



Hammock Bay Community Development District

February 26, 2026

Agenda Package

TEAMS MEETING INFORMATION

MEETING ID:241 870 989 020 5

PASSCODE: Vv7Sf6Sr

[Join the meeting now](#)

Or

DIAL BY PHONE:

1-646-838-1601

Phone Conference ID: 558333821#

313 Campus Street, Celebration, Florida 34747

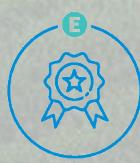
CLEAR PARTNERSHIPS



COLLABORATION



LEADERSHIP



EXCELLENCE



ACCOUNTABILITY



RESPECT

Hammock Bay Community Development District

Board of Supervisors

Tim Edwards, Chairperson
 David Underwood, Vice Chairperson
 Mary Barnes, Assistant Treasurer
 Daniel Rosenheim, Assistant Secretary
 Dane Sauer, Assistant Secretary

Staff:

Jennifer Goldyn, Director of District Services
 Samantha Harvey, District Manager
 Hanna Yi, District Accountant
 Karen Baker, District Administrative Assistant
 Tucker Mackie Esq., District Counsel
 Rich Welch, District Engineer

Meeting Agenda

Thursday, February 26, 2026 at 6:00 p.m. CST

Audience Participation

Call-in Number: 1-646-838-1601, Conference ID: 558333821#

1. **Call to Order and Roll Call**
2. **Motion to Approve the Agenda**
3. **Audience Comments -Three (3) Minute Time Limit**
4. **Business Administration**
 - A. Consideration of Minutes from the Meeting held on October 30, 2025Page 3
5. **Business Items**
 - A. Discussion of the Fiscal Year 2025 Audit – Ms. Lauren Villarreal
 - i. Acceptance of the Fiscal Year 2025 Audit Prepared by Carr, Riggs & Ingram LLCPage 8
 - B. Discussion of Fiscal Year 2026/2027 Budget.....Page 52
 - C. Consideration of Resolution 2026-04, Removing and Designating New Treasurer....Page 65
 - D. Consideration of Resolution 2026-05, General ElectionPage 66
6. **Staff Reports**
 - A. District Accountant
 - B. District Counsel
 - C. District Manager
7. **Supervisor Requests**
8. **Adjournment**

The next meeting is scheduled for Thursday, May 28, 2026 at 6:00 p.m. CST

District Office:
 Inframark
 313 Campus Street,
 Celebration, FL. 33607
 813-873-7300

Meeting Location
 Hammock Bay Lake Center
 1830 Great Hammock Bend
 Freeport, FL.32429

**MINUTES OF THE MEETING
HAMMOCK BAY COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Hammock Bay Community Development District held a regular meeting on Thursday, October 30, 2025 at 6:00 p.m. (CST) at the Hammock Bay Lake Club, located at 1830 Great Hammock Bend, Freeport, FL 32439.

Present and constituting a quorum were:

Tim Edwards	Chairperson
David Underwood	Vic Chairperson
Mary Barnes	Assistant Secretary
Daniel Rosenheim	Assistant Secretary
Dane Sauer	Assistant Secretary

Also present were:

Samantha Harvey District Manager
Tucker Mackie District Counsel (via Teams)
Lauren Villarreal Carr, Riggs & Ingram LLC

This is not a certified or verbatim transcript but rather represents the context and summary of the meeting. The full meeting is available in audio format upon request. Contact the District Office for any related costs for an audio copy.

FIRST ORDER OF BUSINESS

Call to Order / Roll Call

Ms. Harvey called the meeting to order and called the roll. A quorum was established.

SECOND ORDER OF BUSINESS

Motion to Approve the Agenda

Ms. Harvey requested to add Resolution 2026-03 Budget Amendment to the agenda.

On MOTION by Mr. Edwards seconded by Mr. Underwood with all in favor, the agenda was approved, as amended. 4-0

THIRD ORDER OF BUSINESS

Audience Comments

None

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Discussion of New Supervisor for Seat #1 (Term Expires 11/2028)

i. Letter of Intent – Dane Sauer

44 The Board conducted a question-and-answer session with Mr. Sauer regarding his interest
45 in joining the Board and the value he could bring as a new Board member. Mr. Sauer expressed
46 his desire to serve in order to make a meaningful impact.

47
48 On MOTION by Mr. Edwards seconded by Ms. Barnes
49 with all in favor, Mr. Dane Sauer was appointed to Seat #1
50 of the Board. 4-0

51
52 **B. Oath of Office of Newly Elected Supervisor**

53 Mr. Sauer read his Oath of Office into the record.

54
55 **C. Consideration of Resolution 2026-01, Designation of Officers**

56 Ms. Harvey outlined the resolution.

57
58 Mr. Underwood MOVED to appoint himself to be Vice
59 Chairperson and Mr. Edwards seconded the motion.

60
61 Upon VOICE VOTE with all in favor, Mr. Underwood was
62 appointed Vice Chairperson. 5-0

63
64 Mr. Edwards proposed that a Board member be designated to serve as Assistant Treasurer.

65
66 Ms. Barnes MOVED to appoint herself to Assistant
67 Treasurer and Mr. Rosenheim seconded the motion.

68
69 Upon VOICE VOTE with all in favor, Ms. Barnes was
70 appointed Assistant Treasurer. 5-0

72
73 On MOTION by Mr. Edwards seconded by Ms. Barnes
74 with all in favor, Resolution 2026-01, with Mr. Edwards, as
75 Chairperson; Mr. Underwood as Vice Chairperson; Ms.
76 Barnes as Assistant Treasurer; Mr. Rosenheim and Mr.
77 Sauer, as Assistant Secretaries; Ms. Leah Popelka as
78 Treasurer, Ms. Angel Montagna as Assistant Treasurer, Ms.
79 Jennifer Goldyn as Secretary; and Ms. Samantha Harvey as
80 Assistant Secretary was adopted. 5-0

81 Ms. Mackie provided a brief overview to Mr. Sauer about the CDD and the Florida
82 Sunshine Law. The public records law was explained to Mr. Sauer as well. Additionally, Ms.
83 Mackie and Ms. Harvey will send the required information for his role as a new Board supervisor.

