

**HARBOUR WATERWAY**  
**SPECIAL DISTRICT**  
*Agenda*

Tuesday  
March 08, 2016  
7:00 pm

Resurrection Episcopal Church  
12355 Fort Caroline Rd.  
Jacksonville, FL. 32225

- I. Introduction**
  - a. Call to Order
  - b. Roll Call / Quorum
  
- II. Administrative**
  - a. Approval of Minutes
    - i. Minutes from January 12, 2016*
  
- III. District Business**
  - a. Spoil Site Procurement – Reed Island
  - b. Election for Board Seats 1, 3, & 5
  
- IV. Financial**
  - a. 2015 HWSD non-Ad Valorem Assessment
  - b. Approval of the FY 2016 – 2017 Annual Budget
  - c. Approval to disburse funds
  
- V. District Schedule**
  - a. Next Scheduled Board Meeting
    - i. April 12, 2016 – Resurrection Episcopal Church*
  
- VI. Other Business**
  - a. Legal and Compliance Issues
  
- VII. Comments and Questions from Audience**
  
- VIII. Adjournment of HWSD Meeting**

# HARBOUR WATERWAY SPECIAL DISTRICT

TUESDAY, MARCH 8, 2016

MEETING MINUTES

## Introduction

The Harbour Waterway Special District (HWSD) meeting of the Board of Supervisors was held at the Resurrection Episcopal Church on March 8, 2016. The meeting was called to order at 7:00 PM by Robert Birtalan. In attendance were Robert Birtalan, Paul Stroup and Stanley Pipes. It was noted that there was a quorum present. Kathryn Boucher was present as recording secretary.

## Administrative

Approval of Minutes from January 12, 2016 – Motion made to approve the minutes; motion passed.

## District Business

Spoil Site Procurement – Reed Island – Stanley Pipes and Robert Birtalan met with the Port Authority, as arranged by City Councilman Al Ferraro. The Councilman is pushing the JaxPort to cooperate with the Board. The Board argued that the parcel in question is not large enough to be useful to the JaxPort, but it would be very beneficial to the District. There is more than one easement on the Reed Island property which must remain marsh, however this would not present a problem for the district. Councilman Ferraro's office will be updated when JaxPort comes to a decision. The necessary re-zoning of the property may remain a hurdle to any deal.

Election for Board Seats 1, 3 & 5 – This is an election year for the seats held by Lindsey Brock, Robert Birtalan, and Stanley Pipes. June 20-24 is the qualifying period.

## Financial

2015 HWSD non-Ad Valorem Assessment – 86.9% of funds have been collected, for a total distribution of \$173,375.63.

Approval of Resolution 2016-01 FY 2016 – 2017 Annual Budget – Due March 31<sup>st</sup>. The proposed budget was presented to the Board. The revenue notes will be paid in full in May of 2018. The proposed budget will end the upcoming fiscal year with excess revenues of \$21,896. Motion made to approve the proposed budget for FY 2016-2017; motion carried.

Approval to disburse funds – Motion made to approve disbursements for legal and administrative services totaling \$825.00; motion passed. After all projected debt service and the projected assessment collection, the total disposable funds remaining in the BB&T checking account is \$133,685.60.

District Schedule

Next Scheduled Board Meeting – The next meeting will be April 12, 2016 at Resurrection Episcopal Church.

Other Business

Legal and Compliance Issues – HWSD attorney Wayne Flowers was not present.

Comments and Questions from the Audience

No comments.

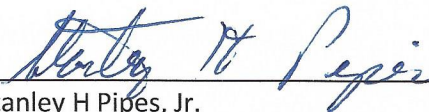
Adjournment

The meeting was adjourned at 7:27 PM. The next monthly Board of Supervisors meeting is scheduled for April 12, 2016.

