

**THE HAMMOCKS
COMMUNITY DEVELOPMENT
DISTRICT**

JULY 11, 2018

AGENDA PACKAGE

The Hammocks Community Development District

Inframark, Infrastructure Management Services

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

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

June 28, 2018

Board of Supervisors
The Hammocks Community
Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of The Hammocks Community Development District will be held Wednesday, July 11, 2018 at 8:00 a.m. at the Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida. Following is the advanced agenda for the meeting:

1. Call to Order and Roll Call
2. Public Comments on Agenda Items
3. Organizational Matters
 - A. Oath of Office - Juli Moulton
4. Public Hearing to Consider Adoption of the Budget for Fiscal Year 2019
 - A. Consideration of Resolution 2018-03 Adopting the Budget
 - B. Consideration of Resolution 2018-04 Levy of Non-Ad Valorem Assessments
5. Consent Agenda
 - A. Approval of the Minutes of the May 9, 2018 Meeting
 - B. Approval of the Financial Statements
6. Staff Reports
 - A. Manager
 - i. Acceptance of the Audit for Fiscal Year Ended September 30, 2017
 - ii. Proposed Meeting Schedule for Fiscal Year 2019
 - B. Attorney
 - C. Engineer
7. Supervisors' Requests
8. Audience Comments
9. Adjournment

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

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

Sincerely,

Bob Nanni

Manager

cc: Tracy Robin

Tonja Stewart

Denise Ganz

Fourth Order of Business

THE HAMMOCKS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2019

Version 2 - Modified Tentative Budget:
(Printed 6/14/2018 at 4pm)

Prepared by:



THE HAMMOCKS

Community Development District

Table of Contents

	<u>Page #</u>
<u>OPERATING BUDGET</u>	
General Fund	
Summary of Revenues, Expenditures and Changes in Fund Balances	1-2
Exhibit A - Allocation of Fund Balances	3
Budget Narrative	4-6
<u>DEBT SERVICE BUDGET</u>	
Series 2016	
Summary of Revenues, Expenditures and Changes in Fund Balances	7
Amortization Schedule	8
Budget Narrative	9
<u>SUPPORTING BUDGET SCHEDULES</u>	
2019-2018 Non-Ad Valorem Assessment Summary	10

The Hammocks
Community Development District

Operating Budget
Fiscal Year 2019

THE HAMMOCKS

Community Development District

General Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2019 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2016	FY 2017	BUDGET FY 2018	THRU MAY-2018	JUN - SEP-2018	PROJECTED FY 2018	BUDGET FY 2019
REVENUES							
Interest - Investments	\$ 790	\$ 1,438	\$ 651	\$ 1,599	\$ 800	\$ 2,399	\$ 1,998
Interest - Tax Collector	28	75	-	80	-	80	-
Special Assmnts- Tax Collector	219,731	219,731	219,731	217,078	2,653	219,731	219,731
Special Assmnts- Discounts	(8,141)	(8,065)	(8,789)	(8,369)	-	(8,369)	(8,789)
Other Miscellaneous Revenues	1,100	1,667	-	-	-	-	-
TOTAL REVENUES	213,508	214,846	211,593	210,388	3,452	213,840	212,939
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	7,000	4,800	6,000	3,000	3,000	6,000	6,000
FICA Taxes	536	367	459	230	230	460	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600	600
ProfServ-Dissemination Agent	1,000	1,000	-	-	-	-	-
ProfServ-Engineering	593	1,917	2,500	798	399	1,197	2,000
ProfServ-Legal Services	2,435	1,403	2,000	1,215	608	1,823	3,500
ProfServ-Mgmt Consulting Serv	44,455	46,678	46,678	31,119	15,559	46,678	46,678
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee Fees	3,717	-	3,718	3,717	-	3,717	3,718
Auditing Services	5,000	5,046	5,024	-	5,024	5,024	5,024
Postage and Freight	215	153	600	108	54	162	300
Insurance - General Liability	9,732	10,342	11,376	10,297	-	10,297	11,327
Printing and Binding	213	193	400	58	29	87	250
Legal Advertising	630	1,123	500	818	382	1,200	1,200
Misc-Bank Charges	812	541	690	284	142	426	450
Misc-Assessmnt Collection Cost	391	755	4,395	4,174	221	4,395	4,395
Misc-Web Hosting	1,000	1,000	1,000	667	333	1,000	1,000
Office Supplies	6	-	25	-	15	15	25
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	91,010	88,593	98,640	69,160	26,595	95,755	99,600
<i>Field</i>							
Contracts-Landscape	57,639	55,183	56,599	37,733	18,866	56,599	56,599
Contracts-Lakes	4,362	4,404	4,404	3,076	1,580	4,656	4,740
R&M-Fence	4,950	410	5,000	4,950	1,667	6,617	5,000
R&M-Irrigation	3,465	-	1,000	3,831	333	4,164	1,000
R&M-Mulch	21,240	4,125	3,000	10,300	-	10,300	4,500
Misc-Contingency	11,819	4,680	20,950	18,515	6,983	25,498	21,500
Reserve - Ponds	-	-	22,000	-	-	-	20,000
Total Field	103,475	68,802	112,953	78,405	29,430	107,835	113,339
TOTAL EXPENDITURES	194,485	157,395	211,593	147,565	56,025	203,590	212,939

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2019 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ACTUAL FY 2017	ADOPTED BUDGET FY 2018	ACTUAL THRU MAY-2018	PROJECTED JUN - SEP-2018	TOTAL PROJECTED FY 2018	ANNUAL BUDGET FY 2019
Excess (deficiency) of revenues							
Over (under) expenditures	19,023	57,451	-	62,823	(52,572)	10,251	-
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-	-
Net change in fund balance	19,023	57,451	-	62,823	(52,572)	10,251	-
FUND BALANCE, BEGINNING	189,387	208,410	265,861	265,861	-	265,861	276,112
FUND BALANCE, ENDING	\$ 208,410	\$ 265,861	\$ 265,861	\$ 328,684	\$ (52,572)	\$ 276,112	\$ 276,112

THE HAMMOCKS

Community Development District

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2019	\$ 276,112
Net Change in Fund Balance - Fiscal Year 2019	-
Reserves - Fiscal Year 2019 Additions	20,000
Total Funds Available (Estimated) - 9/30/2019	296,112

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		53,235 ⁽¹⁾
Reserves - Ponds (prior year)	52,978 ⁽²⁾	
Reserves - Ponds (FY 2018)	22,000 ⁽³⁾	
Reserves - Ponds (FY 2019)	20,000 ⁽⁴⁾	94,978
Total Allocation of Available Funds		148,213

Total Unassigned (undesignated) Cash	\$ 147,899
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Notes

- (1) Represents approximately 3 months of operating expenditures
- (2) Assigned fund balance as of 9/30/17
- (3) FY 2018 budgeted reserves
- (4) FY 2019 proposed budgeted reserves

