HAMAL

COMMUNITY DEVELOPMENT DISTRICT

June 30, 2021

BOARD OF SUPERVISORS

SPECIAL MEETING

AGENDA

Hamal Community Development District

OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W●Boca Raton, Florida 33431
Phone: (561) 571-0010●Fax: (561) 571-0013●Toll-Free: (877) 276-0889

June 23, 2021

ATTENDEES:
Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.

Board of Supervisors
Hamal Community Development District

Dear Board Members:

The Board of Supervisors of the Hamal Community Development District will hold a Special Meeting on June 30, 2021 at 6:00 P.M., at the Briar Bay Clubhouse, 3400 Celebration Blvd., West Palm Beach, Florida 33411. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Presentation: Refunding Summary
   - Consideration of Term Sheets for Refunding
     - Bank United, N.A.
     - Hancock Whitney Bank
     - SouthState Bank
4. Consideration of No Trespassing Signage
5. Presentation of Audited Financial Report for the Fiscal Year Ending September 30, 2020, Prepared by Grau & Associates
6. Consideration of Resolution 2021-05, Hereby Accepting the Audited Financial Report for the Fiscal Year Ended September 30, 2020
7. Staff Reports
   A. District Counsel: *Hopping Green & Sams, P.A.*
   B. District Engineer: *Giangrande Engineering and Planning, LLC*
   C. District Manager: *Wrathell, Hunt and Associates, LLC*
      I. Status of Jog Road Median Maintenance

II. NEXT MEETING DATE: July 19, 2021 at 6:00 P.M.

- QUORUM CHECK

Marc DePaul	☐ **IN PERSON**	☐ **PHONE**	☐ **NO**
Benjamin Cuningham	☐ **IN PERSON**	☐ **PHONE**	☐ **NO**
Joseph Petrick	☐ **IN PERSON**	☐ **PHONE**	☐ **NO**
Ione Senior	☐ **IN PERSON**	☐ **PHONE**	☐ **NO**
Steven Pincus	☐ **IN PERSON**	☐ **PHONE**	☐ **NO**

8. Supervisors' Requests

9. Public Comments

10. Adjournment

Should you have any questions, please do not hesitate to contact me directly at (561)346-5294, or Daniel Rom at (561) 909-7930.

Sincerely,

Cindy Cerbone

Cindy Cerbone
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE
CALL-IN NUMBER: 1-888-354-0094
CONFERENCE ID: 8518503

HAMAL
COMMUNITY DEVELOPMENT DISTRICT

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MBS Capital Markets, LLC

Hamal Community Development District

Refunding Summary

June 2021

District's Outstanding Bonds Overview

Outstanding Bonds Overview

Overview:

- On February 24, 2017, the District issued its $8,775,000 Special Assessment Revenue Refunding Bonds, Series 2017 (the "Series 2017 Bonds")
- The Series 2017 Bonds were issued to currently refund and redeem the District's Special Assessment Refunding and Revenue Bonds, Series 2006A
- The Series 2017 Bonds are outstanding in the amount of $6.560 million and are due on May 1, 2031 with a fixed interest rate of 3.35%.

Current Status:

Series	Par Outstanding	Average Coupon	Par Call Date	Maturity
Series 2017 Bonds	$6,560,000	3.35%	May 1, 2020 @ 100%	May 1, 2031

Summary of Financing Options | Terms & Conditions

- MBS received three (3) bank proposal in response to a formal request for credit consideration of the Hamal CDD refunding
- Below provides a summary of the general terms and conditions of the bank financing options available to the District

	SouthState	BankUnited	Hancock Whitney
Fixed/Variable	Fixed	Fixed	Fixed
Rating	Not Required	Not Required	Not Required
Quoted/Est. Rate	1.87%	2.01%	2.05%
Rate Reset	No	No	No
Rate Adjustment for Determination of Taxability	Yes, subject to gross up; max rate of 2.367%	Yes, subject to gross up; max rate of 2.54%	Yes, subject to gross up; max rate of 2.60%
Duration	May 1, 2031	May 1, 2031	May 1, 2031
DSRF Size	None	None	None
Optional Call Provisions (i.e. refunding)	N/A	May 1, 2027 @ 100%	Non-callable
Assessment Prepayment Provisions	Yes	Yes	Yes
Assessment Prepayment Penalty	No	No	No
Additional Covenants:	- Standard Documentation Review and Financial Reporting Requirements - Bank may charge late charge of 5.00% of any payment not received within 10 days after payment is due - Default rate of 3.00% above current Note rate	- Standard Documentation Review and Financial Reporting Requirements - Default rate of 5.00%	- Standard Documentation Review and Financial Reporting Requirements
Banking Relationship	None Requested	Yes; - Deposit Relationship: Maintain operating account	Yes; - Deposit Relationship: Maintain operating account
Loan Commitment Fee	N/A	N/A	N/A

Summary of Financing Options | Financing Results

	SouthState	BankUnited	Hancock Whitney
Refunded Par	$6,560,000		
Current Average Coupon	3.35%		
Current Maximum Annual DS[1]	$772,347		
Est. Dated/Delivery Date	August 16, 2021	July 30, 2021	July/August 2021
Est. Refunding Par[5] & [6]	$6,457,000	$6,459,000	$6,459,000
Est. Avg. Coupon	1.87%	2.01%	2.05%
Final Maturity[4]	May 1, 2031	May 1, 2031	May 1, 2031
Est. NPV Savings[2]	**$230,962**	**$181,551**	**$168,092**
Est. NPV Savings %[2]	**3.52%**	**2.77%**	**2.56%**
Est. Max Annual Debt Service[1]	$708,295	$713,411	$714,773
Est. Max Annual Debt Service Reduction $[1] & [3]	**$64,052**	**$58,936**	**$57,574**
Est. Maximum Annual Debt Service Reduction %[1] & [3]	**8.3%**	**7.6%**	**7.5%**

