

IN THE CIRCUIT COURT OF THE SEVENTEENTH JUDICIAL CIRCUIT
IN AND FOR BROWARD COUNTY, FLORIDA

IN RE:

CASE NO.: CACE 24-005243

HERON POND CONDOMINIUM
ASSOCIATION, INC.

Petitioner.

v.

HERON POND CONDOMINIUM
ASSOCIATION, INC.,

Defendant/Respondent

RECEIVER'S SECOND MONTHLY REPORT

Pursuant to Paragraph 8 of the *Order Granting Verified Petition For Appointment Of Receiver* dated April 26, 2024 (the "Order Appointing Receiver"), Daniel J. Stermer, not individually, but solely in his capacity as Receiver (the "Receiver") of Heron Pond Condominium Association, Inc. (the "Association"), by and through undersigned counsel, hereby submits the Receiver's Second Monthly Report (the "Second Report"), describing the Receiver's efforts and results of his analysis since the filing of the Receiver's First Monthly Report dated May 25, 2024, and states:

Preliminary Statement:

The Order Appointing Receiver states:

Monthly Reports. Receiver is directed to prepare and file with this Court on the 25th day of each month commencing with the first calendar month beginning after the Effective Date, so long as its Property shall remain in its possession or care, a full and complete, separate report for such Property, under oath, setting forth all receipts and disbursements, reporting all changes in Assets or Property in the Receiver's charge or claims against such Assets or Property that have occurred during the prior calendar month in compliance with Rule 1.620(b) of the Florida Rules of Civil Procedure and Section 714.19, Florida Statutes. The Receiver is directed to serve a copy of each such report on counsel who have made an

appearance in this case, including counsel for any creditor of the Receivership Entity requesting copies of such reports.

Order Appointing Receiver ¶ 8.

In Compliance therewith, the Receiver hereby submits this Second Report. This Second Report incorporates the Receiver's First Monthly Report, as well as the Initial Inventory filed on May 25, 2024.

Summary:

1. This action arose on April 16, 2024, when Heron Pond Condominium Association, Inc. (the "Plaintiff"), commenced this action by the filing of a *Verified Petition For Appointment of a Receiver* against the Association.

2. Heron Pond is an "Association" as defined in Chapter 718, Florida Statutes, located within Broward County and is governed by the Declaration of Condominium Establishing Heron Pond Condominium (the "Declaration"), recorded on June 14, 2006 in Official Records Book 42216, Page 910, in the Public Records of Broward County, Florida. The Association is comprised of 304 individual units ("Units") contained in 19 separate buildings (the "Buildings") owned by individuals and entities (the "Unit Owners"). As of September 12, 2023, six out of the nineteen buildings located within the Association were declared unsafe structures by the City of Pembroke Pines and rendered uninhabitable. An additional 26 units in the remaining buildings have also been rendered uninhabitable. The status of the remaining Buildings and Units remain under review. The overall cost and timeline to provide a full and complete analysis is being assessed as described later in this Second Report. What is clear is that any prior assessment of damage and cost to repair the Buildings that was done pre-Receivership appear inadequate to assess the true nature of the damage facing the Association.

3. On April 16, 2024, the Association filed an *Ex Parte Verified Emergency Motion For Appointment of a Receiver Court* seeking the appointment of Daniel J. Stermer as Receiver of

all the assets belonging to the Association, including all tangible assets, real estate, receivables, and financial accounts; and appointing the Receiver as the sole Board member for the Association with full power to act for the Association until this Court relieves the Receiver.

4. On April 26, 2024, the Court entered an *Order Granting Verified Petition for Appointment of Receiver* (the “Order Appointing Receiver”), thereby appointing Daniel J. Stermer., as Receiver for the Association.

5. Since his appointment, the Receiver and his team have been communicating and engaging with the necessary professionals to help determine the cost and time needed to rehabilitate the Buildings while continuing the day to day operations of the Association and addressing ongoing repairs that cannot just be put on hold. There are no preconceived notions about the ultimate outcome of this very difficult situation but time is critical and an informed decision as to the future direction of the Association must be made promptly.

Procedural History:

6. On April 29, 2024, the Receiver transmitted via email to all Unit Owner and renter’s email addresses provided by the Association an *Introductory Letter* addressed to the Unit Owners, tenants, and family members introducing himself and briefly explaining his role as Receiver. The Introductory Letter also included a *Contact Information Form* to be filled out by Owner’s and Occupants to assure the Receiver has up to date contact information.

7. On April 30, 2024, the Receiver filed the *Bond of Receiver*.

8. On April 30, 2024, the Receiver filed the *Oath and Acceptance of Receiver*, thereby accepting the appointment as Receiver pursuant to the terms and conditions of the Receivership Order.

9. On May 1, 2024, the Receiver notified Financial Institutions that the Association has open accounts at of his appointment and sought turnover of accounts and completed forms

necessary to become the sole signatory on the accounts. As a result, the Receiver is the only authorized signatory on the Association's six known Accounts.

10. On May 2, 2024, the Receiver and his professionals met with officials from the City of Pembroke Pines regarding the condition of the Property and the Unsafe Structure Notifications that have been issued by the City regarding certain of the Association's Buildings, including with the City Manager, Assistant City Manager, the City Attorney's Office, the Vice Mayor, the Chief Building Official and his colleagues, and the Fire Marshal and his colleagues.