Budget Narrative
Fiscal Year 2019**REVENUES****Interest-Investments**

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

Special Assessments-Tax Collector

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

Special Assessments-Discounts

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

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

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

FICA Taxes

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

Professional Services-Arbitrage Rebate

The District has a proposal with a company who specializes to calculate the District's Arbitrage Rebate Liability on the Series of Benefit Special Assessment Bonds. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Professional Services-Engineering

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

Professional Services-Legal Services

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

Professional Services-Management Consulting Services

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

Budget Narrative
Fiscal Year 2019**EXPENDITURES****Administrative (continued)****Professional Services-Special Assessment**

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

Professional Services-Trustee

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

Auditing Services

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

Postage and Freight

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

Insurance-General Liability

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

Printing and Binding

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

Legal Advertising

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

Miscellaneous-Bank Charges

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

Miscellaneous-Assessment Collection Costs

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

Miscellaneous-Web Hosting

Costs associated with web services provided by Inframark Infrastructure Management Services

Office Supplies

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

Annual District Filing Fee

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

Budget Narrative
Fiscal Year 2019

EXPENDITURES

Field

Contracts-Landscape

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

Contracts-Lakes

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

R&M-Fence

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

R&M-Irrigation

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

R&M-Mulch

The District will replace mulch through out the District.

Miscellaneous-Contingency

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

Reserve-Ponds

The district anticipates placing funds aside for future repairs.

The Hammocks
Community Development District

Debt Service Budgets
Fiscal Year 2019

THE HAMMOCKS

Community Development District

Series 2016 Debt Service Fund

Summary of Revenues, Expenditures and Changes in Fund Balances Fiscal Year 2019 Modified Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2016	ACTUAL FY 2017	ADOPTED BUDGET FY 2018	ACTUAL THRU MAY-2018	PROJECTED JUN - SEP-2018	TOTAL PROJECTED FY 2018	ANNUAL BUDGET FY 2019
REVENUES							
Interest - Investments	\$ 6	\$ 318	\$ -	\$ 435	\$ -	\$ 435	\$ -
Special Assmnts- Tax Collector	-	351,522	351,522	347,277	4,245	351,522	350,774
Special Assmnts- Prepayment	-	-	-	9,723	-	9,723	-
Special Assmnts- Discounts	-	(12,902)	(14,061)	(13,388)	-	(13,388)	(14,031)
TOTAL REVENUES	6	338,938	337,461	344,047	4,245	348,292	336,743
EXPENDITURES							
<i>Administrative</i>							
Misc-Assessmnt Collection Cost	-	6,773	7,030	6,678	352	7,030	7,015
Cost of Issuance	200,830	10,000	-	-	-	-	-
Total Administrative	200,830	16,773	7,030	6,678	352	7,030	7,015
<i>Debt Service</i>							
Principal Debt Retirement	-	165,000	170,000	170,000	-	170,000	180,000
Prepayment	-	-	-	10,000	-	10,000	-
Interest Expense	-	106,820	151,680	151,680	-	151,680	145,920
Interest Expense Series A	-	-	-	-	-	-	-
Total Debt Service	-	271,820	321,680	331,680	-	331,680	325,920
TOTAL EXPENDITURES	200,830	288,593	328,710	338,358	352	338,710	332,935
Excess (deficiency) of revenues							
Over (under) expenditures	(200,824)	50,345	8,751	5,689	3,893	9,582	3,807
OTHER FINANCING SOURCES (USES)							
Interfund Transfer - In	30,297	-	-	-	-	-	-
Proceeds of Refunding Bonds	4,905,000	-	-	-	-	-	-
Pymt to Escrow Acct-Refunding	(4,559,714)	-	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	-	8,751	-	-	-	3,807
TOTAL OTHER SOURCES (USES)	375,583	-	8,751	-	-	-	3,807
Net change in fund balance	174,759	50,345	8,751	5,689	3,893	9,582	3,807
FUND BALANCE, BEGINNING	-	174,759	225,104	225,104	-	225,104	234,686
FUND BALANCE, ENDING	\$ 174,759	\$ 225,104	\$ 233,855	\$ 230,793	\$ 3,893	\$ 234,686	\$ 238,493

Special Assessment Bonds
AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	EXTRAORDINARY REDEMPTION	INTEREST	TOTAL
11/1/2018	\$4,560,000.00	3.20%	\$0.00	\$0.00	\$72,960.00	\$72,960.00
5/1/2019	\$4,560,000.00	3.20%	\$180,000.00	\$0.00	\$72,960.00	\$252,960.00
11/1/2019	\$4,380,000.00	3.20%	\$0.00	\$0.00	\$70,080.00	\$70,080.00
5/1/2020	\$4,380,000.00	3.20%	\$185,000.00	\$0.00	\$70,080.00	\$255,080.00
11/1/2020	\$4,195,000.00	3.20%	\$0.00	\$0.00	\$67,120.00	\$67,120.00
5/1/2021	\$4,195,000.00	3.20%	\$190,000.00	\$0.00	\$67,120.00	\$257,120.00
11/1/2021	\$4,005,000.00	3.20%	\$0.00	\$0.00	\$64,080.00	\$64,080.00
5/1/2022	\$4,005,000.00	3.20%	\$195,000.00	\$0.00	\$64,080.00	\$259,080.00
11/1/2022	\$3,810,000.00	3.20%	\$0.00	\$0.00	\$60,960.00	\$60,960.00
5/1/2023	\$3,810,000.00	3.20%	\$200,000.00	\$0.00	\$60,960.00	\$260,960.00
11/1/2023	\$3,610,000.00	3.20%	\$0.00	\$0.00	\$57,760.00	\$57,760.00
5/1/2024	\$3,610,000.00	3.20%	\$205,000.00	\$0.00	\$57,760.00	\$262,760.00
11/1/2024	\$3,405,000.00	3.20%	\$0.00	\$0.00	\$54,480.00	\$54,480.00
5/1/2025	\$3,405,000.00	3.20%	\$215,000.00	\$0.00	\$54,480.00	\$269,480.00
11/1/2025	\$3,190,000.00	3.20%	\$0.00	\$0.00	\$51,040.00	\$51,040.00
5/1/2026	\$3,190,000.00	3.20%	\$220,000.00	\$0.00	\$51,040.00	\$271,040.00
11/1/2026	\$2,970,000.00	3.20%	\$0.00	\$0.00	\$47,520.00	\$47,520.00
5/1/2027	\$2,970,000.00	3.20%	\$230,000.00	\$0.00	\$47,520.00	\$277,520.00
11/1/2027	\$2,740,000.00	3.20%	\$0.00	\$0.00	\$43,840.00	\$43,840.00
5/1/2028	\$2,740,000.00	3.20%	\$235,000.00	\$0.00	\$43,840.00	\$278,840.00
11/1/2028	\$2,505,000.00	3.20%	\$0.00	\$0.00	\$40,080.00	\$40,080.00
5/1/2029	\$2,505,000.00	3.20%	\$245,000.00	\$0.00	\$40,080.00	\$285,080.00
11/1/2029	\$2,260,000.00	3.20%	\$0.00	\$0.00	\$36,160.00	\$36,160.00
5/1/2030	\$2,260,000.00	3.20%	\$255,000.00	\$0.00	\$36,160.00	\$291,160.00
11/1/2030	\$2,005,000.00	3.20%	\$0.00	\$0.00	\$32,080.00	\$32,080.00
5/1/2031	\$2,005,000.00	3.20%	\$260,000.00	\$0.00	\$32,080.00	\$292,080.00
11/1/2031	\$1,745,000.00	3.20%	\$0.00	\$0.00	\$27,920.00	\$27,920.00
5/1/2032	\$1,745,000.00	3.20%	\$270,000.00	\$0.00	\$27,920.00	\$297,920.00
11/1/2032	\$1,475,000.00	3.20%	\$0.00	\$0.00	\$23,600.00	\$23,600.00
5/1/2033	\$1,475,000.00	3.20%	\$275,000.00	\$0.00	\$23,600.00	\$298,600.00
11/1/2033	\$1,200,000.00	3.20%	\$0.00	\$0.00	\$19,200.00	\$19,200.00
5/1/2034	\$1,200,000.00	3.20%	\$285,000.00	\$0.00	\$19,200.00	\$304,200.00
11/1/2034	\$915,000.00	3.20%	\$0.00	\$0.00	\$14,640.00	\$14,640.00
5/1/2035	\$915,000.00	3.20%	\$295,000.00	\$0.00	\$14,640.00	\$309,640.00
11/1/2035	\$620,000.00	3.20%	\$0.00	\$0.00	\$9,920.00	\$9,920.00
5/1/2036	\$620,000.00	3.20%	\$305,000.00	\$0.00	\$9,920.00	\$314,920.00
11/1/2036	\$315,000.00	3.20%	\$0.00	\$0.00	\$5,040.00	\$5,040.00
5/1/2037	\$315,000.00	3.20%	\$315,000.00	\$0.00	\$5,040.00	\$320,040.00
			\$4,560,000.00	\$0.00	\$1,596,960.00	\$6,156,960.00

