing. Obligations under this section will include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorney fees, and paralegal fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.

16. Conditions Precedent Prior to Any Litigation. In the event that either party is dissatisfied with the other party and as a condition precedent prior to commencing any litigation, such party shall communicate in writing to the other party with their specific concerns. The parties shall make a good faith effort toward the resolution of any such issues. If the parties are not able to reach a mutually acceptable solution, then either party may request arbitration at their own expense. If such arbitration is requested, it shall be held within sixty (60) days of such request.

17. Remedies in the Event of Default. Subject to the limitation of liability described above, a default by either party under this Agreement will entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance. Nothing contained in this Agreement will limit or impair the District's right to protect its rights from interference by a third-party to this Agreement.

18. Controlling Law. This Agreement is governed under the laws of the State of Florida with venue in the county the District is located in.

19. Enforcement of Agreement. Only after satisfying the conditions precedent prior to any litigation above, in the event it becomes necessary for either party to institute legal proceedings in order to enforce the terms

of this Agreement, the prevailing party will be entitled to all costs, including reasonable attorney's fees at both trial and appellate levels against the non-prevailing party, with a not to exceed limit of the total amount of fees paid by the District to the Contractor during the twelve-month period immediately preceding the occurrence or act or omission giving rise to any claim.

20. Public Records. Contractor acknowledges the District is a special purpose unit of local government in the State of Florida, and that all documents of any kind provided to or in possession of Contractor in connection with this Agreement are subject to Florida's public records laws, pursuant to Chapter 119, Florida Statutes. As required under Section 119.0701, Florida Statutes, Contractor will (a) keep and maintain public records that would ordinarily and necessarily be required by the District in order to perform the Service Provided, b) provide the public with access to public records on the same terms and conditions that the District would provide the records and at a cost that does not exceed the cost of reproduction permitted by law, (c) ensure that public records which are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law, and (d) meet all requirements for retaining public records and transfer, at no cost to the District, all public records in possession of the Contractor upon termination of this Agreement, and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with the information technology systems of the District. Upon receipt by Contractor of any request for copies of public records, Contractor will immediately notify the District of such request. Failure of Contractor to comply with public records laws to the extent required by statute may result in immediate termination of the Agreement.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 854-603-0033, OR BY EMAIL AT SANDRA.DEMARCO@INFRAMARK.COM, OR BY REGULAR MAIL AT 210 N. UNIVERSITY DR. STE 702, CORAL SPRINGS, FL. 33071.

21. Scrutinized Companies. Pursuant to Section 287.135, Florida Statutes, Contractor represents that in entering into this Agreement, the Contractor has not been designated as a "scrutinized company" under the statute and, in the event that the Contractor is designated as a "scrutinized company", the Contractor will immediately notify the District whereupon this Agreement may be terminated by the District.

22. Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will remain in full force and effect.

23. Assignment. This Agreement is not transferrable or assignable by either party without the written approval of both parties.

24. Amendment. This Agreement may not be altered, changed or amended, except by an instrument in writing, signed by both parties hereto.

25. Arm's Length Transaction. This Agreement has been negotiated fully between the District and the Contractor as an arm's length transaction. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen, and selected the language, and any doubtful language will not be interpreted or construed against any party.

26. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be an original; however, all such counterparts together will constitute, but one and the same instrument.

27. Entire Agreement. This Agreement contains the entire agreement and neither party is to rely upon any oral representations made by the other party, except as set forth in this Agreement. This Agreement supersedes and subsumes any prior agreements. To the extent that any provisions of this Agreement conflict with the provisions in any exhibit, the provisions in this Agreement controls over provisions in any exhibit.

Innersync Studio, LLC.	Naples Heritage
_____	_____
Steve Williams VP of Marketing	Print name
Date	Date

Exhibit A: Proposal for Services

Implementation	Quantity	Subtotal
Onboarding of ADA Compliant Website and Remediation of Historical Documents <ul style="list-style-type: none"> • Migration website pages and present on a staged website for approval • Initial PDF Accessibility Compliance Service for 1500 pages of remediation 	1	\$1,512.30
Ongoing services	Quantity	Subtotal
Website services <ul style="list-style-type: none"> • Hosting, support and training for users • Website management tools to make updates • Secure certification (https) • Monthly site reporting, monitoring and error corrections 	1	\$615.00
Ongoing PDF Accessibility Compliance Service <ul style="list-style-type: none"> • Remediation of all PDFs stored on your website • Remediation of up to 750 PDF pages • Dashboard for reporting and managing all PDFs • 48-hour turnaround for fixes for board agendas • PDF manager dashboard 	750*	\$937.50
Social Media Manager		Included

Statement of work

1. **On-boarding of ADA Compliant Website and Remediation of Historical Documents.** Contractor will deliver a functional, responsive, working ADA compliant website that can display content submitted to the Contractor by the District. At a minimum, the website and the documents on the website will:
 1. Comply with the guidelines provided by Web Content Accessibility Guidelines 2.1, as amended and/or replaced by new releases from time to time (“WCAG”);
 2. Contain a website accessibility policy that includes: a commitment to accessibility for persons with disabilities, the accessibility standard used and applied to the website (at a minimum WCAG), and contact information of the District Manager or their designee (email and phone number) in case users encounter any problems;
 3. Display an ADA compliance shield, seal, or certification;
 4. Provide options to create a CDD-branded design (colors, logo, etc...)
 5. Be accessible on modern versions of Internet Explorer, Edge, Mozilla, Safari, and Chrome web browsers and be “mobile friendly” and offer a “mobile version” of the sites content for access from tablets or smart phones.
 6. Be free of any commercial advertising;
 7. Be free of any known spyware, virus, or malware;
 8. Secure certification (https)
 9. Secure cloud hosting with fail-overs
 10. Allow for data backups, and record retention as required by law;
 11. Allow for the display a calendar, reservation request form, and newsletter;
 12. Creation of a dashboard for the District to upload and remove content, manage all documents, manage document remediation, and review reports generated by the Contractor; and
 13. Remediate 1500 pages identified by the District for the new website in an ADA compliant format.*
2. **Domain Fee.** The Contractor shall pay the annual fee for the domain name of the District’s website.
3. **Maintenance and Management of the Website.**
 1. Contractor will manage and maintain the website;
 2. Remediate in an ADA compliant format new documents (a not to exceed 750 pages per year) uploaded by the District Manager to the document portal;*
 1. For Agenda Packages, the Contractor shall turn around the documents within 2 business days
 3. District shall be responsible for uploading the documents onto the document portal for the website. Upon completion of the remediation services, Contractor shall ensure that the remediated documents are live on the website. Contractor shall ensure that the District only has the ability to upload documents to the document portal (not the ability to make documents go live on the website) or remove documents on the website and cannot alter any other aspect of the website;
 4. Contractor will store all District data, including files, text and parameters; data will be backed-up on a separate storage system at regular intervals; and

5. The ADA compliant website will be on-line at all times unless maintenance or upgrades require it to be unavailable. When maintenance or upgrades require the website to be unavailable, Contractor will provide the District with reasonable advance notice in writing.

