

**THE HAMMOCKS  
COMMUNITY DEVELOPMENT  
DISTRICT**

**JULY 10, 2019**

**AGENDA PACKAGE**

## **The Hammocks Community Development District**

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**Inframark, Infrastructure Management Services**

210 University Drive, #702, Coral Springs, FL 33071

Tel: 954-603-0033 \* Fax 954-345-1292

July 2, 2019

Board of Supervisors  
The Hammocks Community  
Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of The Hammocks Community Development District will be held Wednesday, July 10, 2019 at 8:00 a.m. at the Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida. Following is the advanced agenda for the meeting:

1. Call to Order and Roll Call
2. Public Comments on Agenda Items
3. 4.Public Hearing to Consider Adoption of the Budget for Fiscal Year 2020
  - A. Consideration of Resolution 2019-03 Adopting the Budget
  - B. Consideration of Resolution 2019-04 Levy of Non-Ad Valorem Assessments
4. Consent Agenda
  - A. Approval of the Minutes of the May 8, 2019 Meeting
  - B. Approval of the Financial Statements
5. Staff Reports
  - A. Manager
    - i. Acceptance of the Audit for Fiscal Year Ended September 30, 2018
    - ii. Proposed Meeting Schedule for Fiscal Year 2020
  - B. Attorney
  - C. Engineer
6. Supervisors' Requests
7. Audience Comments
8. Adjournment

Any supporting documents not enclosed for the items above will be distributed at the meeting.

The balance of the agenda is routine in nature and staff will present their reports at the meeting. I look forward to seeing you at the meeting and in the meantime, if you have any questions, please contact me.

Sincerely,

*Bob Nanni*

Manager

cc: Tracy Robin

Tonja Stewart

Denise Ganz

## **Third Order of Business**

**THE HAMMOCKS**  
Community Development District

***Annual Operating and Debt Service Budget***  
Fiscal Year 2020

Version 3 - Modified Tentative Budget:  
(Printed 6/14/19 at 11am)

Prepared by:



# THE HAMMOCKS

Community Development District

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## Table of Contents

	<u>Page #</u>
<b><u>OPERATING BUDGET</u></b>	
General Fund	
Summary of Revenues, Expenditures and Changes in Fund Balances .....	1-2
Exhibit A - Allocation of Fund Balances .....	3
Budget Narrative .....	4-6
<b><u>DEBT SERVICE BUDGET</u></b>	
Series 2016	
Summary of Revenues, Expenditures and Changes in Fund Balances .....	7
Amortization Schedule .....	8
Budget Narrative .....	9
<b><u>SUPPORTING BUDGET SCHEDULES</u></b>	
2020-2019 Non-Ad Valorem Assessment Summary .....	10

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**The Hammocks**  
Community Development District

**Operating Budget**  
Fiscal Year 2020

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2020 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2017	FY 2018	BUDGET	THRU	JUN -	PROJECTED	BUDGET
			FY 2019	MAY-2019	SEP-2019	FY 2019	FY 2020
<b>REVENUES</b>							
Interest - Investments	\$ 1,438	\$ 2,553	\$ 1,998	\$ 2,868	\$ 1,434	\$ 4,302	\$ 2,206
Interest - Tax Collector	75	80	-	134	-	134	-
Special Assmnts- Tax Collector	219,731	219,731	219,731	217,862	1,869	219,731	219,731
Special Assmnts- Discounts	(8,065)	(8,289)	(8,789)	(8,319)	-	(8,319)	(8,789)
Other Miscellaneous Revenues	1,667	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>214,846</b>	<b>214,075</b>	<b>212,940</b>	<b>212,545</b>	<b>3,303</b>	<b>215,848</b>	<b>213,148</b>

**EXPENDITURES**

*Administrative*

P/R-Board of Supervisors	4,800	4,400	6,000	4,000	2,000	6,000	6,000
FICA Taxes	367	337	459	306	153	459	459
ProfServ-Arbitrage Rebate	600	-	600	-	-	-	-
ProfServ-Dissemination Agent	1,000	-	-	-	-	-	-
ProfServ-Engineering	1,917	798	2,000	165	667	832	2,000
ProfServ-Legal Services	1,403	2,403	3,500	346	1,167	1,513	3,500
ProfServ-Mgmt Consulting Serv	46,678	46,678	46,678	31,119	15,559	46,678	47,612
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee Fees	-	3,717	3,718	3,917	-	3,917	3,718
Auditing Services	5,046	5,000	5,024	-	5,024	5,024	5,024
Postage and Freight	153	153	300	74	226	300	300
Insurance - General Liability	10,342	10,297	11,327	9,756	-	9,756	10,732
Printing and Binding	193	78	250	41	209	250	250
Legal Advertising	1,123	3,257	1,200	-	1,200	1,200	1,200
Misc-Bank Charges	541	513	450	362	232	594	696
Misc-Assessmnt Collection Cost	755	642	4,395	4,191	204	4,395	4,395
Misc-Web Hosting	1,000	1,000	1,000	812	364	1,176	1,000
Office Supplies	-	-	25	-	25	25	25
Annual District Filing Fee	175	175	175	175	-	175	175
<b>Total Administrative</b>	<b>88,593</b>	<b>91,948</b>	<b>99,601</b>	<b>67,764</b>	<b>27,029</b>	<b>94,793</b>	<b>99,585</b>

*Field*

Contracts-Landscape	55,183	56,599	56,599	37,733	18,866	56,599	56,599
Contracts-Lakes	4,404	4,656	4,740	3,295	1,688	4,983	5,064
R&M-Fence	410	4,950	5,000	-	5,000	5,000	5,000
R&M-Irrigation	-	6,244	1,000	545	455	1,000	1,000
R&M-Mulch	4,125	10,300	4,500	10,300	-	10,300	4,500
Misc-Contingency	4,680	9,571	21,500	2,568	18,932	21,500	21,400
Reserve - Ponds	-	-	20,000	-	-	-	20,000
<b>Total Field</b>	<b>68,802</b>	<b>92,320</b>	<b>113,339</b>	<b>54,441</b>	<b>44,941</b>	<b>99,382</b>	<b>113,563</b>

<b>TOTAL EXPENDITURES</b>	<b>157,395</b>	<b>184,268</b>	<b>212,940</b>	<b>122,205</b>	<b>71,970</b>	<b>194,175</b>	<b>213,148</b>
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Excess (deficiency) of revenues

Over (under) expenditures	57,451	29,807	-	90,340	(68,667)	21,673	-
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**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2020 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2017	ACTUAL FY 2018	ADOPTED BUDGET FY 2019	ACTUAL THRU MAY-2019	PROJECTED JUN - SEP-2019	TOTAL PROJECTED FY 2019	ANNUAL BUDGET FY 2020
<b>OTHER FINANCING SOURCES (USES)</b>							
Contribution to (Use of) Fund Balance	-	-	-	-	-	-	-
<b>TOTAL OTHER SOURCES (USES)</b>	-	-	-	-	-	-	-
Net change in fund balance	57,451	29,807	-	90,340	(68,667)	21,673	-
<b>FUND BALANCE, BEGINNING</b>	208,410	265,861	295,668	295,668	-	295,668	317,341
<b>FUND BALANCE, ENDING</b>	<b>\$ 265,861</b>	<b>\$ 295,668</b>	<b>\$ 295,668</b>	<b>\$ 386,008</b>	<b>\$ (68,667)</b>	<b>\$ 317,341</b>	<b>\$ 317,341</b>



# THE HAMMOCKS

Community Development District

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## Exhibit "A" Allocation of Fund Balances

### AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2020	\$ 317,341
Net Change in Fund Balance - Fiscal Year 2020	-
Reserves - Fiscal Year 2020 Additions	20,000
<b>Total Funds Available (Estimated) - 9/30/2020</b>	<b>337,341</b>

### ALLOCATION OF AVAILABLE FUNDS

#### *Assigned Fund Balance*

Operating Reserve - First Quarter Operating Capital		53,235 <sup>(1)</sup>
Reserves - Ponds (prior year)	74,978	
Reserves - Ponds (FY 2019)	20,000	
Reserves - Ponds (FY 2020)	20,000	114,978
<b>Total Allocation of Available Funds</b>		<b>168,213</b>

<b>Total Unassigned (undesignated) Cash</b>	<b>\$ 169,128</b>
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### Notes

(1) Represents approximately 3 months of operating expenditures

**Budget Narrative**  
Fiscal Year 2020**REVENUES****Interest-Investments**

The District earns interest on the monthly average collected balance for their operating accounts.