Budget Narrative
Fiscal Year 2019

REVENUES

Interest - Investments

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

Special Assessment - Tax Collector

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

Special Assessment - Discounts

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

EXPENDITURES

Administrative

Miscellaneous-Assessment Collection Cost

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

Debt Service

Principal Debt Retirement

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

Interest Expense

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

The Hammocks
Community Development District

Supporting Budget Schedules
Fiscal Year 2019

THE HAMMOCKS

Community Development District

Comparison of Assessment Rates Fiscal Year 2019 vs. Fiscal Year 2018

Name	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change	FY 2019	FY 2018	Percent Change	
Brentwood	\$465.53	\$465.53	0.0%	\$747.92	\$747.92	0.0%	\$1,213.45	\$1,213.45	0.0%	234
Oakwood	\$416.53	\$416.53	0.0%	\$669.19	\$669.19	0.0%	\$1,085.72	\$1,085.72	0.0%	266
										500

4A.

RESOLUTION 2018-03

A RESOLUTION OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS OF THE DISTRICT AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2018, submitted to the Board of Supervisors (the "**Board**") of the Hammocks Community Development District (the "**District**") a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

WHEREAS, at least sixty (60) days prior to the adoption of the proposed annual budget and any proposed long-term financial plan or program of the District for future operations (the "**Proposed Budget**") the District did file a copy of the Proposed Budget with the general purpose local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b) Florida Statutes; and

WHEREAS, the Board set July 11, 2018, as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a) Florida Statutes; and

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

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

WHEREAS, the District Manager has prepared a Proposed Budget, attached hereto as **Exhibit A**, on a cash flow budget basis, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year; and

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

Section 1. Incorporation of Recitals

The recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. Budget

- a. That the Board has reviewed the District Manager's Proposed Budget, a copy of which is on file with the office of the District Treasurer and the office of the Recording Secretary, and is hereby attached to this resolution, and hereby approves any amendments thereto, as shown in Section 3 below.
- b. That the Proposed Budget, attached hereto as **Exhibit "A,"** as amended by the Board, is hereby adopted in accordance with the provisions of Section 190.008(2)(a), Florida Statutes and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be revised subsequently as deemed necessary by the District Manager to reflect actual revenues and expenditures for the Fiscal Year 2017/2018 and/or revised projections for Fiscal Year 2018/2019.
- c. That the adopted budget, as amended, shall be maintained in the office of the District Treasurer and the District Recording Secretary and identified as "The Budget for the Hammocks Community Development District for the Fiscal Year Ending September 30, 2019, as Adopted by the Board of Supervisors on July 11, 2018."
- d. The final adopted budget shall be posted by the District Manager on the District's official website within thirty (30) days after adoption.

Section 3. Appropriations

That there be, and hereby is appropriated out of the revenues of the District, for the Fiscal Year 2018/2019, the sum of \$_____ to be raised by the applicable imposition and levy by the Board of applicable non-ad valorem special assessments and otherwise, which sum is deemed by the Board to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$
DEBT SERVICE FUND	\$
CAPITAL PROJECTS FUND	\$
ENTERPRISE FUNDS	\$
 Total All Funds	 \$

Section 4. Budget Amendments

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

- a. The Board may authorize an increase or decrease in line item appropriations within a fund by motion recorded in the minutes if the total appropriations of the fund do not increase.

- b. The District Manager or Treasurer may authorize an increase or decrease in line item appropriations within a fund if the total appropriations of the fund do not increase and if the aggregate change in the original appropriation item does not exceed \$10,000 or 10% of the original appropriation.
- c. By resolution, the Board may increase any appropriation item and/or fund to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.
- d. Any other budget amendments shall be adopted by resolution and consistent with Florida law.

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

Section 5. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 11th DAY OF JULY, 2018.

Hammocks Community Development District

Bob Nanni
Secretary

Frances Plantikow
Chairman

Exhibit A: Fiscal Year 2018/2019 Budget

4B

RESOLUTION 2018-04

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT MAKING A DETERMINATION OF BENEFIT; LEVYING AND IMPOSING A NON AD VALOREM OPERATIONS AND MAINTENANCE SPECIAL ASSESSMENT FOR FISCAL YEAR 2018/2019; PROVIDING FOR THE COLLECTION AND ENFORCEMENT OF SPECIAL ASSESSMENTS; ADOPTING AND CERTIFYING AN ASSESSMENT ROLL; PROVIDING FOR AMENDMENTS TO THE ASSESSMENT ROLL; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

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

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

WHEREAS, the Board of Supervisors (the “**Board**”) of the District hereby determines to undertake various operations and maintenance activities described in the District’s budget for fiscal year 2018/2019 (“Operations and Maintenance Budget”), attached hereto as **Exhibit “A”** and incorporated as a material part of this Resolution by this reference; and

WHEREAS, the District must obtain sufficient funds to provide for the operation and maintenance of the services and facilities provided by the District as described in the District’s Operation and Maintenance Budget; and