4. Monthly Auditing and Remediation Services.

1. Every month Contractor will comprehensively audit the website's compliance with (1) WCAG and (2) any applicable laws, rules, and regulations (including, the Department of Justice);
2. After the audit, Contractor will remediate any web accessibility deficiencies of the website or content on the website; and
3. The Contractor will provide a written report to the District that summarizes the audit and any remediations made.

5. Support Services.

Contractor will supply telephone and/or email support to the District on a reasonable and necessary basis to within business hours – Monday to Friday 9 am to 6 pm EST, exclusive of holidays. The Contractor will provide a listing of detailed hours, holidays, and service availability on their website, and reserves the right to modify the times technical support is available.

*If certain PDFs are not able to be fully remediated, Contractor shall work with the District to create a summary of the content in the PDF and provide contact information if anyone needs reasonable accommodations to access the full content within that PDF.

Sixth Order of Business

6A.

Employee Direct Deposit Enrollment Form

District Name: NAPLES HERITAGE CDD

To enroll in Full Service Direct Deposit, simply fill out this form and return it to Severn Trent Services payroll department. In addition to this form, please attach a voided check, not a deposit slip, for each checking account listed below. If depositing to a savings account, ask your bank to give you the Routing/Transit number for your account as it isn't always the same as the number on a savings deposit slip.

Below is a sample check MICR line, detailing where the information necessary to complete this form can be found.

The image shows a sample MICR line from a check: ⑆0123456789⑆ 123456789⑆ 01Q1. Below the line, three boxes with arrows point to specific parts of the line:

- Routing/Transit #**
(A 9-digit number always between these two marks)
- Checking Account #**
- Check #**
(this number matches the number in the upper right corner of the check—not needed for sign-up)

Important! Please read and sign before completing and submitting.

I hereby authorize NAPLES HERITAGE CDD to deposit any amounts owed to me, by initiating credit entries to my account at the financial institution (hereinafter "Bank") indicated on this form. Further, I authorize Bank to accept and to credit any entries indicated by NAPLES HERITAGE CDD to my account. In the event that NAPLES HERITAGE CDD deposits funds erroneously into my account, I authorize my account to be deducted for an amount not to exceed the original amount of the erroneous credit.

This authorization is to remain in full force and effect until NAPLES HERITAGE CDD has received written notice from me of termination in such time and in such manner as to afford NAPLES HERITAGE CDD reasonable opportunity to act on it.

Employee Name: _____ Social Security #: _____-____-_____

Employee Signature: _____ Date: _____

Account Information

Please be sure to specify the amount or percentage to be deposited into each account if depositing into more than one. The total percentage must equal 100%.

1. Bank Name/City/State: _____

Routing/Transit #: _____ Account #: _____

☐ Checking ☐ Savings ☐ Other I wish to deposit \$____.____ or ☐ Entire Net Amount

2. Bank Name/City/State: _____

Routing/Transit #: _____ Account #: _____

☐ Checking ☐ Savings ☐ Other I wish to deposit \$____.____ or ☐ Entire Net Amount

3. Bank Name/City/State: _____

Routing/Transit #: _____ Account #: _____

☐ Checking ☐ Savings ☐ Other I wish to deposit \$____.____ or ☐ Entire Net Amount

Seventh Order of Business

7A

NAPLES HERITAGE

Community Development District

Financial Report

September 30, 2019

Prepared by



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NAPLES HERITAGE
Community Development District

Financial Statements
(Unaudited)

September 30, 2019

Balance Sheet
September 30, 2019

<u>ACCOUNT DESCRIPTION</u>	<u>TOTAL</u>
<u>ASSETS</u>	
Cash - Checking Account	\$ 26,688
Investments:	
Money Market Account	7,193
Deposits	1,700
TOTAL ASSETS	\$ 35,581
<u>LIABILITIES</u>	
Accounts Payable	\$ 3,037
Accrued Expenses	44
TOTAL LIABILITIES	3,081
<u>FUND BALANCES</u>	
Nonspendable:	
Deposits	1,700
Assigned to:	
Operating Reserves	23,993
Reserves-Fountains	400
Reserves-Road and Lakes	1,865
Unassigned:	4,542
TOTAL FUND BALANCES	\$ 32,500
TOTAL LIABILITIES & FUND BALANCES	\$ 35,581

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending September 30, 2019

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)	YTD ACTUAL AS A % OF ADOPTED BUD	SEP-19 BUDGET	SEP-19 ACTUAL
REVENUES							
Interest - Investments	\$ 100	\$ 100	\$ 1,160	\$ 1,060	1160.00%	\$ 8	\$ 43
Interest - Tax Collector	-	-	51	51	0.00%	-	-
Special Assmnts- Tax Collector	99,872	99,872	99,875	3	100.00%	-	-
Special Assmnts- Discounts	(3,995)	(3,995)	(3,564)	431	89.21%	-	-
TOTAL REVENUES	95,977	95,977	97,522	1,545	101.61%	8	43
EXPENDITURES							
Administration							
P/R-Board of Supervisors	5,000	5,000	5,000	-	100.00%	-	-
FICA Taxes	383	383	383	-	100.00%	-	-
ProfServ-Engineering	2,000	2,000	-	2,000	0.00%	-	-
ProfServ-Field Management	795	795	469	326	58.99%	-	-
ProfServ-Legal Services	2,000	2,000	10,430	(8,430)	521.50%	-	260
ProfServ-Mgmt Consulting Serv	21,948	21,948	21,948	-	100.00%	1,829	1,829
ProfServ-Property Appraiser	1,498	1,498	1,199	299	80.04%	-	-
ProfServ-Web Site Maintenance	636	636	636	-	100.00%	53	53
Auditing Services	3,000	3,000	2,900	100	96.67%	-	-
Postage and Freight	1,500	1,500	1,327	173	88.47%	125	4
Insurance - General Liability	8,911	8,911	7,747	1,164	86.94%	-	-
Printing and Binding	650	650	1,167	(517)	179.54%	-	-
Legal Advertising	2,500	2,500	2,113	387	84.52%	-	-
Misc-Bank Charges	660	660	518	142	78.48%	-	-
Misc-Assessmnt Collection Cost	1,997	1,997	1,926	71	96.44%	-	-
Misc-Contingency	376	376	-	376	0.00%	-	-
Misc-Web Hosting	501	501	414	87	82.63%	-	-
Office Expense	410	410	132	278	32.20%	-	-
Annual District Filing Fee	175	175	175	-	100.00%	-	-
Total Administration	54,940	54,940	58,484	(3,544)	106.45%	2,007	2,146
Field							
Contracts-Fountain	700	700	711	(11)	101.57%	-	-
Contracts-Aerator Maintenance	682	682	904	(222)	132.55%	-	-
Electricity - Aerator	2,760	2,760	3,512	(752)	127.25%	230	372
R&M-Fence	500	500	-	500	0.00%	-	-
Misc-Contingency	26,195	26,195	26,200	(5)	100.02%	-	-
Total Field	30,837	30,837	31,327	(490)	101.59%	230	372
Reserves							
Reserve - Fountain	200	200	-	200	0.00%	-	-
Reserve - Roads and Lakes	10,000	10,000	8,135	1,865	81.35%	-	-
Total Reserves	10,200	10,200	8,135	2,065	79.75%	-	-
TOTAL EXPENDITURES & RESERVES	95,977	95,977	97,946	(1,969)	102.05%	2,237	2,518
Excess (deficiency) of revenues Over (under) expenditures	-	-	(424)	(424)	0.00%	(2,229)	(2,475)
Net change in fund balance	\$ -	\$ -	\$ (424)	\$ (424)	0.00%	\$ (2,229)	\$ (2,475)
FUND BALANCE, BEGINNING (OCT 1, 2018)	32,924	32,924	32,924				
FUND BALANCE, ENDING	\$ 32,924	\$ 32,924	\$ 32,500				