**Special Assessments-Tax Collector**

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District to pay for the operating expenditures during the Fiscal Year.

**Special Assessments-Discounts**

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

**EXPENDITURES****Administrative****P/R-Board of Supervisors**

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon all supervisors attending all of the meetings.

**FICA Taxes**

Payroll taxes for supervisor salaries are calculated as 7.65% of payroll.

**Professional Services-Engineering**

The District's engineer provides general engineering services to the District, i.e. attendance and preparation for monthly board meetings when requested, review of invoices, and other specifically requested assignments.

**Professional Services-Legal Services**

The District's Attorney, Straley & Robin, P.A., provides general legal services to the District, i.e., attendance and preparation for monthly Board meetings, review of contracts, review of agreements and resolutions, and other research as directed or requested by the Board of Supervisors and the District Manager.

**Professional Services-Management Consulting Services**

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Inframark Infrastructure Management Services. Also included are costs for Information Technology charges to process all of the District's financial activities, i.e. accounts payable, financial statements, budgets, etc., on a main frame computer owned by Inframark Infrastructure Management Services in accordance with the management contract and the charge for rentals. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement.

**Professional Services-Special Assessment**

The District has contracted with Inframark Infrastructure Management Services for the collection of assessments, updating the District's tax roll and levying the annual assessment.

**Professional Services-Trustee**

The District issued this Series of 2016 Special Assessment Bonds that are deposited with a Trustee to handle all trustee matters. The annual trustee fee is based on standard fees charged plus any out-of-pocket expenses.

**Budget Narrative**  
Fiscal Year 2020**EXPENDITURES****Administrative (continued)****Auditing Services**

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is estimated based on optional renewal clause within existing engagement letter.

**Postage and Freight**

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

**Insurance-General Liability**

The District's General Liability & Public Officials Liability Insurance policy is with Public Risk Insurance Agency, Inc. They specialize in providing insurance coverage to governmental agencies. The budgeted amount allows for a projected increase in the premium due to market uncertainty.

**Printing and Binding**

Copies used in the preparation of agenda packages, required mailings, and other special projects.

**Legal Advertising**

The District is required to advertise various notices for monthly Board meetings and other public hearings in a newspaper of general circulation.

**Miscellaneous-Bank Charges**

This includes monthly bank charges on the Hancock bank operating account.

**Miscellaneous-Assessment Collection Costs**

The District reimburses the Hillsborough County Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The fiscal year budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

**Miscellaneous-Web Hosting**

Costs associated with web services provided by Inframark Infrastructure Management Services

**Office Supplies**

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

**Annual District Filing Fee**

The District is required to pay an annual fee of \$175 to the Department of Community Affairs.

**Budget Narrative**  
Fiscal Year 2020

**EXPENDITURES**

**Field**

**Contracts-Landscape**

The District currently has a contract with LMP, Inc. to maintain the landscaping and irrigation system of the common areas within the District. The amount is based on proposed contract amounts and prior year's costs, irrigation repairs and replacement. The HOA is billed 58.7% of each invoice.

**Contracts-Lakes**

The District has a permit obligation to comply with certain conditions for the establishment and maintenance of upland/wetland conservation areas and for maintenance of storm water management areas. Aquatics Systems, Inc. – Water management systems monthly fee: \$395 for 9 waterways.

**R&M-Fence**

The District will incur repair and maintenance for the District's fence.

**R&M-Irrigation**

The District will incur repairs and maintenance to the District's irrigation system.

**R&M-Mulch**

The District will replace mulch through out the District.

**Miscellaneous-Contingency**

This represents any additional expenses that may not have been provided for in the budget.

**Reserve-Ponds**

The district anticipates placing funds aside for future repairs.

**The Hammocks**  
Community Development District

**Debt Service Budgets**  
Fiscal Year 2020

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2020 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2017	ACTUAL FY 2018	ADOPTED BUDGET FY 2019	ACTUAL THRU MAY-2019	PROJECTED JUN - SEP-2019	TOTAL PROJECTED FY 2019	ANNUAL BUDGET FY 2020
<b>REVENUES</b>							
Interest - Investments	\$ 318	\$ 653	\$ -	\$ 655	\$ 328	\$ 983	\$ 526
Special Assmnts- Tax Collector	351,522	351,522	350,774	347,790	2,984	350,774	350,774
Special Assmnts- Prepayment	-	9,723	-	-	-	-	-
Special Assmnts- Discounts	(12,902)	(13,261)	(14,031)	(13,281)	-	(13,281)	(14,031)
<b>TOTAL REVENUES</b>	<b>338,938</b>	<b>348,637</b>	<b>336,743</b>	<b>335,164</b>	<b>3,312</b>	<b>338,476</b>	<b>337,269</b>
<b>EXPENDITURES</b>							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	6,773	6,765	7,015	6,690	325	7,015	7,015
Cost of Issuance	10,000	-	-	-	-	-	-
<b>Total Administrative</b>	<b>16,773</b>	<b>6,765</b>	<b>7,015</b>	<b>6,690</b>	<b>325</b>	<b>7,015</b>	<b>7,015</b>
<i>Debt Service</i>							
Principal Debt Retirement	165,000	170,000	180,000	180,000	-	180,000	185,000
Principal Prepayments	-	10,000	-	5,000	-	5,000	-
Interest Expense	106,820	151,680	145,920	145,840	-	145,840	140,000
<b>Total Debt Service</b>	<b>271,820</b>	<b>331,680</b>	<b>325,920</b>	<b>330,840</b>	<b>-</b>	<b>330,840</b>	<b>325,000</b>
<b>TOTAL EXPENDITURES</b>	<b>288,593</b>	<b>338,445</b>	<b>332,935</b>	<b>337,530</b>	<b>325</b>	<b>337,855</b>	<b>332,015</b>
Excess (deficiency) of revenues Over (under) expenditures	50,345	10,192	3,808	(2,366)	2,987	621	5,254
<b>OTHER FINANCING SOURCES (USES)</b>							
Contribution to (Use of) Fund Balance	-	-	3,808	-	-	-	5,254
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>3,808</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,254</b>
Net change in fund balance	50,345	10,192	3,808	(2,366)	2,987	621	5,254
<b>FUND BALANCE, BEGINNING</b>	<b>174,759</b>	<b>225,104</b>	<b>235,296</b>	<b>235,296</b>	<b>-</b>	<b>235,296</b>	<b>235,917</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 225,104</b>	<b>\$ 235,296</b>	<b>\$ 239,104</b>	<b>\$ 232,930</b>	<b>\$ 2,987</b>	<b>\$ 235,917</b>	<b>\$ 241,170</b>