11. On May 7, 2024, the Receiver transmitted via email to all Unit Owner and renters the Receiver's *Notice Regarding Status of Property Insurance and Liability Insurance*.

12. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval Of Employment of Berger Singerman LLP as Counsel to the Receiver Effective as of April 26, 2024*.

13. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval Of Employment of Development Specialists, Inc. ("DSI") as Financial Advisor and Consultant to the Receiver to the Receiver Effective as of April 26, 2024*.

14. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval Of Employment of Eisinger Law as Special Counsel to the Receiver Effective as of April 26, 2024*.

15. On May 20, 2024, the Court entered an *Order Granting Receiver, Daniel J. Stermer's Motion for Approval Of Employment of Specialty Engineering Consultants, Inc., as Engineering Consultant to the Receiver*.

16. On May 22, 2024, the Receiver transmitted via email to all Unit Owners and renters the URL for the Receiver's website (www.heronpondreceiver.com) that contains, among other information, all of the filings in this matter.

17. On May 24, 2024, the Receiver filed *Receiver's Inventory Report* (the "Inventory Report"), reflecting the property coming into the Receiver's control and possession.

18. On May 24, 2024, the Receiver Filed his *First Monthly Report*.

19. May 28, 2024, the Receiver transmitted via email to all Unit Owners and renters the Inventory Report and First Monthly Report and advised that same were posted on the Receiver's website (www.heronpondreceiver.com).

20. On June 10, 2024, the Receiver filed his *Initial Statement of Account of Receiver* identifying the Receiver and his court-approved retained professionals fees and costs from April 26, 2024 through May 31, 2024.

21. On June 12, 2024, the Receiver filed a *Motion for Authority to Enter Into Insurance Policies and the To be filed Insurance Premium Finance Agreement*. On June 17, 2024 the Notice of Filing Insurance Proposals and Premium Finance Agreement was filed by the Court.

22. On Jun 18, 2024, the Court entered an *Order Authorizing the Receiver to enter into the Insurance Policies and Premium Finance Agreement* (the "Insurance Order").

23. Each of these pleadings can be found on the Receiver's website: www.heronpondreceiver.com.

Association Assets:

24. To date, the Receiver and his financial advisor, DSI, have been provided access to the accounting platform utilized by the current bookkeeper, Preferred Accounting Services, Inc. ("PAS").

25. The Association's Truist Operating Acct# XXXXXXXXXXXX1589¹ had an ending balance as of May 30, 2024, of \$72,083; the Association's Truist Reserve Acct# XXXXXXXXXXXX1597 had an ending balance as of May 31, 2024 of \$1,506; the Association's

¹ Account numbers are redacted in their entirety pursuant to Fla. R. Jud. Admin. 2.240 and 2.245(a).

Truist Special Assessment Acct# XXXXXXXXXXXX1600 had an ending balance as of May 31, 2024 of \$310,156; the Association's Popular Operating Acct# XXXXXXXXXXXX2537 had an ending balance as of May 31, 2024 of \$47,145; the Association's Popular Reserve Acct# XXXXXXXXXXXX2626 had an ending balance as of May 30, 2024 of \$5,489; the Association's Popular Special Assessment Acct# XXXXXXXXXXXX2595 had an ending balance as of May 30, 2024 of \$169,963. The Receiver has exclusive control of these six (6) bank accounts. One legacy bank account which was identified at Ocean Bank with a balance of \$608, which was identified in the preparation of the Inventory filing. The Receiver notified Ocean Bank of the Receivership on June 14, 2024 and this account will be under my control in the shortly. As of May 31, 2024, the aggregate amount of funds available in these seven (7) accounts is \$606,949.

26. DSI has and will continue to diligently analyze the transactions in these accounts to try to determine the current financial condition of the Association. At this point, a historical review of the Receivership activity has not been commenced, while DSI's efforts are focused on ascertaining the current and future financial condition of the Association and ability to pay expenses and properly budget for expenses. Additional review and discovery may be required to obtain a clearer picture of the historical flow of funds into and out of these bank accounts.

27. Attached hereto as composite **Exhibit "A"**

- a. Cash Balances as of May 31, 2024
- b. Cash Receipts and Disbursement Summary for May 2024
- c. Accounts Receivable- year to date (May 2024)
- d. Owners Accounts Receivable Ledger (as of May 31, 2024)

Attached hereto as composite **Exhibit "B"**

- a. May 2024 Financial Statements prepared by Preferred Accounting Services, Inc.

Receiver's Statement of Activities Since The Filing Of Receiver's First Monthly Report:

28. Since the filing of the First Monthly Report, the Receiver and his counsel at Berger Singerman, have continued discussions with the Unit Owners, Tenants, Engineers, Contractors, Insurance Brokers, Representatives of the City, opposing counsel in the litigation described below, and other constituents with interests in the Association or the case. The Receiver appreciates the cooperation received to date.

Insurance:

29. On June 18, 2024, the Court entered the *Insurance Order* authorizing the Receiver to enter into the Insurance Policies (including a Property and Casualty Policy, General Liability Policy, Excess Liability Policy, and Crime Policy) and to pay certain amounts as they come due under the Insurance Policies in the ordinary course of business. The total annual premium amount for the Insurance Policies is \$549,000.50. Pursuant to the *Insurance Order*, the Receiver was authorized to entered into the Premium Finance Agreement to pay the Insurance Policies premiums and spread the premium payment obligation out over an entire year. Under the Premium Finance Agreement, the total amount to be financed is \$496,086.96, which will be paid in eleven (11) monthly installments of \$47,226.86 after the initial down payment of \$52,913.54. As of June 20, 2024, the Receiver is working with the insurance broker to respond to questions from the new property insurance company having made the necessary down payment and bound all of the policies approved.