NAPLES HERITAGE
Community Development District

Supporting Schedules

September 30, 2019

**Non-Ad Valorem Special Assessments - Collier County Tax Collector
Monthly Collection Distributions
For the Fiscal Year Ending September 30, 2019**

Date Received	Net Amount Received	Discount / (Penalties) Amount	Collection Costs	Gross Amount Received
Assessments Levied				\$ 99,875
Allocation %				100%
11/08/18	\$ 580	\$ 33	\$ 12	\$ 625
11/16/18	11,878	505	242	12,625
11/30/18	30,959	1,315	632	32,906
12/10/18	19,522	830	398	20,750
12/24/18	15,627	649	319	16,596
01/25/19	7,060	201	144	7,405
02/22/19	3,127	59	64	3,250
04/01/19	2,721	9	56	2,785
04/26/19	1,775	(4)	36	1,808
05/24/19	252	(8)	5	250
06/18/19	126	(4)	3	125
06/18/19	757	(23)	15	750
TOTAL	\$ 94,385	\$ 3,563	\$ 1,926	\$ 99,875
% COLLECTED				100.0%
TOTAL OUTSTANDING				\$ -

Cash and Investment Balances
September 30, 2019

<u>ACCOUNT NAME</u>	<u>BANK NAME</u>	<u>YIELD</u>	<u>MATURITY</u>	<u>BALANCE</u>
GENERAL FUND				
Checking Account - Operating	Valley National	1.63%	N/A	26,688
Money Market Account	BankUnited	1.50%	N/A	7,193
			Total	\$ 33,881

NAPLES HERITAGE

Community Development District

**Payment Register by Fund
For the Period from 4/1/19 to 9/30/19
(Sorted by Check / ACH No.)**

Fund No.	Check / ACH No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
GENERAL FUND - 001								
001	004004	04/03/19	INFRAMARK, LLC	39457	03/18 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	004004	04/03/19	INFRAMARK, LLC	39457	03/18 MANAGEMENT FEES	Postage and Freight	541006-51301	\$4.00
001	004004	04/03/19	INFRAMARK, LLC	39457	03/18 MANAGEMENT FEES	Office Expense	551001-51301	\$33.00
001	004004	04/03/19	INFRAMARK, LLC	39457	03/18 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	004005	04/08/19	IRRIGATION CONCEPTS, LLC	11123	FOUNTAIN SVC CALL 2/8/19 & 3/4/19	Misc-Contingency	549900-53901	\$210.00
001	004006	04/08/19	FPL-ACH	56059-032919	87443-56059 02/28/19-03/29/19	Electricity - Aerator	543051-53901	\$42.36
001	004007	04/23/19	COLEMAN, YOVANOVICH &	74	GEN COUNSEL THRU 02/19-03/19	ProfServ-Legal Services	531023-51401	\$3,802.50
001	004008	04/23/19	GRAU & ASSOCIATES	17729	AUDIT FYE 09/30/18	Auditing Services	532002-51301	\$500.00
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	ProfServ-Field Management	531016-51301	\$156.25
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	Postage and Freight	541006-51301	\$7.00
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	Printing and Binding	547001-51301	\$44.90
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	Office Expense	551001-51301	\$33.00
001	004009	05/06/19	INFRAMARK, LLC	40352	04/19 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	004010	05/06/19	VERTEX WATER FEATURES	14548	04/19 FOUNTAIN CLEANING	Contracts-Fountain	534023-53901	\$179.00
001	004011	05/06/19	FPL-ACH	56059-043019	87443-56059 03/29/19-04/30/19	Electricity - Aerator	543051-53901	\$45.66
001	004017	05/20/19	BENTLEY ELECTRIC COMPANY	2019-322	LAKE AERATORS #5 AND #6 METERED SERVICE	Reserve - Roads and Lakes	568135-58100	\$3,740.00
001	004018	05/20/19	COLEMAN, YOVANOVICH &	75	GEN COUNSEL THRU 04/30/19	ProfServ-Legal Services	531023-51401	\$861.25
001	004019	05/20/19	COPELAND SOUTHERN ENTERPRISES INV	197	REINFORCED/REPAIRED SE CORNER OF LAKE 5	Misc-Contingency	549900-53901	\$2,875.00
001	004020	05/20/19	FPL-ACH	45567-050819	ACCT#00255-45567 DEPOSIT	Due From Other Funds	131000-53901	\$500.00
001	004020	05/20/19	FPL-ACH	051719-99566 DEPOSIT	ACCT# 46592-99566 DEPOSIT	Due From Other Funds	131000-53901	\$500.00
001	004021	05/20/19	DESK SPINCO, INC	2258525	LEGAL ADS 04/01/19-04/30/19	Legal Advertising	548002-51301	\$1,864.80
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	ProfServ-Field Management	531016-51301	\$156.25
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	Postage and Freight	541006-51301	\$4.00
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	Printing and Binding	547001-51301	\$88.15
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	004022	06/03/19	INFRAMARK, LLC	41067	05/19 MANAGEMENT FEES	Mailed Notices	541006-51301	\$646.07
001	004023	06/03/19	VERTEX WATER FEATURES	15010	AERATION REPAIR	Misc-Contingency	549900-53901	\$214.00
001	004024	06/12/19	FPL-ACH	053119-56059	87443-56059 04/30/19-05/31/19	Electricity - Aerator	543051-53901	\$44.13
001	004026	06/12/19	FPL-ACH	053119-99566	46592-99566 05/07/19-05/31/19	Electricity - Aerator	543051-53901	\$33.96
001	004027	06/27/19	COLEMAN, YOVANOVICH &	76	GEN COUNSEL THRU 05/31/19	ProfServ-Legal Services	531023-51401	\$65.00
001	004028	06/27/19	INFRAMARK, LLC	41926	06/19 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	004028	06/27/19	INFRAMARK, LLC	41926	06/19 MANAGEMENT FEES	Postage and Freight	541006-51301	\$8.50
001	004028	06/27/19	INFRAMARK, LLC	41926	06/19 MANAGEMENT FEES	Printing and Binding	547001-51301	\$106.20
001	004028	06/27/19	INFRAMARK, LLC	41926	06/19 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	004029	06/27/19	VERTEX WATER FEATURES	15182	AERATION START UP PROCEDURE	Misc-Contingency	549900-53901	\$110.00
001	004030	07/11/19	FEDEX	6-515-47686	SERVICE FOR 04/03/19	Postage and Freight	541006-51301	\$12.42