Special Assessment Bonds  
AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	EXTRAORDINARY REDEMPTION	INTEREST	TOTAL
11/1/2019	\$4,375,000.00	3.20%	\$0.00	\$0.00	\$70,000.00	\$70,000.00
5/1/2020	\$4,375,000.00	3.20%	\$185,000.00	\$0.00	\$70,000.00	\$255,000.00
11/1/2020	\$4,190,000.00	3.20%	\$0.00	\$0.00	\$67,040.00	\$67,040.00
5/1/2021	\$4,190,000.00	3.20%	\$190,000.00	\$0.00	\$67,040.00	\$257,040.00
11/1/2021	\$4,000,000.00	3.20%	\$0.00	\$0.00	\$64,000.00	\$64,000.00
5/1/2022	\$4,000,000.00	3.20%	\$195,000.00	\$0.00	\$64,000.00	\$259,000.00
11/1/2022	\$3,805,000.00	3.20%	\$0.00	\$0.00	\$60,880.00	\$60,880.00
5/1/2023	\$3,805,000.00	3.20%	\$200,000.00	\$0.00	\$60,880.00	\$260,880.00
11/1/2023	\$3,605,000.00	3.20%	\$0.00	\$0.00	\$57,680.00	\$57,680.00
5/1/2024	\$3,605,000.00	3.20%	\$205,000.00	\$0.00	\$57,680.00	\$262,680.00
11/1/2024	\$3,400,000.00	3.20%	\$0.00	\$0.00	\$54,400.00	\$54,400.00
5/1/2025	\$3,400,000.00	3.20%	\$215,000.00	\$0.00	\$54,400.00	\$269,400.00
11/1/2025	\$3,185,000.00	3.20%	\$0.00	\$0.00	\$50,960.00	\$50,960.00
5/1/2026	\$3,185,000.00	3.20%	\$220,000.00	\$0.00	\$50,960.00	\$270,960.00
11/1/2026	\$2,965,000.00	3.20%	\$0.00	\$0.00	\$47,440.00	\$47,440.00
5/1/2027	\$2,965,000.00	3.20%	\$230,000.00	\$0.00	\$47,440.00	\$277,440.00
11/1/2027	\$2,735,000.00	3.20%	\$0.00	\$0.00	\$43,760.00	\$43,760.00
5/1/2028	\$2,735,000.00	3.20%	\$235,000.00	\$0.00	\$43,760.00	\$278,760.00
11/1/2028	\$2,500,000.00	3.20%	\$0.00	\$0.00	\$40,000.00	\$40,000.00
5/1/2029	\$2,500,000.00	3.20%	\$245,000.00	\$0.00	\$40,000.00	\$285,000.00
11/1/2029	\$2,255,000.00	3.20%	\$0.00	\$0.00	\$36,080.00	\$36,080.00
5/1/2030	\$2,255,000.00	3.20%	\$250,000.00	\$0.00	\$36,080.00	\$286,080.00
11/1/2030	\$2,005,000.00	3.20%	\$0.00	\$0.00	\$32,080.00	\$32,080.00
5/1/2031	\$2,005,000.00	3.20%	\$260,000.00	\$0.00	\$32,080.00	\$292,080.00
11/1/2031	\$1,745,000.00	3.20%	\$0.00	\$0.00	\$27,920.00	\$27,920.00
5/1/2032	\$1,745,000.00	3.20%	\$270,000.00	\$0.00	\$27,920.00	\$297,920.00
11/1/2032	\$1,475,000.00	3.20%	\$0.00	\$0.00	\$23,600.00	\$23,600.00
5/1/2033	\$1,475,000.00	3.20%	\$275,000.00	\$0.00	\$23,600.00	\$298,600.00
11/1/2033	\$1,200,000.00	3.20%	\$0.00	\$0.00	\$19,200.00	\$19,200.00
5/1/2034	\$1,200,000.00	3.20%	\$285,000.00	\$0.00	\$19,200.00	\$304,200.00
11/1/2034	\$915,000.00	3.20%	\$0.00	\$0.00	\$14,640.00	\$14,640.00
5/1/2035	\$915,000.00	3.20%	\$295,000.00	\$0.00	\$14,640.00	\$309,640.00
11/1/2035	\$620,000.00	3.20%	\$0.00	\$0.00	\$9,920.00	\$9,920.00
5/1/2036	\$620,000.00	3.20%	\$305,000.00	\$0.00	\$9,920.00	\$314,920.00
11/1/2036	\$315,000.00	3.20%	\$0.00	\$0.00	\$5,040.00	\$5,040.00
5/1/2037	\$315,000.00	3.20%	\$315,000.00	\$0.00	\$5,040.00	\$320,040.00
			\$4,375,000.00	\$0.00	\$1,449,280.00	\$5,824,280.00

**Budget Narrative**  
Fiscal Year 2020

**REVENUES**

**Interest - Investments**

The District earns interest income on their trust accounts with US Bank.

**Special Assessment - Tax Collector**

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the debt service expenditures during the Fiscal Year.

**Special Assessment - Discounts**

Per Section 197.162, Florida Statutes, discounts are allowed for early payments. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

**EXPENDITURES**

**Administrative**

**Miscellaneous-Assessment Collection Cost**

The District reimburses the Hillsborough County Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The fiscal year budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

**Debt Service**

**Principal Debt Retirement**

The District pays regular principal payments annually in order to pay down/retire the debt.

**Interest Expense**

The District pays interest expense on the debt twice during the year.



**The Hammocks**  
Community Development District

**Supporting Budget Schedules**  
Fiscal Year 2020

# THE HAMMOCKS

Community Development District

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## Comparison of Assessment Rates Fiscal Year 2020 vs. Fiscal Year 2019

Name	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2020	FY 2019	Percent Change	FY 2020	FY 2019	Percent Change	FY 2020	FY 2019	Percent Change	
Brentwood	\$465.53	\$465.53	0.0%	\$747.92	\$747.92	0.0%	\$1,213.45	\$1,213.45	0.0%	234
Oakwood	\$416.53	\$416.53	0.0%	\$669.19	\$669.19	0.0%	\$1,085.72	\$1,085.72	0.0%	266
										<b>500</b>

**3A.**

## **RESOLUTION 2019-3**

### **THE ANNUAL APPROPRIATION RESOLUTION OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019, AND ENDING SEPTEMBER 30, 2020; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the District Manager has, prior to the fifteenth (15<sup>th</sup>) day in June, 2019, submitted to the Board of Supervisors (the “**Board**”) a proposed budget for the next ensuing budget year (the “**Proposed Budget**”), along with an explanatory and complete financial plan for each fund of the Hammocks Community Development District (the “**District**”), pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

**WHEREAS**, at least sixty (60) days prior to the adoption of the Proposed Budget, the District filed a copy of the Proposed Budget with the local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

**WHEREAS**, the Board set July 10, 2019 at 8:00 a.m. as the date and time of a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a), Florida Statutes; and

**WHEREAS**, the District Manager posted the Proposed Budget on the District’s website at least two days before the public hearing; and

**WHEREAS**, Section 190.008(2)(a), Florida Statutes, requires that, prior to October 1, of each year, the District Board by passage of the Annual Appropriation Resolution shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

**WHEREAS**, the District Manager has prepared a Proposed Budget, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year.

### **NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT:**

#### **Section 1. Budget**

- a. That the Board has reviewed the District Manager’s Proposed Budget, a copy of which is on file with the office of the District Manager and at the District’s Records Office, and hereby approves certain amendments thereto, as shown below.

- b. That the Proposed Budget as amended by the Board attached hereto as **Exhibit A**, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes, and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be subsequently revised as deemed necessary by the District Manager to reflect actual revenues and expenditures for fiscal year 2018/2019 and/or revised projections for fiscal year 2019/2020.
- c. That the adopted budget, as amended, shall be maintained in the office of the District Manager and at the District's Records Office and identified as the "Budget for the Hammocks Community Development District for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020," as adopted by the Board on July 10, 2019.
- d. The final adopted budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption.