1. The net annual debt service excludes 4% discount for early payment and the 1% collection fees charged by the Palm Beach County Tax Collector and Appraiser
2. These figures are net of all costs and transfers from the existing trust estate
3. The reduction of annual debt service is calculated based upon comparing the debt service of the outstanding bonds and the debt service on the proposed series of refunding bonds
4. The maturity date on the proposed series of refunding bonds is consistent with the maturity date on the series of outstanding bonds
5. The principal amount of the refunding bonds is estimated to remain par neutral for the refunding of the Series 2017 Bonds. It is anticipated that additional revenues will be collected by the closing date of the refunding bonds thereby allowing for all refunding series to remain par neutral. However, to the extent there is an increase in principal there would be a necessity to undertake the Chapter 170 assessment process which includes the notification and holding of a public hearing
6. The underwriter's discount or placement agent fee is 1.5% of the proposed refunding par. This fee is contingent upon the closing of the refinancing transaction. The estimated costs of issuance of the refinancing are consistent with other similarly recently closed CDD refinancing transactions. Such costs are to be negotiated between the District and the various financing team members.

Disclosures Regarding Underwriter's Role – MSRB Rule G-17

Disclosures Concerning the Underwriter's Role

i. MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;

ii. The underwriter's primary role is to purchase the Bonds with a view to distribution in an arm's-length commercial transaction with the District. The Underwriter has financial and other interests that differ from those of the District;

iii. Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the District under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the District without regard to their own financial or other interests;

iv. The Underwriter has a duty to purchase the Bonds from the District at a fair and reasonable price, but must balance that duty with their duty to sell municipal securities to investors at prices that are fair and reasonable; and

v. The Underwriter will review the official statement for the District's securities in accordance with, and as part of, its respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

Disclosure Concerning the Underwriter's Compensation

- The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest, since the Underwriter may have incentive to recommend to the District a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Disclosures Regarding Underwriter's Role – MSRB Rule G-17

Conflict of Interest

- The Underwriter has not identified any additional potential or actual material conflicts that require disclosure including those listed below.
  - **Payments to or from Third Parties.** There are no undisclosed payments, values, or credits to be received by the Underwriter in connection with its underwriting of this new issue from parties other than the District, and there are no undisclosed payments to be made by the Underwriter in connection with this new issue to parties other than the District (in either case including payments, values, or credits that relate directly or indirectly to collateral transactions integrally related to the issue being underwritten). In addition, there are no third-party arrangements for the marketing of the District's securities.
  - **Profit-Sharing with Investors.** There are no arrangements between the Underwriter and an investor purchasing new issue securities from the Underwriter (including purchases that are contingent upon the delivery by the District to the Underwriter of the securities) according to which profits realized from the resale by such investor of the securities are directly or indirectly split or otherwise shared with the Underwriter.
  - **Credit Default Swaps.** There will be no issuance or purchase by the Underwriter of credit default swaps for which the reference is the District for which the Underwriter is serving as underwriter, or an obligation of that District.
  - **Retail Order Periods**. For new issues in which there is a retail order period, the Underwriter will honor such agreement to provide the retail order period. No allocation of securities in a manner that is inconsistent with a District's requirements will be made without the District's consent. In addition, when the Underwriter has agreed to underwrite a transaction with a retail order period, it will take reasonable measures to ensure that retail clients are bona fide.
  - **Dealer Payments to District Personnel.** Reimbursements, if any, made to personnel of the District will be made in compliance with MSRB Rule G-20, on gifts, gratuities, and non-cash compensation, and Rule G-17, in connection with certain payments made to, and expenses reimbursed for, District personnel during the municipal bond issuance process.

Disclosures Concerning Complex Municipal Securities Financing

- Since the Underwriter has not recommended a "complex municipal securities financing" to the District, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.
- In accordance with the requirements of MSRB Rule G-17, if the Underwriter recommends, or if the Bonds are ultimately structured in a manner considered a "complex municipal securities financing" to the District, this letter will be supplemented to provide disclosure of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to us and are reasonably foreseeable at that time.

BankUnited, N.A.
7765 NW 148 Street
Miami Lakes, FL 33016
E-mail: paguila@bankunited.com

Percy R. Aguila, Jr.
Senior Vice President
Corporate Banking
Tel: 305.818.8661

Sara Zare
Director
MBS Capital Markets, LLC
6312 Jocelyn Hollow Road
Nashville, TN 37205

June 16, 2021

RE: Refinancing of Special Assessment Bonds, Series 2017 (Hamal Community Development District)

Dear Ms. Zare:

BankUnited, N.A. (the "Bank") is pleased to provide you with this Preliminary Term Sheet outlining the basic terms and conditions currently being contemplated for the proposed extension of credit applicable to the refinancing of the District's Special Assessment Revenue Bonds. This is not a commitment to lend; it is an expression of our interest in providing the aforementioned financing request pursuant to the following:

Borrower: Hamal Community Development District (the "District" or "Borrower").

Amount: Not to exceed $6,560,000 (the "Series 2021 Loan Amount").

Lender: BankUnited, N.A. and/or Bridge Funding Group, Inc., an affiliate of BankUnited, N.A (the "Lender").

Placement Agent: MBS Capital Markets, LLC. (the "Placement Agent").

Facility: The obligation will be in the form of bonds issued by the District in an amount not to exceed the Series 2021 Loan Amount (the "Series 2021 Loan"). Interest on the obligation shall be tax-exempt to the Lender.

Closing Date: On or before July 30, 2021 (the "Closing Date") or as otherwise mutually agreed upon by the Borrower and the Lender.