Building Updates:

30. The life and safety issues plaguing the Association and Buildings have been the Receiver's utmost concern since his appointment. After securing insurance on the Property, his goal has been to establish an effective and efficient protocol to help determine, for the benefit of the Unit Owners and Tenants, whether the Association should continue rehabilitating the Buildings or to explore a competitive sale process. While the goal has been to do everything possible to

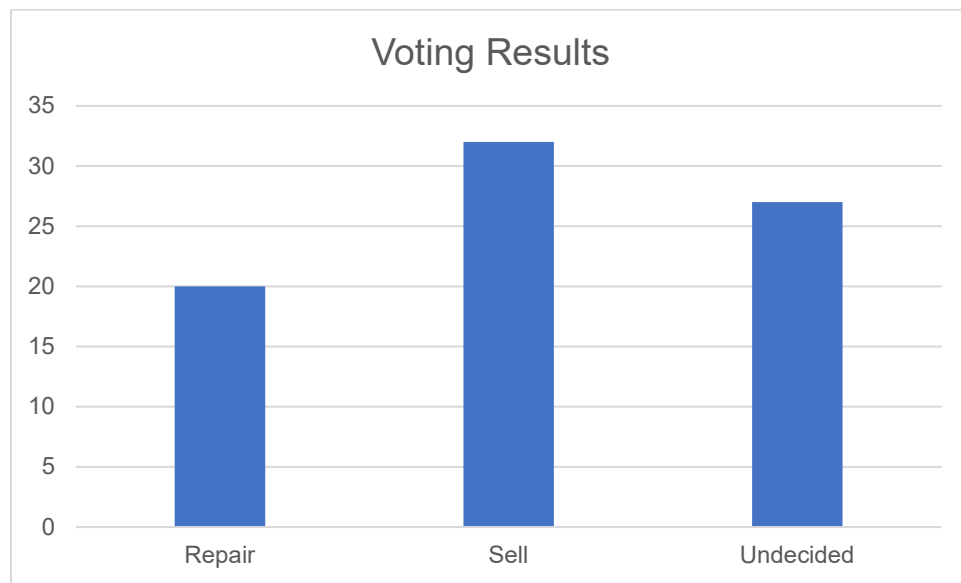
rehabilitate the Buildings, it has become increasingly clear that the cost and schedule to complete such repairs may be untenable (i.e. the cost to repair the Buildings may require special assessments that will negatively impact the Association and cause the value of the Units to decrease). The Receiver does not want to see the Unit Owners put in a position where they may lose their Units involuntarily by requiring a special assessment that is not affordable or where a special assessment is made and work is completed that are insufficient due to the continued deterioration of the Buildings. Several of the Buildings are without power and will not be reconnected by the City until the Buildings are fully and completely repaired and a new Certificate of Occupancy is required.

31. On June 13, 2024, the Receiver held a Unit Owner and Tenant meeting via Zoom to provide an update regarding my investigation and diligence as to the Buildings and the overall status of the Association, including insurance and financial status (“Unit Owner Meeting”). A copy of the Agenda, Outline, and the recording of the Meeting has been uploaded to the Receiver’s Website. The Receiver encourages all Unit Owners and Tenants to review these materials.

32. During and after the Unit Owner Meeting, Unit Owners expressed an interest in exploring a sale since the costs to repair may be beyond the value of the Units. Further, after the Unit Owner Meeting, it became apparent that there may be a larger contingent of Unit Owners that would prefer to sell their Unit versus repair based upon some of the initial information obtained from the Association’s engineer’s and contractors. On June 17, 2024, in order to further gauge the interest of the Unit Owners, the Receiver prepared a non-binding informal straw poll and encouraged Unit Owners to respond by June 21, 2024 (the “Poll”). The Poll asked Unit Owners to respond to the following:

- I would prefer the Receiver focus his efforts on rehabilitating the Buildings.
- I would prefer the Receiver focus his efforts on a competitive sale process for the Heron Pond Community.
- I would like the Receiver to continue exploring both, the rehabilitation of the Buildings and a competitive sale process of the Heron Pond Community

33. As of June 20, 2024, the Receiver received 79 responses from Unit Owners, taking into account only one vote per Unit Owner (Not duplicated by units owned), the results are as follows:



Litigation:

34. Prior to the Receivership Order, eight Complaints were filed by separate Unit Owners against the Association and others alleging: Count I- Negligence (Failure to Maintain Common Elements); Count II- a Statutory Cause of Action Pursuant to 718.303, Fla. Stat. Failure to Maintain Common Elements; and Count III- Breach of Contract (Failure to Maintain Common Elements) (the “Pending Lawsuits”). Within the Pending Lawsuits, the Association filed third-party complaints against Tri-Star Construction LLC, its contractor alleging breach of contract...

