

THE HAMMOCKS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2016

Version 2 - Final Budget:
(Adopted at July 22, 2015 meeting)

Prepared by:



THE HAMMOCKS

Community Development District

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The Hammocks
Community Development District

Operating Budget
Fiscal Year 2016

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	FY 2014	BUDGET	THRU	JUL -	PROJECTED	BUDGET
			FY 2015	JUN-2015	SEP-2015	FY 2015	FY 2016
REVENUES							
Interest - Investments	\$ 180	\$ 141	\$ 100	\$ 337	\$ 112	\$ 449	\$ 100
Interest - Tax Collector	183	503	-	330	-	330	-
Special Assmnts- Tax Collector	167,162	219,732	219,731	219,731	-	219,731	219,731
Special Assmnts- Discounts	(6,252)	(8,049)	(8,789)	(8,278)	-	(8,278)	(8,789)
Settlements	5,150	-	-	-	-	-	-
TOTAL REVENUES	166,423	212,327	211,042	212,120	112	212,232	211,042
EXPENDITURES							
<i>Administrative</i>							
P/R-Board of Supervisors	4,800	5,000	6,000	3,800	2,000	5,800	6,000
FICA Taxes	367	383	459	291	153	444	459
ProfServ-Arbitrage Rebate	-	600	600	600	-	600	600
ProfServ-Dissemination Agent	1,000	1,000	1,000	1,000	-	1,000	1,000
ProfServ-Engineering	3,403	1,829	2,500	-	2,000	2,000	2,500
ProfServ-Legal Services	2,366	1,235	2,000	1,583	528	2,111	2,000
ProfServ-Mgmt Consulting Serv	43,160	43,160	44,455	33,341	11,114	44,455	44,455
ProfServ-Property Appraiser	3,185	4,163	4,395	4,231	-	4,231	4,395
ProfServ-Special Assessment	12,500	12,500	12,500	12,500	-	12,500	12,500
ProfServ-Trustee Fees	3,233	3,233	3,718	3,717	-	3,717	3,718
Auditing Services	5,000	5,000	5,000	5,000	-	5,000	5,000
Communication - Telephone	9	2	-	-	-	-	-
Postage and Freight	719	248	600	130	450	580	600
Insurance - General Liability	13,246	13,661	15,027	9,202	-	9,202	10,582
Printing and Binding	166	231	400	119	280	399	400
Legal Advertising	702	688	500	-	500	500	500
Misc-Bank Charges	643	600	600	541	180	721	690
Misc-Assessmnt Collection Cost	22	887	4,394	4,231	-	4,231	4,395
Office Supplies	-	-	25	-	10	10	25
Annual District Filing Fee	175	175	175	175	-	175	175
Total Administrative	94,696	94,595	104,348	80,461	17,215	97,676	99,994
<i>Field</i>							
Contracts-Wetland Mitigation	3,930	-	-	-	-	-	-
Contracts-Landscape	91,265	59,057	70,000	44,829	25,171	70,000	70,000
Contracts-Lakes	-	3,960	3,960	3,108	1,059	4,167	4,236
R&M-Fence	-	4,950	5,000	4,950	-	4,950	5,000
R&M-Irrigation	-	771	1,000	4,389	1,463	5,852	1,000
R&M-Mulch	-	-	3,000	7,946	-	7,946	3,000
Misc-Contingency	7,127	150	23,734	1,325	5,934	7,259	23,734
Reserve-Ponds	-	-	-	-	-	-	4,078
Total Field	102,322	68,888	106,694	66,547	33,627	100,174	111,048
TOTAL EXPENDITURES	197,018	163,483	211,042	147,008	50,842	197,850	211,042
Excess (deficiency) of revenues							
Over (under) expenditures	(30,595)	48,844	-	65,112	(50,729)	14,383	-
OTHER FINANCING SOURCES (USES)							
Contribution to (Use of) Fund Balance	-	-	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-	-