Respectfully submitted,



\_\_\_\_\_  
Kathryn Boucher  
Recording Secretary



\_\_\_\_\_  
Stanley H Pipes, Jr.  
Secretary / Treasurer

# HARBOUR WATERWAY SPECIAL DISTRICT

## 2015 NON-AD VALOREM ASSESSMENT - DISTRIBUTION REPORT

3/8/2016

DATE	GROSS TAX	EARLY PAYMENT DISCOUNT	NET TAX	TC FEE	PA FEE	DISTRIBUTION
<b><u>NOVEMBER</u></b>						
1 - 9	16,000.00	(640.00)	15,360.00	(307.20)	(230.40)	14,822.40
10 - 18	30,000.00	(1,200.00)	28,800.00	(576.00)	(432.00)	27,792.00
19 - 30	99,000.00	(3,960.00)	95,040.00	(1,900.80)	(1,425.60)	91,713.60
<b><u>DECEMBER</u></b>						
1 - 14	18,624.11	(698.72)	17,925.39	(358.51)	(268.88)	17,298.00
15 - 21	2,253.04	(118.29)	2,134.75	(42.70)	(32.02)	2,060.03
22 - 31	14,000.00	(440.00)	13,560.00	(271.20)	(203.40)	13,085.40
<b><u>JANUARY</u></b>						
1 - 15	4,998.71	(114.98)	4,883.73	(97.67)	(73.26)	4,712.80
16 - 31	2,000.00	(40.00)	1,960.00	(39.20)	(29.40)	1,891.40
<b><u>February</u></b>						
1 - 15			-	-	-	-
16 - 29			-	-	-	-
<b><u>March</u></b>						
1 - 15			-	-	-	-
16 - 31			-	-	-	-
<b><u>April</u></b>						
1 - 14			-	-	-	-
15 - 30			-	-	-	-
<b><u>May</u></b>						
1 - 31			-	-	-	-
<b><u>June</u></b>						
1 - 12			-	-	-	-
<i>Unpaid Assessments</i>	28,124.14					
<b>TOTAL DISTRIBUTIONS</b>	<b>186,875.86</b>	<b>(7,211.99)</b>	<b>179,663.87</b>	<b>(3,593.28)</b>	<b>(2,694.96)</b>	<b>\$ 173,375.63</b>
% Collected	86.9%					
<b>TOTAL TAX BILLED</b>	<b>215,000.00</b>					

**HARBOUR WATERWAY SPECIAL DISTRICT  
RESOLUTION 2016-01**

**A RESOLUTION REQUESTING THE CITY COUNCIL OF JACKSONVILLE TO APPROVE THE ANNUAL BUDGET OF THE HARBOUR WATERWAY SPECIAL DISTRICT FOR THE FISCAL YEAR; PROVIDING AN EFFECTIVE DATE OF MARCH 31, 2016.**

**WHEREAS**, the Harbour Waterway Special District (the "District") was established per City of Jacksonville Ordinance 2010-725 E and Section 189.4041, Florida Statutes; a dependent special district for the purpose of maintaining the system of canals located in the Harbour, Harbour North, Harbour Cay, and Harbour Island neighborhoods; and

**WHEREAS**, the Board is required to annually submit its budget to the City of Jacksonville for final approval or rejections pursuant to Section 2(6) of Chapter 86-392; and

**WHEREAS**, the Board of District Supervisors (the "Board"), the governing body of the District, has reviewed and approved the budget attached as Exhibit "A" to this Resolution for the 2016-2017 fiscal year.

**NOW THEREFORE BE IT RESOVED** by the Board of the District as follows:

**Section 1.** The Board hereby approves the FY 2016 -2017 District Budget attached as Exhibit "A" to this Resolution for submission to the Jacksonville City Council.

**Section 2.** Effective Date. This Resolution shall become effective on March 31, 2016.

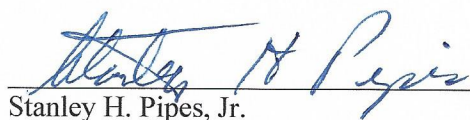
**DULY ADOPTED AND APPROVED** this 8th day of March, 2016, by the Board of the District.