Pending Lawsuits
CACE24000488--Gabriel Coifman v. Heron Pond Condo Association, et al

CACE23021349--Armory Housing Corp. v. Heron Pond Condo Association, et al
CACE23021148--Las Auracarius LLC. v. Heron Pond Condo Association, et al
CACE23020826--Susana Rognone v. Heron Pond Condo Association, et al
CACE23-019617--Clarissa Florival v. Heron Pond Condo Association, et al
CACE23019893--Angel Cortes v. Heron Pond Condo Association, et al
CACE23022619--Porto Seguro, LLC v. Heron Pond Condo Association, et al
CACE23020265--Ocean 1212, LLC v. Heron Pond Condo Association, et al
CACE23021351—Yuga Corp v. Heron Pond Condo Association, et al

35. As of June 20, 2024, each of these cases have been transferred to the Receivership Court before Judge Tuter and are stayed pending further order of this Court.

RECEIVER’S CERTIFICATION

I, Daniel J. Stermer, as Receiver, hereby certifies, under penalties of perjury, that the foregoing Receiver’s Initial Report is true and accurate to the best of my personal knowledge and belief.

/s/ Daniel J. Stermer

 Daniel J. Stermer

Dated: June 24, 2024

Respectfully submitted,

BERGER SINGERMAN LLP
Counsel for Receiver
 313 North Monroe Street, Suite 301
 Tallahassee, FL 32301
 Tel. (850) 561-3010
 Fax (850) 561-3013

By: */s/ Brian G. Rich*

 Brian G. Rich
 Florida Bar No. 38229
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 Michael J. Niles
 Florida Bar No. 107203
 mniles@bergersingerman.com

CERTIFICATE OF ELECTRONIC FILING AND SERVICE

I **HEREBY CERTIFY** that on this 24th day of June 2024, the foregoing was filed electronically through the Florida Court's E-Filing Portal, which will send notice of electronic filing to all electronic service parties.

By: /s/ Brian G. Rich
Brian G. Rich

COMPOSITE EXHIBIT A

Heron Pond Condominium Association, Inc.

Cash Balances as of May 31, 2024 (Bank Balances)

Bank Balance
5/31/2024

Operating Account - Truist Bank #1589	72,083
Reserve Account - Truist Bank #1597	1,506
Special Assessment Account - Truist Bank #1600	310,156
Operating Account - Popular Bank #2537	47,145
Reserve Account - Popular Bank #2626	5,489
Special Assessment Account - Popular Bank #2595	169,963
Legacy Operating Account - Ocean Bank #2805	608
Total Balance	<u>\$ 606,949</u>

Recap:

Operating Accounts	119,836
Reserve & Special Assessment Accounts	487,113
	<u>\$ 606,949</u>

Heron Pond Condominium Association, Inc.

Cash Receipts and Disbursement Summary - May 2024

	<u>May-24</u>
Bank Balance - Beginning (all accounts)	\$ 599,418
Receipts:	
Owners Assessments - Monthly	\$ 63,257
Owners Assessments - Special	31,584
Returned Payments	(2,330)
Prepaid Owners Assessments	16,298
Other Receipts / Transfers / Adjustments	4,924
	<u>\$ 113,731</u>
Disbursements - Operating:	
Electricity	\$ (1,717)
Fence Rental	(1,950)
Golf Cart Lease	(600)
Internet	(354)
Lawn Maintenance	(10,200)
Management	(3,995)
Office Supplies	(77)
Owner Accounts	(1,570)
Payroll	(20,372)
Pest Control	(800)
Pool Service	(1,600)
Postage	(352)
R&M Fire Safety Equipment	(2,120)
R&M General	(1,753)
R&M Plumbing	(1,180)
Rental	(3,213)
Security Services	(13,347)
Shoring Rent	(11,739)
Solid Waste	(7,200)
Water	(22,062)
	<u>\$ (106,201)</u>
Net Cash Activity	<u>\$ 7,531</u>
Bank Balance - Ending	<u><u>\$ 606,949</u></u>

* Contribution to Reserves removed from operating budget until operations are stabilized. Annual Budget for 2024 had \$343,961 for Reserves. No amounts transferred pre-Receivership to increase 2024 Reserves.

Heron Pond Condominium Association, Inc.

Accounts Receivable Roll Forward - Year to Date May 2024

	<u>Billed</u>	<u>Collected</u>	<u>Prepaid - Applied</u>	<u>Balance</u>	
<u>Owner Assessments Receivable</u>					
				\$ 190,449	
Dec-23				\$ 190,449	
Jan-24	\$ 138,901	\$ (82,949)	\$ (7,232)	\$ 239,168	
Feb-24	\$ 138,898	\$ (76,794)	\$ (5,620)	\$ 295,652	Feb-2024 : Approx 13 unpaid
Mar-24	\$ 139,623	\$ (85,544)	\$ (3,824)	\$ 345,907	
Apr-24	\$ 138,998	\$ (81,418)	\$ (4,696)	\$ 398,791	Apr-2024 : Approx 5 unpaid
May-24	\$ 138,873	\$ (61,328)	\$ (12,152)	\$ 464,183	May-2024 : Approx 28 unpaid
	\$ 695,291	\$ (388,033)	\$ (33,524)	\$ 464,183	
<u>Special Assessments Receivable</u>					
Dec-23				\$ -	
Jan-24	\$ 862,953	\$ (149,786)	\$ (6,147)	\$ 707,020	1st 2024 Assessment: 197 unpaid
Feb-24		\$ (23,745)	\$ (392)	\$ 682,883	
Mar-24		\$ (60,184)	\$ -	\$ 622,699	
Apr-24	\$ 866,073	\$ (150,028)	\$ (41,359)	\$ 1,297,385	2nd 2024 Assessment: 246 unpaid
May-24		\$ (31,584)	\$ (2,116)	\$ 1,263,686	
	\$ 1,729,027	\$ (415,327)	\$ (50,013)	\$ 1,263,686	
TOTAL	\$ 2,424,317	\$ (803,360)	\$ (83,537)	\$ 1,727,870	