Purpose: The Series 2021 Loan will refund the Hamal Community Development District Special Assessment Bonds Series 2017 (City of West Palm Beach, Florida), currently outstanding of $6,560,000 and pay cost of issuance.

Security: The Series 2021 Loan shall be secured by a lien on and pledge of the Series 2021 Pledged Revenues, consisting of: **(a)** all revenues received by the District from the Special Assessments levied and collected on all Benefited Parcels within the District with respect to the Project (*see below*), including, without limitation, amounts received from any foreclosure proceedings for the enforcement of collection of such Special Assessments or, if applicable, from the issuance and sale of tax certificates with respect to such Special Assessments; and **(b)** all moneys on deposit in the Funds and Accounts

established under the Indenture that are created and established with respect to or for the benefit of the Series 2021 Loan.

Payments: Interest is payable semi-annually, on each May 1 and November 1 of each year, commencing November 1, 2021 (calculated on the basis of a 360-day year consisting of twelve 30-day months).

Principal is payable on May 1 of each year, commencing May 1, 2022.

Day Count Method: Based on 12, 30-day months (30/360).

Term/Maturity: The Series 2021 Loan shall be for a term that extends to May 1, 2031, corresponding to the preliminary amortization schedule below:

YEAR	Principal Amount [1]
2022	560,000
2023	580,000
2024	600,000
2025	620,000
2026	640,000
2027	665,000
2028	690,000
2029	710,000
2030	735,000
2031	760,000
Total	***6,560,000***

[1] Preliminary amounts, payable May 1,subject to change.

Interest Rate: The tax-exempt interest rate on the Series 2021 Loan shall be fixed extending to May 1, 2031 at an interest rate of 2.01%.

Prepayment: **Optional Redemption.** The Series 2021 Loan principal installments maturing on or after May 1, 2027 are subject to redemption prior to maturity at the option of the District, in whole or in part, in any order of maturity as determined by the District, on any date on or after May 1, 2026 at a redemption price equal to the principal amount of the Series 2021 Loan to be redeemed, plus accrued interest thereon to the date of redemption.

Extraordinary Optional Redemption. The Series 2021 Loan principal installments are subject to Extraordinary Optional Redemption prior to maturity, in whole on any date or in part on any Interest Payment Date at a redemption price equal to the principal amount of the Series 2021 Loan to be redeemed, plus accrued interest thereon to the date of redemption from amounts received as prepayment of non-ad valorem special assessments relating to the Series 2021 Loan.

Bank Counsel: BankUnited will be represented by counsel to be disclosed to the District upon acceptance of the Term Sheet (the "Bank Counsel"). Bank counsel fees (including expenses) are not expected to exceed $10,000.

Issuer Costs/Counsel: The District will pay for its costs from the Series 2021 Loan proceeds, including fees payable to its counsel, financial advisors, bond counsel, escrow agent, placement agent and the fees charged by Bank Counsel.

Deposit & Accounts: The District shall confirm BankUnited as a Qualified Public Depository ("QPD"), as defined by the State of Florida and pursuant to Chapter 280, Florida Statutes, for purposes of establishing BankUnited as an eligible depository of District funds.

Covenants: The District shall covenant to levy and collect the Special Assessment applicable to each property within the Assessment Area benefitted by the Series 2001 Project sufficient to pay principal and interest on the Series 2021 Loan. Such Special Assessments shall become due and be collected each year at the same time that County Taxes are due and collected.

The District will not create or permit to be created any charge or lien on the Pledged Revenues (including the Special Assessments) or amounts in the funds and accounts created under the Indenture ranking equal with, prior to or subordinate to the lien on the Pledged Revenues (including the Special Assessments).

Trustee/Paying Agent: TBD.

Escrow Agent: TBD.

Default Rate: Under any Event of Default, the Default Rate shall be calculated at 5.00%, per annum.

Default & Remedies: BankUnited shall be entitled to all remedies available under the financing documents and the Indenture. Upon the occurrence of an event of default under the Indenture, the financing documents will provide remedies to BankUnited customary for transactions of this nature, exercise rights and remedies available under law, equity or under the terms of the Indenture and other financing documents.

Gross Up: Upon an event of taxability caused by actions or failures to act of the District, the interest rate on the Series 2021 Loan shall increase to a taxable rate of 2.54%.

Tax Treatment: Interest on the Series 2021 Loan shall be excludable from gross income for federal income tax purposes, as evidenced by a customary opinion of the District's bond counsel. The District shall covenant to perform all actions, functions or requirements in order to maintain the tax-exempt status on the Series 2021 Loan.

Annual Reporting Requirements: **(1)** Prepare audited financial statements of the District. The audited financial statements will be posted on or before June 30 of each year for the fiscal year ending on the preceding September 30, commencing June 30, 2021 for the fiscal year ending on the preceding September 30, 2020.

(2) Prepare an annual budget of the District (the "Annual Budget"). The Annual Budget will be posted on or before September 30 of each year for the fiscal year commencing on October 1, commencing September 30, 2021 for the fiscal year commencing October 1, 2021.

Governing Law: All aspects of the Series 2021 Loan being discussed, including this Preliminary Term Sheet, and any related financing documents would be governed by the laws of the State of Florida.

Confidentiality: Notwithstanding anything herein to the contrary, any party hereto may disclose to any and all persons, without limitation of any kind the tax treatment or tax structure of this transaction. Furthermore, the parties to this transaction may disclose, as required by federal or state laws, any information as required to comply with such federal or state laws.

Acceptance: On behalf of BankUnited, we sincerely thank you for the opportunity to service your financing needs. Should you wish to proceed with obtaining formal credit approval under the general terms and conditions outlined herein please acknowledge the District's acceptance by signing below and returning one original signed document.