85 **FIFTH ORDER OF BUSINESS**

Business Administration

86 **A. Consideration of Minutes from the Meeting held August 28, 2025**87
88 On MOTION by Ms. Barnes seconded by Mr. Rosenheim
89 with all in favor, the Minutes of the Meeting held on August
90 28, 2025 were approved as presented. 5-091 **B. Explanation of Variance in Miscellaneous Contingency Account**92 Ms. Sowani explained the variance errors made in the miscellaneous contingency expense
93 and how it was resolved. Ms. Sowani explained that in addition to the Board receiving the
94 financials by email monthly, Ms. Harvey will also be receiving the general ledger monthly.95
96 Ms. Sowani discussed closing the account with Trustmark since the account is not being
97 used.98
99 On MOTION by Mr. Edwards seconded by Mr. Rosenheim
100 with all in favor, closing the Trustmark account and
101 transferring the funds to the operating account was
102 approved. 5-0103 **C. Consideration of Operations and Maintenance Expenditures April 2025**104 **D. Acceptance of April 2025 Financial Reports**105 **E. Consideration of Operations and Maintenance Expenditures May 2025**106 **F. Consideration of May 2025 Financial Reports**107 **G. Consideration of Operations and Maintenance Expenditures June 2025**108 **H. Consideration of June 2025 Financial Reports**109
110 On MOTION by Mr. Edwards seconded by Ms. Barnes
111 with all in favor, motion approved in consent form for
112 agenda items 5C through 5H. 5-0113 **I. Consideration of Resolution 2026-03, Budget Amendment**114 Ms. Sowani presented the budget amendment to the Board, outlining the line items. She
115 proposed an increase of \$6,600 for an increased budget total of \$81,000. This is solely for
116 compliance purposes.117
118 On MOTION by Mr. Edwards seconded by Ms. Barnes
119 with all in favor, Resolution 2026-03, Budget Amendment
120 for Fiscal Year 2025 was adopted. 4-0

125 **SIXTH ORDER OF BUSINESS** **Business Items**
126 **A. Discussion of the Audit – Ms. Lauren Villarreal**
127 **i. Acceptance of the Fiscal Year 2023 Audit Prepared by Carr, Riggs, & Ingram**
128 **LLC (Tabled Item)**
129 Ms. Villarreal with Carr, Riggs, and Ingram LLC introduced herself and discussed Chapter
130 190, audit requirements and the audit filing process. She provided an in-depth overview of the
131 2023 audit. She explained to the Board they will make a correction of an error to remove the assets
132 from the financials. These assets will be zeroed out of the Fiscal Year 2025 Audit.

133 The Board requested directions from Inframark on where the District needs to be with
134 raising assessments for Fiscal Year 2026-2027 budget. Surplus was built into the revenue. Ms.
135 Mackie stated the CDD has built up a reserve to meet the general fund requirements. Ms. Sowani
136 commented that they are not using debt service for this. Ms. Villarreal confirmed the CDD has had
137 a shortfall for several years.

138

139 On MOTION by Mr. Underwood seconded by Mr.
140 Rosenheim with all in favor, Carr, Riggs, & Ingram LLC
141 Fiscal Year 2023 Audit was accepted. 5-0

142

143 **B. Acceptance of the Fiscal Year 2024 Audit Prepared by Carr, Riggs & Ingram LLC**
144 Ms. Villarreal provided an overview of the Fiscal Year 2024 Audit. Ms. Harvey inquired
145 why the Fiscal Year 2024 audit expense was not accrued. Ms. Villarreal responded it was not billed
146 in a timely manner, and this will be completed on time moving forward.

147

148 On MOTION by Mr. Edwards seconded by Ms. Barnes
149 with all in favor, Carr, Riggs, & Ingram LLC Fiscal Year
150 2024 Audit was accepted. 5-0

151

152 Mr. Edwards inquired at what revenue threshold do you not need an audit. Ms. Mackie
153 stated Chapter 190 requires a CDD to have an audit regardless of the threshold. Ms. Mackie stated
154 the Board may think about dissolving the District once the bonds are paid off. Mr. Edwards
155 inquired whether audit fees will decrease in the future. Ms. Villarreal will investigate this after all
156 reporting for 2025 is done.

157 **C. Consideration of Resolution 2026-02, Adopting Goals and Objectives**
158

159 On MOTION by Mr. Edwards seconded by Ms. Barnes
160 with all in favor, Resolution 2026-02, Adopting Goals,
161 Objectives and Performance Measures and Standards;
162 Providing a Severability Clause; and Providing an Effective
163 Date was adopted. 5-0

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

i. Ethics Training Reminder

168 Ms. Harvey gave an ethics training review, noting this is now an annual requirement.

169 The Board must complete their Form 1 and confirm they have completed the ethics
170 training by December 31, 2025.

B. District Engineer

173 No report.

C. District Manager

176 No report.

EIGHTH ORDER OF BUSINESS

Supervisor Requests

179 Mr. Underwood provided an update on his discussions with the City of Freeport. He noted
180 the roads are being taken over by the City. Mr. Underwood requested the conveyance documents
181 be emailed to him so he can present them to the City. An audience member, Ms. Paige Brown, a
182 realtor in Hammock Bay, stated she informs prospective buyers about the CDD prior to home
183 purchases. However, she believes that more than half of homeowners, both new buyers and
184 existing residents are unaware of the CDD fees.

NINTH ORDER OF BUSINESS

Adjournment

187 There being no further business,

On MOTION by Mr. Edwards seconded by Mr. Underwood, with all in favor, the meeting was adjourned at 8:06 p.m. 4-0

193 **194** **Secretary/Assistant Secretary**

Chairperson/Vice Chairperson

Hammock Bay Community Development District

REQUIRED COMMUNICATIONS

September 30, 2025



CARR, RIGGS & INGRAM, L.L.C.

February 4, 2026

Carr, Riggs & Ingram, L.L.C.
500 Grand Boulevard
Suite 210
Miramar Beach, FL 32550

850.837.3141
850.654.4619 (fax)
CRIadv.com

The Board of Supervisors of
Hammock Bay Community Development District

We are pleased to present the results of our audit of the 2025 financial statements of the Hammock Bay Community Development District ("the District").

This report to the Board of Supervisors and Management summarizes our audit, the report issued and various analyses and observations related to the District's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the District's 2025 financial statements. We considered the District's current and emerging business needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you expect. We received the full support and assistance of District personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Board of Supervisors, Management and others within the District and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 850-837-3141 or LVillarreal@CRIadv.com.

Very truly yours,

A handwritten signature in blue ink that reads "Lauren Villarreal".

Lauren Villarreal, CPA
Partner



As discussed with the Board of Supervisors and Management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the District. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Supervisors, 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, in order to express an opinion on the District's financial statements for the year ended September 30, 2025;
- 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*;
- Communicate directly with the Board of Supervisors and Management regarding the results of our procedures; and
- Address with the Board of Supervisors and Management any accounting and financial reporting issues.
- Anticipate and respond to concerns of the Board of Supervisors and Management; and
- Address other audit-related projects as they arise and upon request.