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

<u>ACCOUNT DESCRIPTION</u>	<u>ACTUAL FY 2013</u>	<u>ACTUAL FY 2014</u>	<u>ADOPTED BUDGET FY 2015</u>	<u>ACTUAL THRU JUN-2015</u>	<u>PROJECTED JUL - SEP-2015</u>	<u>TOTAL PROJECTED FY 2015</u>	<u>ANNUAL BUDGET FY 2016</u>
Net change in fund balance	(30,595)	48,844	-	65,112	(50,729)	14,383	-
FUND BALANCE, BEGINNING	137,277	106,682	155,526	155,526	-	155,526	169,909
FUND BALANCE, ENDING	\$ 106,682	\$ 155,526	\$ 155,526	\$ 220,638	\$ (50,729)	\$ 169,909	\$ 169,909

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2016	\$ 169,909
Net Change in Fund Balance - Fiscal Year 2016	-
Reserves - Fiscal Year 2016 Additions	4,078
Total Funds Available (Estimated) - 9/30/2016	173,987

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		52,760 ⁽¹⁾
Reserves - Ponds	26,800	
FY 2016 Funding	4,078	30,878
	Subtotal	<u>83,638</u>
Total Allocation of Available Funds		83,638

Total Unassigned (undesignated) Cash \$ 90,348

Notes

(1) Represents approximately 3 months of operating expenditures

Budget Narrative
Fiscal Year 2016**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 in order 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.

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 - Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with Rule 15c2-12(b)-(5), which relates to additional reporting requirements for unrelated bond issues. 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 Severn Trent Environmental Services, Inc. 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 Severn Trent 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 2016**EXPENDITURES****Administrative (continued)****Professional Services - Property Appraiser**

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. 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 fiscal year budget for property appraiser costs was based on 2% of the anticipated assessment collections

Professional Services-Special Assessment

The District has contracted with Severn Trent Management Services, Inc. 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 2005 A/B 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 based on contracted fees from an existing engagement letter.

Communication-Telephone

Telephone and fax transmission expenditures.

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 Wells Fargo bank operating account.

Budget Narrative
Fiscal Year 2016

EXPENDITURES

Administrative (continued)

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.

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.

Field

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: \$330 for 9 waterways.

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.

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.

Misc - Contingency

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

The Hammocks
Community Development District

Debt Service Budgets
Fiscal Year 2016

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2016 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2013	FY 2014	BUDGET FY 2015	THRU JUN-2015	JUL - SEP-2015	PROJECTED FY 2015	BUDGET FY 2016
REVENUES							
Interest - Investments	\$ 341	\$ 324	\$ -	\$ 258	\$ -	\$ 258	\$ -
Special Assmnts- Tax Collector	448,412	447,449	447,450	447,450	-	447,450	447,450
Special Assmnts- Prepayment	95,446	-	-	-	-	-	-
Special Assmnts- CDD Collected	10,614	-	-	-	-	-	-
Special Assmnts- Discounts	(16,770)	(16,390)	(17,898)	(16,857)	-	(16,857)	(17,898)
TOTAL REVENUES	538,043	431,383	429,552	430,851	-	430,851	429,552
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Property Appraiser	8,544	8,477	8,949	8,616	-	8,616	8,949
Misc-Assessmnt Collection Cost	8,544	8,477	8,949	8,616	-	8,616	8,949
Total Administrative	17,088	16,954	17,898	17,232	-	17,232	17,898
<i>Debt Service</i>							
Debt Retirement Series A	105,000	110,000	120,000	120,000	-	120,000	125,000
Prepayments Series A	15,000	65,000	-	-	-	-	-
Prepayments Series B	305,000	-	-	-	-	-	-
Interest Expense Series A	306,350	299,750	293,700	290,125	-	290,125	283,525
Interest Expense Series B	13,746	-	-	-	-	-	-
Total Debt Service	745,096	474,750	413,700	410,125	-	410,125	408,525
TOTAL EXPENDITURES	762,184	491,704	431,598	427,357	-	427,357	426,423
Excess (deficiency) of revenues Over (under) expenditures	(224,141)	(60,321)	(2,046)	3,494	-	3,494	3,129
OTHER FINANCING SOURCES (USES)							
Interfund Transfer - In	-	27,460	-	-	-	-	-
Operating Transfers-Out	(195)	(65)	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	-	(2,046)	-	-	-	3,129
TOTAL OTHER SOURCES (USES)	(195)	27,395	(2,046)	-	-	-	3,129
Net change in fund balance	(224,336)	(32,926)	(2,046)	3,494	-	3,494	3,129
FUND BALANCE, BEGINNING	839,699	615,363	582,437	582,437	-	582,437	585,931
FUND BALANCE, ENDING	\$ 615,363	\$ 582,437	\$ 580,391	\$ 585,931	\$ -	\$ 585,931	\$ 589,060