**Section 2. Appropriations**

There is hereby appropriated out of the revenues of the District, for the fiscal year beginning October 1, 2019, and ending September 30, 2020, the sum of \$ \_\_\_\_\_ to be raised by the levy of assessments and otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

Total General Fund	\$ _____
Total Debt Service Funds	\$ _____
Total All Funds*	\$ _____

\*Not inclusive of any collection costs.

**Section 3. Budget Amendments**

Pursuant to Section 189.016, Florida Statutes, the District at any time within the fiscal year or within 60 days following the end of the fiscal year may amend its budget for that fiscal year as follows:

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.
- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.

- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

The District Manager or Treasurer must establish administrative procedures to ensure that any budget amendments are in compliance with this Section 3 and Section 189.016 of the Florida Statutes, among other applicable laws. Among other procedures, the District Manager or Treasurer must ensure that any amendments to budget(s) under subparagraphs c. and d. above are posted on the District’s website within 5 days after adoption.

**Section 4. Effective Date.**

This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

**PASSED AND ADOPTED THIS 10TH DAY OF JULY, 2019.**

**ATTEST:**

**HAMMOCKS COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Chair of the Board of Supervisors

Exhibit A: 2019/2020 Budget

**3B.**

**RESOLUTION 2019-4**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT IMPOSING SPECIAL ASSESSMENTS; PROVIDING FOR COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS; CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENT OF THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Hammocks Community Development District (the “**District**”) is a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes for the purpose of providing, operating and maintaining infrastructure improvements, facilities and services to the lands within the District; and

**WHEREAS**, the District is located in the City of Tampa, Hillsborough County, Florida (the “**County**”); and

**WHEREAS**, the District owns and operates various infrastructure improvements and provides certain services in accordance with Chapter 190, Florida Statutes; and

**WHEREAS**, the Board of Supervisors (the “**Board**”) of the District hereby determines to undertake various operations and maintenance activities described in the District’s budget for fiscal year 2019/2020 (“**Operations and Maintenance Budget**”), attached hereto as **Exhibit A** and incorporated as a material part of this Resolution by this reference; and

**WHEREAS**, the District must obtain sufficient funds to provide for the operations and maintenance services and facilities provided by the District as described in the Operations and Maintenance Budget; and

**WHEREAS**, the provision of such services, facilities, and operations is a benefit to lands within the District; and

**WHEREAS**, Chapter 190, Florida Statutes, provides that the District may impose special assessments on benefitted lands within the District; and

**WHEREAS**, Chapter 197, Florida Statutes, provides a mechanism pursuant to which such special assessments may be placed on the County tax roll and collected by the County Tax Collector (“**Uniform Method**”); and

**WHEREAS**, the District has, by resolution and public notice, previously evidenced its intention to utilize the Uniform Method; and

**WHEREAS**, the District has approved an agreement with the Hillsborough County Property Appraiser (the “**Property Appraiser**”) and Hillsborough County Tax Collector (the



“Tax Collector”) to provide for the collection of special assessments under the Uniform Method; and

**WHEREAS**, it is in the best interests of the District to proceed with the imposition of the special assessments on all assessable lands for operations and maintenance in the amount contained in the Operations and Maintenance Budget; and

**WHEREAS**, the District desires to levy and collect special assessments reflecting each parcel’s portion of the District’s Operations and Maintenance Budget; and

**WHEREAS**, it is in the best interests of the District to certify the adopted assessment roll of the District as maintained in the office of the District Manager, available for review, and incorporated as a material part of this Resolution by this reference (the “**Assessment Roll**”), to the Tax Collector pursuant to the Uniform Method; and

**WHEREAS**, it is in the best interests of the District to permit the District Manager to amend the Assessment Roll, including the property certified to the Tax Collector by this Resolution, as the Property Appraiser updates the property roll, for such time as authorized by Florida law.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1. BENEFIT.** The provision of the services, facilities and operations as described in **Exhibit A** confer a special and peculiar benefit to the lands within the District, which benefits exceed or equal the costs of the assessments. The allocation of the costs to the specially benefited lands is shown in **Exhibit A** and in the Assessment Roll.

**SECTION 2. ASSESSMENT IMPOSITION.** Pursuant to Chapter 190 of the Florida Statutes, and using procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operations and maintenance is hereby imposed and levied on benefited lands within the District in accordance with **Exhibit A** and in the Assessment Roll. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

**SECTION 3. COLLECTION AND DUE DATE.** The collection of the previously levied debt service assessments and operations and maintenance special assessments on all assessable lands shall be at the same time and in the same manner as County taxes in accordance with the Uniform Method, as set forth in **Exhibit A** and in the Assessment Roll. The District certifies all assessments for debt service and operations and maintenance for collection pursuant to Chapters 190 and 197, Florida Statutes. All assessments collected by the Tax Collector shall be due and payable as provided in Chapter 197, Florida Statutes.

**SECTION 4. ASSESSMENT ROLL.** The District's Assessment Roll is hereby certified and authorized to be transmitted to the Tax Collector.

**SECTION 5. ASSESSMENT ROLL AMENDMENT.** The District Manager shall keep apprised of all updates made to the property roll by the Property Appraiser after the date of this Resolution, and shall amend the District's Assessment Roll in accordance with any such updates, for such time as authorized by Florida law. After any amendment of the Assessment Roll, the District Manager shall file the updates to the tax roll in the District records.

**SECTION 6. SEVERABILITY.** The invalidity or unenforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall take effect upon the passage and adoption of this Resolution by the Board.

**PASSED AND ADOPTED THIS 10TH DAY OF JULY, 2019.**

**ATTEST:**

**HAMMOCKS COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Secretary/Assistant Secretary

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Chair of the Board of Supervisors

**Exhibit A – Fiscal Year 2019/2020 Operations and Maintenance Budget**

## **Fourth Order of Business**

**4A.**

**MINUTES OF MEETING  
THE HAMMOCKS  
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Hammocks Community Development District held a Regular Meeting on Wednesday, May 8, 2019 at 8:00 a.m. at the Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida.

Present and constituting a quorum were:

Frances Plantikow	Chairperson
Ashley Lynch-Harris	Vice Chairperson
Mike Henke	Assistant Secretary
Juli Moulton	Assistant Secretary

Also present were:

Andy Mendenhall	District Manager
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*The following is a summary of the minutes and actions taken.*

**FIRST ORDER OF BUSINESS**

**Call to Order and Roll Call**

Mr. Mendenhall called the meeting to order and called the roll. A quorum was established.

**SECOND ORDER OF BUSINESS**

**Public Comments on Agenda Items**

There being none, the next order of business.

**THIRD ORDER OF BUSINESS**

**Consent Agenda**

- A. **Approval of the Minutes of the March 13, 2019 Meeting**
- B. **Approval of the Financial Statements**

Ms. Plantikow MOVED to approve the Consent Agenda and Mr. Henke seconded the motion.
--

- Mr. Mendenhall outlined the purpose of the Consent Agenda.

**FOURTH ORDER OF BUSINESS**

**Staff Reports**

- A. **Manager**
  - ii. **Report on the Number of Registered Voters- 689**

- Mr. Mendenhall reported the number of voters at 689.
- i. **Distribution of the Proposal Budget for Fiscal Year 2020 and Consideration of Resolution 2019-02 Approving the budget and Setting the Public Hearing**
- Mr. Mendenhall outlined the budget process.
- He reported there is a Reserve account set up for pond repairs with an available balance of \$114,000.
- There is also unassigned fund balance of \$167,956, meaning not being used.
- There was consensus for the budget to remain as is without an increase.

On MOTION by Ms. Plantikow seconded by Ms. Lynch- Harris, with all in favor, Resolution 2019-2 a resolution of the Board of Supervisors of The Hammocks Community Development District approving the proposed budget for fiscal year 2020 and setting a public hearing thereon pursuant to Florida law was adopted.