Required Communications



We have audited the financial statements of Hammock Bay Community Development District for the year ended September 30, 2025, and have issued our report thereon dated February 4, 2026. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Auditor's responsibility under Generally Accepted Auditing Standards and <i>Government Auditing Standards</i>	<p>As stated in our engagement letter dated July 25, 2025, our responsibility as described by professional standards is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
Client's responsibility	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>

Required Communications



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates & Carr, Riggs & Ingram, L.L.C. Comments on Quality."
Potential effect on the financial statements of any significant risks and exposures	No such significant risks or exposures were noted.
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles.	<p>The significant accounting policies used by the District are described in Note 2 of the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year 2025.</p> <p>We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Certain financial statements disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were: Note 3: Prior Period Adjustment and Note 5: Notes Payable.</p> <p>Further, the disclosures in the District's financial statements are neutral, consistent, and clear.</p>
Significant difficulties encountered in the audit	We encountered no significant difficulties in dealing with management in performing and completing the audit.
Disagreements with management	We are pleased to report that no such disagreements arose during the course of our audit.

Required Communications



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Other findings or issues	<p>Management should ensure entries are posted to the government wide debt and asset accounts annually to ensure activity is appropriately captured.</p> <p>Additionally, during fiscal year 2024, the District overpaid the trustee \$10,000 in interest to be credited in a future period. This amount was not applied against interest expense in the current year and continues to be included in accounts receivable as of September 30, 2025.</p>
Corrected and uncorrected misstatements	<p>Please see the following section titled "Summary of Audit Adjustments."</p>
Matters arising from the audit that were discussed with, or the subject of correspondence with, management	<p>The auditor's report for the year ended September 30, 2025 includes an emphasis of matter paragraph regarding the correction of an error to remove capital asset balances previously conveyed to another entity. The impacts of the correction of this error are reflected on the Statement of Net Position on page 9 of the audited financial statements.</p>
Major issues discussed with management prior to retention	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
Consultations with other accountants	<p>To our knowledge, there were no such consultations with other accountants.</p>
Written representations	<p>We have requested certain representations from management that are included in the management representation letter dated February 4, 2026.</p>
Internal control deficiencies	<p>None noted.</p>
Fraud and illegal acts	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Other information in documents containing audited financial	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • such information is materially inconsistent with the financial statements; and • we believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
Significant unusual accounting transactions	<p>No significant unusual accounting transactions were noted during the year.</p>
Required supplementary information	<p>We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>

Accounting Policies, Judgments and Sensitive Estimates & Carr, Riggs & Ingram, L.L.C. Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the District's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board of Directors may wish to monitor throughout the year the process used to compute and record these accounting estimates. No sensitive estimates were noted during the year.

Summary of Audit Adjustments



During the course of our audit, we accumulate differences between amounts recorded by the District and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the District or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditor's judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

In connection with our audit, we identified the following material misstatements which were corrected by management:

- An adjustment totaling \$10,000 to adjust interest expense to actual paid per debt confirmation.
- An adjustment totaling \$10,000 to properly state current year debt service fund balance and investment interest earnings.
- An adjustment totaling \$180,000 to properly state long-term debt balances for government-wide financial statement presentation.

In connection with our audit, we identified the following misstatement which management believes, and we agree, is immaterial to the financial statements as a whole.

- An adjustment totaling approximately \$1,100 to accrue FY25 legal fees.
- An adjustment totaling approximately \$1,900 to accrue current year excess due from the County tax collector.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.

Summary of Audit Adjustments



- Whether the difference concerns an area of the District's operating environment that has been identified as playing a significant role in the District's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference involves concealment of an unlawful transaction.

Hammock Bay Community Development District

FINANCIAL STATEMENTS

September 30, 2025

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CARR, RIGGS & INGRAM, L.L.C.

Agenda Page 20
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INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Hammock Bay Community Development District
Walton County, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Hammock Bay Community Development District (hereinafter referred to as "District"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Error

As discussed in Note 3 to the financial statements, during the current year, the District discovered that water line infrastructure previously conveyed to the City was still included in capital asset balances on the District's accounting records. An adjustment was made to correct these amounts, which is reflected in the Statement of Net Position on page 9. Our opinion is not modified with respect to that matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

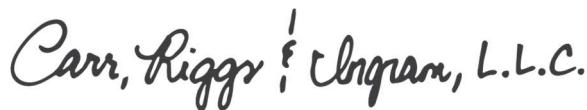
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 on pages 4 - 8 and 23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 February 4, 2026 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and 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 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.



CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida

February 4, 2026

Management's Discussion And Analysis

Hammock Bay Community Development District Management's Discussion and Analysis

Our discussion and analysis of the Hammock Bay Community Development District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the District's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

- At September 30, 2025, the liabilities exceed the assets and deferred outflows of resources of the District by approximately \$1.4 million (deficit net position).
- During the year ended September 30, 2025, the District incurred approximately \$61,000 of interest expenditures and repaid principal of \$160,000.

USING THE ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 9 – 10 provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a Whole

Our analysis of the District as a whole begins on page 5. One of the most important questions asked about the District's finances is, "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and related changes during the current year. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors; however, such as changes in the District's assessment base and the condition of the District's infrastructure, to assess the overall health of the District.

Hammock Bay Community Development District Management's Discussion and Analysis

Reporting the District's Most Significant Funds

Our analysis of the District's major funds begins on page 6. The fund financial statements begin on page 11 and provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. All of the District's funds are governmental fund-types.

- *Governmental funds* – All of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

THE DISTRICT AS A WHOLE

The following table reflects the condensed Statement of Net Position and is compared to the prior year.

<i>September 30,</i>	<i>(as restated)</i>			Change
	2025	2024		
Assets				
Current and other assets	\$ 343,922	\$ 323,125	\$ 20,797	
Total assets	343,922	323,125	20,797	
Deferred inflows of resources				
Deferred charge on refunding	-	2,162	(2,162)	
Total assets and deferred outflows of resources	\$ 343,922	\$ 325,287	\$ 18,635	
Liabilities				
Current liabilities	\$ 168,238	\$ 186,563	\$ (18,325)	
Other liabilities	1,545,000	1,695,000	(150,000)	
Total liabilities	1,713,238	1,881,563	(168,325)	
Net position				
Restricted for:				
Debt service	298,244	272,456	25,788	
Unrestricted	(1,667,560)	(1,828,732)	161,172	
Total net position	(1,369,316)	(1,556,276)	186,960	
Total liabilities and net position	\$ 343,922	\$ 325,287	\$ 18,635	

For more detailed information, see the accompanying Statement of Net Position.

Hammock Bay Community Development District Management's Discussion and Analysis

During the fiscal year ended September 30, 2025, total assets increased by approximately \$21,000 while total liabilities decreased by approximately \$168,000. Total deferred inflows of resources did not significantly change from the prior year. The increase in assets is primarily a result of current year operational results. The decrease in liabilities is primarily due to the scheduled principal payments and principal prepayments made on the Series 2016 Note during the year.

The following schedule compares the Statement of Activities for the current and previous fiscal year.