Special Assessment Bonds
AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	EXTRAORDINARY REDEMPTION	INTEREST	TOTAL
11/1/2015	\$5,155,000.00	5.50%	\$0.00	\$0.00	\$141,762.50	\$141,762.50
5/1/2016	\$5,155,000.00	5.50%	\$125,000.00	\$0.00	\$141,762.50	\$266,762.50
11/1/2016	\$5,030,000.00	5.50%	\$0.00	\$0.00	\$138,325.00	\$138,325.00
5/1/2017	\$5,030,000.00	5.50%	\$135,000.00	\$0.00	\$138,325.00	\$273,325.00
11/1/2017	\$4,895,000.00	5.50%	\$0.00	\$0.00	\$134,612.50	\$134,612.50
5/1/2018	\$4,895,000.00	5.50%	\$140,000.00	\$0.00	\$134,612.50	\$274,612.50
11/1/2018	\$4,755,000.00	5.50%	\$0.00	\$0.00	\$130,762.50	\$130,762.50
5/1/2019	\$4,755,000.00	5.50%	\$150,000.00	\$0.00	\$130,762.50	\$280,762.50
11/1/2019	\$4,605,000.00	5.50%	\$0.00	\$0.00	\$126,637.50	\$126,637.50
5/1/2020	\$4,605,000.00	5.50%	\$155,000.00	\$0.00	\$126,637.50	\$281,637.50
11/1/2020	\$4,450,000.00	5.50%	\$0.00	\$0.00	\$122,375.00	\$122,375.00
5/1/2021	\$4,450,000.00	5.50%	\$165,000.00	\$0.00	\$122,375.00	\$287,375.00
11/1/2021	\$4,285,000.00	5.50%	\$0.00	\$0.00	\$117,837.50	\$117,837.50
5/1/2022	\$4,285,000.00	5.50%	\$175,000.00	\$0.00	\$117,837.50	\$292,837.50
11/1/2022	\$4,110,000.00	5.50%	\$0.00	\$0.00	\$113,025.00	\$113,025.00
5/1/2023	\$4,110,000.00	5.50%	\$185,000.00	\$0.00	\$113,025.00	\$298,025.00
11/1/2023	\$3,925,000.00	5.50%	\$0.00	\$0.00	\$107,937.50	\$107,937.50
5/1/2024	\$3,925,000.00	5.50%	\$195,000.00	\$0.00	\$107,937.50	\$302,937.50
11/1/2024	\$3,730,000.00	5.50%	\$0.00	\$0.00	\$102,575.00	\$102,575.00
5/1/2025	\$3,730,000.00	5.50%	\$205,000.00	\$0.00	\$102,575.00	\$307,575.00
11/1/2025	\$3,525,000.00	5.50%	\$0.00	\$0.00	\$96,937.50	\$96,937.50
5/1/2026	\$3,525,000.00	5.50%	\$220,000.00	\$0.00	\$96,937.50	\$316,937.50
11/1/2026	\$3,305,000.00	5.50%	\$0.00	\$0.00	\$90,887.50	\$90,887.50
5/1/2027	\$3,305,000.00	5.50%	\$230,000.00	\$0.00	\$90,887.50	\$320,887.50
11/1/2027	\$3,075,000.00	5.50%	\$0.00	\$0.00	\$84,562.50	\$84,562.50
5/1/2028	\$3,075,000.00	5.50%	\$245,000.00	\$0.00	\$84,562.50	\$329,562.50
11/1/2028	\$2,830,000.00	5.50%	\$0.00	\$0.00	\$77,825.00	\$77,825.00
5/1/2029	\$2,830,000.00	5.50%	\$255,000.00	\$0.00	\$77,825.00	\$332,825.00
11/1/2029	\$2,575,000.00	5.50%	\$0.00	\$0.00	\$70,812.50	\$70,812.50