Prepaid Owner Assessments Account

	<u>Cash Receipts</u>	<u>Applied</u>	<u>Adjustments</u>	<u>Balance</u>
				\$ 7,742
Jan-24	\$ (13,949)	\$ 13,380	\$ 3	\$ 8,314
Feb-24	\$ (1,860)	\$ 6,012	\$ 274	\$ 4,437
Mar-24	\$ (19,657)	\$ 3,824	\$ 250	\$ 20,520
Apr-24	\$ (49,579)	\$ 46,055	\$ (916)	\$ 23,128
May-24	\$ (16,298)	\$ 14,267	\$ (502)	\$ 24,657
	\$ (101,343)	\$ 83,537	\$ (891)	\$ 24,657

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Aging Summary as of May 31, 2024

<u>Type</u>	<u>Current</u>	<u>Over 30 days</u>	<u>Over 60 days</u>	<u>Over 90 days</u>	<u>Total</u>
Late Fees	-	-	-	10,624.74	\$ 10,624.74
NSF Charges	100.00	25.00	25.00	150.00	\$ 300.00
Maintenance	81,235.00	69,709.16	-	300,193.13	\$ 451,137.29
Maintenance Increase	12.08	-	-	2,109.07	\$ 2,121.15
Special Assessment	560.10	702,734.47	250.00	560,142.19	\$ 1,263,686.76
Less: Prepaid Owners Assessments				(24,657.03)	\$ (24,657.03)
Total	\$ 81,907.18	\$ 772,468.63	\$ 275.00	\$ 848,562.10	\$ 1,703,212.91

Recap:

Owner Assessments Receivable	81,347.08	69,734.16	25.00	313,076.94	\$ 464,183.18
Special Assessments Receivable	560.10	702,734.47	250.00	560,142.19	\$ 1,263,686.76
Less: Prepaid Owners Assessments	-	-	-	(24,657.03)	\$ (24,657.03)
Total	\$ 81,907.18	\$ 772,468.63	\$ 275.00	\$ 848,562.10	\$ 1,703,212.91

General Footnote:

The balances reflected are from the accounting system utilized by Heron Pond's accountant's, Preferred Accounting Services as the data existed on May 31, 2024. The Receiver has not confirmed the accuracy of the balances reflected.

Additional Late Fees, Interest and Other Collection costs owing on past due accounts may be applied to the balances reflected.

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
10-101	3,020.12
10-102	6,845.07
10-104	7,721.98
10-105	5,204.34
10-106	9,270.34
10-107	6,251.28
10-108	5,204.34
10-201	7,721.98
10-202	3,119.60
10-203	9,270.34
10-205	7,721.98
10-206	10,783.31
11-101	6,934.36
11-101	2,881.02
11-102	6,251.28
11-102	6,832.23
11-103	10,213.31
11-103	9,270.34
11-104	6,934.36
11-104	9,270.34
11-105	2,340.39
11-106	599.83
11-106	8,563.25
11-107	9,270.34
11-107	3,621.63
11-108	3,131.68
11-201	8,563.25
11-202	8,080.19
11-203	6,251.28
11-204	9,270.34
11-205	8,563.25
11-206	6,334.94
11-207	9,270.34
11-208	9,270.34
1-201	6,934.36
1-203	3,620.74
1-204	6,934.36
1-206	13,487.92
1-208	6,609.78
12-101	6,934.36
12-102	6,251.28
12-103	11,222.70

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
12-104	6,934.36
12-105	6,609.78
12-106	3,156.42
12-107	8,776.83
12-108	2,340.39
12-201	6,609.78
12-202	9,270.27
12-203	3,245.30
12-204	2,331.39
12-205	6,037.54
12-206	527.03
12-207	3,621.63
13-101	9,568.38
13-102	1,197.32
13-103	4,504.92
13-105	6,735.40
13-106	7,507.15
13-107	2,524.67
13-108	9,986.33
13-203	7,507.15
13-204	9,986.33
13-206	9,068.79
13-207	5,857.04
14-101	8,473.91
14-102	4,920.24
14-103	7,507.15
14-104	9,986.33
14-107	7,507.15
14-108	8,670.25
14-201	9,986.33
14-202	2,160.67
14-204	9,986.33
14-205	9,986.33
14-206	5,054.23
14-208	9,986.33
15-101	6,735.40
15-102	2,225.67
15-103	7,313.62
15-104	9,986.33
15-105	8,004.20
15-107	7,507.15
15-108	3,908.61

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
15-201	6,735.40
15-202	5,518.27
15-203	887.58
15-204	9,986.33
15-205	9,449.49
15-206	2,524.67
16-101	5,773.18
16-102	5,773.18
16-103	9,270.34
16-104	9,270.34
16-105	2,886.59
16-106	6,236.81
16-107	3,369.60
16-108	10,018.53
16-201	5,773.18
16-202	10,747.56
16-203	9,270.34
16-204	6,245.24
16-205	8,563.25
16-206	5,773.18
16-207	7,374.30
17-101	2,340.39
17-102	9,270.34
17-103	25.00
17-104	8,071.40
17-107	9,088.74
17-108	14,536.22
17-202	7,751.33
17-203	30.20
17-204	6,934.36
17-206	3,119.60
18-101	6,934.36
18-102	9,270.34
18-103	3,125.64
18-104	6,818.11
18-105	6,934.36
18-106	9,270.34
18-107	9,565.45
18-108	6,934.36
18-201	10,124.20
18-202	8,253.36
18-203	9,270.34