<i>For the year ended September 30,</i>	<i>(as restated)</i>		
	2025	2024	Change
Revenue:			
Program revenue:			
Charges for services	\$ 286,756	\$ 275,926	\$ 10,830
Grants and contributions	36,270	36,358	(88)
Total revenue	323,026	312,284	10,742
Expenses:			
General government	75,301	63,574	11,727
Interest	60,765	70,290	(9,525)
Total expenses	136,066	133,864	2,202
Change in net position	186,960	178,420	8,540
Net position, beginning of year, as restated	(1,556,276)	(1,734,696)	178,420
Net position, end of year	\$ (1,369,316)	\$ (1,556,276)	\$ 186,960

For more detailed information, see the accompanying Statement of Activities.

Revenue increased by approximately \$11,000 over the prior fiscal year while total expenses did not significantly change from the prior year. The increase in revenue is primarily due to increase in operations and maintenance assessment rates. The overall result was a \$186,960 increase in net position for fiscal year 2025.

THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds (as presented in the balance sheet on page 11) reported a combined fund balance of approximately \$344,000, which is an increase from last year's balance that totaled \$317,000. Significant transactions are discussed below.

Hammock Bay Community Development District Management's Discussion and Analysis

- During the fiscal year ended September 30, 2025, the District incurred approximately \$61,000 of interest expenditures and repaid principal of \$160,000.

The overall increase in fund balance for the year ended September 30, 2025 totaled approximately \$27,000.

DEBT ADMINISTRATION

At September 30, 2025, the District had approximately \$1.7 million of debt outstanding. This amount represents a decrease of \$160,000 from the fiscal year 2024 total.

A listing of debt amounts outstanding for the current and prior year is as follows:

<u>September 30,</u>	2025	2024	Change
Series 2016 Note	\$ 1,690,000	\$ 1,850,000	\$ (160,000)

More information about the District's long-term debt is presented in Note 5 to the financial statements.

GOVERNMENTAL FUNDS BUDGETARY HIGHLIGHTS

An Operating budget was established by the governing board for the District pursuant to the requirements of Florida Statutes. The budget to actual comparison for the general fund, including the original budget and final adopted budget, is shown at page 23.

The District experienced a favorable variance in revenue in the amount of \$3,700 as compared to the budget while the District's expenditures were consistent with the budget. The variance in revenue resulted from interest earnings on the District's cash accounts.

FUTURE FINANCIAL FACTORS

Hammock Bay Community Development District is an independent special district that operates under the provisions of Chapter 190, Florida Statutes. The District operates under an elected Board of Supervisors, which establishes policy and sets assessment rates. Assessment rates for fiscal year 2026 were established to provide for the operations of the District as well as the necessary debt service requirements.

Hammock Bay Community Development District Management's Discussion and Analysis

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District's finances. If you have questions about this report or need additional financial information, contact the Hammock Bay Community Development District's management company, Inframark Management Services, at 2005 Pan Am Circle, Suite 300, Tampa, FL, 33607.

Basic Financial Statements

Hammock Bay Community Development District Statement of Net Position

<u>September 30,</u>	2025	
	Governmental Activities	
Assets		
Cash and cash equivalents	\$	33,227
Investments		293,734
Accounts receivable		10,000
Prepaid expenses		6,961
 Total assets		 343,922
Liabilities		
Accrued interest payable		23,238
Non-current liabilities:		
Due within one year		145,000
Due in more than one year		1,545,000
 Total liabilities		 1,713,238
Net position		
Restricted for:		
Debt service		298,244
Unrestricted		(1,667,560)
 Total net position	 \$	 (1,369,316)

The accompanying notes are an integral part of these financial statements.

Hammock Bay Community Development District Statement of Activities

For the year ended September 30,

2025

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position	
				Program Revenue	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ (75,301)	\$ 74,742	\$ -	\$ (559)	
Interest	(60,765)	212,014	36,270		187,519
Total governmental activities	\$ (136,066)	\$ 286,756	\$ 36,270		186,960
Net position - beginning of year, as originally stated					4,193,831
Prior period adjustment					(5,750,107)
Net position - beginning of year, as restated					(1,556,276)
Net position - end of year					\$ (1,369,316)

The accompanying notes are an integral part of these financial statements.

**Hammock Bay Community Development District
Balance Sheet – Governmental Funds**

September 30,

2025

	General	Debt Service	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 33,227	\$ -	\$ 33,227
Investments	- -	293,734	293,734
Accounts receivable	- -	10,000	10,000
Prepaid expenditures	6,961	- -	6,961
Due from other funds	- -	42,748	42,748
Total assets	\$ 40,188	\$ 346,482	\$ 386,670
Liabilities and Fund Balances			
Liabilities			
Due to other funds	\$ 42,748	\$ - -	\$ 42,748
Total liabilities	42,748	- -	42,748
Fund balance			
Nonspendable	6,961	- -	6,961
Restricted for debt service	- -	346,482	346,482
Unassigned	(9,521)	- -	(9,521)
Total fund balance (deficit)	(2,560)	346,482	343,922
Total liabilities and fund balances	\$ 40,188	\$ 346,482	\$ 386,670

The accompanying notes are an integral part of these financial statements.

**Hammock Bay Community Development District
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of
Net Position**

<u>September 30,</u>	<u>2025</u>
Total fund balances, governmental funds	\$ 343,922
Liabilities not due and payable from current resources, including accrued interest, are not reported in the fund level statements.	<u>(1,713,238)</u>
<u>Total net position - governmental activities</u>	<u>\$ (1,369,316)</u>

The accompanying notes are an integral part of these financial statements.

**Hammock Bay Community Development District
Statement of Revenue, Expenditures and Changes in Fund Balances –
Governmental Funds**

For the year ended September 30,

	2025			Total Governmental Funds
	General	Debt Service		
Revenue				
Assessments	\$ 74,742	\$ 212,014	\$ 286,756	
Prepayment revenue	-	19,237	19,237	
Interest	3,893	13,140	17,033	
Total revenue	78,635	244,391	323,026	
Expenditures				
Current:				
General government	75,301	-	75,301	
Debt service:				
Principal	-	160,000	160,000	
Interest	-	60,803	60,803	
Total expenditures	75,301	220,803	296,104	
Excess of revenue over expenditures	3,334	23,588	26,922	
Fund balance (deficit), beginning of year	(5,894)	322,894	317,000	
Fund balance (deficit), end of year	\$ (2,560)	\$ 346,482	\$ 343,922	

The accompanying notes are an integral part of these financial statements.