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

WHEREAS, the Board finds that the District's total General Fund operation and maintenance assessments, taking into consideration other revenue sources during Fiscal Year 2018/2019 for operations and maintenance programs, will amount to \$_____;

and

WHEREAS, the Board finds the District’s Debt Service Fund during Fiscal Year 2018/2019 will amount to \$_____;

and

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

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

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

WHEREAS, the District has approved an agreement with the Hillsborough County Property Appraiser (the “Property Appraiser”) and Hillsborough County Tax Collector (the “Tax Collector”) to provide for the collection of special assessments under the Uniform Method; and

WHEREAS, the Board finds that the Debt Service Fund relates to systems and facilities which provide special benefits peculiar to certain property within the District based on the applicable assessment methodology; and

WHEREAS, the District has previously levied an assessment for debt service to fund the Debt Service Fund, which the District desires to collect on the tax roll for platted lots; and

WHEREAS, the Board understands that this resolution levies only the operations and maintenance special assessments for Fiscal Year 2018/2019; and

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

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

WHEREAS, it is in the best interests of the District to adopt the Assessment Roll of the District (the “Assessment Roll”) attached to this Resolution as **Exhibit “B”** and incorporated as a material part of this Resolution by this reference, and to certify the Assessment Roll in **Exhibit “B”** to the Tax Collector pursuant to the Uniform Method; and

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

WHEREAS, the Chair of the Board may designate the District Manager or other person to certify the non-ad valorem assessment roll to the Tax Collector on compatible electronic medium tied to the property identification number no later than August 31, 2018 so that the Tax Collector may merge that roll with others into the collection roll from which the November tax notice is to be printed and mailed; and

WHEREAS, the proceeds from the collections of these imposed and levied non-ad valorem assessments shall be paid to the District; and

WHEREAS, the Tax Collector, under the direct supervision of the Florida Department of Revenue performs the state work in preparing, mailing out, collecting and enforcing against delinquency the non-ad valorem assessments of the District using the Uniform Collection Methodology for non-ad valorem assessments; and

WHEREAS, if the Property Appraiser and the Tax Collector have adopted a different technological procedure for certifying and merging the rolls, then that procedure must be worked out and negotiated with Board approval through the auspices of the District Manager before there are any deviations from the provisions of Section 197.3632, Fla. Stat., and Rule 12D-18, Florida Administrative Code.

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

Section 1. Incorporation of Recitals.

The above referenced recitals are incorporated herein by this reference.

Section 2. Benefit.

The provision of the services, facilities, and operations of the District confers a special and peculiar benefit to the lands within the District, which benefit exceeds or equals the costs of the assessments. The allocation of the costs to the specially benefitted lands is hereby found to be fair and reasonable.

Section 3. Assessment Imposition.

Pursuant to Chapter 190, Florida Statutes, and using procedures authorized by Florida law for the levy and collection of special assessments, a special assessment for operation and maintenance is hereby imposed and levied on benefited lands within the District in accordance with the attached **Exhibits A and B**, which levy represents the amount of District assessments necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the District. The lien of the special assessments for operations and maintenance imposed and levied by this Resolution shall be effective upon passage of this Resolution.

Section 4. Collection, Enforcement and Due Date.

The collection and enforcement of the aforesaid operation and maintenance and the previously levied debt service assessments on platted lots shall be by the Tax Collector serving

as agent of the State of Florida and shall be at the same time and in like manner as ad valorem taxes and subject to all ad valorem tax collection and enforcement procedures which attend the use of the uniform method of collection pursuant to Chapter 197, Florida Statutes. All assessments collected by the Tax Collector shall be due and payable as provided in Chapter 197, Florida Statutes.

Section 5. Adoption, Certification, and Amendment of Assessment Roll.

- a. The Board hereby adopts the non-ad valorem assessment roll, which combines the maintenance special assessments with the debt service assessments, attached hereto as **Exhibit B**.
- b. The designee of the Chair of the Board shall be the Manager or the Treasurer of the District designated to certify the non-ad valorem assessment roll to the Tax Collector no later than August 31, 2018, in accordance with applicable provisions of State law (Chapters 170, 190 and 197, Fla. Stat.) and applicable rules (Rule 12D-18, Florida Administrative Code).
- c. The District Manager shall keep apprised of all updates made to the County property roll by the Property Appraiser after the date of this Resolution, and shall amend the District's Assessment Roll in accordance with any such updates, for such time as authorized by Florida law, to the County property roll. After any amendment of the Assessment Roll, the District Manager shall file the updates in the District records.
- d. A copy of this Resolution shall be transmitted to the proper public officials so that its purpose and effect may be carried out in accordance with law.

Section 6. Severability.

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

Section 7. Effective Date.

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

PASSED AND ADOPTED THIS 11th DAY OF JULY, 2018,

Hammocks Community Development District

Bob Nanni
Secretary

Frances Plantikow
Chairman

Exhibit A: Fiscal Year 2018/2019 Budget

Exhibit B: Assessment Roll

Fifth Order of Business

5A

FIFTH ORDER OF BUSINESS

Staff Reports

A. Manager

i. Distribution of the Proposed Budget for Fiscal Year 2019 and Consideration of Resolution 2018-2 Approving the Budget and Setting the Public Hearing

- The proposed budget for FY 2019 was discussed.
 - Small increase in aquatics - \$20 per month
 - Extension with Buccaneer for mulch
 - The contingency will decrease slightly for FY 2019
- Mr. Nanni outlined the budget process noting the public hearing to adopt the budget will be July 11th.
- Discussion ensued on keeping the budget flat.
 - Ms. Plantikow noted she has no problem with this, but she would want to know they have enough funds if there is another hurricane.
 - Mr. Nanni noted they have the funds to take care of those items.
 - There may be a need for a small increase in assessments for FY 2020.
- Resolution 2018-2

On MOTION by Ms. Plantikow seconded by Ms. Lynch-Harris, with all in favor, no assessment increase for the FY 2019 budget was approved.

On MOTION by Mr. Kuehn seconded by Ms. Lynch- Harris, with all in favor, Resolution 2018-2 a resolution of the Board of Supervisors of The Hammocks Community Development District approving the proposed budget for fiscal year 2019 and setting a public hearing thereon pursuant to Florida law was adopted.

- The public hearing is set for July 11, 2018 at 8:00 a.m. at Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida

ii. Report on Number of Registered Voters - 728

- Mr. Nanni reported there are 728 voters in The Hammocks.

- Mr. Nanni addressed a question from Mr. Henke regarding what happens if nobody votes for a candidate noting according to election law the Board would remain unchanged.

B. Attorney

None

C. Engineer

None

- Mr. Nanni addressed a pond with a lot of grass / weeds in it noting he contacted the aquatics company. The aquatics company stated it is Pickerel Weed required by the SWFWMD permit.