BOARD OF SUPERVISORS FOR THE  
HARBOUR WATERWAY SPECIAL DISTRICT



Robert P. Birtalan  
Board Chair

Attest:



Stanley H. Pipes, Jr.  
Board Secretary

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**Dependent Special District**

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11554 Starboard Drive, Jacksonville, Florida 32225-1015

March 31, 2016

Director / Council Secretary  
Cheryl Brown  
117 W. Duval Street, Suite 425  
Jacksonville, FL. 32202


Office of the Council Auditor  
Kirk Sherman  
117 West Duval Street, Suite 200  
Jacksonville, FL. 32202

Re: Harbour Waterway Special District Proposed Budget for Fiscal Year July 1,  
2016 to June 30, 2017

Dear Ms. Brown and Mr. Sherman:

In accordance with Ordinance 2010 – 725 E, please find enclosed the District's proposed budget for Fiscal Year 2016 / 2017 for purposes of disclosure and information only. Should you have any questions regarding the enclosed, please contact me at (904) 642-0097.

Sincerely,



Stanley H. Pipes, Jr.  
Supervisor and Secretary/Treasurer

Enclosures

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**Dependent Special District**

**Proposed Budget**  
**Fiscal Year 2016 / 2017**

**March 31, 2016**

**HARBOUR WATERWAY SPECIAL DISTRICT**  
**FISCAL YEAR 2016 - 2017 BUDGET**  
**CASH FLOW ANALYSIS**

31-Mar-16

DESCRIPTION	ACTUAL FY 2014/15	ACTUAL FY 2015/16 <i>(See Note 3)</i>	PROPOSED FY 2016/17 BUDGET	VARIANCE
<b>OPERATING REVENUES</b>				
Carry Forward Surplus	\$ 57,197	\$ 86,481	\$ 123,355	\$ 36,874
Net Assessments	\$ 200,688	\$ 199,514	\$ 199,272	\$ (242)
<b>Total Revenues</b>	<b>\$ 257,885</b>	<b>\$ 285,994</b>	<b>\$ 322,627</b>	<b>\$ 36,632</b>
<b>EXPENDITURES</b>				
<b>Professional Services</b>				
Legal Services	\$ 4,975	\$ 4,500	\$ 6,500	\$ 2,000
Administrative Services	\$ 1,100	\$ 1,325	\$ 1,800	\$ 475
Accounting & Audit Services	\$ 3,125	\$ 3,000	\$ 3,500	\$ 500
<b>Administrative</b>				
Office Supplies & Postage	\$ 200	\$ 175	\$ 240	\$ 65
Rental - Meeting Room	\$ 900	\$ 900	\$ 1,200	\$ 300
Communication Services - Web Hosting	\$ 240	\$ 420	\$ 500	\$ 80
Legal & Promotional Advertising	\$ 150	\$ 195	\$ 250	\$ 55
Other Administrative Expenses	\$ 50	\$ -	\$ 100	\$ 100
Insurance - General Liability	\$ 8,270	\$ 4,162	\$ 4,500	\$ 338
Publications and Memberships	\$ 925	\$ 925	\$ 1,000	\$ 75
Interest Expense on Revenue Notes <i>(See Note 2)</i>	\$ 15,819	\$ 12,038	\$ 8,141	\$ (3,897)
Revenue Note Principal Payments	\$ 131,000	\$ 135,000	\$ 139,000	\$ 4,000
<b>Total Expenditures</b>	<b>\$ 166,754</b>	<b>\$ 162,640</b>	<b>\$ 166,731</b>	<b>\$ 4,091</b>
<b>Canal Maintenance &amp; Dredging Operations</b>				
Dredging / Marine Contractor	\$ -	\$ -	\$ -	\$ -
Marine Surveyor	\$ 4,650	\$ -	\$ 5,500	\$ 5,500
Dredging Permits	\$ -	\$ -	\$ 1,000	\$ 1,000
Spoil Site Expenses	\$ -	\$ -	\$ 125,000	\$ 125,000
Navigational Aids & Markers	\$ -	\$ -	\$ 2,500	\$ 2,500
Marine Engineering Consultant	\$ -	\$ -	\$ -	\$ -
<b>Total Canal Maintenance &amp; Dredging Operations</b>	<b>\$ 4,650</b>	<b>\$ -</b>	<b>\$ 134,000</b>	<b>\$ 134,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 171,404</b>	<b>\$ 162,640</b>	<b>\$ 300,731</b>	<b>\$ 138,091</b>
<b>EXCESS REVENUES / (EXPENDITURES)</b>	<b>\$ 86,481</b>	<b>\$ 123,355</b>	<b>\$ 21,896</b>	<b>\$ (101,459)</b>