**B. Attorney**

There being none, the next item followed.

**C. Engineer**

There being none, the next item followed.

**FIFTH ORDER OF BUSINESS**

**Supervisors' Requests**

- Ms. Lynch-Harris noted Buccaneer is supposed to provide the Board a statement with the type of chemicals being sprayed along with a tentative schedule on when spraying occurs.
  - When spraying fertilizer, Buccaneer is getting it all over the street, sidewalks.
  - Buccaneer is not using flag markers when spraying.
  - Mr. Mendenhall reported they should have MSDS sheets available.
- Ms. Plantikow addressed an area on Indian Rosewood where the lawn crew has knocked over the dog station.
  - It was noted this is HOA.
- Ms. Lynch-Harris asked about email and logins.
  - Mr. Mendenhall explained he will have information sent over.

**SIXTH ORDER OF BUSINESS**

**Audience Comments**

There being none.

**SEVENTH ORDER OF BUSINESS**

**Adjournment**

There being no further business,

On MOTION by Ms. Moulton seconded by Mr. Henke with all in favor, the meeting was adjourned.

---

Frances Plantikow  
Chairperson

**4B**



**The Hammocks  
Community Development District**

**Financial Report**

*May 31, 2019*

**Table of Contents**

<b><u>FINANCIAL STATEMENTS</u></b>	Page #
Balance Sheet - All Funds .....	1
Statement of Revenues, Expenditures and Changes in Fund Balances	
General Fund .....	2-3
Debt Service Funds .....	4
 <b><u>SUPPORTING SCHEDULES</u></b>	
Cash & Investment Report .....	5
Bank Reconciliation .....	6
Check Register .....	7

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**The Hammocks  
Community Development District**

**Financial Statements**

(Unaudited)

*May 31, 2019*

**Balance Sheet**  
May 31, 2019

ACCOUNT DESCRIPTION	GENERAL FUND	SERIES 2016 DEBT SERVICE FUND	TOTAL
<b><u>ASSETS</u></b>			
Cash - Checking Account	\$ 39,418	\$ -	\$ 39,418
Accounts Receivable	13,409	-	13,409
Investments:			
Certificates of Deposit - 12 Months	41,290	-	41,290
Money Market Account	291,891	-	291,891
Prepayment Account	-	64	64
Reserve Fund	-	129,152	129,152
Revenue Fund	-	103,714	103,714
<b>TOTAL ASSETS</b>	<b>\$ 386,008</b>	<b>\$ 232,930</b>	<b>\$ 618,938</b>
<b><u>FUND BALANCES</u></b>			
<b>Restricted for:</b>			
Debt Service	-	232,930	232,930
<b>Assigned to:</b>			
Operating Reserves	53,235	-	53,235
Reserves - Ponds	74,978	-	74,978
<b>Unassigned:</b>	257,795	-	257,795
<b>TOTAL FUND BALANCES</b>	<b>\$ 386,008</b>	<b>\$ 232,930</b>	<b>\$ 618,938</b>

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
For the Period Ending May 31, 2019

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>
<b><u>REVENUES</u></b>				
Interest - Investments	\$ 1,998	\$ 1,336	\$ 2,868	\$ 1,532
Interest - Tax Collector	-	-	134	134
Special Assmnts- Tax Collector	219,731	219,731	217,862	(1,869)
Special Assmnts- Discounts	(8,789)	(8,789)	(8,319)	470
<b>TOTAL REVENUES</b>	<b>212,940</b>	<b>212,278</b>	<b>212,545</b>	<b>267</b>
<b><u>EXPENDITURES</u></b>				
<b><u>Administration</u></b>				
P/R-Board of Supervisors	6,000	6,000	4,000	2,000
FICA Taxes	459	459	306	153
ProfServ-Arbitrage Rebate	600	600	-	600
ProfServ-Engineering	2,000	1,336	165	1,171
ProfServ-Legal Services	3,500	2,336	346	1,990
ProfServ-Mgmt Consulting Serv	46,678	31,118	31,119	(1)
ProfServ-Special Assessment	12,500	12,500	12,500	-
ProfServ-Trustee Fees	3,718	3,718	3,917	(199)
Auditing Services	5,024	5,024	-	5,024
Postage and Freight	300	200	74	126
Insurance - General Liability	11,327	11,327	9,756	1,571
Printing and Binding	250	168	41	127
Legal Advertising	1,200	800	-	800
Misc-Bank Charges	450	304	362	(58)
Misc-Assessmnt Collection Cost	4,395	4,395	4,191	204
Misc-Web Hosting	1,000	668	812	(144)
Office Supplies	25	17	-	17
Annual District Filing Fee	175	175	175	-
<b>Total Administration</b>	<b>99,601</b>	<b>81,145</b>	<b>67,764</b>	<b>13,381</b>
<b><u>Field</u></b>				
Contracts-Landscape	56,599	37,733	37,733	-
Contracts-Lakes	4,740	3,160	3,295	(135)
R&M-Fence	5,000	3,336	-	3,336
R&M-Irrigation	1,000	664	545	119
R&M-Mulch	4,500	4,500	10,300	(5,800)
Misc-Contingency	21,500	14,336	2,568	11,768
Reserve - Ponds	20,000	-	-	-
<b>Total Field</b>	<b>113,339</b>	<b>63,729</b>	<b>54,441</b>	<b>9,288</b>
<b>TOTAL EXPENDITURES</b>	<b>212,940</b>	<b>144,874</b>	<b>122,205</b>	<b>22,669</b>

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
For the Period Ending May 31, 2019

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>
Excess (deficiency) of revenues				
Over (under) expenditures	-	67,404	90,340	22,936
Net change in fund balance	\$ -	\$ 67,404	\$ 90,340	\$ 22,936
<b>FUND BALANCE, BEGINNING (OCT 1, 2018)</b>	<b>295,668</b>	<b>295,668</b>	<b>295,668</b>	
<b>FUND BALANCE, ENDING</b>	<b><u>\$ 295,668</u></b>	<b><u>\$ 363,072</u></b>	<b><u>\$ 386,008</u></b>	

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
For the Period Ending May 31, 2019

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>
<b><u>REVENUES</u></b>				
Interest - Investments	\$ -	\$ -	\$ 655	\$ 655
Special Assmnts- Tax Collector	350,774	350,774	347,790	(2,984)
Special Assmnts- Discounts	(14,031)	(14,031)	(13,281)	750
<b>TOTAL REVENUES</b>	<b>336,743</b>	<b>336,743</b>	<b>335,164</b>	<b>(1,579)</b>
<b><u>EXPENDITURES</u></b>				
<b><u>Administration</u></b>				
Misc-Assessmnt Collection Cost	7,015	7,015	6,690	325
<b>Total Administration</b>	<b>7,015</b>	<b>7,015</b>	<b>6,690</b>	<b>325</b>
<b><u>Debt Service</u></b>				
Principal Debt Retirement	180,000	180,000	180,000	-
Principal Prepayments	-	-	5,000	(5,000)
Interest Expense	145,920	145,920	145,840	80
<b>Total Debt Service</b>	<b>325,920</b>	<b>325,920</b>	<b>330,840</b>	<b>(4,920)</b>
<b>TOTAL EXPENDITURES</b>	<b>332,935</b>	<b>332,935</b>	<b>337,530</b>	<b>(4,595)</b>
Excess (deficiency) of revenues Over (under) expenditures	3,808	3,808	(2,366)	(6,174)
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Contribution to (Use of) Fund Balance	3,808	-	-	-
<b>TOTAL FINANCING SOURCES (USES)</b>	<b>3,808</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net change in fund balance	\$ 3,808	\$ 3,808	\$ (2,366)	\$ (6,174)
<b>FUND BALANCE, BEGINNING (OCT 1, 2018)</b>	<b>235,296</b>	<b>235,296</b>	<b>235,296</b>	
<b>FUND BALANCE, ENDING</b>	<b>\$ 239,104</b>	<b>\$ 239,104</b>	<b>\$ 232,930</b>	