Very truly yours,

Percy R Aguila

Percy R. Aguila, Jr.
Senior Vice President

ACCEPTED BY:

_____

By: _____

As: _____

Cc: Brett Sealy/MBS Capital Markets, LLC

June 16, 2021

Hamal Community Development District
c/o MBS Capital Markets, LLC
Attn: Sara Zare
6312 Jocelyn Hollow Road
Nashville, TN 37205

Dear Sara:

Hancock Whitney Bank is pleased to propose to you the following financing, on the general terms and conditions outlined below:

BORROWER:	Hamal Community Development District
LOAN AMOUNT:	Not to exceed $6,560,000
LOAN TYPE:	Tax-Exempt Bank Qualified Term Loan
PURPOSE:	Refund all outstanding Special Assessment Refunding Bonds, Series 2017.
REPAYMENT:	Annual Principal Payments with Semi-Annual Interest Payments
INTEREST RATE:	Serial Bond with an average Coupon of 2.05% and tax equivalent yield of 2.60%.
MATURITY:	May 1, 2031
COLLATERAL:	Pledge of Non-Ad valorem special assessments on 1,321 assessable units within the District, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Assessments or, if applicable, from the issuance and sale of tax certificates with respect to such assessments.
DEPOSIT RELATIONSHIP:	Borrower to maintain its primary operating account(s) and related treasury services with Hancock Whitney Bank for the term of the loan.
GUARANTOR:	N/A

PREPAYMENT PENALTY:

The Proposed Series 2021 Bonds will be non-callable. Individuals will be allowed to pre-pay their assessments at any time during the term of the loan.

ADDITIONAL COVENANTS AND CONDITIONS:

Receipt and satisfactory review by Hancock Whitney Bank-engaged legal counsel of the legal documentation provided by the Bond Counsel engaged in this transaction. Bond Counsel Opinion to include, among other required information, that the form of the proposed Bonds (Series 2021 Bonds) are regular and proper to include an opinion as to tax exemption and enforceability.

Receipt and satisfactory review of the Supplemental Drafts to the Master Trust Indenture for the proposed refunding (Series 2021 Bonds). The Supplemental Drafts to the Master Trust Indenture will mirror, in all material aspects, the covenants, requirements, agreements, remedies, etc. of the existing Master Trust Indenture with no material deviation that will negatively affect the position of Hancock Whitney Bank.

Receipt and satisfactory review of the Special Assessment Revenue Bonds, Series 2021 Bonds Report utilizing the agreed upon terms (loan amount, interest rate, payment schedule, etc.)

FINANCIAL REPORTING:

On an annual basis, within 270 days of the Fiscal year end, a copy of the audited financial statements for the Borrower.

On annual basis, within 90 days of the Fiscal year end, a copy of an internally prepared financial statement for the Borrower.

Failure to provide the financial statements and reports as provided in the preceding paragraphs, after three (3) Business Days' written notice to the District, the District Manager and Counsel to the District, with a copy to the Trustee, shall constitute a "Financial Covenant Reporting Failure." Upon the occurrence of a Financial Covenant Reporting Failure Hancock Whitney Bank may enforce the provisions of this section by action in mandamus or for specific performance, to compel performance of the District's financial reporting obligations under this section. A Financial Covenant Reporting Failure under this section shall not constitute an Event of Default under the Master Indenture.

COSTS:

Standard and reasonable costs related to this loan transaction are the responsibility of the Borrower.

TAX EXEMPT STATUS:

In the event this Loan is deemed to no longer be tax exempt, then in such event Borrower shall also pay to Hancock Whitney Bank, at the time such interest is paid, all additional amounts which Hancock Whitney Bank specifies as necessary to preserve the after-tax yield

Hancock Whitney Bank would have received at each interest payment date had the loan remained tax exempt.

The Borrower agrees to pay, and indemnify Hancock Whitney Bank with respect to, any present or future stamp or documentary taxes, or any other excise or property taxes, charges or similar levies which arise from any payment made under this Loan or from the execution, delivery or registration of, or otherwise with respect to, this Loan or any agreement or instrument required by, or executed or delivered in connection with, this Loan.

This letter is not a commitment to lend, either expressed or implied, and does not impose any obligation on Hancock Whitney Bank to issue a commitment or to make the Loan. The terms and conditions outlined herein are not all-inclusive, but merely reflect the parties' discussions to date and are subject to change upon receipt of all requested information. The issuance of a commitment to make the Loan is subject to full underwriting, due diligence, documentation and approval.

Following your review of the above, please call me at (941) 714-3323 or email andres.rincon@hancockwhitney.com, with any questions or comments you may have prior to your decision.

Kindly execute a copy of this letter and return it to my attention at Hancock Whitney Bank, 4770 S.R. 64 East, Bradenton, FL 34208 by June 30, 2021.

Thank you for allowing us the opportunity to provide this loan proposal letter to you. We look forward to working with you.

Sincerely,

Andres Rincon
Senior Vice President

Accepted on this _____ day of _____, 2021.

BORROWER:

HAMAL COMMUNITY DEVELOPMENT DISTRICT

By:_____

SouthState

NON-BINDING PROPOSAL

June 16, 2021

Hamal Community Development District
2300 Glades Rd.
Suite 410W
Boca Raton, FL 33431

SouthState Bank ("the Bank") is pleased to have the opportunity to consider your loan request on behalf of Hamal Community Development District.

Borrower: Hamal Community Development District (the "District")

Purpose: To refund the outstanding Special Assessment Refunding Bonds, Series 2017 (the "Series 2017 Bonds").

Amount and Type: Estimated not to exceed $6,560,000.00. The loan is anticipated to close by August 16, 2021 and will be a tax-exempt loan.

Collateral: Special Assessment on real property located in the Hamal Community Development District.

Maturity Date: May 1, 2031

Interest Rate: The interest rate shall be a tax-exempt fixed rate of **1.87%** for the term of the loan provided the loan is closed by August 16, 2021 (calculated on the basis of a 30-day month and 360-day year).