NAPLES HERITAGE

Community Development District

**Payment Register by Fund
For the Period from 4/1/19 to 9/30/19
(Sorted by Check / ACH No.)**

Fund No.	Check / ACH No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
001	004030	07/11/19	FEDEX	6-544-28469	SERVICE FOR 04/30/19	Postage and Freight	541006-51301	\$106.49
001	004030	07/11/19	FEDEX	6-551-72867	SERVICE FOR 05/08/19	Postage and Freight	541006-51301	\$13.82
001	004030	07/11/19	FEDEX	6-508-66782	SERVICE FOR 03/26/19	Postage and Freight	541006-51301	\$106.03
001	004030	07/11/19	FEDEX	6-558-85369	SERVICE FOR 05/09/19	Postage and Freight	541006-51301	\$14.17
001	004031	07/11/19	FPL-ACH	062819-56059	87443-56059 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$41.24
001	004032	07/23/19	FPL-ACH	062819-99566	46592-99566 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$21.65
001	004033	07/25/19	COLEMAN, YOVANOVICH &	77	GEN COUNSEL THRU 06/30/19	ProfServ-Legal Services	531023-51401	\$1,771.25
001	004034	08/05/19	INFRAMARK, LLC	42976	07/19 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	004034	08/05/19	INFRAMARK, LLC	42976	07/19 MANAGEMENT FEES	ProfServ-Field Management	531016-51301	\$125.00
001	004034	08/05/19	INFRAMARK, LLC	42976	07/19 MANAGEMENT FEES	Postage and Freight	541006-51301	\$3.50
001	004034	08/05/19	INFRAMARK, LLC	42976	07/19 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	004035	08/05/19	SOLITUDE LAKE MANAGEMENT LLC	PI-A00280548	07/01-9/30/19 FOUNTAIN MAINT	Contracts-Fountain	534023-53901	\$179.00
001	004035	08/05/19	SOLITUDE LAKE MANAGEMENT LLC	PI-A00280549	AERATOR MAINT SVC 07/01/19-12/31/19	Contracts-Aerator Maintenance	534129-53901	\$382.00
001	004036	08/05/19	FPL-ACH	073019-56059 ACH	87443-56059 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$46.16
001	004037	08/05/19	FPL-ACH	073019-99566 ACH	46592-99566 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$106.23
001	004038	09/18/19	FPL-ACH	56059-083019	87443-56059 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$43.55
001	356	09/10/19	FPL-ACH	99566-083019 ACH	46592-99566 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$97.06
001	357	09/10/19	FPL-ACH	08368-083019 ACH	62115-08368 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$70.23
001	358	09/10/19	FPL-ACH	96465-083019 ACH	96307-96465 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$47.43
001	359	09/10/19	FPL-ACH	45567-083019 ACH	00255-45567 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$89.49
001	360	09/10/19	FPL-ACH	62125-083019 ACH	57930-62125 07/30/19-08/30/19	Electricity - Aerator	543051-53901	\$89.15
001	5001	08/22/19	INFRAMARK, LLC	43713	08/19 MANAGEMENT FEES	ProfServ-Mgmt Consulting Serv	531027-51201	\$1,829.00
001	5001	08/22/19	INFRAMARK, LLC	43713	08/19 MANAGEMENT FEES	ProfServ-Field Management	531016-51301	\$31.25
001	5001	08/22/19	INFRAMARK, LLC	43713	08/19 MANAGEMENT FEES	Postage and Freight	541006-51301	\$3.00
001	5001	08/22/19	INFRAMARK, LLC	43713	08/19 MANAGEMENT FEES	ProfServ-Web Site Maintenance	531094-51301	\$53.00
001	5002	08/22/19	GRAU & ASSOCIATES	17904	AUDIT FYE 09/30/18	Auditing Services	532002-51301	\$2,400.00
001	5003	08/27/19	FEDEX	6-712-92919	SERVICE FOR 08/09/19	Postage and Freight	541006-51301	\$14.01
001	DD00032.TXT	04/09/19	FPL-ACH	08368-032919	62115-08368 02/28/19-03/29/19	Electricity - Aerator	543051-53901	\$84.39
001	DD00033.TXT	04/09/19	FPL-ACH	62125-032919	57930-62125 02/28/19-03/29/19	Electricity - Aerator	543051-53901	\$83.18
001	DD00034.TXT	04/19/19	FPL-ACH	96307-032919	96307-96465 02/28/19-03/29/19	Electricity - Aerator	543051-53901	\$44.71
001	DD00035.TXT	05/11/19	FPL-ACH	08368-043019	62115-08368 03/29/19-04/30/19	Electricity - Aerator	543051-53901	\$92.09
001	DD00036.TXT	05/11/19	FPL-ACH	62125-043019	57930-62125 03/29/19-04/30/19	Electricity - Aerator	543051-53901	\$90.59
001	DD00037.TXT	05/14/19	FPL-ACH	043019-96465 ACH	96307-96465 03/30/19-04/29/19	Electricity - Aerator	543051-53901	\$48.25
001	DD00038.TXT	06/11/19	FPL-ACH	053119-45567 ACH	00255-45567 05/13/19-05/31/19	Electricity - Aerator	543051-53901	\$31.61
001	DD00039.TXT	06/11/19	FPL-ACH	053119-08368 ACH	62115-08368 04/30/19-05/31/19	Electricity - Aerator	543051-53901	\$89.46
001	DD00040.TXT	06/11/19	FPL-ACH	053119-62125 ACH	57930-62125 04/30/19-05/31/19	Electricity - Aerator	543051-53901	\$88.23
001	DD00041.TXT	07/09/19	FPL-ACH	062819-62125 ACH	57930-62125 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$81.29
001	DD00041.TXT	07/09/19	FPL-ACH	062819-62125 ACH	57930-62125 05/31/19-06/28/19	Deposit Interest	361001-53901	(\$1.99)
001	DD00042.TXT	07/09/19	FPL-ACH	062819-08368 ACH	62115-08368 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$82.07
001	DD00042.TXT	07/09/19	FPL-ACH	062819-08368 ACH	62115-08368 05/31/19-06/28/19	Deposit Interest	361001-53901	(\$2.00)

