

THE HAMMOCKS
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2019

Version 2 - Adopted Budget:
(Adopted 7/11/2018)

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 Adopted 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 Adopted 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
---	-------------------

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 Adopted 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