Repayment Terms: Interest payment frequency is semi-annually on 5/1 and 11/1 beginning 11/1/2021, with principal due annually beginning 5/1/2022. Below is a preliminary payment schedule. Final payment schedule subject to the Bank's satisfactory review.

Maturity Date	Amount
5/1/2022	$ 599,000
5/1/2023	$ 611,000
5/1/2024	$ 623,000
5/1/2025	$ 636,000
5/1/2026	$ 648,000
5/1/2027	$ 661,000
5/1/2028	$ 675,000
5/1/2029	$ 688,000
5/1/2030	$ 702,000
5/1/2031	$ 717,000
	$ 6,560,000

Prepayment Penalty: None

Late Fees: Bank may, at its option collect from the Borrower a late charge of five percent (5.00%) of any payment not received by Bank within ten (10) days after the payment is due.

Event of Default: Upon an event of default, the Bank may recover from the Borrower all

	expenses incurred including without limitation reasonable attorney's fees, at all levels of the proceedings, whether incurred in connection with collection, bankruptcy, proceedings, trial, appeal or otherwise.
Default Rate:	3% above the current Note rate.
Bank Fees:	Bank fees including its Counsel review shall not exceed $20,000.00 The Bank's Counsel will be Michael Wiener at Holland & Knight LLP.
Warranties:	The Bank warrants to the District that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.
Covenants:	**1.)** Audited Annual Financials within 270 days of fiscal year end and the District Budget within 60 days of adoption shall be provided to the Bank by the Borrower. **2.)** Borrower shall provide such other financial information from time to time as is reasonably requested by the Bank. **3.)** Borrower covenants to levy Special Assessments sufficient to pay 1:1 debt service coverage (assuming a budgeted 95% collection). **4.)** Borrower will comply with the terms of the Assessment Proceedings and covenants to levy assessments sufficient to pay debt service on the Series 2021 Bond, subject to the limitation of maximum assessment levels in the assessment proceedings. **5.)** Borrower will do all things required to be eligible to receive each of the sources of Pledged Revenues and will diligently enforce its right to receive the Pledged Revenue and to remain as a community development district. **6.)** The District agrees to take such actions as may be required by Treasury regulations in order to maintain the status of the loan as a tax-exempt obligation. In the event the loan is not considered Tax Exempt as a result of any action or inaction of the District, the Bank reserves the right to increase the interest rate (see "Interest Rate" above) to the taxable rate equivalent (Note Rate divided by 0.79) (together with retroactive interest, penalties and other fees and costs associated therewith).
Conditions:	**1.)** Formal approval and authorization from Hamal Community Development District. **2.)** Loan documents to be satisfactorily reviewed and approved by Bank's Counsel.

This Non-Binding Proposal is solely and exclusively intended to serve as a summary of potential credit facility terms and conditions as a basis for preliminary discussion purposes only and to demonstrate SouthState Bank's interest in reviewing your loan request and, subject to SouthState

NON-BINDING PROPOSAL

Bank's underwriting requirements, and submission of your request for approval. This proposal may not include all of the terms and provisions that may be contained in any binding commitment letter which may later be offered to you. No oral communications between the parties shall be deemed to supersede this Non-Binding Proposal or indicate any commitment to extend credit in any form.

We appreciate this opportunity to submit our proposal to Hamal Community Development District for consideration. If you have any questions, please do not hesitate to call me at 954.682.8781, or email at noel.daluise@southstatebank.com.

Sincerely,

Noel M. Daluise

_____ 6/16/2021

Noel M. Daluise / Vice President Date

Acceptance:
By accepting this Non-Binding Proposal you acknowledge and agree to the terms hereof, including without limitation the non-binding nature of this Proposal.

_____ _____

Hamal Community Development District
Authorized Signor Date

Print Name: _____

HAMAL
COMMUNITY DEVELOPMENT DISTRICT

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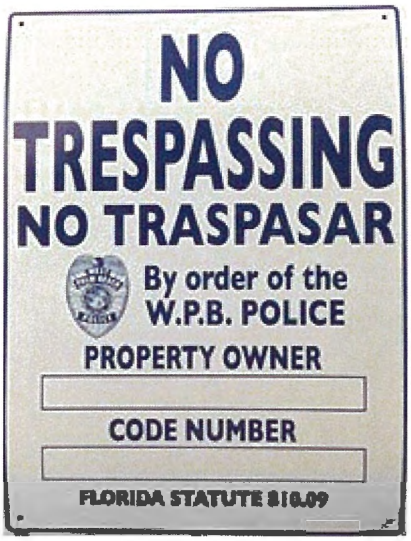
No Trespassing Signs

No Trespassing signs are sold at the West Palm Beach Police Department. Signs are only sold on Tuesdays by appointment, please call Valerie Moore at 561-822-1621. They are $10/each paid by cash or check made payable to City of West Palm Beach.



No Trespassing signs are sold to warn and direct undesired persons to leave the property and/or curtilage thereof. By purchasing and posting these signs you authorize West Palm Beach Police Officers to enforce the State of FL Trespassing Statutes.

Download a copy of the No Trespassing Affidavit.

WEST PALM BEACH POLICE DEPARTMENT TRESPASSING ENFORCEMENT AFFIDAVIT

Pursuant to **F.S.S. 810.08**, whoever without being authorized, licensed, or invited, willfully enters or remains in any structure or conveyance, or having been authorized, licensed, or invited, is warned by the owner or lessee of the premises, or by a person authorized by the owner or lessee, to depart and refuses to do so, commits the offense of trespass in a structure or conveyance.