**The Hammocks  
Community Development District**

**Supporting Schedules**

*May 31, 2019*



**Cash and Investment Report**

*May 31, 2019*

<b>General Fund</b>
---------------------

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Yield</u>	<u>Balance</u>
Checking Account - Operating	Hancock	n/a	0.00%	\$39,418
Certificate of Deposit - 12 months	Bank United	CD maturing 3/11/20	2.65%	\$41,290
MMA	Bank United	Money Market Account	1.75%	\$291,891
			<b>Subtotal</b>	<u>\$372,600</u>

<b>Debt Service Funds</b>
---------------------------

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Yield</u>	<u>Balance</u>
Series 2016 Prepayment Account	US Bank	US Bank Open Ended CP	0.00%	\$64
Series 2016 Reserve	US Bank	US Bank Open Ended CP	0.30%	\$129,152
Series 2016 Revenue Fund	US Bank	US Bank Open Ended CP	0.30%	\$103,714
			<b>Subtotal</b>	<u>\$232,930</u>
			<b>Total</b>	<u><u>\$605,530</u></u>

# The Hammocks CDD

## Bank Reconciliation

**Bank Account No.** 2057 Hancock Bank - GF  
**Statement No.** 05-19  
**Statement Date** 5/31/2019

<b>G/L Balance (LCY)</b>	39,418.49	<b>Statement Balance</b>	39,434.93
<b>G/L Balance</b>	39,418.49	<b>Outstanding Deposits</b>	0.00
<b>Positive Adjustments</b>	0.00		
	<hr/>	<b>Subtotal</b>	39,434.93
<b>Subtotal</b>	39,418.49	<b>Outstanding Checks</b>	16.44
<b>Negative Adjustments</b>	0.00	<b>Differences</b>	0.00
	<hr/>		
<b>Ending G/L Balance</b>	39,418.49	<b>Ending Balance</b>	39,418.49
<b>Difference</b>	0.00		

Posting Date	Document Type	Document No.	Description	Amount	Cleared Amount	Difference
<b>Outstanding Checks</b>						
5/29/2019	Payment	3256	FEDEX	16.44	0.00	16.44
<b>Total Outstanding Checks.....</b>				<b>16.44</b>		<b>16.44</b>

# THE HAMMOCKS

## Community Development District

### Payment Register by Bank Account

For the Period from 4/1/19 to 5/31/19

(Sorted by Check / ACH No.)

Pymt Type	Check / ACH No.	Date	Payee Type	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
<b>HANCOCK BANK - GF - (ACCT# XXXXX2057)</b>									
Check	3241	04/10/19	Vendor	STRALEY & ROBIN	16900	GEN MATTERS THRU 3/15/19	ProfServ-Legal Services	001-531023-51401	\$315.60
Check	3242	04/10/19	Vendor	INFRAMARK, LLC	39437	MAR MGMT FEES	ADMIN FEES	001-531027-51201	\$3,889.83
Check	3242	04/10/19	Vendor	INFRAMARK, LLC	39437	MAR MGMT FEES	POSTAGE	001-541006-51301	\$1.50
Check	3242	04/10/19	Vendor	INFRAMARK, LLC	39437	MAR MGMT FEES	WEB HOSTING	001-549915-51301	\$83.33
Check	3242	04/10/19	Vendor	INFRAMARK, LLC	39437	MAR MGMT FEES	COPIES	001-547001-51301	\$8.55
Check	3243	04/10/19	Vendor	AQUATIC SYSTEMS, INC	0000439787	APR AQUATIC SERVICE	Contracts-Lakes	001-534084-53901	\$422.00
Check	3244	04/15/19	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	52917	PERFORMANCE APR LANDSCAPE	OAKWOOD/BRENTWOOD	001-534050-53901	\$2,855.08
Check	3244	04/15/19	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	52916	APR LANDSCAPE MAINT	OAKWOOD/BRENTWOOD	001-534050-53901	\$8,565.24
Check	3245	04/23/19	Vendor	HAMMOCKS CDD C/O US BANK N.A.	042219	TRFR OF FY2019 ASSMNTS	Due From Other Funds	131000	\$5,498.07
Check	3246	05/01/19	Vendor	INFRAMARK, LLC	40317	APR MGMT FEES	ProfServ-Mgmt Consulting Serv	001-531027-51201	\$3,889.83
Check	3246	05/01/19	Vendor	INFRAMARK, LLC	40317	APR MGMT FEES	Printing and Binding	001-547001-51301	\$19.85
Check	3246	05/01/19	Vendor	INFRAMARK, LLC	40317	APR MGMT FEES	Postage and Freight	001-541006-51301	\$4.50
Check	3246	05/01/19	Vendor	INFRAMARK, LLC	40317	APR MGMT FEES	Misc-Web Hosting	001-549915-51301	\$83.33
Check	3246	05/01/19	Vendor	INFRAMARK, LLC	40317	APR MGMT FEES	3/11 DNH GODADDY.COM	001-549915-51301	\$60.44
Check	3247	05/02/19	Vendor	AQUATIC SYSTEMS, INC	0000442681	MAY LAKE/WETLAND SVCS	Contracts-Lakes	001-534084-53901	\$422.00
Check	3248	05/09/19	Employee	FRANCES K. PLANTIKOW	PAYROLL	May 09, 2019 Payroll Posting			\$183.87
Check	3249	05/09/19	Employee	MICHAEL J. HENKE	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
Check	3250	05/09/19	Employee	ASHLEY LYNCH-HARRIS	PAYROLL	May 09, 2019 Payroll Posting			\$184.70
Check	3251	05/09/19	Employee	JULI L. MOULTON	PAYROLL	May 09, 2019 Payroll Posting			\$183.87
Check	3252	05/13/19	Vendor	HAMMOCKS CDD C/O US BANK N.A.	051019	TRFR FY 2019 ASSESSMENTS	Due From Other Funds	131000	\$1,407.30
Check	3253	05/16/19	Vendor	STANTEC CONSULTING SERVICES INC	1507616	ENGG SVCS THRU APR 2019	ProfServ-Engineering	001-531013-51501	\$165.00
Check	3254	05/23/19	Vendor	INFRAMARK, LLC	41048	MAY MGMT FEES	ADMIN FEES	001-531027-51201	\$3,889.83
Check	3254	05/23/19	Vendor	INFRAMARK, LLC	41048	MAY MGMT FEES	POSTAGE	001-541006-51301	\$1.50
Check	3254	05/23/19	Vendor	INFRAMARK, LLC	41048	MAY MGMT FEES	WEB HOSTING	001-549915-51301	\$83.33
Check	3255	05/23/19	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	53336	MAY LANDSCAPE MAINT BASE	OAKWOOD/BRENTWOOD	001-534050-53901	\$8,565.24
Check	3255	05/23/19	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	53337	MAY LANDSCAPE MAINT	OAKWOOD/BRENTWOOD	001-534050-53901	\$2,855.08
Check	3256	05/29/19	Vendor	FEDEX	6-558-92927	MAY POSTAGE	Postage and Freight	001-541006-51301	\$16.44
<b>Account Total</b>									<b>\$43,840.01</b>

<b>Total Amount Paid</b>	<b>\$43,840.01</b>
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## **Fifth Order of Business**

**5A**

**5Ai.**

**THE HAMMOCKS  
COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2018**

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA**

**TABLE OF CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-6
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet – Governmental Funds	9
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	12
Notes to the Financial Statements	13-20
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	21
Notes to Required Supplementary Information	22
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	23-24
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	25
MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA	26-27





## INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors  
The Hammocks Community Development District  
Hillsborough County, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2018, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2019, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

### **Report on Other Legal and Regulatory Requirements**

We have also issued our report dated May 28, 2019, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

May 28, 2019

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of The Hammocks Community Development District, Hillsborough County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2018. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

### FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$572,859).
- The change in the District's total net position in comparison with the prior fiscal year was \$171,396, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2018, the District's governmental funds reported combined ending fund balances of \$530,964, an increase of \$39,999 in comparison with the prior fiscal year. The total fund balance is restricted for debt service, assigned for operating reserves and ponds, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

### OVERVIEW OF FINANCIAL STATEMENTS

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

#### 1) Government-Wide Financial Statements

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

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

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

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

#### 2) Fund Financial Statements

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

## OVERVIEW OF FINANCIAL STATEMENTS (Continued)

### 2) Fund Financial Statements (Continued)

#### Governmental Funds

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

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

The District maintains two governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and debt service funds, both of which are considered major funds.