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
18-204	6,934.36
18-205	6,934.36
18-206	3,377.67
18-207	6,251.28
19-101	6,934.36
19-102	9,270.34
19-103	3,119.60
19-104	6,934.36
19-105	8,071.40
19-106	9,270.34
19-107	8,253.36
19-108	9.00
19-201	3,081.75
19-202	4,135.74
19-203	9,270.34
19-204	379.68
19-205	8,071.40
19-207	9,270.34
19-208	8,071.40
2-101	2,340.39
2-102	9,270.34
2-103	9,270.34
2-104	6,922.76
2-105	6,934.36
2-106	9,270.34
2-107	6,752.32
2-108	6,934.36
2-201	1,900.96
2-202	15,634.44
2-203	9,270.34
2-204	4,671.78
2-205	4,667.28
2-206	9,270.34
2-207	6,251.28
3-101	6,653.38
3-102	6,738.73
3-103	3,725.47
3-104	7,721.98
3-106	9,270.34
3-107	9,270.34
3-108	5,244.40
3-201	2,632.19

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
3-202	6,251.28
3-203	7,615.04
3-204	5,204.34
3-205	5,204.34
3-206	9,270.34
3-207	6,883.08
4-101	6,934.36
4-102	9,270.34
4-103	8,421.41
4-104	6,934.36
4-105	2,711.07
4-106	8,641.39
4-107	3,725.47
4-108	8,071.40
4-201	5,468.24
4-202	9,270.34
4-204	6,934.36
4-205	4,671.78
4-207	9,791.33
4-208	8,071.40
5-101	6,934.36
5-102	8,639.79
5-103	9,270.34
5-104	4,671.78
5-105	2,331.39
5-106	9,270.34
5-107	9,270.34
5-108	2,331.39
5-203	9,270.34
5-204	6,934.36
5-206	7,998.39
6-101	5,817.27
6-102	3,725.47
6-103	2,617.57
6-104	5,204.34
6-105	5,204.34
6-106	3,125.64
6-107	3,047.23
6-201	2,597.15
6-202	3,131.68
6-204	2,617.23
6-205	2,607.19

Heron Pond Condominium Association, Inc.

Owners Accounts Receivable Ledger

Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
6-206	9,270.34
6-207	5,768.21
6-208	442.95
7-101	6,934.36
7-102	3,119.60
7-103	9,270.34
7-104	6,934.36
7-105	6,934.36
7-106	9,812.32
7-108	6,934.36
7-201	6,934.36
7-202	9,270.34
7-203	13,213.26
7-204	4,671.78
7-205	6,037.54
7-206	9,270.34
7-207	9,270.34
7-208	6,876.66
8-101	8,563.25
8-102	8,412.96
8-103	9,270.34
8-104	9,270.34
8-105	7,407.83
8-106	15,394.91
8-107	9,270.34
8-201	15,759.03
8-203	9,270.34
8-204	2,554.15
8-205	8,563.25
8-206	11.14
8-207	9,270.34
8-208	3,137.70
9-101	2,856.02
9-102	8,563.25
9-103	4,658.31
9-104	6,148.27
9-105	8,563.25
9-106	2,881.02
9-107	6,251.28
9-108	3,119.60
9-202	8,563.25
9-203	9,270.34

Heron Pond Condominium Association, Inc.
Owners Accounts Receivable Ledger
Summary by Unit Number as of May 31, 2024

<u>Unit #</u>	<u>Balance</u>
9-204	6,294.10
9-205	5,773.18
9-206	8,563.25
9-207	3,125.64
9-208	3,119.60
Total	<u>\$ 1,727,869.94</u>

EXHIBIT B

**HERON POND CONDOMINIUM
ASSOCIATION, INC.**

BALANCE SHEET
Consolidated
As of: 05/31/2024

Assets

Account #	Account Name	Total
Assets		
01010	Cash - Operating Popular Bank	\$11,640.90
01020	Cash - Reserves Popular Bank	\$40,142.39
01030	Cash - Spec. Assess Popular Bank	\$169,962.60
01035	Cash - Operating Ocean Bank	\$607.74
01050	Cash - Operating - Truist	\$42,659.01
01056	Cash - Reserves - Truist	\$1,506.26
01060	Cash - Special Assessment - Truist	\$310,155.54
01200	Owner Assessments Receivable	\$464,183.18
01210	Special Assessments Receivable	\$1,263,686.76
01605	Due to Reserve	\$143,317.00
01610	Prepaid Insurance	\$7,292.60
01620	Prepaid Expenses	\$300.00
	ASSETS TOTAL:	\$2,455,453.98
	TOTAL ASSETS:	\$2,455,453.98

Liabilities

Account #	Account Name	Total
Liabilities		
02001	Accounts Payable	\$41,992.38
02002	Accrued Expenses	\$19,783.15
02010	Insurance Payable	\$1,276.23
02250	Due from Operating	\$143,317.00
02500	Prepaid Owner Assessments	\$24,657.03
02605	Deferred Income Cable	\$41,040.00
	LIABILITIES TOTAL:	\$272,065.79
	TOTAL LIABILITIES:	\$272,065.79

Equity

Account #	Account Name	Total
Reserves		
03010	Reserves - Interest	\$3,099.73
03012	Reserves - Exterior Lighting	\$14,447.40
03016	Reserves - Paving	\$172,728.81
03018	Reserves - Pool	\$105,004.59
03024	Reserves - Roof	(\$82,792.14)
03035	Reserves - Structural Repairs	(\$98,243.79)

General Footnote:

The balances reflected are from the accounting system utilized by Heron Pond's accountant's, Preferred Accounting Services as of May 31, 2024. The Receiver has not confirmed the accuracy of the balances reflected. The Operating Statements do not include the accrued Receivership related Professional Fees.