SIXTH ORDER OF BUSINESS

None

Supervisors' Request

SEVENTH ORDER OF BUSINESS

None

Audience Comments

EIGHTH ORDER OF BUSINESS

There being no further business,

Adjournment

On MOTION by Ms. Plantikow seconded by Ms. Lynch-Harris, with all in favor, the meeting was adjourned.

Frances Plantikow
Chairperson

5B.

**The Hammocks
Community Development District**

Financial Report

May 31, 2018

Table of Contents

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

**The Hammocks
Community Development District**

Financial Statements

(Unaudited)

May 31, 2018

Balance Sheet
May 31, 2018

ACCOUNT DESCRIPTION	GENERAL FUND	SERIES 2016 DEBT SERVICE FUND	TOTAL
<u>ASSETS</u>			
Cash - Checking Account	\$ 36,099	\$ -	\$ 36,099
Accounts Receivable	20,111	-	20,111
Interest/Dividend Receivables	137	-	137
Investments:			
Certificates of Deposit - 12 Months	40,660	-	40,660
Money Market Account	253,562	-	253,562
Reserve Fund	-	129,360	129,360
Revenue Fund	-	101,433	101,433
TOTAL ASSETS	\$ 350,569	\$ 230,793	\$ 581,362
<u>LIABILITIES</u>			
Accounts Payable	\$ 21,885	\$ -	\$ 21,885
TOTAL LIABILITIES	21,885	-	21,885
<u>FUND BALANCES</u>			
Restricted for:			
Debt Service	-	230,793	230,793
Assigned to:			
Operating Reserves	52,898	-	52,898
Reserves - Ponds	52,978	-	52,978
Unassigned:	222,808	-	222,808
TOTAL FUND BALANCES	\$ 328,684	\$ 230,793	\$ 559,477
TOTAL LIABILITIES & FUND BALANCES	\$ 350,569	\$ 230,793	\$ 581,362

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending May 31, 2018

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>	<u>MAY-18 ACTUAL</u>
REVENUES					
Interest - Investments	\$ 651	\$ 434	\$ 1,599	\$ 1,165	\$ 266
Interest - Tax Collector	-	-	80	80	10
Special Assmnts- Tax Collector	219,731	219,731	217,078	(2,653)	467
Special Assmnts- Discounts	(8,789)	(8,789)	(8,369)	420	14
TOTAL REVENUES	211,593	211,376	210,388	(988)	757
EXPENDITURES					
Administration					
P/R-Board of Supervisors	6,000	4,000	3,000	1,000	600
FICA Taxes	459	306	230	76	46
ProfServ-Arbitrage Rebate	600	600	-	600	-
ProfServ-Engineering	2,500	1,667	798	869	-
ProfServ-Legal Services	2,000	1,333	1,215	118	101
ProfServ-Mgmt Consulting Serv	46,678	31,119	31,119	-	3,890
ProfServ-Special Assessment	12,500	12,500	12,500	-	-
ProfServ-Trustee Fees	3,718	3,718	3,717	1	-
Auditing Services	5,024	5,024	-	5,024	-
Postage and Freight	600	400	108	292	29
Insurance - General Liability	11,376	11,376	10,297	1,079	-
Printing and Binding	400	267	58	209	1
Legal Advertising	500	333	818	(485)	232
Misc-Bank Charges	690	460	284	176	52
Misc-Assessmnt Collection Cost	4,395	4,395	4,174	221	10
Misc-Web Hosting	1,000	667	667	-	83
Office Supplies	25	17	-	17	-
Annual District Filing Fee	175	175	175	-	-
Total Administration	98,640	78,357	69,160	9,197	5,044
Field					
Contracts-Landscape	56,599	37,733	37,733	-	4,717
Contracts-Lakes	4,404	2,936	3,076	(140)	395
R&M-Fence	5,000	3,333	4,950	(1,617)	-
R&M-Irrigation	1,000	667	3,831	(3,164)	1,918
R&M-Mulch	3,000	3,000	10,300	(7,300)	-
Misc-Contingency	20,950	13,967	18,515	(4,548)	15,657
Reserve - Ponds	22,000	-	-	-	-
Total Field	112,953	61,636	78,405	(16,769)	22,687

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending May 31, 2018

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>	<u>MAY-18 ACTUAL</u>
TOTAL EXPENDITURES	211,593	139,993	147,565	(7,572)	27,731
Excess (deficiency) of revenues					
Over (under) expenditures	-	71,383	62,823	(8,560)	(26,974)
Net change in fund balance	\$ -	\$ 71,383	\$ 62,823	\$ (8,560)	\$ (26,974)
FUND BALANCE, BEGINNING (OCT 1, 2017)	265,861	265,861	265,861		
FUND BALANCE, ENDING	\$ 265,861	\$ 337,244	\$ 328,684		

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending May 31, 2018

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>	<u>MAY-18 ACTUAL</u>
<u>REVENUES</u>					
Interest - Investments	\$ -	\$ -	\$ 435	\$ 435	\$ 99
Special Assmnts- Tax Collector	351,522	351,522	347,277	(4,245)	747
Special Assmnts- Prepayment	-	-	9,723	9,723	-
Special Assmnts- Discounts	(14,061)	(14,061)	(13,388)	673	22
TOTAL REVENUES	337,461	337,461	344,047	6,586	868
<u>EXPENDITURES</u>					
<u>Administration</u>					
Misc-Assessmnt Collection Cost	7,030	7,030	6,678	352	15
Total Administration	7,030	7,030	6,678	352	15
<u>Debt Service</u>					
Principal Debt Retirement	170,000	170,000	170,000	-	170,000
Principal Prepayments	-	-	10,000	(10,000)	10,000
Interest Expense	151,680	151,680	151,680	-	75,840
Total Debt Service	321,680	321,680	331,680	(10,000)	255,840
TOTAL EXPENDITURES	328,710	328,710	338,358	(9,648)	255,855
Excess (deficiency) of revenues Over (under) expenditures	8,751	8,751	5,689	(3,062)	(254,987)
<u>OTHER FINANCING SOURCES (USES)</u>					
Contribution to (Use of) Fund Balance	8,751	-	-	-	-
TOTAL FINANCING SOURCES (USES)	8,751	-	-	-	-
Net change in fund balance	\$ 8,751	\$ 8,751	\$ 5,689	\$ (3,062)	\$ (254,987)
FUND BALANCE, BEGINNING (OCT 1, 2017)	225,104	225,104	225,104		
FUND BALANCE, ENDING	\$ 233,855	\$ 233,855	\$ 230,793		

**The Hammocks
Community Development District**

Supporting Schedules

May 31, 2018

Cash and Investment Report

May 31, 2018

General Fund

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Yield</u>	<u>Balance</u>
Checking Account - Operating	Hancock	n/a	0.00%	\$36,099
Certificate of Deposit - 12 months	Bank United	CD maturing 3/9/19	1.55%	\$40,660
MMA	Bank United	Money Market Account	1.00%	\$253,562
			Subtotal	\$330,321