**NOTES:**

	Num	2014 / 2015 Actual	2015 / 2016 Projected	2016 / 2017 Projected
1 Non Ad-Valorem Assessment				
Residential Parcels	105	\$ 210,025	\$ 210,000	\$ 210,000
Marina - (Tax Exempt Organization)	1	\$ -	\$ -	\$ -
Easements	7	\$ 5,000	\$ 5,000	\$ 5,000
<b>TOTAL GROSS ASSESSMENTS</b>	<b>113</b>	<b>\$ 215,025</b>	<b>\$ 215,000</b>	<b>\$ 215,000</b>
Less Early Payment Discount (avg 3.58%)		\$ (7,058)	\$ (7,250)	\$ (7,500)
Less PA and TC Discount (3.5%)		\$ (7,279)	\$ (7,236)	\$ (7,228)
Less Provision for Parcels in Default		\$ -	\$ (1,000)	\$ (1,000)
<b>TOTAL NET NON AD-VALOREM ASSESSMENTS</b>		<b>\$ 200,688</b>	<b>\$ 199,514</b>	<b>\$ 199,272</b>

2 Series 2012 Revenue Note -\$350,000 at 2.80%  
Series 2013 Revenue Note -\$326,000 at 2.98%

3 Actual expenses and revenue thru March 31, 2016,  
April thru June expenses are forecast.



**HARBOUR WATERWAY SPECIAL DISTRICT  
BUDGET SUPPLEMENT  
FISCAL YEAR 2016/2017**

**REVENUES**

**325.200 Special Assessments**

The District will continue to levy a non ad-valorem assessment in the gross amount of \$215,000 on all taxable parcels within the District to fund General Operating Expenditures. From the Gross Amount of the non ad-valorem assessment the following amounts are deducted: (1) Duval County offers an early payment discount which averaged 3.58% for FY 2015 / 2016; (2) The Duval County Tax Collector and Property Assessor charges a fee for services rendered in the amount of 2.0% and 1.5%, respectively; and (3) a provision for non-collectible taxes due to parcels in bankruptcy or default. The parcel designated as the Marina within the District is a tax exempt entity.

**Revenue Notes**

The HWSD issued two Revenue Notes totaling \$676,000, which were purchased by BB&T to assist in funding the 2013 Dredging Project. The total fees and legal expenses associated with issuing the Revenue Notes totaled \$25,500.

**361.100 Interest Income**

Excess Funds will be invested in a non-interest bearing checking account at BB&T, Branch Banking & Trust Company.

**Carry Forward Surplus**

Excess Funds from prior years. The Carry Forward Surplus from FY 2015/2016 is projected to be \$123,355.

**EXPENDITURES**

**PROFESSIONAL:**

**537.311 Legal Services**

The District's legal counsel, Lewis, Longman, & Walker, will provide general legal services to the District, including attendance of monthly meetings, review of agreements, contracts, and resolutions.

**537.312 Administrative Services**

Other Administrative Expenses include fees charged to the HWSD to record, document, and publish all Board of Supervisor meetings and public hearings held by the District.

**537.32 Accounting and Audit Services**

The District is required by Florida Statutes to conduct an independent audit of its financial records by an Independent Certified Public Accounting Firm. The District has contracted with Roy Miller & Associates to conduct the annual financial audit.

## **ADMINISTRATIVE:**

### **537.41 Communication Services**

Communication Services include fees required to host, develop, and maintain the HWSD.org website which provides online access to the District's official documents, including meeting minutes, agendas, reports, resolutions, etc.

### **537.42 Postage & Freight Services**

Postage includes mailing of notices to the District, overnight deliveries, correspondence, etc.

### **537.44 Rentals and Leases**

Rentals are fees associated with renting public meeting rooms to hold public hearings, committee meetings, and general meetings as required by the District.

