

INDEPENDENT AUDITOR’S MANAGEMENT LETTER

Board of Supervisors
Heritage Plantation Community Development District

Report on the Financial Statements

We have audited the financial statements of the *Heritage Plantation Community Development District* (the “District”) as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated September 9, 2019, which includes an emphasis of matters paragraph.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant’s Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated September 9, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report, except as noted below.

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2016-17 FY Finding #	2015-2016 FY Finding #
2018-001	2017-001	2016-01

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the District met one of the conditions described in Section 218.503(1), Florida Statutes. This condition is described in Appendix B.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. Deteriorating financial conditions were noted and are described in Appendix B.

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

McDiernit Davis & Company, LLC

Orlando, Florida
September 9, 2019

**APPENDIX A - COMPLIANCE VIOLATIONS OF LAWS, REGULATIONS
AND CONTRACTUAL PROVISIONS**

Year Ended September 30, 2018

2018-001 - Failure to Make Bond Debt Service Payments When Due

Criteria

The Special Assessment Revenue Bonds Series 2006 require annual principal and semiannual interest payments.

Condition

In the current year, the District did not pay the November 2017 required debt service on the Series 2006 Bonds.

Cause

The District was unable to make the required debt service payments due to the nonpayment of debt assessments owed to the District.

Effect

The District was not in compliance with the requirements of the Bond Indenture and has met a financial emergency condition as described in Florida Statute Section 218.503(1).

Recommendation

We recommend the District utilize all legal remedies available to collect delinquent assessments to bring debt service payments current, however, we noted that the District cancelled the remaining outstanding Bonds in December 2017.

HERITAGE PLANTATION COMMUNITY DEVELOPMENT DISTRICT

APPENDIX B - FINANCIAL EMERGENCY CONDITIONS

Year Ended September 30, 2018

2018-001 - Failure to Make Bond Debt Service Payments When Due

In the current year, the District did not pay the November 2017 required debt service on the Series 2006 Bonds as a result of lack of funds; therefore, the District meets Section 218.503(1)(a) as a financial emergency condition. We noted that in December 2017 the District cancelled the remaining outstanding bonds.