Hammock Bay Community Development District
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities

<i>For the year ended September 30,</i>	2025
Net change in fund balances - governmental funds	\$ 26,922
Certain debt transactions are treated as expenditures in governmental fund financial statements, whereas these payments are eliminated in the Statement of Activities and recognized as a decrease in note payable on the Statement of Net Position.	160,000
Amortization of deferred charge on refundings is not recognized in the governmental fund statements but is reported as an expense in the Statement of Activities.	(2,162)
The change in accrued interest between the current and prior year is recorded on the Statement of Activities but not on the fund level statements.	<u>2,200</u>
Change in net position of governmental activities	<u>\$ 186,960</u>

The accompanying notes are an integral part of these financial statements.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 1: NATURE OF ORGANIZATION

The Hammock Bay Community Development District (the “District”) was established on February 10, 2004 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by City of Freeport Ordinance No. 2004-01. 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 purposes 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 a Board of Supervisors (“Board”), which is comprised of five members. The Supervisors are elected on an at large basis by the owners of the property within the District. During the reporting period, one Supervisor was affiliated with the Developer of the community, Freeport 860, LLC. The Board of Supervisors of the District exercises 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.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity was made by applying the criteria set forth by Generally Accepted Accounting Principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB). Based on the foregoing criteria, no potential component units were found.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to GAAP as applicable to governments in accordance with those promulgated by GASB. The following is a summary of the more significant policies:

Government-wide and Fund Financial Statements

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

Hammock Bay Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2025, the District did not have any significant business-type activities. Therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use, or directly benefit from goods or services) are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Basis of 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 the related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and other 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Assessments, including debt service assessments along with operation and maintenance assessments, are non-ad valorem special assessments imposed on all lands located within the District and benefited by the District's activities, operation and maintenance. Assessments are levied and certified for collection by the District prior to the start of the fiscal year which begins October 1st and ends on September 30th. Operation and maintenance special assessments are imposed upon all benefited lands located in the District. Debt service special assessments are imposed upon certain lots and lands as described in each resolution imposing the special assessment for each series of bonds issued by the District.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

General Fund – The General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in other funds.

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.

For the year ended September 30, 2025, the District does not report any proprietary funds.

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 District's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in the governmental fund financial statements, it is the government's policy to use committed resources first, followed by assigned resources, then unassigned resources as needed.

Cash, Deposits and Investments

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities in accordance with collateral requirements determined by the State's Chief Financial Officer. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by GASB, Statement Number 40, *Deposits and Investment Disclosures (An Amendment of GASB, Statement Number 3)*.

The District is authorized to invest in financial instruments as established by Section 218.415, Florida Statutes. The authorized investments include among others direct obligation of the U.S. Treasury; the Local Government Surplus Trust Funds as created by Section 218.405, Florida Statutes; SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and interest-bearing time deposits or savings accounts in authorized financial institutions.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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 over the life of the bonds using the straight-line or effective interest method. Bonds payable are reported net of these premiums or discounts. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current period expenses.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the 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 Net Position and Balance Sheet – Governmental Funds will sometimes include 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. The District does not have any of this type of item at September 30, 2025.

In addition to liabilities, the Statement of Net Position and Balance Sheet – Governmental Funds 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. The District does not have any of this type of item at September 30, 2025.

Fund Equity

Net position in the government-wide financial statements represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources and is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents assets related to infrastructure and property, plant and equipment, net of any related debt. Restricted net position represents the assets restricted by the District's bond covenants.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District board through approval of resolutions. Assigned fund balance is a limitation imposed by a designee of the District board. Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenditures on the Statement of Net Position. These items will be expensed over the applicable usage period.

Budgets

The District is required to establish a budgetary system and an approved annual budget. Annual budgets are legally adopted on a basis consistent with GAAP for the General Fund. Any revision to the budget must be approved by the District Board. The budgets are compared to actual expenditures. In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent final authorization amounts. During the fiscal year ended September 30, 2025, actual expenditures exceeded budgeted appropriations due to greater legal and administrative expenses being incurred than anticipated in the current year.

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. A public hearing is conducted to obtain 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. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, February 4, 2026, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NOTE 3: PRIOR PERIOD ADJUSTMENT

During the year ended September 30, 2025, the District discovered that water line infrastructure previously conveyed to the City of Freeport was still included in capital asset balances on the District's accounting records. An adjustment was made to correct those amounts which resulted in a decrease in capital assets, net, and beginning net position totaling \$5,750,107 on the accompanying Statement of Net Position. Additionally, prior year comparative information in the management's discussion and analysis portion of this report has been updated to reflect this restatement. The change had no effect on the Balance Sheet – Governmental Funds.

NOTE 4: INVESTMENTS

As shown below, the District's investments held at September 30, 2025 consist of short-term money market funds. In accordance with GASB 72, *Fair Value Measurement and Application*, the money market amounts are reported in the financial statements at amortized cost.

<u>September 30,</u>	<u>2025</u>	<u>Credit Risk</u>	<u>Maturities</u>
Short-term Money Market Funds	\$ 293,734	S&P AAAm	42 days

Custodial credit risk – For an investment, custodial credit risk is the risk that the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. At September 30, 2025, the money market funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration risk – The District's investment policy requires diversification, but does not specify limits on types of investments.

Interest rate risk – The District does not have a formal policy for addressing interest rate risk; however, investments are made with discretion, to seek reasonable returns, preserve capital, and in general, avoid speculative investments. The District manages its exposure to declines in fair values from interest rate changes by reviewing the portfolio on an ongoing basis for changes in effective yield amounts.

Hammock Bay Community Development District

Notes to Financial Statements

NOTE 5: NOTE PAYABLE

On January 27, 2016, the District closed on a \$3,175,000 note payable issued for the purpose of refunding certain outstanding debt of the District. Interest payments are due semiannually on May 1 and November 1, with the principal payments due on May 1. The note carries an interest rate of 3.30%. The final payment is due on May 1, 2035. The net proceeds of the Series 2016 Special Assessment Revenue Refunding Note were used to refund the Capital Improvement Revenue Bonds, Series 2004A.

Long-term liability activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities</i>					
Notes Payable:					
Series 2016	\$ 1,850,000	\$ -	\$ (160,000)	\$ 1,690,000	\$ 145,000

At September 30, 2025, the scheduled debt service requirements on long-term debt were as follows:

<i>Year Ending September 30,</i>	Principal	Interest	Total Debt Service
2026	145,000	55,770	200,770
2027	150,000	50,985	200,985
2028	155,000	46,035	201,035
2029	160,000	40,920	200,920
2030	165,000	53,460	218,460
2031 - 2035	915,000	95,535	1,010,535
	\$ 1,690,000	\$ 342,705	\$ 2,032,705

The Note agreement requires that the District maintain adequate funds in reserve accounts to meet the debt service reserve requirements as defined in the agreement. The requirement has been met for the fiscal year ended September 30, 2025.

The Note agreement has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedure to be followed by the District on assessments to property owners. The District agreed to levy special assessments in annual amounts adequate to provide payment of debt service. The District is in compliance with the requirements of the Note agreement.

Hammock Bay Community Development District Notes to Financial Statements

NOTE 6: 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 maintains commercial insurance coverage to mitigate the risk of loss. Coverage may not extend to all situations. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in the previous three years, as there have been no claims.