NAPLES HERITAGE

Community Development District

**Payment Register by Fund
For the Period from 4/1/19 to 9/30/19
(Sorted by Check / ACH No.)**

Fund No.	Check / ACH No.	Date	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
001	DD00043.TXT	07/09/19	FPL-ACH	062819-96465 ACH	96307-96465 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$43.69
001	DD00043.TXT	07/09/19	FPL-ACH	062819-96465 ACH	96307-96465 05/31/19-06/28/19	Deposit Interest	361001-53901	(\$5.01)
001	DD00044.TXT	07/09/19	FPL-ACH	062819-45567 ACH	00255-45567 05/31/19-06/28/19	Electricity - Aerator	543051-53901	\$21.77
001	DD00045.TXT	06/12/19	FPL-ACH	96465-062819 ACH	96307-96465 04/29/19-05/31/19	Electricity - Aerator	543051-53901	\$47.03
001	DD00046.TXT	08/10/19	FPL-ACH	073019-08368 ACH	62115-08368 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$71.57
001	DD00047.TXT	08/10/19	FPL-ACH	073019-45567 ACH	00255-45567 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$92.97
001	DD00048.TXT	08/10/19	FPL-ACH	073019-62125 ACH	57930-62125 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$92.27
001	DD00049.TXT	08/10/19	FPL-ACH	073019-96465 ACH	96307-96465 06/28/19-07/30/19	Electricity - Aerator	543051-53901	\$48.80
001	003999	04/03/19	KENNETH R. GAYNOR	PAYROLL	April 03, 2019 Payroll Posting			\$184.70
001	004000	04/03/19	GERALD G. JAMES	PAYROLL	April 03, 2019 Payroll Posting			\$184.70
001	004001	04/03/19	PETER J. LOMBARDI	PAYROLL	April 03, 2019 Payroll Posting			\$184.70
001	004002	04/03/19	PETER V. RAMUNDO	PAYROLL	April 03, 2019 Payroll Posting			\$184.70
001	004003	04/03/19	RICHARD J. LEONHARD	PAYROLL	April 03, 2019 Payroll Posting			\$184.70
001	004012	05/09/19	KENNETH R. GAYNOR	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
001	004013	05/09/19	GERALD G. JAMES	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
001	004014	05/09/19	PETER J. LOMBARDI	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
001	004015	05/09/19	PETER V. RAMUNDO	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
001	004016	05/09/19	RICHARD J. LEONHARD	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
Fund Total								\$37,053.08

Total Checks Paid	\$37,053.08
--------------------------	--------------------

7B

NAPLES HERITAGE COMMUNITY DEVELOPMENT DISTRICT

Motion: Assigning Fund Balance as of 9/30/19

The Board hereby assigns the FY 2019 Reserves as follows:

Operating Reserve	\$23,993
Reserves-Fountain	\$ 400
Reserves-Roads & Lakes	\$ 1,865

7C.

BUDGET AMENDMENT RESOLUTION 2020-01

**A BUDGET AMENDMENT AMENDING THE NAPLES HERITAGE
COMMUNITY DEVELOPMENT DISTRICT GENERAL FUND
BUDGET FOR FISCAL YEAR 2019**

WHEREAS, the Board of Supervisors, hereinafter referred to as the “Board”, of Naples Heritage Community Development District, hereinafter referred to as “District”, adopted a General Fund Budget for Fiscal Year 2019, and

WHEREAS, the Board desires to reallocate funds budgeted to reappropriate Revenues and Expenses approved during the Fiscal Year.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF NAPLES HERITAGE COMMUNITY DEVELOPMENT DISTRICT THE FOLLOWING:

1. The General Fund is hereby amended in accordance with Exhibit “A” attached.
2. This resolution shall become effective this 5th day of November, 2019 and be reflected in the monthly and Fiscal Year End 9/30/2019 Financial Statements and Audit Report of the District.

**Naples Heritage
Community Development District**

By: _____
Kenneth R. Gaynor, Chairman

Attest:

By: _____
Justin Faircloth, Secretary

Proposed Budget Amendment
Exhibit A
For the Period Ending September 30, 2019

ACCOUNT DESCRIPTION	CURRENT BUDGET	PROPOSED AMENDMENT	FINAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
REVENUES					
Interest - Investments	\$ 100	\$ -	\$ 100	\$ 1,160	\$ 1,060
Interest - Tax Collector	-	-	-	51	51
Special Assmnts- Tax Collector	99,872	-	99,872	99,875	3
Special Assmnts- Discounts	(3,995)	-	(3,995)	(3,564)	431
TOTAL REVENUES	95,977	-	95,977	97,522	1,545
EXPENDITURES					
Administration					
P/R-Board of Supervisors	5,000	-	5,000	5,000	-
FICA Taxes	383	-	383	383	-
ProfServ-Engineering	2,000	-	2,000	-	2,000
ProfServ-Field Management	795	-	795	469	326
ProfServ-Legal Services	2,000	8,430	10,430	10,430	-
ProfServ-Mgmt Consulting Serv	21,948	-	21,948	21,948	-
ProfServ-Property Appraiser	1,498	-	1,498	1,199	299
ProfServ-Web Site Maintenance	636	-	636	636	-
Auditing Services	3,000	-	3,000	2,900	100
Postage and Freight	1,500	-	1,500	1,327	173
Insurance - General Liability	8,911	-	8,911	7,747	1,164
Printing and Binding	650	-	650	1,167	(517)
Legal Advertising	2,500	-	2,500	2,113	387
Misc-Bank Charges	660	-	660	518	142
Misc-Assessmnt Collection Cost	1,997	-	1,997	1,926	71
Misc-Contingency	376	-	376	-	376
Misc-Web Hosting	501	-	501	414	87
Office Expense	410	-	410	132	278
Annual District Filing Fee	175	-	175	175	-
Total Administration	54,940	8,430	63,370	58,484	4,886
Field					
Contracts-Fountain	700	-	700	711	(11)
Contracts-Aerator Maintenance	682	-	682	904	(222)
Electricity - Aerator	2,760	-	2,760	3,512	(752)
R&M-Fence	500	-	500	-	500
Misc-Contingency	26,195	-	26,195	26,200	(5)
Total Field	30,837	-	30,837	31,327	(490)