5/1/2030	\$2,575,000.00	5.50%	\$265,000.00	\$0.00	\$70,812.50	\$335,812.50
11/1/2030	\$2,310,000.00	5.50%	\$0.00	\$0.00	\$63,525.00	\$63,525.00
5/1/2031	\$2,310,000.00	5.50%	\$280,000.00	\$0.00	\$63,525.00	\$343,525.00
11/1/2031	\$2,030,000.00	5.50%	\$0.00	\$0.00	\$55,825.00	\$55,825.00
5/1/2032	\$2,030,000.00	5.50%	\$295,000.00	\$0.00	\$55,825.00	\$350,825.00
11/1/2032	\$1,735,000.00	5.50%	\$0.00	\$0.00	\$47,712.50	\$47,712.50
5/1/2033	\$1,735,000.00	5.50%	\$310,000.00	\$0.00	\$47,712.50	\$357,712.50
11/1/2033	\$1,425,000.00	5.50%	\$0.00	\$0.00	\$39,187.50	\$39,187.50
5/1/2034	\$1,425,000.00	5.50%	\$330,000.00	\$0.00	\$39,187.50	\$369,187.50
11/1/2034	\$1,095,000.00	5.50%	\$0.00	\$0.00	\$30,112.50	\$30,112.50
5/1/2035	\$1,095,000.00	5.50%	\$345,000.00	\$0.00	\$30,112.50	\$375,112.50
11/1/2035	\$750,000.00	5.50%	\$0.00	\$0.00	\$20,625.00	\$20,625.00
5/1/2036	\$750,000.00	5.50%	\$365,000.00	\$0.00	\$20,625.00	\$385,625.00
11/1/2036	\$385,000.00	5.50%	\$0.00	\$0.00	\$10,587.50	\$10,587.50
5/1/2037	\$385,000.00	5.50%	\$385,000.00	\$0.00	\$10,587.50	\$395,587.50
			\$5,155,000.00	\$0.00	\$3,848,900.00	\$9,003,900.00

Budget Narrative
Fiscal Year 2016

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

Expenditures - Administrative

Professional Service – Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. 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 fiscal year budget for property appraiser costs was based on a unit price per parcel.

Misc-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.

Expenditures – Debt Service

Principal Debt Retirement Series A

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

Interest Expense Series A

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

The Hammocks

Community Development District

Supporting Budget Schedules

Fiscal Year 2016

THE HAMMOCKS

Community Development District

Comparison of Assessment Rates Fiscal Year 2016 vs. Fiscal Year 2015

Name	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2016	FY 2015	Percent Change	FY 2016	FY 2015	Percent Change	FY 2016	FY 2015	Percent Change	
Brentwood	\$465.53	\$465.53	0.0%	\$950.00	\$950.00	0.0%	\$1,415.53	\$1,415.53	0.0%	234
Oakwood	\$416.53	\$416.53	0.0%	\$850.00	\$850.00	0.0%	\$1,266.53	\$1,266.53	0.0%	266
										500