Debt Service Funds

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Yield</u>	<u>Balance</u>
Series 2016 Reserve	US Bank	US Bank Open Ended CP	0.20%	\$129,360
Series 2016 Revenue Fund	US Bank	US Bank Open Ended CP	0.20%	\$101,433
			Subtotal	\$230,793
			Total	\$561,114

The Hammocks CDD

Bank Reconciliation

Bank Account No. 2057 HANCOCK BANK - GF NEW
Statement No. 05-18
Statement Date 5/31/2018

G/L Balance (LCY)	36,098.99	Statement Balance	36,125.42
G/L Balance	36,098.99	Outstanding Deposits	0.00
Positive Adjustments	0.00		
	<hr/>		
Subtotal	36,098.99	Subtotal	36,125.42
Negative Adjustments	0.00	Outstanding Checks	26.43
	<hr/>	Differences	0.00
Ending G/L Balance	36,098.99	Ending Balance	36,098.99
Difference	0.00		

Posting Date	Document Type	Document No.	Description	Amount	Cleared Amount	Difference
Checks						
4/27/2018	Payment	3140	INFANTE'S CLEANING CO.	4,950.00	4,950.00	0.00
5/9/2018	Payment	3141	AQUATIC SYSTEMS, INC	395.00	395.00	0.00
5/9/2018	Payment	3142	STANTEC CONSULTING SERVICES INC	440.00	440.00	0.00
5/9/2018	Payment	3143	BUCCANEER LANDSCAPE MANAGEMENT	1,128.00	1,128.00	0.00
5/9/2018	Payment	3144	FRANCES K. PLANTIKOW	183.87	183.87	0.00
5/9/2018	Payment	3145	ASHLEY LYNCH-HARRIS	184.70	184.70	0.00
5/9/2018	Payment	3146	GEORGE A. KUEHN	184.70	184.70	0.00
5/11/2018	Payment	3147	HAMMOCKS CDD	753.72	753.72	0.00
5/11/2018	Payment	3148	BUCCANEER LANDSCAPE MANAGEMENT	11,420.32	11,420.32	0.00
5/14/2018		DEP00234	Hancock Analysis Service Charge	52.40	52.40	0.00
5/12/2018		ACH DEBIT	IRS USATAXPYMT	92.63	92.63	0.00
Total Checks				19,785.34	19,785.34	0.00
Outstanding Checks						
5/24/2018	Payment	3149	FEDEX	11.40	0.00	11.40
5/30/2018	Payment	3150	FEDEX	15.03	0.00	15.03
Total Outstanding Checks.....				26.43		26.43

THE HAMMOCKS

Community Development District

Payment Register by Bank Account

For the Period from 4/1/18 to 5/31/18

(Sorted by Check / ACH No.)

Pymt Type	Check / ACH No.	Date	Payee Type	Payee	Invoice No.	Payment Description	Invoice / GL Description	G/L Account #	Amount Paid
HANCOCK BANK - GF NEW - (ACCT# XXXXX2057)									
Check	3133	04/03/18	Vendor	FEDEX	6-131-15788	MAR POSTAGE	Postage and Freight	001-541006-51301	\$11.21
Check	3134	04/06/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47175	MAR IRR INSPECT/REPAIRS	R&M-Irrigation	001-546041-53901	\$685.00
Check	3135	04/09/18	Vendor	AQUATIC SYSTEMS, INC	0000405357	APRIL LAKE/WETLAND SVC	Contracts-Lakes	001-534084-53901	\$395.00
Check	3136	04/09/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47176	IRRIGATION REPAIRS	R&M-Irrigation	001-546041-53901	\$100.00
Check	3136	04/09/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47373	APRIL PERF PAY	Contracts-Landscape	001-534050-53901	\$2,855.06
Check	3136	04/09/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47372	APRIL LANDSCAPE MAINT	Contracts-Landscape	001-534050-53901	\$8,565.24
Check	3137	04/09/18	Employee	MICHAEL J. HENKE	PAYROLL	April 09, 2018 Payroll Posting			\$184.70
Check	3138	04/17/18	Vendor	INFRAMARK, LLC	29526	APR MGMNT SERVICES	ProfServ-Mgmt Consulting Serv	001-531027-51201	\$3,889.83
Check	3138	04/17/18	Vendor	INFRAMARK, LLC	29526	APR MGMNT SERVICES	Printing and Binding	001-547001-51301	\$3.55
Check	3138	04/17/18	Vendor	INFRAMARK, LLC	29526	APR MGMNT SERVICES	Postage and Freight	001-541006-51301	\$4.91
Check	3138	04/17/18	Vendor	INFRAMARK, LLC	29526	APR MGMNT SERVICES	Misc-Web Hosting	001-549915-51301	\$83.33
Check	3139	04/25/18	Vendor	HAMMOCKS CDD	042018	TRFR FY 2018 ASSESSMENTS	Due From Other Funds	131000	\$6,105.54
Check	3140	04/27/18	Vendor	INFANTE'S CLEANING CO.	32873	PRESSURE WASH FENCING	R&M-Fence	001-546025-53901	\$4,950.00
Check	3141	05/09/18	Vendor	AQUATIC SYSTEMS, INC	0000408410	MAY AQUATIC MAINT	Contracts-Lakes	001-534084-53901	\$395.00
Check	3142	05/09/18	Vendor	STANTEC CONSULTING SERVICES INC	1348114	GEN ENGINEERING P/E 4/13/18	ProfServ-Engineering	001-531013-51501	\$440.00
Check	3143	05/09/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47593	IRR REPAIRS	R&M-Irrigation	001-546041-53901	\$1,128.00
Check	3144	05/09/18	Employee	FRANCES K. PLANTIKOW	PAYROLL	May 09, 2018 Payroll Posting			\$183.87
Check	3145	05/09/18	Employee	ASHLEY LYNCH-HARRIS	PAYROLL	May 09, 2018 Payroll Posting			\$184.70
Check	3146	05/09/18	Employee	GEORGE A. KUEHN	PAYROLL	May 09, 2018 Payroll Posting			\$184.70
Check	3147	05/11/18	Vendor	HAMMOCKS CDD	050818	TRFR FY 2018 ASSESSMENTS	Due From Other Funds	131000	\$753.72
Check	3148	05/11/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47781	MAY PERFORMANCE LANDSCAPE	Contracts-Landscape	001-534050-53901	\$2,855.08
Check	3148	05/11/18	Vendor	BUCCANEER LANDSCAPE MANAGEMENT	47780	MAY LANDSCAPE BASE	Contracts-Landscape	001-534050-53901	\$8,565.24
Check	3149	05/24/18	Vendor	FEDEX	6-181-58665	MAY POSTAGE	Postage and Freight	001-541006-51301	\$11.40
Check	3150	05/30/18	Vendor	FEDEX	6-189-96066	MAY POSTAGE	Postage and Freight	001-541006-51301	\$15.03
Account Total									\$42,550.11

Total Amount Paid	\$42,550.11
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Sixth Order of Business

6A.