Pursuant to **F.S.S. 810.09**, whoever without being authorized, licensed, or invited, willfully enters upon or remains in any property other than a structure or conveyance as to which notice against entering or remaining is given, either by actual communication to the offender, or by posting, fencing, or cultivation as described in **F.S.S. 810.011 paragraph (5) (a)**, commits the offense of trespass on property other than a structure or conveyance.

If the offender defies an order to leave, personally communicated by the owner of the premises or by authorized person, commits the offense of trespassing, misdemeanor punishable as proved in **F.S.S. 775.082 or F.S.S. 775.083.**

This document is to serve notice that Officers of the West Palm Beach Police Department are authorized by the owner or lessor of the below listed property to enforce Trespassing Statutes on said properties including parking lots. As authorized representatives, Officers of the West Palm Beach Police Department may enforce the State of Florida Trespassing Statutes by warning and directing undesired persons to leave the property and/or curtilage thereof. The owner of the below listed property, located in the City of West Palm Beach, Palm Beach County, Florida, agrees that they will aid in the prosecution of those persons arrested.

This enforcement authorization will remain in force until canceled in writing by owner/lessor or authorized person.

WPBPD Sign #_____ **No. of signs purchased:** _____ **Date:** _____

Business/Residence Name: _____

Business/Residence Address: _____

Contact Information
Property Owner Name: _____ **D.O.B.** _____

Address: _____

Phone # Cell: _____ **Work:** _____ **Emergency Contact:** _____

Sworn to and Subscribed Before Me:

This _____ **Day of** _____, **20**_____

Notary/Police Officer

_____
Notary Signature

_____
(Seal)

_____
Authorizing Signature for Property Owner

_____
Printed Name of Signatory

_____
Relationship to Property Owner

Due to the Florida State Statute, all sides of a residential or business property needs to be posted with a No Trespass sign. Large properties need the signs posted every 500 feet around the perimeter of the property. If the owner/tenant/property manager fails to post the property properly it could result in a lack of prosecution by the State.

I understand the above statement and understand that not posting the property could result in lack of prosecution if I do not properly post the property.

Affidavit signer is responsible for keeping the sign marked with the sign # and the name of the owner/property name due to fading.

_____ **Date:** _____
Signature

HAMAL
COMMUNITY DEVELOPMENT DISTRICT

5

HAMAL
COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2020

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA

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Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Hamal Community Development District
Palm Beach County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Hamal Community Development District, Palm Beach County, Florida (the "District") as of and for the fiscal year ended September 30, 2020, 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, 2020, 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 27, 2021, 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

Brown & Associates

May 27, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Hamal Community Development District, Palm Beach County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2020. 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 assets plus deferred outflows of resources of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of $3,260,629.

- The change in the District's total net position in comparison with the prior fiscal year was $620,714, 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, 2020, the District's governmental funds reported combined ending fund balances of $2,063,403, an increase of $131,290 in comparison with the prior fiscal year. A portion of fund balance is restricted for debt service, non-spendable for prepaid items, assigned to maintenance, working capital and disaster reserve 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 are 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.

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 assessment revenues. The District does not have any business-type activities. The governmental activities of the District include the general government (management) and maintenance functions.

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)

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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains two individual governmental funds. 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 fund, both of which are considered to be 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.

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, assets plus deferred outflows of resources exceeded liabilities 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,

	2020	2019
Current and other assets	$ 2,170,403	$ 2,002,720
Capital assets, net	8,289,454	8,343,058
Total assets	10,459,857	10,345,778
Deferred outflows of resources	55,793	59,075
Current liabilities	152,021	136,938
Long-term liabilities	7,103,000	7,628,000
Total liabilities	7,255,021	7,764,938
Net position		
Net investment in capital assets	1,242,247	774,133
Restricted	383,040	370,274
Unrestricted	1,635,342	1,495,508
Total net position	$ 3,260,629	$ 2,639,915

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

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.

An additional portion of the District's net position represents resources that are subject to 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 change 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 POSTION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30,

	2020	2019
Revenues:		
Program revenues		
Charges for services	$ 1,328,922	$ 1,326,558
Operating grants and contributions	3,807	9,526
General revenues	20,254	3,462
Total revenues	1,352,983	1,339,546
Expenses:		
General government	108,077	95,283
Maintenance and operations	372,200	399,259
Interest	251,992	268,247
Total expenses	732,269	762,789
Change in net position	620,714	576,757
Net position - beginning	2,639,915	2,063,158
Net position - ending	$ 3,260,629	$ 2,639,915

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2020 was $732,269. The costs of the District's activities were paid by program revenues. Program revenues are comprised primarily of assessments. The remainder of the current fiscal year revenue includes interest income and revenue in connection with the Fair Share Agreement.

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, 2020.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At September 30, 2020, the District had $9,179,566 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of $890,112 has been taken, which resulted in a net book value of $8,289,454. More detailed information about the District's capital assets is presented in the notes of the financial statements.

Capital Debt

At September 30, 2020, the District had $7,103,000 in 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 for the subsequent fiscal year. 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, land owners, 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 Hamal Community Development District's Finance Department at 2300 Glades Rd, Suite 410W, Boca Raton, Florida, 33431.