### **537.45 Insurance – General Liability**

The District's General Liability & Public Officials Errors and Omission Liability Insurance policy is with Florida Municipal Insurance Trust (FMIT) a service provided by the Florida League of Cities, Inc.

### **537.47 Printing and Binding**

Printing and Binding include fees to print and bind the District's official documents, including meeting minutes, agendas, reports, resolutions, contracts, etc.

### **537.48 Promotional & Legal Advertising**

The District is required to advertise monthly Board of Supervisor Meetings, public hearings, and any services required to be advertised for public bidding, i.e. dredging contracts and other advertising that may be required in a newspaper of general circulation.

### **537.49 Other Current Charges**

This item includes any expenses not included in other categories including Bank Fees & Charges

### **537.51 Office Supplies**

This item includes any supplies required during the fiscal year, i.e. paper, file folders, labels, etc.

### **537.54 Publications & Memberships**

Other Expenses include membership fees, dues and registrations for government agencies, i.e. Florida Department of Economic Development.

### **537.72 Debit Service Interest Expense**

Interest charges on the Revenue Notes secured for the HWSD 2013 Dredging Project, for budget purposes the projected maximum outstanding balance for 2016/2017 FY is \$282,000. Semi-annual interest payments equal to a total of \$8,141 for 2016/2017 FY are scheduled. (See Amortization Schedule)

### **203.900 Revenue Notes & Loans Payable**

Principal Payments on the revenue notes are on a (5) five year term with the first annual payment due on May 1, 2014. Refer to the Amortization Schedule for future payment schedule.

## **CANAL MAINTENANCE & DREDGING OPERATIONS:**

### **537.301 Dredging / Marine Contractor**

The HWSD 2013 Dredging Project began on February 1, 2013 and was completed on August 10, 2013. The District has no current plans to perform dredging operations during FY 2016 / 2017. The District has plans to perform maintenance on the existing 2,500 feet breakwater structure at the mouth of the canal system as required.

### **537.302 Marine Surveyor**

The District contracts with marine surveyors to determine the amount of silting occurring in the canal system and approach channels.

### **537.303 Dredging Permits**

In order to perform dredging operations, the District is required to secure permits from the U.S. Army Corp of Engineers and the Florida Department of Environmental Protections.

### **537.304 Spoil Site Expenses**

During dredging operations, silt is removed from the channel bottom and pumped to an upland spoil site. Expenses to deposit the spoil, to perform maintenance on the site, and expenses to acquire an upland spoil site are included in this item.

### **537.305 Navigational Aids & Markers**

The HWSD maintains channel markers along our approach channel to mark the dredged channel for boaters.

### **537.306 Dredging / Marine Engineering Consultant**

The District utilizes consultants to advise the Board on dredging services, dredging technology, and marine construction for bulkheads and breakwaters.

# HARBOUR WATERWAY SPECIAL DISTRICT AMORTIZATION SCHEDULE

Principal Balance           \$ 350,000      **COUPON**                   2.800% **Issue Date:**           12-Dec-12  
 Principal Balance           \$ 326,000      **COUPON**                   2.980% **Issue Date:**           15-Feb-13

		PAYMENT DATE	INTEREST	PAID PRINCIPAL	TOTAL LOAN PAYMENTS	OUTSTANDING BALANCE
<b>FISCAL YEAR</b>	1	12-Dec-12	-	-	-	<b>\$ 676,000.00</b>
<b>2012 / 2013</b>	2	01-May-13	(\$5,834.79)	-	(5,834.79)	676,000.00
<b>FISCAL YEAR</b>	3	01-Nov-13	(\$9,757.40)	-	(9,757.40)	676,000.00
<b>2013 / 2014</b>	4	01-May-14	(\$9,757.40)	(\$128,000.00)	(137,757.40)	548,000.00
<b>FISCAL YEAR</b>	5	01-Nov-14	(\$7,909.60)	-	(7,909.60)	548,000.00
<b>2014 / 2015</b>	6	01-May-15	(\$7,909.60)	(\$131,000.00)	(138,909.60)	417,000.00
<b>FISCAL YEAR</b>	12	01-Nov-15	(\$6,018.90)	-	(6,018.90)	417,000.00
<b>2015 / 2016</b>	13	01-May-16	(\$6,018.90)	(\$135,000.00)	(141,018.90)	282,000.00
<b>FISCAL YEAR</b>	16	01-Nov-16	(\$4,070.40)	-	(4,070.40)	282,000.00
<b>2016 / 2017</b>	17	01-May-17	(\$4,070.40)	(\$139,000.00)	(143,070.40)	143,000.00
<b>FISCAL YEAR</b>	20	01-Nov-17	(\$2,064.10)	-	(2,064.10)	143,000.00
<b>2017 / 2018</b>	21	01-May-18	(\$2,064.10)	(\$143,000.00)	(145,064.10)	-
			<b>(65,475.59)</b>	<b>\$ (676,000.00)</b>	<b>\$ (741,475.59)</b>	