Proposed Budget Amendment
Exhibit A
For the Period Ending September 30, 2019

ACCOUNT DESCRIPTION	CURRENT BUDGET	PROPOSED AMENDMENT	FINAL BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
<u>Reserves</u>					
Reserve - Fountain	200	-	200	-	200
Reserve - Roads and Lakes	10,000	-	10,000	8,135	1,865
Total Reserves	10,200	-	10,200	8,135	2,065
TOTAL EXPENDITURES & RESERVES	95,977	8,430	104,407	97,946	6,461
Excess (deficiency) of revenues					
Over (under) expenditures	-	(8,430)	(8,430)	(424)	8,006
Net change in fund balance	-	(8,430)	(8,430)	(424)	8,006
FUND BALANCE, BEGINNING (OCT 1, 2018)	32,924	-	32,924	32,924	-
FUND BALANCE, ENDING	\$ 32,924	\$ (8,430)	\$ 24,494	\$ 32,500	\$ 8,006

7D.



Grau & Associates

CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road • Suite 280
 Boca Raton, Florida 33431
 (561) 994-9299 • (800) 299-4728
 Fax (561) 994-5823
 www.graucpa.com

September 13, 2019

To Board of Supervisors
 Naples Heritage Community Development District
 210 N. University Drive, Suite 702
 Coral Springs, FL 33071

We are pleased to confirm our understanding of the services we are to provide Naples Heritage Community Development District, Collier County, Florida ("the District") for the fiscal year ended September 30, 2019. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of XXX Community Development District as of and for the fiscal year ended September 30, 2019. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2019 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, 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. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Other Services

We will assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for designing, implementing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Our fee for these services will not exceed \$3,000 for the September 30, 2019 audit. The fee for each annual renewal will be agreed upon separately.

We will complete the audit within prescribed statutory deadlines, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

This agreement is automatically renewed each year thereafter subject to the mutual agreement by both parties to all terms and fees. The fee for each annual renewal will be agreed upon separately.

The District has the option to terminate this agreement with or without cause by providing thirty (30) days written notice of termination to Grau & Associates. Upon any termination of this agreement, Grau & Associates shall be entitled to payment of all work and/or services rendered up until the effective termination of this agreement, subject to whatever claims or off-sets the District may have against Grau & Associates.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2016 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Naples Heritage Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



(Antonio J. Grau)

RESPONSE:

This letter correctly sets forth the understanding of Naples Heritage Community Development District.

By: _____

Title: _____

Date: _____



PEER REVIEW PROGRAM

is proud to present this
Certificate of Recognition
to

Grau & Associates

For having a system of quality control for its accounting and auditing practice in effect for the year ended June 30, 2016 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

A handwritten signature in black ink, reading "Anita Ford", written over a horizontal line.

Anita Ford, Chair
AICPA Peer Review Board
2016

7E.

Naples Heritage CDD

5/3/19 & 10/25/19 – Field Management Report



www.inframarkims.com

Inspected on: 5/3/19 & 10/25/19 by: Justin Faircloth/ Tina Williams

1. Lake Management

The water levels have remained elevated since the summer rains have tapered off. The lakes look very good overall during the last inspection as compared to our site visit in May earlier this year where there were heavy amounts of dead floating vegetation. Additional lake maintenance information is found below; all lake issues are low density unless otherwise noted.

- a. **Algae on Lakes:** May – most lakes had patches of floating debris. October – minor algae observed in the littoral shelves.



May 2019



October 2019

- b. **Littorals:** Littorals throughout the lakes are continuing to become established. Healthy plants were noticed on many of the lakes, however, *Thalia* is growing quite strong around lake 9. The Board may wish to remove the plants out during the winter season as they begin to brown out.



c. Weeds:

- i. **Alligator Weed in Lakes:** lake 9.
- ii. **Brazilian Pepper:** No issues observed.
- iii. **Cattails in Lakes:** No issues observed.
- iv. **Climbing Hemp Vine in Lakes:** No issues observed.
- v. **Dollar Weed in Lakes:** No issues observed.
- vi. **Hydrilla in Lakes:** No issues observed.
- vii. **Illinois Pond Weed in Lakes:** No issues observed.

- viii. **Muskgrass (Chara):** Vast improvement from May to October, but strong presence on lake 11 that may need to be treated. Carp may be considered for this lake as well.



- ix. **Red Ludwigia in Lakes:** No issues observed.
- x. **Spatterdock/Lily Pads in Lakes:** No issues observed.
- xi. **Torpedo Grass in Lakes:** lake 9.
- d. **Trash in Lakes:** No issues observed.
- e. **Clippings in Lakes:** No issues observed.

2. Lake Bank Erosion: No issues observed.

3. Stormwater System

- a. **Control Structures:** Control structure F remains to be cleaned out to ensure proper flow to Tract C5.



April 2018



October 2019

- b. **Drains:** Edging should still be performed around drain F-22 along the north side of the fairway of hole 10.



Drain structure F-117 on the SW corner of Lake 4 should continue to be monitored. The roots are continuing to grow inside the drain and could cause damaged to the structure.



Control Structure CSA on the north east end of lake 13 should be cleaned out to ensure proper drainage during the rainy season.



c. **Roadway Catch Basins:** Minor debris noted.

Basin F-78 along Kilkenny Way remains damaged. The structure may be repaired for cosmetic reasons.



d. **Inter-Connect/Drain Pipes:** No major issues observed during the May inspection, however, most to pipes were under water due to the elevated water levels during the October inspection.

The carp barrier on interconnect F-131 has been broken and needs to be repaired to keep the carp from moving to lake 5. The plastic tubing should be replaced with more substantial material.



e. **Lake Drainage Pipes:** No issues observed.

4. **Fountain/Aeration:** The fountain on Lake 14 is working, but not rotating again. The fountain should be repaired under warranty.



The aeration installation has been completed on lakes 5 & 6, however, there is a mat under the compressor for lake 5 that we will follow up with the vendor about to ensure this is correct.



5. Perimeter Fence: The fence has been opened on the new parcel along Colonial Court. This may be in anticipation of treating the various invasive exotics on the parcel.



The fence on the western boundary adjacent to the south bank of lake 2 has debris on it that should likely be removed to prevent damage.



- 6. Preserves:** Exotics (Long Ear Leaf Acacia) along Tract C5 between holes 9 and 17 are increasing due to seed source on neighboring property. More Long Ear Leaf Acacia trees were found in C5 on west bank of Lake 2 for the same reason. Management should treat carefully to prevent any growth from becoming established.



A homeless camp was discovered in the conservation area south of Davis Boulevard adjacent to Firano back in May. The Collier County Sheriff was contacted and the contents removed by staff. No new encampment was discovered in October.