Account #	Account Name	Total
03045	Reserves - Paint Exterior	\$442,855.66
	RESERVES TOTAL:	\$557,100.26
Special Assessments		
03047	SA-Community Center	(\$9,756.34)
03048	SA-Engineer	\$1,000.00
03049	SA-Exterior Lighting	(\$311.49)
03050	SA-Landscaping	\$15,000.00
03051	SA-Parking Lot Repairs	\$5,000.00
03052	SA-Sign Replacement Repairs	\$6,548.00
03053	SA-Structural Repairs	\$1,212.21
03054	SA-Termite Treatment	\$1,725.00
03055	SA-Termite Treatment Buildings	\$112,869.00
03056	SA-Trash Compactor	\$8,000.00
03057	Special Assessment Billed	\$1,725,907.52
03058	Special Assessment Spent	(\$115,719.00)
	SPECIAL ASSESSMENTS TOTAL:	\$1,751,474.90
Members Equity		
03700	Capital Contribution	\$2,975.94
03800	Retained Earnings	(\$122,022.13)
	MEMBERS EQUITY TOTAL:	(\$119,046.19)
	Current Year Net Income/(Loss)	(\$6,140.78)
	TOTAL EQUITY:	\$2,183,388.19
	TOTAL LIABILITIES AND EQUITY:	\$2,455,453.98

HERON POND CONDOMINIUM ASSOCIATION, INC.

INCOME STATEMENT

Consolidated

Start: 05/01/2024 | End: 05/31/2024

Income

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Income							
40001 Owner Assessments	110,209.16	110,208.75	0.41	551,045.80	551,043.75	2.05	1,322,505.00
40002 Reserve Income	28,663.40	28,663.40	0.00	143,317.00	143,317.00	0.00	343,960.74
40011 Late Fee Income	0.00	500.00	(500.00)	0.00	2,500.00	(2,500.00)	6,000.00
40030 Application Fees	400.00	0.00	400.00	3,025.00	0.00	3,025.00	0.00
40060 Gate/Key Cards	0.00	50.00	(50.00)	0.00	250.00	(250.00)	600.00
40080 Interest Income	7.02	50.00	(42.98)	32.45	250.00	(217.55)	600.00
40081 NSF Fees	100.00	5.00	95.00	325.00	25.00	300.00	60.00
40090 Miscellaneous Income	0.00	0.00	0.00	681.25	0.00	681.25	0.00
41017 Transfer Fees	0.00	150.00	(150.00)	0.00	750.00	(750.00)	1,800.00
41020 Car Decals/RFID Tags	0.00	500.00	(500.00)	850.00	2,500.00	(1,650.00)	6,000.00
41021 Capital Contribution	0.00	300.00	(300.00)	1,487.97	1,500.00	(12.03)	3,600.00
Income Total	139,379.58	140,427.15	(1,047.57)	700,764.47	702,135.75	(1,371.28)	1,685,125.74
Total Income	139,379.58	140,427.15	(1,047.57)	700,764.47	702,135.75	(1,371.28)	1,685,125.74

Expense

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
General & Administrative							
50008 Audit & Tax Preparation	0.00	291.67	291.67	0.00	1,458.35	1,458.35	3,500.00
50010 Accounting	1,300.00	1,300.00	0.00	6,500.00	6,500.00	0.00	15,600.00
50011 Bank Charges	0.00	30.00	30.00	12.00	150.00	138.00	360.00
50014 Bad Debt	0.00	100.00	100.00	0.00	500.00	500.00	1,200.00
50025 Backoffice Software	0.00	150.00	150.00	0.00	750.00	750.00	1,800.00
50030 Car Tag Readers/Decals	0.00	50.00	50.00	0.00	250.00	250.00	600.00
50045 Legal Fees	8,022.30	10,000.00	1,977.70	27,818.93	50,000.00	22,181.07	120,000.00
50047 Annual Corporate Report (Sunbiz)	0.00	5.42	5.42	0.00	27.10	27.10	65.00
50048 Annual Condo Fees (DBPR)	0.00	101.33	101.33	2,553.60	506.65	(2,046.95)	1,216.00
50050 Licenses, Taxes, Permits	0.00	220.33	220.33	4,444.87	1,101.65	(3,343.22)	2,644.00
50055 Pool License Renewal (Health Departm...)	175.00	100.00	(75.00)	775.70	500.00	(275.70)	1,200.00
50075 Office Supplies	5,811.88	416.67	(5,395.21)	6,644.53	2,083.35	(4,561.18)	5,000.00
50083 Professional Fees	0.00	0.00	0.00	55,195.00	0.00	(55,195.00)	0.00
50085 Printing & Postage	0.00	100.00	100.00	3,976.94	500.00	(3,476.94)	1,200.00
50087 Miscellaneous Expenses	0.00	100.00	100.00	0.00	500.00	500.00	1,200.00
General & Administrative Total	15,309.18	12,965.42	(2,343.76)	107,921.57	64,827.10	(43,094.47)	155,585.00
Insurance							
52030 Insurance Package	11,691.40	30,000.00	18,308.60	54,713.00	150,000.00	95,287.00	360,000.00
Insurance Total	11,691.40	30,000.00	18,308.60	54,713.00	150,000.00	95,287.00	360,000.00
Utilities							
54050 Electricity	1,717.03	2,260.00	542.97	9,810.12	11,300.00	1,489.88	27,120.00
54060 Bulk Trash Removal	350.00	375.00	25.00	1,750.00	1,875.00	125.00	4,500.00
54070 Water & Sewer	22,062.07	20,000.00	(2,062.07)	105,461.14	100,000.00	(5,461.14)	240,000.00
54080 Trash Removal	6,850.00	7,200.00	350.00	34,250.00	36,000.00	1,750.00	86,400.00
54100 Internet, TV & Telephone	353.87	320.00	(33.87)	1,764.22	1,600.00	(164.22)	3,840.00