NOTE 7: 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 (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

**Required Supplemental Information
(Other Than MD&A)**

**Hammock Bay Community Development District
Budget to Actual Comparison Schedule – General Fund**

For the year ended September 30,

	2025		
	Original and Final Budget	Actual Amounts	Variance with Final Budget
Revenue			
Assessments	\$ 74,959	\$ 74,742	\$ (217)
Interest	-	3,893	3,893
Total revenue	74,959	78,635	3,676
Expenditures			
General government	74,959	75,301	(342)
Total expenditures	74,959	75,301	(342)
Excess of revenue over expenditures	-	3,334	3,334



CARR, RIGGS & INGRAM, L.L.C.

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**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
Hammock Bay Community Development District
Walton 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 Hammock Bay Community Development District (hereinafter referred to as the "District"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 4, 2026.

Report on 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) as a basis for designing 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 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.

Report on 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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida

February 4, 2026



CARR, RIGGS & INGRAM, L.L.C.

Agenda Page 48
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MANAGEMENT LETTER

To the Board of Supervisors
Hammock Bay Community Development District
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of Hammock Bay Community Development District ("District") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated February 4, 2026.

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 Florida Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' 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 February 4, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual audit report.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Hammock Bay Community Development District reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 0.
- c. All compensation earned by or awarded to employees whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. The District does not have any construction projects with a total cost of at least \$65,000 that are scheduled to begin on or after October 1 of the fiscal year being reported.
- f. The District did not amend its final adopted budget under Section 189.016(6).

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General, the Hammock Bay Community Development District reported:

- a. The rate or rates of non-ad valorem special assessments imposed by the district as ranging from \$694 to \$1,221 for Series 2016 assessment areas.

- b. The total amount of special assessments collected by or on behalf of the district as \$286,756.
- c. The total amount of outstanding debt issued by the district as \$1,690,000.

Additional Matters

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

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
February 4, 2026



CARR, RIGGS & INGRAM, L.L.C.

Agenda Page 51
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INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Supervisors
Hammock Bay Community Development District
Walton County, Florida

We have examined Hammock Bay Community Development District's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2025. 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 above. 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 depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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 year ended September 30, 2025.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
February 4, 2026



Hammock Bay
Community Development District

FISCAL YEAR 2027
PROPOSED BUDGET

February 26, 2026

CLEAR PARTNERSHIPS



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Hammock Bay
Community Development District

Operating Budget
FY 2027

Summary of Revenues Expenditures and Changes in Fund Balance

Fiscal Year 2027 Budget

General Fund 001

ACCOUNT DESCRIPTION	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL	
	BUDGET FY 2026	THRU 1/31/2026	February- 9/30/2026	PROJECTED FY 2026	% +/(-) Budget	BUDGET FY 2027
REVENUES						
Interest - Investments	\$0.00	\$787.00	\$0.00	\$787.00	0%	\$0.00
Operations & Maintenance Assmts - On Roll	\$77,709.00	\$73,853.00	\$3,856.00	\$77,709.00	0%	\$0.00
TOTAL REVENUES	\$77,709.00	\$74,640.00	\$3,856.00	\$78,496.00	1%	\$0.00
EXPENDITURES						
<i>Administrative</i>						
Supervisor Fees	\$3,200.00	\$600.00	\$2,600.00	\$3,200.00	0%	\$0.00
District Management	\$36,909.00	\$12,303.00	\$24,606.00	\$36,909.00	0%	\$0.00
Website Admin Services	\$550.00	\$1,613.00	\$0.00	\$1,613.00	193%	\$0.00
District Engineer	\$2,000.00	\$0.00	\$2,000.00	\$2,000.00	0%	\$0.00
District Counsel	\$6,000.00	\$2,804.00	\$3,196.00	\$6,000.00	0%	\$0.00
Trustees Fees	\$4,500.00	\$1,449.00	\$3,051.00	\$4,500.00	0%	\$0.00
Auditing Services	\$6,500.00	\$0.00	\$6,500.00	\$6,500.00	0%	\$0.00
Postage, Phone, Faxes, Copies	\$100.00	\$15.00	\$85.00	\$100.00	0%	\$0.00
Mailings	\$1,500.00	\$0.00	\$1,500.00	\$1,500.00	0%	\$0.00
Legal Advertising	\$1,000.00	\$159.00	\$841.00	\$1,000.00	0%	\$0.00
Bank Fees	\$100.00	\$0.00	\$100.00	\$100.00	0%	\$0.00
Dues, Licenses & Fees	\$175.00	\$175.00	\$0.00	\$175.00	0%	\$0.00
Website ADA Compliance	\$1,613.00	\$46.00	\$1,567.00	\$1,613.00	0%	\$0.00
ProfServ-Arbitrage Rebate	\$650.00	\$0.00	\$650.00	\$650.00	0%	\$0.00
Misc Contingency	\$6,562.00	\$0.00	\$6,562.00	\$6,562.00	0%	\$0.00
Total Administrative	\$71,359.00	\$19,164.00	\$53,258.00	\$72,422.00	1%	\$0.00
<i>Insurance</i>						
Public Officials Insurance and General Liability	\$6,350.00	\$5,512.00	\$838.00	\$6,350.00	0%	\$0.00
Total Insurance	\$6,350.00	\$5,512.00	\$838.00	\$6,350.00	0%	\$0.00
TOTAL EXPENDITURES	\$77,709.00	\$24,676.00	\$54,096.00	\$78,772.00	1%	\$0.00
Excess (deficiency) of revenues						
Over (under) expenditures	\$0.00	\$49,964.00	-\$50,240.00	-\$276.00	0%	\$0.00
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2026	ACTUAL THRU 1/31/2026	PROJECTED February- 9/30/2026	TOTAL PROJECTED FY 2026	% +/(-) Budget	ANNUAL BUDGET FY 2027
TOTAL OTHER SOURCES (USES)	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Net change in fund balance		\$49,964.00	-\$50,240.00	-\$276.00	0%	\$0.00
FUND BALANCE, BEGINNING	-\$2,558.00	-\$2,558.00	\$0.00	-\$2,558.00		-\$2,834.00
FUND BALANCE, ENDING	<u>-\$2,558.00</u>	<u>\$47,406.00</u>	<u>-\$50,240.00</u>	<u>-\$2,834.00</u>		<u>-\$2,834.00</u>

Budget Narrative
Fiscal Year 2027

REVENUES

Interest-Investments

The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll

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. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

EXPENDITURES

Financial and Administrative

Supervisor Fees

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 four supervisors attending 14 meetings.

District Management

The District retains the services of a consulting manager, who is responsible for the daily administration of the District's business, including any and all financial work related to the Bond Funds and Operating Funds of the District, and preparation of the minutes of the Board of Supervisors. In addition, the District Manager prepares the Annual Budget(s), implements all policies of the Board of Supervisors and attends all meetings of the Board of Supervisors.