6Ai

**THE HAMMOCKS
COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2017**

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

TABLE OF CONTENTS

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



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2017, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

We have also issued our report dated May 30, 2018, on our consideration of the District's compliance with the requirements of Section 218.415, Florida Statutes, as required by Rule 10.556(10) of the Auditor General of the State of Florida. The purpose of that report is to provide an opinion based on our examination conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

May 30, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of The Hammocks Community Development District, Hillsborough County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2017. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

FINANCIAL HIGHLIGHTS

- The liabilities of the District exceeded its assets at the close of the most recent fiscal year resulting in a net position deficit balance of (\$744,255).
- The change in the District's total net position in comparison with the prior fiscal year was \$172,763, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2017, the District's governmental funds reported combined ending fund balances of \$490,965, an increase of \$107,796 in comparison with the prior fiscal year. The total fund balance is restricted for debt service, assigned for operating reserves and ponds, and the remainder is unassigned fund balance which is available for spending at the District's discretion.

OVERVIEW OF FINANCIAL STATEMENTS

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

1) Government-Wide Financial Statements

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

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

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

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

2) Fund Financial Statements

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

OVERVIEW OF FINANCIAL STATEMENTS (Continued)

2) Fund Financial Statements (Continued)

Governmental Funds

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

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

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

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

3) Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

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

	NET POSITION	
	SEPTEMBER 30,	
	2017	2016
Current and other assets	\$ 492,441	\$ 386,105
Capital assets, net of depreciation	3,567,980	3,618,983
Total assets	4,060,421	4,005,088
Current liabilities	64,676	17,106
Long-term liabilities	4,740,000	4,905,000
Total liabilities	4,804,676	4,922,106
Net position		
Net investment in capital assets	(1,172,020)	(1,286,017)
Restricted	161,904	160,589
Unrestricted	265,861	208,410
Total net position	\$ (744,255)	\$ (917,018)

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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

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

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

CHANGES IN NET POSITION		
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,		
	2017	2016
Revenues:		
Program revenues		
Charges for services	\$ 550,286	\$ 653,098
General revenues	3,498	2,460
Total revenues	<u>553,784</u>	<u>655,558</u>
Expenses:		
General government	95,366	99,625
Maintenance and operations	119,805	154,478
Interest	155,850	289,883
Cost of issuance	10,000	200,830
Total expenses	<u>381,021</u>	<u>744,816</u>
Change in net position	172,763	(89,258)
Net position - beginning	(917,018)	(827,760)
Net position - ending	<u>\$ (744,255)</u>	<u>\$ (917,018)</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2017 was \$381,021. The costs of the District's activities were primarily funded by program revenues. Program revenues, comprised primarily of assessments, decreased from the prior fiscal year as a result of a decrease in the per-unit assessment for debt service and a decrease in prepayment revenue. In total, expenses decreased from the prior fiscal year. The majority of the decrease is associated with the decrease in cost of issuing the Series 2016 Refunding Bonds.

GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2017.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2017, the District had \$4,129,013 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$561,033 has been taken, which resulted in a net book value of \$3,567,980. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2017, the District had \$4,740,000 Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND OTHER EVENTS

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program for fiscal year 2018. In addition, it is anticipated that the general operations of the District will remain fairly constant.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017**

	Governmental Activities
ASSETS	
Cash	\$ 216,689
Investments	40,465
Due from HOA	6,704
Due from other governments	3,479
Restricted assets:	
Investments	225,104
Capital assets:	
Nondepreciable	2,598,914
Depreciable	969,066
Total assets	4,060,421
 LIABILITIES	
Accounts payable	1,476
Accrued interest payable	63,200
Non-current liabilities:	
Due within one year	170,000
Due in more than one year	4,570,000
Total liabilities	4,804,676
 NET POSITION	
Net investment in capital assets	(1,172,020)
Restricted for debt service	161,904
Unrestricted	265,861
Total net position	\$ (744,255)

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenue and Changes in Net Position Governmental Activities
Primary government:			
Governmental activities:			
General government	\$ 95,366	\$ 93,812	\$ (1,554)
Maintenance and operations	119,805	117,854	(1,951)
Interest on long-term debt	155,850	338,620	182,770
Cost of issuance	10,000	-	(10,000)
Total governmental activities	381,021	550,286	169,265
General revenues:			
			1,831
			1,667
Total general revenues			3,498
			172,763
			(917,018)
			\$ (744,255)

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017**

	Major Funds		Total Governmental Funds
	General	Debt Service 2016	
ASSETS			
Cash	\$ 216,689	\$ -	\$ 216,689
Investments	40,465	225,104	265,569
Due from HOA	6,704	-	6,704
Due from other governments	3,479	-	3,479
Total assets	<u>\$ 267,337</u>	<u>\$ 225,104</u>	<u>\$ 492,441</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,476	\$ -	\$ 1,476
Total liabilities	<u>1,476</u>	<u>-</u>	<u>1,476</u>
Fund balances:			
Restricted for:			
Debt service	-	225,104	225,104
Assigned:			
Operating reserves	52,762	-	52,762
Reserves - Ponds	52,978	-	52,978
Unassigned	160,121	-	160,121
Total fund balances	<u>265,861</u>	<u>225,104</u>	<u>490,965</u>
Total liabilities and fund balances	<u>\$ 267,337</u>	<u>\$ 225,104</u>	<u>\$ 492,441</u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
SEPTEMBER 30, 2017**

Fund balance - governmental funds \$ 490,965

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	4,129,013	
Accumulated depreciation	<u>(561,033)</u>	3,567,980

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(63,200)	
Bonds payable	<u>(4,740,000)</u>	<u>(4,803,200)</u>
Net position of governmental activities		<u>\$ (744,255)</u>

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Major Funds		Total Governmental Funds
	General	Debt Service 2016	
REVENUES			
Assessments	\$ 211,666	\$ 338,620	\$ 550,286
Miscellaneous revenues	1,667	-	1,667
Interest	1,513	318	1,831
Total revenues	214,846	338,938	553,784
EXPENDITURES			
Current:			
General government	88,593	6,773	95,366
Maintenance and operations	68,802	-	68,802
Debt service:			
Principal	-	165,000	165,000
Interest	-	106,820	106,820
Bond issue costs	-	10,000	10,000
Total expenditures	157,395	288,593	445,988
Excess (deficiency) of revenues over (under) expenditures	57,451	50,345	107,796
Fund balances - beginning	208,410	174,759	383,169
Fund balances - ending	\$ 265,861	\$ 225,104	\$ 490,965

See notes to the financial statements

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

Net change in fund balances - total governmental funds	\$ 107,796
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(51,003)
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	165,000
The change in accrued interest on long-term liabilities between the current and prior fiscal years is recorded in the statement of activities, but not in the governmental fund financial statements.	<u>(49,030)</u>
Change in net position of governmental activities	<u><u>\$ 172,763</u></u>

See notes to the financial statements

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

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

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

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

The Board has the final responsibility for:

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-Wide and Fund Financial Statements

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

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Assessments

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

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

The District reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

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

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

Assets, Liabilities and Net Position or Equity

Restricted Assets

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deposits and Investments

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

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

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

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

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

Inventories and Prepaid Items

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

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

Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	30

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

Unearned Revenue

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Long-Term Obligations

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

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

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to future reporting period(s). For example, the District would record deferred outflows of resources on the statement of net position related to debit amounts resulting from current and advance refundings resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

Deferred inflows of resources represent an acquisition of net position that applies to future reporting period(s). For example, when an asset is recorded in the governmental fund financial statements, but the revenue is unavailable, the District reports a deferred inflow of resources on the balance sheet until such time as the revenue becomes available.