Account	Current			Year to Date			Yearly
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
Utilities Total	31,332.97	30,155.00	(1,177.97)	153,035.48	150,775.00	(2,260.48)	361,860.00
Contract Services							
60015 Copier Lease Contract	0.00	200.00	200.00	0.00	1,000.00	1,000.00	2,400.00
60067 Golf Cart Lease	200.00	200.00	0.00	1,000.00	1,000.00	0.00	2,400.00
60078 Irrigation Check Service	0.00	200.00	200.00	0.00	1,000.00	1,000.00	2,400.00
60090 Lawn Maintenance Contract	3,400.00	3,400.00	0.00	17,000.00	17,000.00	0.00	40,800.00
60095 Lake Maintenance	0.00	265.00	265.00	0.00	1,325.00	1,325.00	3,180.00
61000 Management Services	15,215.29	16,666.67	1,451.38	72,766.59	83,333.35	10,566.76	200,000.00
61010 Pest Control	217.08	475.00	257.92	1,817.64	2,375.00	557.36	5,700.00
61020 Pool Service Contract	800.00	900.00	100.00	4,000.00	4,500.00	500.00	10,800.00
61045 Security Services	8,898.12	7,000.00	(1,898.12)	40,200.50	35,000.00	(5,200.50)	84,000.00
Contract Services Total	28,730.49	29,306.67	576.18	136,784.73	146,533.35	9,748.62	351,680.00
Repairs & Maintenance							
70045 R&M Electrical	1,752.50	100.00	(1,652.50)	1,752.50	500.00	(1,252.50)	1,200.00
70048 R&M Fountain	0.00	100.00	100.00	0.00	500.00	500.00	1,200.00
70049 R&M Fire Safety Equipment	0.00	750.00	750.00	2,119.67	3,750.00	1,630.33	9,000.00
70050 R&M Fence	0.00	100.00	100.00	0.00	500.00	500.00	1,200.00
70060 R&M General	16,902.00	3,000.00	(13,902.00)	102,649.81	15,000.00	(87,649.81)	36,000.00
70061 R&M Gate	0.00	100.00	100.00	0.00	500.00	500.00	1,200.00
70062 R&M Golf Cart	0.00	50.00	50.00	0.00	250.00	250.00	600.00
70065 R&M Maintenance Supplies	0.00	500.00	500.00	1,097.54	2,500.00	1,402.46	6,000.00
70067 R&M Health Club Equipment	0.00	50.00	50.00	0.00	250.00	250.00	600.00
70068 R&M Irrigation	0.00	200.00	200.00	0.00	1,000.00	1,000.00	2,400.00
70090 R&M Plumbing & Supplies	0.00	500.00	500.00	2,030.00	2,500.00	470.00	6,000.00
70095 R&M Pool/Spa Fountain	0.00	500.00	500.00	0.00	2,500.00	2,500.00	6,000.00
70100 R&M - Pool Furniture	0.00	50.00	50.00	0.00	250.00	250.00	600.00
70105 R&M Pest Control (Bee Removal)	0.00	200.00	200.00	0.00	1,000.00	1,000.00	2,400.00
70110 R&M Roof	0.00	1,666.67	1,666.67	0.00	8,333.35	8,333.35	20,000.00
70115 R&M Security Cameras	0.00	50.00	50.00	0.00	250.00	250.00	600.00
70119 R&M Security Locks & Keys	0.00	20.00	20.00	1,483.95	100.00	(1,383.95)	240.00
70135 Tree Removal	0.00	200.00	200.00	0.00	1,000.00	1,000.00	2,400.00
70138 Tree Trimming Annual Service	0.00	1,200.00	1,200.00	0.00	6,000.00	6,000.00	14,400.00
Repairs & Maintenance Total	18,654.50	9,336.67	(9,317.83)	111,133.47	46,683.35	(64,450.12)	112,040.00
Reserve Transfer							
80000 Reserve Transfer	28,663.40	28,663.40	0.00	143,317.00	143,317.00	0.00	343,960.74
Reserve Transfer Total	28,663.40	28,663.40	0.00	143,317.00	143,317.00	0.00	343,960.74
Total Expense	134,381.94	140,427.16	6,045.22	706,905.25	702,135.80	(4,769.45)	1,685,125.74
Net Income	4,997.64	(0.01)	4,997.65	(6,140.78)	(0.05)	(6,140.73)	0.00