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

### 3) Notes to the Financial Statements

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

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

	NET POSITION	
	SEPTEMBER 30,	
	2018	2017
Current and other assets	\$ 531,681	\$ 492,441
Capital assets, net of depreciation	3,516,977	3,567,980
Total assets	4,048,658	4,060,421
Current liabilities	61,517	64,676
Long-term liabilities	4,560,000	4,740,000
Total liabilities	4,621,517	4,804,676
Net position		
Net investment in capital assets	(1,043,023)	(1,172,020)
Restricted	174,496	161,904
Unrestricted	295,668	265,861
Total net position	\$ (572,859)	\$ (744,255)

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase represents the extent to which ongoing program revenues exceeded the cost of operations and depreciation expense.

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

	CHANGES IN NET POSITION	
	FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
	2018	2017
Revenues:		
Program revenues		
Charges for services	\$ 559,426	\$ 550,286
General revenues	3,286	3,498
Total revenues	<u>562,712</u>	<u>553,784</u>
Expenses:		
General government	98,713	95,366
Maintenance and operations	143,323	119,805
Interest	149,280	155,850
Cost of issuance	-	10,000
Total expenses	<u>391,316</u>	<u>381,021</u>
Change in net position	171,396	172,763
Net position - beginning	<u>(744,255)</u>	<u>(917,018)</u>
Net position - ending	<u>\$ (572,859)</u>	<u>\$ (744,255)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2018 was \$391,316. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, increased from the prior fiscal year as a result of prepayment assessments received in the current year. In total, expenses increased from the prior fiscal year. The majority of the increased is associated with the increase in maintenance services including landscape maintenance and irrigation repairs.

## GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2018.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2018, the District had \$4,129,013 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$612,036 has been taken, which resulted in a net book value of \$3,516,977. More detailed information about the District's capital assets is presented in the notes of the financial statements.

### Capital Debt

At September 30, 2018, the District had \$4,560,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for fiscal year 2019. In addition, it is anticipated that the general operations of the District will remain fairly constant.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, landowners, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact The Hammocks Community Development District's Finance Department at 210 N. University Drive, Suite 702, Coral Springs, Florida, 33071.

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2018**

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 227,446
Investments	40,660
Interest receivable	353
Due from HOA	24,339
Due from other governments	3,587
Restricted assets:	
Investments	235,296
Capital assets:	
Nondepreciable	2,598,914
Depreciable	918,063
Total assets	4,048,658
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	717
Accrued interest payable	60,800
Non-current liabilities:	
Due within one year	180,000
Due in more than one year	4,380,000
Total liabilities	4,621,517
 <b>NET POSITION</b>	
Net investment in capital assets	(1,043,023)
Restricted for debt service	174,496
Unrestricted	295,668
Total net position	\$ (572,859)

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u> Charges for Services	<u>Net (Expense) Revenue and Changes in Net Position</u> Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 98,713	\$ 98,713	\$ -
Maintenance and operations	143,323	112,729	(30,594)
Interest on long-term debt	149,280	347,984	198,704
Total governmental activities	391,316	559,426	168,110
General revenues:			
Investment earnings			3,286
Total general revenues			3,286
Change in net position			171,396
Net position - beginning			(744,255)
Net position - ending			\$ (572,859)

See notes to the financial statements



**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2018**

	Major Funds		Total Governmental Funds
	General	Debt Service 2016	
<b>ASSETS</b>			
Cash	\$ 227,446	\$ -	\$ 227,446
Investments	40,660	235,296	275,956
Interest receivable	353	-	353
Due from HOA	24,339	-	24,339
Due from other governments	3,587	-	3,587
Total assets	<u>\$ 296,385</u>	<u>\$ 235,296</u>	<u>\$ 531,681</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 717	\$ -	\$ 717
Total liabilities	<u>717</u>	<u>-</u>	<u>717</u>
Fund balances:			
Restricted for:			
Debt service	-	235,296	235,296
Assigned:			
Operating reserves	52,898	-	52,898
Reserves - Ponds	74,978	-	74,978
Unassigned	167,792	-	167,792
Total fund balances	<u>295,668</u>	<u>235,296</u>	<u>530,964</u>
Total liabilities and fund balances	<u>\$ 296,385</u>	<u>\$ 235,296</u>	<u>\$ 531,681</u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS  
TO STATEMENT OF NET POSITION  
SEPTEMBER 30, 2018**

Fund balance - governmental funds		\$ 530,964
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.		
Cost of capital assets	4,129,013	
Accumulated depreciation	<u>(612,036)</u>	3,516,977
Assets that are not available to pay for current-period expenditures are deferred in the fund statements.		
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Accrued interest payable	(60,800)	
Bonds payable	<u>(4,560,000)</u>	<u>(4,620,800)</u>
Net position of governmental activities		<u>\$ (572,859)</u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Major Funds		Total Governmental Funds
	General	Debt Service 2016	
<b>REVENUES</b>			
Assessments	\$ 211,442	\$ 347,984	\$ 559,426
Interest	2,633	653	3,286
Total revenues	<u>214,075</u>	<u>348,637</u>	<u>562,712</u>
<b>EXPENDITURES</b>			
Current:			
General government	91,948	6,765	98,713
Maintenance and operations	92,320	-	92,320
Debt service:			
Principal	-	180,000	180,000
Interest	-	151,680	151,680
Total expenditures	<u>184,268</u>	<u>338,445</u>	<u>522,713</u>
Excess (deficiency) of revenues over (under) expenditures	29,807	10,192	39,999
Fund balances - beginning	<u>265,861</u>	<u>225,104</u>	<u>490,965</u>
Fund balances - ending	<u>\$ 295,668</u>	<u>\$ 235,296</u>	<u>\$ 530,964</u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

Net change in fund balances - total governmental funds	\$	39,999
Amounts reported for governmental activities in the statement of activities are different because:		
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.		(51,003)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.		180,000
The change in accrued interest on long-term liabilities between the current and prior fiscal years is recorded in the statement of activities, but not in the governmental fund financial statements.		<u>2,400</u>
Change in net position of governmental activities	\$	<u><u>171,396</u></u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY**

The Hammocks Community Development District (the "District") was established pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes and created by Ordinance No. 2005-112 of the City of Tampa, Florida enacted on April 28, 2005, effective on May 12, 2005. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure. The District was established for the purpose of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

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

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

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-Wide and Fund Financial Statements**

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

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

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

## **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

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

### **Assessments**

Assessments are non-ad valorem assessments on benefited lands within the District. Assessments are levied to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. The District's annual assessments for operations and debt service are billed and collected by the County Tax Assessor/Collector. The amounts remitted to the District are net of applicable discounts or fees and include interest on monies held from the day of collection to the day of distribution.