May 2019



October 2019

- 7. Sidewalks/Gutters:** Sidewalks are continuing to be marked along Naples Heritage Drive any issue observed was marked with red paint.



- 8. Roadways:** No issues observed.

- 9. Gatehouse/Monuments:** The condition of the monuments around the entrance continue to deteriorate and may need to be repaired or repainted in the near future. Vegetation should be removed to prevent damage from the items.



Electrical items should be repaired to prevent moisture from entering the conduit lines around the monuments.



Gate damage was noticed to the back exit gate in May. Minor paint touch up may be needed to the gates.



10. Fish/Wildlife Observations:

- | | | | |
|---|--|-------------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> Bass | <input type="checkbox"/> Bream | <input type="checkbox"/> Catfish | <input type="checkbox"/> Gambusia |
| <input checked="" type="checkbox"/> Egrets | <input checked="" type="checkbox"/> Herons | <input type="checkbox"/> Coots | <input type="checkbox"/> Gallinules |
| <input checked="" type="checkbox"/> Anhinga | <input type="checkbox"/> Cormorant | <input type="checkbox"/> Osprey | <input type="checkbox"/> Ibis |
| <input type="checkbox"/> Woodstork | <input type="checkbox"/> Otter | <input type="checkbox"/> Alligators | <input type="checkbox"/> Snakes |
| <input type="checkbox"/> Turtles | <input type="checkbox"/> Other: <u>Ducks</u> | | |

11. Residential Complaints/Concerns: No issues reported.

7F.i.

U. S. Department of Homeland Security
Region IV
3003 Chamblee Tucker Road
Atlanta, GA 30341



FEMA

SEP 19 2019

Mr. Jared Moskowitz, Director
Florida Division of Emergency Management
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

Mr. Justin Faircloth, Authorized Agent
Naples Heritage Community Development
District
5911 County Lakes Drive
Fort Myers, Florida 33905

Reference: FEMA-4337-DR-FL
Naples Heritage Community Development District
PA ID: 021-U4XUL-00
First Appeal, Project Worksheets 8852 and 8854

Dear Mr. Moskowitz and Mr. Faircloth:

This letter is in response to the Naples Heritage Community Development District's (Applicant) first appeal of the Federal Emergency Management Agency's (FEMA) decision to deny Public Assistance (PA) funding. The appeal is denied for the reasons discussed below and in the enclosed analysis.


To be an eligible applicant, a Community Development District must be legally responsible for ownership, maintenance, and operation of an eligible facility that is accessible to the general public. The Applicant does not maintain and operate a facility that is open to or serves the general public and, therefore, is not eligible for PA funding. This letter constitutes the official notification of this determination to the Applicant.

The Applicant may appeal this determination to the Assistant Administrator, Recovery Directorate, at FEMA Headquarters pursuant to Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.206, *Appeals*. If the Applicant elects to file a second appeal, the appeal must: 1) contain documented justification supporting the Applicant's position, 2) specify the monetary figure in dispute, and 3) cite the provisions in Federal law, regulation, or policy with which the Applicant believes the initial action was inconsistent. A second appeal must be submitted to the Florida Division of Emergency Management (Recipient) by the Applicant within 60 days of the Applicant's receipt of this letter. The Recipient's transmittal of that appeal, with recommendation, is required to be submitted to my office within 60 days of your receipt of the Applicant's letter. My office will transmit the second appeal to FEMA headquarters.

If you have questions or need additional information, please contact Mr. Terry L. Quarles, CEM, Director, Recovery Division, at (770) 220-5300.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Gracia B. Szczech'.

 Gracia B. Szczech
Regional Administrator

Enclosures:

Appeal Analysis: FEMA-4337-DR-FL, *Naples Heritage Community Development District*,
Project Worksheets 8852, 8854
Administrative Record Index

**FIRST APPEAL ANALYSIS
FEMA-4337-DR-FL
Naples Heritage Community Development District, PA ID: 021-U4XUL-00
Project Worksheets 8852 and 8854 – Applicant Eligibility**

Background

Hurricane Irma, the ninth named storm of the 2017 hurricane season and strongest hurricane in terms of maximum sustained winds observed in the Atlantic since Hurricane Wilma in 2005, made landfall in the Florida Keys on September 10, 2017. Thereafter, Hurricane Irma tracked up and across Florida's peninsula, severely damaging communities along both coasts with strong winds, heavy rain, and storm surge. The event was declared a major disaster (FEMA-4337-DR-FL) on September 10, 2017, with an incident period extending from September 4 to October 18, 2017.

Strong winds damaged facilities owned and maintained by the Naples Heritage Community Development District (Applicant), an independent special district located in Collier County.¹ FEMA prepared Project Worksheets 8852 and 8854 to capture damage and associated cost to repair fencing, an entry gate, and community street signs.

On July 28, 1997, the Applicant entered into an operation and maintenance agreement (Agreement) with Naples Heritage Golf and Country Club (Club) for ease of administration, potential cost savings, and the benefits of full-time on-site operation and maintenance. The Agreement pertains to the roads, including all landscaping and sidewalks, irrigation water facilities not owned by the county, security including guardhouses, water management, drainage systems, parks, common areas, recreational, and conservation areas. Additionally, the agreement states that the Club shall be solely responsible for the staffing, budgeting, financing, billing and collection of fees, assessments, service charges necessary to perform the operation, and maintenance responsibilities.²

On December 3, 2018 and December 11, 2018, FEMA prepared a determination memo to deny the cost associated with the repair of the damaged facilities.³ Specifically, FEMA noted that the Applicant was not legally responsible for the facilities nor were the facilities accessible to the general public.⁴

First Appeal

On February 5, 2019, the Applicant submitted a first appeal to the Florida Division of Emergency Management (Recipient).⁵ On appeal, the Applicant asserts it is eligible for Public

¹ Florida Statutes, Title XIII, Chapter 190, *Community Development Districts*, (2018).

² Community Development District Systems and Facilities Operation and Maintenance Agreement, between Naples Heritage Community Development District (NHCDD), and Naples Heritage Golf and Country Club (July 28, 1997).

³ Notification from FEMA, to Authorized Agent, Naples Heritage Community Development District, (Dec. 3, 2018, 8852) (Dec. 11, 2018, 8854).

⁴ *Public Assistance Program and Policy Guide*, FP 104-009-2, V3.1, at 10 (Apr. 26, 2018) [hereinafter *PAPPG*].

⁵ Notification from FEMA, to Authorized Agent, Naples Heritage Community Development District, (Dec. 3, 2018, 8852) (Dec. 11, 2018, 8854).