Fund Equity/Net Position

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

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

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

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

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

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Disclosures

Use of Estimates

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

NOTE 3 – BUDGETARY INFORMATION

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

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

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

NOTE 4 - DEPOSITS AND INVESTMENTS

Deposits

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

Investments

The District's investments were held as follows at September 30, 2017:

	<u>Amortized cost</u>	<u>Credit Risk</u>	<u>Maturities</u>
U.S. Bank Commercial Paper	\$ 225,104	S&P A-1+	Open Ended
Bank United Certificate of Deposit	40,465	n/a	3/9/2018
	<u>\$ 265,569</u>		

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

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

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

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

NOTE 4 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

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

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

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

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

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

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

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Land and land improvements	\$ 2,598,914	\$ -	\$ -	\$ 2,598,914
Total capital assets, not being depreciated	2,598,914	-	-	2,598,914
Capital assets, being depreciated				
Infrastructure - drainage system	1,530,099	-	-	1,530,099
Total capital assets, being depreciated	1,530,099	-	-	1,530,099
Less accumulated depreciation for:				
Infrastructure - drainage system	510,030	51,003	-	561,033
Total accumulated depreciation	510,030	51,003	-	561,033
Total capital assets, being depreciated, net	1,020,069	(51,003)	-	969,066
Governmental activities capital assets, net	\$ 3,618,983	\$ (51,003)	\$ -	\$ 3,567,980

Depreciation expense was charged to maintenance and operations function.

NOTE 6 - LONG-TERM LIABILITIES

Series 2016

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

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

NOTE 6 - LONG-TERM LIABILITIES (Continued)

Series 2016 (Continued)

The Bond Indenture established a debt service reserve requirement as well as other restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District was in compliance with the requirements at September 30, 2017.

Long-term Debt Activity

Changes in long-term liability activity for the fiscal year ended September 30, 2017 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Bonds payable:					
Series 2016	4,905,000	-	165,000	4,740,000	170,000
Governmental activity long-term liabilities	<u>\$ 4,905,000</u>	<u>\$ -</u>	<u>\$ 165,000</u>	<u>\$ 4,740,000</u>	<u>\$ 170,000</u>

At September 30, 2017, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2018	\$ 170,000	\$ 151,680	\$ 321,680
2019	180,000	146,240	326,240
2020	185,000	140,480	325,480
2021	190,000	134,560	324,560
2022	195,000	128,480	323,480
2023-2027	1,075,000	544,640	1,619,640
2028-2032	1,265,000	360,960	1,625,960
2033-2037	1,480,000	144,960	1,624,960
	<u>\$ 4,740,000</u>	<u>\$ 1,752,000</u>	<u>\$ 6,492,000</u>

NOTE 7 – COST SHARE AGREEMENT

In September 2010, the District entered into a cost sharing agreement with The Hammocks Townhomes Homeowners Association, Inc. (“HOA”) whereby the District arranges for and supervises landscape maintenance services. The HOA is required to pay the District for the HOA’s portion of shared costs related to the landscaping and irrigation maintenance activity of the HOA. Shared costs are allocated on a percentage basis with 58.7% allocated to the HOA and 41.3% allocated to the District. For the fiscal year ended September 30, 2017, the District incurred charges of \$131,334 from the vendor for shared monthly landscaping. Of that amount, \$77,093 was for charges to be reimbursed by the HOA. As of September 30, 2017, the HOA owed the District \$6,704.

NOTE 8 - DEFICIT NET POSITION

The District has a government-wide net position deficit of (\$744,255) as of September 30, 2017. There is no such deficit reflected in the governmental fund financial statements. The deficit in the government-wide statement of net position primarily relates to the excess of the amount of long-term debt outstanding over the amount of capital assets, net of accumulated depreciation. In a prior year various infrastructure improvements necessary to complete the District were financed through the issuance of long-term debt but were conveyed to other entities for maintenance. Those capital assets are not included in the assets of the District; however, the long-term debt associated with those assets remains a liability of the District.

NOTE 9 - MANAGEMENT COMPANY

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

NOTE 10 - RISK MANAGEMENT

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

**THE HAMMOCKS COMMUNITY DEVELOPMENT DISTRICT
HILLSBOROUGH COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Assessments	\$ 210,942	\$ 211,666	\$ 724
Miscellaneous revenues	-	1,667	1,667
Interest	106	1,513	1,407
Total revenues	211,048	214,846	3,798
EXPENDITURES			
Current:			
General government	98,945	88,593	10,352
Maintenance and operations	112,103	68,802	43,301
Total expenditures	211,048	157,395	53,653
Excess (deficiency) of revenues over (under) expenditures	\$ -	57,451	\$ 57,451
Fund balance - beginning		208,410	
Fund balance - ending		\$ 265,861	

See notes to required supplementary information

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

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

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2017.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated May 30, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

May 30, 2018



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

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

We have examined The Hammocks Community Development District, Hillsborough County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2017. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2017.

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

May 30, 2018



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

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

Report on the Financial Statements

We have audited the accompanying basic financial statements of The Hammocks Community Development District, Hillsborough County, Florida ("District") as of and for the fiscal year ended September 30, 2017, and have issued our report thereon dated May 30, 2018.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 30, 2018, should be considered in conjunction with this management letter.

Purpose of this Letter

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

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

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

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

May 30, 2018

REPORT TO MANAGEMENT

I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

None

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

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

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

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2016.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2017.

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

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2017.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.
5. The financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes agrees with the September 30, 2017 financial audit report.
6. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.
7. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2017. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

6Aii

**Notice of Meetings
for the Fiscal Year 2019
The Hammocks
Community Development District**

The Board of Supervisors of The Hammocks Community Development District will hold their meetings for Fiscal Year 2019 at the Brentwood Clubhouse, 8504 Sandpiper Ridge Avenue, Tampa, Florida on the **second** Wednesday of every other month at 8:00 a.m. as follows unless indicated otherwise:

November 14, 2018
January 9, 2019
March 13, 2019
May 8, 2019
July 10, 2019
September 11, 2019

Meetings may be continued to a date and time certain which will be announced at the meeting. There may be occasions when one or more Supervisors may participate by telephone.

Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (954) 603-0033 at least two (2) calendar days prior to the meeting.

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

Bob Nanni
District Manager