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

The District reports the following major governmental funds:

### **General Fund**

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

### **Debt Service Fund**

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

### **Assets, Liabilities and Net Position or Equity**

#### **Restricted Assets**

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

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Deposits and Investments

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

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

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

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due. In addition, surplus funds may be deposited into certificates of deposit which are insured and any unspent Bond proceeds are required to be held in investments as specified in the Bond Indenture.

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

#### Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

#### Capital Assets

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

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

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure – drainage system	30

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

#### Unearned Revenue

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

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Assets, Liabilities and Net Position or Equity (Continued)

#### Long-Term Obligations

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

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

#### Deferred Outflows/Inflows of Resources

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

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

#### Fund Equity/Net Position

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

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

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

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

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

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



## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Other Disclosures

#### Use of Estimates

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

## NOTE 3 – BUDGETARY INFORMATION

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

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

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

## NOTE 4 - DEPOSITS AND INVESTMENTS

### Deposits

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

### Investments

The District's investments were held as follows at September 30, 2018:

	<u>Amortized cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
U.S. Bank Commercial Paper	\$ 235,296	S&P A-1+	Open Ended
Bank United Certificate of Deposit	40,660	n/a	3/9/2019
	<u>\$ 275,956</u>		

The commercial paper investments are held by the trustee but not in the District's name.

*Credit risk* – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

*Concentration risk* – The District places no limit on the amount the District may invest in any one issuer.

*Interest rate risk* – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

## NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

### Investments (Continued)

However, the Bond Indenture limits the type of investments held using unspent proceeds.

*Fair Value Measurement* – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. Non-negotiable, non-transferable certificates of deposits that do not consider market rates are required to be reported at amortized cost. Accordingly, the District's investments have been reported at amortized cost above.

## NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2018 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 2,598,914	\$ -	\$ -	\$ 2,598,914
Total capital assets, not being depreciated	<u>2,598,914</u>	<u>-</u>	<u>-</u>	<u>2,598,914</u>
Capital assets, being depreciated				
Infrastructure - drainage system	1,530,099	-	-	1,530,099
Total capital assets, being depreciated	<u>1,530,099</u>	<u>-</u>	<u>-</u>	<u>1,530,099</u>
Less accumulated depreciation for:				
Infrastructure - drainage system	561,033	51,003	-	612,036
Total accumulated depreciation	<u>561,033</u>	<u>51,003</u>	<u>-</u>	<u>612,036</u>
Total capital assets, being depreciated, net	<u>969,066</u>	<u>(51,003)</u>	<u>-</u>	<u>918,063</u>
Governmental activities capital assets, net	<u>\$ 3,567,980</u>	<u>\$ (51,003)</u>	<u>\$ -</u>	<u>\$ 3,516,977</u>

Depreciation expense was charged to maintenance and operations function.

## NOTE 6 - LONG-TERM LIABILITIES

### Series 2016

In August 2016, the District issued \$4,905,000 of Special Assessment Refunding Bonds, Series 2016 due on May 1, 2037 with a fixed interest rate of 3.20%. The Bonds were issued for the primary purpose of refunding the District's outstanding Series 2005A Special Assessment Bonds (the "Refunded Bonds"), the proceeds of which were used to finance the acquisition and construction of certain improvements for the benefit of the District. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2016. Principal is to be paid serially commencing May 1, 2017 through May 1, 2037.

The Series 2016 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2018.

### Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2018 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2016	\$ 4,740,000	\$ -	\$ 180,000	\$ 4,560,000	\$ 180,000
Governmental activity long-term liabilities	<u>\$ 4,740,000</u>	<u>\$ -</u>	<u>\$ 180,000</u>	<u>\$ 4,560,000</u>	<u>\$ 180,000</u>

At September 30, 2018, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2019	\$ 180,000	\$ 145,920	\$ 325,920
2020	185,000	140,160	325,160
2021	190,000	134,240	324,240
2022	195,000	128,160	323,160
2023	200,000	121,920	321,920
2024-2028	1,105,000	509,280	1,614,280
2029-2033	1,305,000	319,680	1,624,680
2034-2037	1,200,000	97,600	1,297,600
	<u>\$ 4,560,000</u>	<u>\$ 1,596,960</u>	<u>\$ 6,156,960</u>

## NOTE 7 – COST SHARE AGREEMENT

In September 2010, the District entered into a cost sharing agreement with The Hammocks Townhomes Homeowners Association, Inc. ("HOA") whereby the District arranges for and supervises landscape maintenance services. The HOA is required to pay the District for the HOA's portion of shared costs related to the landscaping and irrigation maintenance activity of the HOA. Shared costs are allocated on a percentage basis with 58.7% allocated to the HOA and 41.3% allocated to the District. For the fiscal year ended September 30, 2018, the District incurred charges of \$137,044 from the vendor for shared base monthly landscaping and approximately \$43,000 for additional services. Of that amount, \$107,054 was for charges to be reimbursed by the HOA. As of September 30, 2018, the HOA owed the District \$24,339.

**NOTE 8 - DEFICIT NET POSITION**

The District has a government-wide net position deficit of (\$572,859) as of September 30, 2018. There is no such deficit reflected in the governmental fund financial statements. The deficit in the government-wide statement of net position primarily relates to the excess of the amount of long-term debt outstanding over the amount of capital assets, net of accumulated depreciation. In a prior year various infrastructure improvements necessary to complete the District were financed through the issuance of long-term debt but were conveyed to other entities for maintenance. Those capital assets are not included in the assets of the District; however, the long-term debt associated with those assets remains a liability of the District.

**NOTE 9 - MANAGEMENT COMPANY**

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

**NOTE 10 - RISK MANAGEMENT**

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

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Assessments	\$ 210,942	\$ 211,442	\$ 500
Interest	651	2,633	1,982
Total revenues	211,593	214,075	2,482
<b>EXPENDITURES</b>			
Current:			
General government	98,640	91,948	6,692
Maintenance and operations	112,953	92,320	20,633
Total expenditures	211,593	184,268	27,325
Excess (deficiency) of revenues over (under) expenditures	\$ -	29,807	\$ 29,807
Fund balance - beginning		265,861	
Fund balance - ending		\$ 295,668	

See notes to required supplementary information

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT  
HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2018.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors  
The Hammocks Community Development District  
Hillsborough County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated May 28, 2019.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

May 28, 2019





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

To the Board of Supervisors  
The Hammocks Community Development District  
Hillsborough County, Florida

We have examined The Hammocks Community Development District, Hillsborough County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2018. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2018.

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

May 28, 2019



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

To the Board of Supervisors  
The Hammocks Community Development District  
Hillsborough County, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2018, and have issued our report thereon dated May 28, 2019.

**Auditor's Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 28, 2019, should be considered in conjunction with this management letter.

**Purpose of this Letter**

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

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

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

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

May 28, 2019

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2017.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2018.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2018.

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

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

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2018. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

**5Aii.**

**Notice of Meetings for the Fiscal Year 2020**  
**The Hammocks Community Development District**

The Board of Supervisors of The Hammocks Community Development District will hold their meetings for Fiscal Year 2020 at the Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida on the **second** Wednesday of every other month at 8:00 a.m. as follows unless indicated otherwise:

November 13, 2019  
January 8, 2020  
March 11, 2020  
May 13, 2020  
July 8, 2020  
September 9, 2020

There may be occasions when one or more Supervisors will participate by telephone. The meeting may be continued to a date, time, and place to be specified on the record at the meeting.

In accordance with the provisions of the Americans with Disabilities Act, any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Management Company, Inframark, Infrastructure Management Services at (954) 603-0033. If you are hearing or speech impaired, please contact the Florida Relay Service at 7-1-1 or (800) 955-8770 for aid in contacting the District Office at least two (2) days prior to the date of the hearing and meeting.

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

Bob Nanni  
District Manager