

THE HAMMOCKS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2017

Version 1 - Approved Tentative Budget:
(Approved on 5/11/2016)

Prepared by:



THE HAMMOCKS

Community Development District

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The Hammocks
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Operating Budget
Fiscal Year 2017

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2015	BUDGET FY 2016	THRU MAR-2016	APR - SEP-2016	PROJECTED FY 2016	BUDGET FY 2017
REVENUES						
Interest - Investments	\$ 567	\$ 100	\$ 365	\$ 365	\$ 730	\$ 106
Interest - Tax Collector	330	-	28	-	28	-
Special Assmnts- Tax Collector	219,731	219,731	212,010	7,721	219,731	219,731
Special Assmnts- Discounts	(8,278)	(8,789)	(8,283)	-	(8,283)	(8,789)
Other Miscellaneous Revenues	-	-	550	-	550	-
TOTAL REVENUES	212,350	211,042	204,670	8,086	212,756	211,048
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	5,000	6,000	3,800	3,000	6,800	6,000
FICA Taxes	383	459	291	230	521	459
ProfServ-Arbitrage Rebate	600	600	600	-	600	600
ProfServ-Dissemination Agent	1,000	1,000	1,000	-	1,000	1,000
ProfServ-Engineering	-	2,500	593	1,250	1,843	2,500
ProfServ-Legal Services	2,306	2,000	1,040	1,040	2,080	2,000
ProfServ-Mgmt Consulting Serv	44,455	44,455	22,227	22,228	44,455	46,678
ProfServ-Property Appraiser	3,944	4,395	-	-	-	-
ProfServ-Special Assessment	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	5,000	4,000	1,000	5,000	5,000
Communication - Telephone	-	-	-	-	-	-
Postage and Freight	147	600	58	58	116	600
Insurance - General Liability	9,202	10,582	9,732	-	9,732	10,705
Printing and Binding	179	400	77	77	154	400
Legal Advertising	534	500	40	40	80	500
Misc-Bank Charges	752	690	350	350	700	690
Misc-Assessmnt Collection Cost	1,338	4,395	4,075	320	4,395	4,395
Misc-Web Hosting	-	-	1,000	-	1,000	1,000
Office Supplies	-	25	6	6	12	25
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	91,232	99,994	65,281	29,599	94,880	98,945
<i>Field</i>						
Contracts-Landscape	58,979	70,000	30,525	28,300	58,825	56,599
Contracts-Lakes	4,167	4,236	2,160	2,202	4,362	4,404
R&M-Fence	4,950	5,000	4,950	-	4,950	5,000
R&M-Irrigation	7,562	1,000	1,373	-	1,373	1,000
R&M-Mulch	6,270	3,000	8,772	-	8,772	3,000
Misc-Contingency	5,331	23,734	1,041	22,693	23,734	20,000
Reserve - Ponds	-	4,078	-	-	-	22,100
Total Field	87,259	111,048	48,821	53,195	102,016	112,103
TOTAL EXPENDITURES	178,491	211,042	114,102	82,793	196,895	211,048

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2015	ADOPTED BUDGET FY 2016	ACTUAL THRU MAR-2016	PROJECTED APR - SEP-2016	TOTAL PROJECTED FY 2016	ANNUAL BUDGET FY 2017
Excess (deficiency) of revenues						
Over (under) expenditures	33,859	-	90,568	(74,707)	15,861	-
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	-	-	-	-	-
TOTAL OTHER SOURCES (USES)	-	-	-	-	-	-
Net change in fund balance	33,859	-	90,568	(74,707)	15,861	-
FUND BALANCE, BEGINNING	155,526	189,385	189,385	-	189,385	205,246
FUND BALANCE, ENDING	\$ 189,385	\$ 189,385	\$ 279,953	\$ (74,707)	\$ 205,246	\$ 205,246

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Exhibit "A" Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2017	\$ 205,246
Net Change in Fund Balance - Fiscal Year 2017	-
Reserves - Fiscal Year 2017 Additions	22,100
Total Funds Available (Estimated) - 9/30/2017	227,346

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital		52,762 ⁽¹⁾
Reserves - Ponds (prior year)	26,800 ⁽²⁾	
Reserves - Ponds (FY 2016)	4,078 ⁽³⁾	
Reserves - Ponds (FY 2017)	22,100 ⁽⁴⁾	52,978
	Subtotal	<u>105,740</u>

Total Allocation of Available Funds	105,740
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Total Unassigned (undesignated) Cash	<u>\$ 121,606</u>
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Notes

- (1) Represents approximately 3 months of operating expenditures
- (2) Assigned fund balance as of 9/30/15 via board motion 3/16/16
- (3) FY 2016 budgeted reserves
- (4) FY 2017 proposed budgeted reserves

Budget Narrative
Fiscal Year 2017**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.

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-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 2017**EXPENDITURES****Administrative (continued)****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 estimated based on historical cost.

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.

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 Severn Trent.

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 2017

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: \$367 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.