Website Admin Services

The cost of web hosting and regular maintenance of the District's website by Inframark Management Services.

District Engineer

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

District Counsel

The District's attorney provides general legal services to the District, i.e., attendance and preparation for Board meetings, review of contracts, agreements, resolutions, and other research as directed or requested by the BOS District Manager.

Trustee Fees

The District pays US Bank an annual fee for trustee services on the Series 2016 Bonds. The budgeted amount for the fiscal year is based on previous year plus any out-of-pocket expenses.

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 an estimate based on prior year costs.

Postage, Phone, Faxes, Copies

This item refers to the cost of materials and service to produce agendas and conduct day-to-day business of the District.

Mailings

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

Budget Narrative
Fiscal Year 2027

Financial and Administrative (continued)

Legal Advertising

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

Bank Fees

This represents the cost of bank charges and other related expenses that are incurred during the year.

Dues, Licenses & Fees

This represents the cost of the District's operating license as well as the cost of memberships in necessary organizations.

Website ADA Compliance

Cost of maintaining district website's compliance with the Americans with Disabilities Act of 1990.

ProfServ-Arbitrage Rebate

On a quarterly and annual basis, disclosure of relevant district information is provided to the Muni Council, as required within the bond indentures.

Miscellaneous Contingency

All other administrative costs not otherwise specified above.

Insurance

Public Officials Insurance and General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Egis Insurance Advisors, LLC. The budgeted amount allows for a projected increase in the premium.

Hammock Bay
Community Development District

Debt Service Budget
FY 2027

Summary of Revenues Expenditures and Changes in Fund Balance

Fiscal Year 2027 Budget

Series 2016 Bonds

ACCOUNT DESCRIPTION	ADOPTED BUDGET FY 2026	ACTUAL THRU 1/31/2026	PROJECTED February- 9/30/2026	TOTAL PROJECTED FY 2026	% +/(-) Budget	ANNUAL BUDGET FY 2027
REVENUES						
Interest - Investments	\$0.00	\$3,525.00	\$0.00	\$3,525.00	0%	\$0.00
Special Assmnts- Tax Collector	\$212,946.00	\$197,688.00	\$15,258.00	\$212,946.00	0%	\$230,310.95
TOTAL REVENUES	\$212,946.00	\$201,213.00	\$15,258.00	\$216,471.00	2%	\$221,098.51
EXPENDITURES						
<i>Debt Service</i>						
Principal Debt Retirement	\$140,000.00	\$20,000.00	\$120,000.00	\$140,000.00	0%	\$150,000.00
Interest Expense Series	\$58,740.00	\$27,885.00	\$30,855.00	\$58,740.00	0%	\$49,170.00
	\$0.00	\$0.00	\$0.00	\$0.00	0%	\$0.00
<i>Total Debt Service</i>	\$198,740.00	\$47,885.00	\$150,855.00	\$198,740.00	0%	\$199,170.00
TOTAL EXPENDITURES	\$198,740.00	\$47,885.00	\$150,855.00	\$198,740.00		\$203,776.22
Excess (deficiency) of revenues						
Over (under) expenditures	\$14,206.00	\$153,328.00	-\$135,597.00	\$17,731.00	25%	\$17,322.29
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	\$14,206.00	\$0.00	\$0.00	\$0.00	-100%	\$0.00
TOTAL OTHER SOURCES (USES)	\$14,206.00	\$0.00	\$0.00	\$0.00		\$0.00
Net change in fund balance		\$153,328.00	-\$135,597.00	\$17,731.00	0%	\$17,322.29
FUND BALANCE, BEGINNING		\$0.00	\$0.00	\$0.00	0%	\$17,731.00
FUND BALANCE, ENDING	\$14,206.00	\$153,328.00	-\$135,597.00	\$17,731.00	25%	\$35,053.29

PAR VALUE OF BONDS AFTER ANNUAL PRINCIPAL PAYMENT

	11/1/2024	11/1/2025	11/1/2026	11/1/2027
Series 2016 Bonds	\$1,850,000.00	\$1,710,000.00	\$1,565,000.00	\$1,415,000.00

Series 2016 Amortization Schedule

Date	Outsanding Balance	Principal	Coupon	Interest	Debt Service
5/1/2024	\$1,990,000.00	\$140,000.00	3.30%	\$32,835.00	\$172,835.00
11/1/2024	\$1,850,000.00			\$30,525.00	\$30,525.00
5/1/2025	\$1,850,000.00	\$140,000.00	3.30%	\$30,525.00	\$170,525.00
11/1/2025	\$1,710,000.00			\$28,215.00	\$28,215.00
5/1/2026	\$1,710,000.00	\$145,000.00	3.30%	\$28,215.00	\$173,215.00
11/1/2026	\$1,565,000.00			\$25,822.50	\$25,822.50
5/1/2027	\$1,565,000.00	\$150,000.00	3.30%	\$25,822.50	\$175,822.50
11/1/2027	\$1,415,000.00			\$23,347.50	\$23,347.50
5/1/2028	\$1,415,000.00	\$155,000.00	3.30%	\$23,347.50	\$178,347.50
11/1/2028	\$1,260,000.00			\$20,790.00	\$20,790.00
5/1/2029	\$1,260,000.00	\$160,000.00	3.30%	\$20,790.00	\$180,790.00
11/1/2029	\$1,100,000.00			\$18,150.00	\$18,150.00
5/1/2030	\$1,100,000.00	\$170,000.00	3.30%	\$18,150.00	\$188,150.00
11/1/2030	\$930,000.00			\$15,345.00	\$15,345.00
5/1/2031	\$930,000.00	\$175,000.00	3.30%	\$15,345.00	\$190,345.00
11/1/2031	\$755,000.00			\$12,457.50	\$12,457.50
5/1/2032	\$755,000.00	\$180,000.00	3.30%	\$12,457.50	\$192,457.50
11/1/2032	\$575,000.00			\$9,487.50	\$9,487.50
5/1/2033	\$575,000.00	\$185,000.00	3.30%	\$9,487.50	\$194,487.50
11/1/2033	\$390,000.00			\$6,435.00	\$6,435.00
5/1/2034	\$390,000.00	\$190,000.00	3.30%	\$6,435.00	\$196,435.00
11/1/2034	\$200,000.00			\$3,300.00	\$3,300.00
5/1/2035	\$200,000.00	\$200,000.00	3.30%	\$3,300.00	\$203,300.00
	\$1,990,000.00			\$420,585.00	\$2,410,585.00

Budget Narrative
Fiscal Year 2027

REVENUES

Interest-Investments

The District earns interest on its operating accounts.

Operations & Maintenance Assessments – On Roll

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. The collection will be provided by the Tax Collector pursuant to Section 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

EXPENDITURES

Debt Service

Principal Debt Retirement

The district pays regular principal payments to annually to pay down/retire the debt.