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 1,581,803
Accounts receivable	93,768
Assessments receivable	7,893
Prepaid items	9,617
Restricted assets:	
Investments	477,322
Capital assets:	
Nondepreciable	7,819,239
Depreciable, net	470,215
Total assets	10,459,857
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	55,793
LIABILITIES	
Accounts payable	52,875
Accrued interest payable	99,146
Long-term liabilities:	
Due within one year	543,000
Due in more than one year	6,560,000
Total liabilities	7,255,021
NET POSITION	
Net investment in capital assets	1,242,247
Restricted for debt service	383,040
Unrestricted	1,635,342
Total net position	$ 3,260,629

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues: Charges for Service	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Primary government:				
Governmental activities:				
General government	$ 108,077	$ 108,077	$ -	$ -
Maintenance and operations	372,200	435,315	-	63,115
Interest on long-term debt	251,992	785,530	3,807	537,345
Total governmental activities	732,269	1,328,922	3,807	600,460
General revenues:				
Investment earnings				2,265
Miscellaneous				17,989
Total general revenues				20,254
Change in net position				620,714
Net position - beginning				2,639,915
Net position - ending				$ 3,260,629

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	Major Funds		Total Governmental Funds
	General	Debt Service	
ASSETS			
Cash and cash equivalents	$ 1,581,803	$ -	$ 1,581,803
Investments	-	477,322	477,322
Assessments receivable	3,029	4,864	7,893
Account receivable	93,768	-	93,768
Prepaid items	9,617	-	9,617
Total assets	$ 1,688,217	$ 482,186	$ 2,170,403
LIABILITIES			
Accounts payable	$ 52,875	$ -	$ 52,875
Total liabilities	52,875	-	52,875
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - fair share agreement	54,125	-	54,125
Total deferred inflows of resources	54,125	-	54,125
FUND BALANCES			
Nonspendable:			
Prepaid items	9,617	-	9,617
Restricted for:			
Debt service	-	482,186	482,186
Assigned to:			
Working capital	133,327	-	133,327
Maintenance	350,000	-	350,000
Disaster reserve	500,000	-	500,000
Unassigned	588,273	-	588,273
Total fund balances	1,581,217	482,186	2,063,403
Total liabilities, deferred inflows of resources and fund balances	$ 1,688,217	$ 482,186	$ 2,170,403

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

Fund balance - governmental funds		$ 2,063,403
Amounts reported for governmental activities on 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 accumulated depreciation, in the net position of the government as a whole.		
Cost of capital assets	9,179,566	
Accumulated depreciation	(890,112)	8,289,454
Deferred amounts on refunding are not reported as assets in the governmental funds. The statement of net position includes these costs, net of amortization.		55,793
Assets recorded in the governmental fund financial statements that are not available to pay for the current-period expenditures are unavailable revenue in the governmental funds.		54,125
Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.		
Accrued interest payable	(99,146)	
Bonds payable	(7,103,000)	(7,202,146)
Net position of governmental activities		$ 3,260,629

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Major Funds		Total Governmental Funds
	General	Debt Service	
REVENUES			
Assessments	$ 489,267	$ 785,530	$ 1,274,797
Fair share agreement revenue	39,643	-	39,643
Interest income	2,265	3,807	6,072
Miscellaneous Income	17,989	-	17,989
Total revenues	549,164	789,337	1,338,501
EXPENDITURES			
Current:			
General government	105,216	2,861	108,077
Maintenance and operations	318,596	-	318,596
Debt service:			
Principal	-	525,000	525,000
Interest	-	255,538	255,538
Total expenditures	423,812	783,399	1,207,211
Excess (deficiency) of revenues over (under) expenditures	125,352	5,938	131,290
Fund balances - beginning	1,455,865	476,248	1,932,113
Fund balances - ending	$ 1,581,217	$ 482,186	$ 2,063,403

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH 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, 2020

Net change in fund balances - total governmental funds	$	131,290
Amounts reported for governmental activities in the statement of activities are different because:		
Depreciation on capital assets is not recognized in the governmental fund financial statements but is reported as an expense in the statement of activities.		(53,604)
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.		525,000
Certain revenues were unavailable for the governmental fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.		(39,643)
Amortization of the deferred amount on refunding is shown on the statement of activities but not on the fund financial statements		(3,282)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.		54,125
The change in accrued interest on long-term liabilities between the current and prior fiscal year is recorded in the statement of activities but not in the governmental fund financial statements.		6,828
Change in net position of governmental activities	$	620,714

See notes to the financial statements

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY

Hamal Community Development District ("District") was created on January 8, 2001 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by ordinance 3390-00 of the City of West Palm Beach, Florida. 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 resident electors living 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 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 certain land and all platted lots within the District. Assessments are levied each November 1 on property of record as of the previous January. 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. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

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, Net Position and Fund Balance

Restricted Assets

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

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).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position and Fund Balance (Continued)

Deposits and Investments (Continued)
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 Inter-local 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.

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.

Prepaid Items
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 the acquisition 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:

Assets	Years
Infrastructure	20-30
Other improvements	10-16

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.

Refundings of Debt
For current refundings and advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources and recognized ratably as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter. In connection with the refunding, $3,282 was recognized as a component of interest expense in the current fiscal year.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position and Fund Balance (Continued)

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

Long-Term Obligations
In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the Bonds. 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
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Balance/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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, Net Position and Fund Balance (Continued)

Fund Balance/Net Position (Continued)
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.

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 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.

NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)

Investments

The District's investments were held as follows at September 30, 2020:

	Amortized	Credit Risk	Maturities
First American Government Obligation Fund Class Y	$ 477,322	S&P AAAm	Weighted average of the fund portfolio: 44 days
Total Investments	$ 477,322		

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.

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. Accordingly, the District's investments have been reported at amortized cost above.

NOTE 5 – FAIR SHARE AGREEMENT REVENUE

The District has entered into an agreement with the School Board of Palm Beach County ("School Board") and Sandler West Palm Beach Investment Limited Partnership ("Sandler") whereby the School Board and Sandler shall remit to the District a proportionate share of the costs and expenses incurred in connection with the maintenance and administration of the master drainage system constructed by the District. The School Board's share of costs is 19.46% and Sandler's share is 6.93%.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land and land improvements	$ 7,819,239	$ -	$ -	$ 7,819,239
Total capital assets, not being depreciated	7,819,239	-	-	7,819,239
Capital assets, being depreciated				
Improvements - infrastructure	1,095,790	-	-	1,095,790
Improvements - other	264,537	-	-	264,537
Total capital assets, being depreciated	1,360,327	-	-	1,360,327
Less accumulated depreciation for:				
Improvements - infrastructure	672,274	36,963	-	709,237
Improvements - other	164,234	16,641	-	180,875
Total accumulated depreciation	836,508	53,604	-	890,112
Total capital assets, being depreciated, net	523,819	(53,604)	-	470,215
Governmental activities capital assets, net	$ 8,343,058	$ (53,604)	$ -	$ 8,289,454

Depreciation expense was charged to maintenance and operations function.