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Debt Service Budgets
Fiscal Year 2017

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2017 Approved Tentative Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2014	ACTUAL FY 2015	ADOPTED BUDGET FY 2016	ACTUAL THRU MAR-2016	PROJECTED APR - SEP-2016	TOTAL PROJECTED FY 2016	ANNUAL BUDGET FY 2017
REVENUES							
Interest - Investments	\$ 324	\$ 333	\$ -	\$ 210	\$ -	\$ 210	\$ -
Special Assmnts- Tax Collector	447,449	447,450	447,450	431,728	15,722	447,450	447,450
Special Assmnts- Discounts	(16,390)	(16,857)	(17,898)	(16,868)	-	(16,868)	(17,898)
TOTAL REVENUES	431,383	430,926	429,552	415,070	15,722	430,792	429,552
EXPENDITURES							
<i>Administrative</i>							
ProfServ-Property Appraiser	8,477	8,616	8,949	-	-	-	-
Misc-Assessmnt Collection Cost	8,477	8,616	8,949	8,297	652	8,949	8,949
Total Administrative	16,954	17,232	17,898	8,297	652	8,949	8,949
<i>Debt Service</i>							
Debt Retirement Series A	110,000	120,000	125,000	-	125,000	125,000	135,000
Principal Prepayments	65,000	-	-	20,000	5,000	25,000	-
Interest Expense Series A	299,750	290,125	283,525	141,763	141,213	282,976	275,275
Total Debt Service	474,750	410,125	408,525	161,763	271,213	432,976	410,275
TOTAL EXPENDITURES	491,704	427,357	426,423	170,060	271,865	441,925	419,224
Excess (deficiency) of revenues Over (under) expenditures	(60,321)	3,569	3,129	245,010	(256,143)	(11,133)	10,328
OTHER FINANCING SOURCES (USES)							
Interfund Transfer - In	27,460	-	-	-	-	-	-
Operating Transfers-Out	(65)	-	-	-	-	-	-
Contribution to (Use of) Fund Balance	-	-	3,129	-	-	-	10,328
TOTAL OTHER SOURCES (USES)	27,395	-	3,129	-	-	-	10,328
Net change in fund balance	(32,926)	3,569	3,129	245,010	(256,143)	(11,133)	10,328
FUND BALANCE, BEGINNING	615,362	582,436	586,005	586,005	-	586,005	574,873
FUND BALANCE, ENDING	\$ 582,436	\$ 586,005	\$ 589,134	\$ 831,015	\$ (256,143)	\$ 574,873	\$ 585,201

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Debt Service Series 2005 A

Special Assessment Bonds
AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	EXTRAORDINARY REDEMPTION	INTEREST	TOTAL
11/1/2016	\$5,005,000.00	5.50%	\$0.00	\$0.00	\$137,637.50	\$137,637.50
5/1/2017	\$5,005,000.00	5.50%	\$135,000.00	\$0.00	\$137,637.50	\$272,637.50
11/1/2017	\$4,870,000.00	5.50%	\$0.00	\$0.00	\$133,925.00	\$133,925.00
5/1/2018	\$4,870,000.00	5.50%	\$140,000.00	\$0.00	\$133,925.00	\$273,925.00
11/1/2018	\$4,730,000.00	5.50%	\$0.00	\$0.00	\$130,075.00	\$130,075.00
5/1/2019	\$4,730,000.00	5.50%	\$145,000.00	\$0.00	\$130,075.00	\$275,075.00
11/1/2019	\$4,585,000.00	5.50%	\$0.00	\$0.00	\$126,087.50	\$126,087.50
5/1/2020	\$4,585,000.00	5.50%	\$155,000.00	\$0.00	\$126,087.50	\$281,087.50
11/1/2020	\$4,430,000.00	5.50%	\$0.00	\$0.00	\$121,825.00	\$121,825.00
5/1/2021	\$4,430,000.00	5.50%	\$165,000.00	\$0.00	\$121,825.00	\$286,825.00
11/1/2021	\$4,265,000.00	5.50%	\$0.00	\$0.00	\$117,287.50	\$117,287.50
5/1/2022	\$4,265,000.00	5.50%	\$175,000.00	\$0.00	\$117,287.50	\$292,287.50
11/1/2022	\$4,090,000.00	5.50%	\$0.00	\$0.00	\$112,475.00	\$112,475.00
5/1/2023	\$4,090,000.00	5.50%	\$180,000.00	\$0.00	\$112,475.00	\$292,475.00
11/1/2023	\$3,910,000.00	5.50%	\$0.00	\$0.00	\$107,525.00	\$107,525.00
5/1/2024	\$3,910,000.00	5.50%	\$195,000.00	\$0.00	\$107,525.00	\$302,525.00
11/1/2024	\$3,715,000.00	5.50%	\$0.00	\$0.00	\$102,162.50	\$102,162.50
5/1/2025	\$3,715,000.00	5.50%	\$205,000.00	\$0.00	\$102,162.50	\$307,162.50
11/1/2025	\$3,510,000.00	5.50%	\$0.00	\$0.00	\$96,525.00	\$96,525.00
5/1/2026	\$3,510,000.00	5.50%	\$215,000.00	\$0.00	\$96,525.00	\$311,525.00
11/1/2026	\$3,295,000.00	5.50%	\$0.00	\$0.00	\$90,612.50	\$90,612.50
5/1/2027	\$3,295,000.00	5.50%	\$225,000.00	\$0.00	\$90,612.50	\$315,612.50
11/1/2027	\$3,070,000.00	5.50%	\$0.00	\$0.00	\$84,425.00	\$84,425.00
5/1/2028	\$3,070,000.00	5.50%	\$240,000.00	\$0.00	\$84,425.00	\$324,425.00
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
			\$5,005,000.00	\$0.00	\$3,553,550.00	\$8,558,550.00

Budget Narrative
Fiscal Year 2017

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 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 2017

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Comparison of Assessment Rates Fiscal Year 2017 vs. Fiscal Year 2016

Name	General Fund 001			Debt Service			Total Assessments per Unit			Total Units
	FY 2017	FY 2016	Percent Change	FY 2017	FY 2016	Percent Change	FY 2017	FY 2016	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