Assistance (PA) funding because: 1) the district is a local government, 2) the facilities are public facilities, and 3) the maintenance agreement does not change the ownership and nature of the facilities. Notably, the Applicant states that it engaged the Club as a service provider to “operate and maintain” certain public infrastructure belonging to the Applicant. Further, the Applicant contends that the agreement neither transfers ownership nor ultimate legal responsibilities for the facilities.⁶ The Recipient concurred with the Applicant and transmitted the first appeal to FEMA in a letter dated April 4, 2019, recommending approval.⁷

Request for Information

FEMA issued a Request for Information (RFI) to the Recipient and Applicant on May 23, 2019,⁸ requesting documentation substantiating that the Applicant is legally responsible for the repair, maintenance, and operation of the facilities identified in its first appeal letter. In addition, FEMA requested that the Applicant provide additional documentation supporting that its facilities serve the general public without exclusion to membership, and facility access is not prohibited by gates or other security features.

The Applicant responded in a letter dated June 21, 2019.⁹ In its response, the Applicant states that it has ultimate maintenance responsibility for the assets, and access to the applicable assets is available to the general public to the extent required by law.

Discussion

Pursuant to Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.222, *Applicant eligibility*,¹⁰ local governments, which includes special districts as defined by 44 C.F.R. § 206.2,¹¹ are eligible applicants under FEMA’s Public Assistance program. FEMA’s *Public Assistance Program and Policy Guide (PAPPG)* clarifies:

Community Development Districts (CDD) are special districts that finance, plan, establish, acquire, construct or reconstruct, operate, and maintain systems, facilities, and basic infrastructure within their respective jurisdictions. To be eligible, a Community Development District must be legally responsible for ownership, maintenance, and operation of an eligible facility that is accessible to the general public.¹²

⁶ Applicant First Appeal Letter from Attorney, NHCDD, to Region IV Administrator, FEMA (Feb. 5, 2019).

⁷ Recipient Recommendation Letter from Governor’s Authorized Representative, Florida Division of Emergency Management (FDEM), to Region IV Administrator, FEMA (Apr. 4, 2019).

⁸ RFI Letter from Recovery Division Director, Region IV, FEMA to Interim Director, FDEM, and Attorney, NHCDD (May 23, 2019).

⁹ RFI Response Letter from Attorney, NHCDD, to Director, Recovery Division, Region IV, FEMA (June 21, 2019).

¹⁰ Title 44 of the Code of Federal Regulations (44 C.F.R.) § 206.222 (2016).

¹¹ 44 C.F.R. § 206.2.

¹² *PAPPG*, at 10.

Therefore, CDD facilities must be open to the general public or provide a service to the general public to be eligible.¹³

The Applicant's facilities are not eligible for PA funding because its facilities are not open to the general public.¹⁴ In its RFI response, the Applicant asserts that the facilities were open to the general public to the extent required by law, and provided the 2018 Florida Statutes, Title XIII, Chapter 190 as supporting documentation. The Applicant is a gated community with facilities limited to members of the Club or members of other country clubs with reciprocal rights.¹⁵ This is further documented by the Naples Heritage Golf and Country Club 2019 Information and Fact Sheet¹⁶ and the Applicant's appeal letter¹⁷ which states that it is a bundled and gated community that collects over \$6,000.00 per member in annual membership fees and assessments for the use of its facilities. The Applicant has not provided documentation in support of its assertion that its facilities are open to and serve the general public and that access to the facilities is not prohibited by gates or other security features.

Conclusion

The Applicant, a Community Development District, does not maintain and operate a facility that is open to or serves the general public; therefore, the appeal is denied.

¹³ *Id.*, at 15.

¹⁴ *PAPPG*, at 11.

¹⁵ Naples Heritage Golf & Country Club, A Great Gordon Lewis Design Rebuilt in 2015, at 28, https://nhgcc.com/getmedia/dcdb0f1e-2f10-4d68-91cf-d5517ddc29f4/EN_Article.aspx (last visited July 8, 2019).

¹⁶ Naples Heritage Golf & Country Club, 2019 Information and Fact Sheet, <https://nhgcc.com> (last visited July 8, 2019).

¹⁷ Applicant First Appeal Letter from Attorney, Naples Heritage Community Development District, to Region IV Administrator FEMA (Feb. 5, 2019) (stating, "... the Club shares nearly identical geographic boundaries with the District, but the Club is a private entity that provides certain community services to the residents of Naples Heritage").

ADMINISTRATIVE RECORD INDEX

FEMA-4337-DR-FL

Naples Heritage Community Development District, PA ID: 021-U4XUL-00

Project Worksheet 8852 and 8854

Doc #	No. of Pages	PW	Document Date	Document Type	From	To	Document Description/ Subject
1.	2	Multi	04/04/2019	Letter	Recipient	FEMA	1 st Appeal Letter
2.	7	8852	N/A	Letter	Applicant	Recipient	1 st Appeal Letter
3.	7	8854	N/A	Letter	Applicant	Recipient	1 st Appeal Letter
4.	4	8854	12/11/2018	Letter	FEMA	Recipient/ Applicant	Appeal Attachment A: Determination Memo
5.	8	Multi	9/24/1996	County Ordinance	Applicant	N/A	Appeal Attachment B: Collier County Ordinance 96-57
6.	3	Multi	11/13/1996	County Ordinance	Applicant	N/A	Appeal Attachment C: Collier County Ordinance 96-71
7.	101	8854	N/A	Report	Applicant	N/A	Appeal Attachment D: Roadway Ownership Information
8.	1	Multi	10/2017	Report	District Engineer	N/A	Appeal Attachment E: NHCDD Public Facilities Report
9.	12	Multi	N/A	Report	Engineer	N/A	Appeal Attachment F: Engineer's Report for NHCDD
10.	3	Multi	7/28/1997	Agreement	Applicant	Vendor	Appeal Attachment G: CDD Systems and Facilities Operation and Maintenance Agreement
11.	4	8852	12/4/2018	Letter	FEMA	Recipient/Applicant	Appeal Attachment A: Determination Memo
12.	9	8852	N/A	Report	Applicant	N/A	Appeal Attachment D: Tract R Ownership Info
13.	16	8852	N/A	Report	Applicant	N/A	Appeal Attachment E: Tract C1 Ownership Information
14.	7	8852	N/A	Report	Applicant	N/A	Appeal Attachment F: Tract C5 Ownership Information

15.	1	N/A	N/A	Information and Fact Sheet	Naples Heritage Golf & Country Club	N/A	Applicant's Vendor Website: Naples Heritage Golf & Country Club 2019 Information and Fact Sheet
16.	2	N/A	06/21/2019	RFI Response	Applicant	FEMA	RFI Response Letter
17.	Multi	N/A	09/30/2018	Report	Applicant	FEMA	RFI Response Attachment: Capital Assets
18.	Multi	N/A	N/A	Invoices	Applicant	N/A	RFI Response Attachment: Invoices/ Canceled Checks
End of Record							