NOTE 7 – LONG-TERM LIABILITIES

On February 1, 2017, the District issued $8,775,000 of Special Assessment Revenue Refunding and Bonds Series 2017, due May 1, 2031, with interest rate of 3.35%. The Bonds were issued to refund the District's outstanding Special Assessment Refunding and Improvement Bonds, Series 2006A (the "Refunded Bonds"), and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1. Principal on the Bonds is to be paid serially commencing May 1, 2017 through May 1, 2031.

The Series 2017 Bonds are subject to redemption at the option of the District prior to maturity. The Series 2017 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Bond Indenture.

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, 2020.

Changes in long-term liability activity for the fiscal year ended September 30, 2020 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Series 2017	$ 7,628,000	$ -	$ 525,000	$ 7,103,000	$ 543,000
Total	$ 7,628,000	$ -	$ 525,000	$ 7,103,000	$ 543,000

NOTE 7 – LONG-TERM LIABILITIES (Continued)

At September 30, 2020, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30,	Principal	Interest	Total
2021	$ 543,000	$ 237,951	$ 780,951
2022	562,000	219,760	781,760
2023	581,000	200,933	781,933
2024	600,000	181,470	781,470
2025	621,000	161,370	782,370
2026-2030	3,437,000	480,256	3,917,256
2031	759,000	25,427	784,427
Total	$ 7,103,000	$ 1,507,167	$ 8,610,167

NOTE 8 – MANAGEMENT COMPANY

The District has contracted with Wrathell, Hunt and Associates, LLC to perform management advisory services, which include financial and accounting advisory 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, computer and other administrative costs.

NOTE 9 – 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.

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Maintenance assessments	$ 486,396	$ 489,267	$ 2,871
Fair share agreement revenue	46,302	39,643	(6,659)
Interest and other revenues	1,500	20,254	18,754
Total revenues	534,198	549,164	14,966
EXPENDITURES			
Current:			
General government	108,457	105,216	3,241
Maintenance	425,741	318,596	107,145
Total expenditures	534,198	423,812	110,386
Excess (deficiency) of revenues over (under) expenditures	$ -	125,352	$ 125,352
Fund balance - beginning		1,455,865	
Fund balance - ending		$ 1,581,217	

See notes to required supplementary information

HAMAL COMMUNITY DEVELOPMENT DISTRICT
PALM BEACH 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, 2020.

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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
Hamal Community Development District
Palm Beach 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 Hamal Community Development District, Palm Beach County, Florida ("District") as of and for the fiscal year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated May 27, 2021.

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.

Brown & Associates

May 27, 2021

Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
(561) 994-9299 ▪ (800) 299-4728
Fax (561) 994-5823
www.graucpa.com

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
Hamal Community Development District
Palm Beach County, Florida

We have examined Hamal Community Development District, Palm Beach 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, 2020. Management is responsible for District's compliance with those requirements. Our responsibility is to express an opinion on 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, 2020.

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 Hamal Community Development District, Palm Beach County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

Grau & Associates

May 27, 2021

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951 Yamato Road ▪ Suite 280
Boca Raton, Florida 33431
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Fax (561) 994-5823
www.graucpa.com

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

To the Board of Supervisors
Hamal Community Development District
Palm Beach County, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of Hamal Community Development District ("District") as of and for the fiscal year ended September 30, 2020, and have issued our report thereon dated May 27, 2021.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; G*overnment Auditing Standards,* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida Auditor General. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 27, 2021 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 Hamal Community Development District, Palm Beach County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank Hamal Community Development District, Palm Beach 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.

Grau & Associates

May 27, 2021

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, 2019.

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, 2020.

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, 2020.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2020. 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.

HAMAL
COMMUNITY DEVELOPMENT DISTRICT

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RESOLUTION 2021-05

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE HAMAL COMMUNITY DEVELOPMENT DISTRICT HEREBY ACCEPTING THE AUDITED FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

WHEREAS, the District's Auditor, Grau & Associates, has heretofore prepared and submitted to the Board, for accepting, the District's Audited Financial Report for Fiscal Year 2020;

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

1. The Audited Financial Report for Fiscal Year 2020, heretofore submitted to the Board, is hereby accepted for Fiscal Year 2020, for the period ending September 30, 2020; and

2. A verified copy of said Audited Financial Report for Fiscal Year 2020 shall be attached hereto as an exhibit to this Resolution, in the District's "Official Record of Proceedings".

PASSED AND ADOPTED this 30th day of June, 2021.

HAMAL COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary	Chair/Vice Chair, Board of Supervisors

HAMAL
COMMUNITY DEVELOPMENT DISTRICT

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HAMAL COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2020/2021 MEETING SCHEDULE

LOCATION

Briar Bay Clubhouse, 3400 Celebration Blvd., West Palm Beach, Florida 33411

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
November 18, 2020 CANCELED	Regular Meeting	6:00 P.M.
December 2, 2020	Special Meeting	6:00 P.M.
February 8, 2021	Regular Meeting	6:00 P.M.
May 10, 2021	Regular Meeting	6:00 P.M.
June 30, 2021	Special Meeting	6:00 P.M.
July 19, 2021	Regular Meeting	6:00 P.M.
September 13, 2021	Public Hearing and Regular Meeting	6:00 P.M.