# HARBOUR WATERWAY SPECIAL DISTRICT

Motion to Disburse Funds:

Tuesday, March 08, 2016

Date	Num	Description	Memo	Amount
<b>CURRENT ASSETS</b>				
12/31/2015		<b>BB&amp;T CHECKING ACCOUNT</b>	<b>BEGINNING BALANCE</b>	<b>\$ 235,822.14</b>
		TOTAL DEPOSITS	January 01 thru February 29	19,689.60
<b>TOTAL CURRENT ASSETS</b>				<b>\$ 255,511.74</b>
<b>CLEARED DISBURSEMENTS</b>				
10/13/2015	1135	William Hibbard	HWSD - Web Hosting Services (10/02/2014 - 10/01/2015)	(239.88)
1/12/2016	1146	Resurrection Episcopal Church	HWSD - Meeting Place (December & January)	(150.00)
1/12/2016	1147	Lewis Longman & Walker	HWSD - Legal Services (November)	(325.00)
1/12/2016	1145	Kathryn Boucher	HWSD _ Administrative Services (November & December)	(225.00)
1/12/2016	1148	Stanley Pipes	HWSD - Web Hosting Services (1/03/2016 - 4/02/2016)	(59.97)
2/26/2016	EFT	Roy Miller & Associates	HWSD - Accounting Services (Annual Audit)	(3,000.00)
1/22/2016	1149	Florida Municipal Insurance Trust	HWSD - Insurance Premium Adjustment	(36.00)
<b>DISBURSEMENTS - SubTotal</b>				<b>(4,035.85)</b>
<b>2/29/2016</b>				<b>TOTAL ENDING BALANCE \$ 251,475.89</b>
<b>OUTSTANDING DISBURSEMENTS / DEPOSITS</b>				
10/8/2015	1141	FASD Annual Membership Fee	HWSD_Professional Dues	(750.00)
<b>REQUESTED DISBURSEMENTS</b>				
3/8/2016		Resurrection Episcopal Church	HWSD - Meeting Place (February & March)	(150.00)
3/8/2016		Lewis Longman & Walker	HWSD - Legal Services (January)	(450.00)
3/8/2016		Kathryn Boucher	HWSD _ Administrative Services (January & February)	(225.00)
<b>TOTAL REQUESTED DISBURSEMENT:</b>				<b>\$ (825.00)</b>
<b>PROJECTED REVENUE - 2015 ASSESSMENT</b>				<b>28,124.00</b>
<b>PROJECTED DEBT SERVICE</b>				
5/1/2016		Revenue Notes - Principal Payment	Series 2012 & 2013	(135,000.00)
5/1/2016		Revenue Notes - Interest Payment	Series 2012 & 2013	(6,018.89)
11/1/2016		Revenue Notes - Interest Payment	Series 2012 & 2013	(4,070.40)
<b>PROJECTED DEBT SERVICE EXPENSE:</b>				<b>\$ (145,089.29)</b>
<b>TOTAL HWSD DISPOSABLE FUNDS</b>				
<b>BB&amp;T CHECKING ACCOUNT</b>		<b>ENDING BALANCE after DISBURSEMENTS &amp; DEBT SERVICE</b>		<b>\$ 133,685.60</b>