Interest Expense

The District Pays interest Expenses on the debt twice a year.

Hammock Bay

Community Development District

Supporting Budget Schedule

FY 2027

Summary of Assessments 2027 VS 2026

Lot Size	EAU Value	Total Unit Count	Debt Service Unit Count	FY 2027					FY 2026					Assessment Variance ⁽²⁾	
				Debt Service Per Unit	O&M Per Unit w/o Debt Service	O&M Per Unit with Debt Service	FY 2027 Total w/o Debt Service	FY 2027 Total with Debt Service	Debt Service Per Unit	O&M Per Unit w/o Debt Service	O&M Per Unit with Debt Service	FY 2026 Total w/o Debt Service	FY 2026 Total with Debt Service	Inc/(Dec) In O&M w/o DS Per Unit	Inc/(Dec) In O&M with DS Per Unit
60	1.00	3	3	\$526.88	-\$3.38	\$2.43	-\$3.38	\$529.31	\$526.88	\$151.15	\$173.30	\$151.15	\$700.18	\$154.53	\$170.87
70	1.17	107	33	\$616.45	-\$3.38	\$2.43	-\$3.38	\$618.88	\$616.45	\$151.15	\$173.30	\$151.15	\$789.75	\$154.53	\$170.87
75	1.25	92	40	\$658.60	-\$3.38	\$2.43	-\$3.38	\$661.04	\$658.60	\$151.15	\$173.30	\$151.15	\$831.90	\$154.53	\$170.87
80	1.33	149	103	\$700.76	-\$3.38	\$2.43	-\$3.38	\$703.19	\$700.76	\$151.15	\$173.30	\$151.15	\$874.05	\$154.53	\$170.87
85	1.42	1	1	\$748.18	-\$3.38	\$2.43	-\$3.38	\$750.61	\$748.18	\$151.15	\$173.30	\$151.15	\$921.47	\$154.53	\$170.87
90	1.50	5	1	\$790.32	-\$3.38	\$2.43	-\$3.38	\$792.75	\$790.32	\$151.15	\$173.30	\$151.15	\$963.62	\$154.53	\$170.87
95	1.58	2	2	\$832.47	-\$3.38	\$2.43	-\$3.38	\$834.90	\$832.47	\$151.15	\$173.30	\$151.15	\$1,005.77	\$154.53	\$170.87
100	1.67	73	46	\$879.89	-\$3.38	\$2.43	-\$3.38	\$882.32	\$879.89	\$151.15	\$173.30	\$151.15	\$1,053.19	\$154.53	\$170.87
110	1.83	22	14	\$964.19	-\$3.38	\$2.43	-\$3.38	\$966.63	\$964.19	\$151.15	\$173.30	\$151.15	\$1,137.49	\$154.53	\$170.87
Commercial	2.00	50	50	\$1,053.77	-\$3.38	\$2.43	-\$3.38	\$1,056.20	\$1,053.77	\$151.15	\$173.30	\$151.15	\$1,227.07	\$154.53	\$170.87
Total		504	293												

Notations:

⁽¹⁾ Annual assessments are adjusted for collection costs and early payment discounts of 6%.

⁽²⁾ An increase in assessments creates a positive figure; conversely, a decrease in assessments creates a negative figure.

RESOLUTION 2026-04

A RESOLUTION REMOVING LEAH POPELKA AS TREASURER AND APPOINTING STEPHEN BLOOM AS TREASURER OF HAMMOCK BAY COMMUNITY DEVELOPMENT DISTRICT

WHEREAS, the Board of Supervisors of the Hammock Bay Community Development District desires to remove Leah Popelka as Treasurer and appoint Stephen Bloom as Treasurer;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAMMOCK BAY COMMUNITY DEVELOPMENT DISTRICT:

1. Leah Popelka is removed as Treasurer.
2. Stephen Bloom is appointed Treasurer.

Adopted this 26th day of February 2026

Chairperson/Vice Chairperson

Secretary/Assistant Secretary

RESOLUTION 2026-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMMOCK BAY COMMUNITY DEVELOPMENT DISTRICT CONFIRMING THE DISTRICT'S USE OF THE WALTON COUNTY SUPERVISOR OF ELECTIONS TO CONTINUE CONDUCTING THE DISTRICT'S ELECTION OF SUPERVISORS IN CONJUNCTION WITH THE GENERAL ELECTION.

WHEREAS, the Hammock Bay Community Development District (hereinafter the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, Florida Statutes, being situated entirely within Walton County, Florida; and

WHEREAS, the Board of Supervisors of Hammock Bay Community Development District (hereinafter the “Board”) previously implemented section 190.006(3)(a) 2.c., Florida Statutes, to instruct the Walton County Supervisor of Elections (the “Supervisor”) to conduct the District’s supervisor General Elections; and

WHEREAS, the Supervisor has requested the District adopt a resolution confirming the District’s use of the Supervisor for the purpose of conducting the District’s future supervisor elections in conjunction with the General Election; and

WHEREAS, the District desires to continue to use the Supervisor for the purpose of conducting the District’s supervisor elections in conjunction with the General Election.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE HAMMOCK BAY COMMUNITY DEVELOPMENT DISTRICT:

Section 1. The Board is currently made up of the following individuals: Dane Sauer, Daniel Rosenheim, Tim Edwards, Mary Barnes and David Underwood.

Section 2. The term of office for each member of the Board is as follows:

<u>Seat No.</u>	<u>Supervisor</u>	<u>Term</u>	<u>Expiration Date</u>
1.	Dane Sauer	4 Years	11/2028
2.	Daniel Rosenheim	4 Years	11/2028
3.	Tim Edwards	4 Years	11/2028
4.	Mary Barnes	4 Years	11/2026
5.	David Underwood	4 Years	11/2026

Section 3. Seat 4, currently held by Mary Barnes, and Seat 5, currently held by David Underwood are scheduled for the General Election in November 2026.

Section 4. Pursuant to section 190.006(8), Florida Statutes, members of the Board shall be entitled to receive for his or her services an amount not to exceed \$200 per meeting of the

Board, not to exceed \$4,800 per year per member.

Section 5. The term of office for the individuals to be elected to the Board in the November 2026 General Election is four years.

Section 6. The new Board members shall assume office on the second Tuesday following their election.

Section 7. The District hereby instructs the Supervisor to continue conducting the District's elections in conjunction with the General Election. The District understands that it will be responsible to pay for its proportionate share of the General Election cost and agrees to pay same within a reasonable time after receipt of an invoice from the Supervisor.

PASSED AND ADOPTED THIS 26th DAY OF FEBRUARY 2026.

ATTEST:

**HAMMOCK BAY COMMUNITY
DEVELOPMENT DISTRICT**

Assistant Secretary / Secretary

Vice Chairman / Chairman