

**Report on Examination**

**of**

**Oak Hammock at the University of Florida, Inc.**

**Gainesville, FL**

**as of**

**December 31, 2022**



## Contents

Scope of Examination .....	1
Company History.....	1
Summary of Findings .....	2
Minimum Liquid Reserve .....	2
Summary of Recommendations.....	3
Conclusion .....	4

## **SCOPE OF EXAMINATION**

The Florida Office of Insurance Regulation (“OIR”), Life & Health Financial Oversight unit, conducted a routine examination of Oak Hammock at the University of Florida, Inc. (“Oak Hammock”), pursuant to Section 651.105, Florida Statutes. The objective of the examination was to determine the extent of compliance with the provisions of Chapter 651, Florida Statutes, and Rule Chapter 69O-193, Florida Administrative Code. The examination covered the period of January 1, 2017, through December 31, 2022.

## **COMPANY HISTORY**

Oak Hammock, a Florida not-for-profit corporation, was granted a Certificate of Authority by the OIR to offer continuing care contracts on October 17, 2002. Oak Hammock operates the continuing care retirement community (“CCRC”) facility located in Gainesville, Florida.

Oak Hammock operates on the calendar year from January 1 through December 31. As of December 31, 2022, there were 412 Continuing Care Units consisting of 269 Independent Living Units, 46 Assisted Living, 21 Memory Care, and 73 Skilled Nursing Units. As of December 31, 2022, Oak Hammock reported in its annual report filed with the OIR: there were 484 individuals residing at Oak Hammock. The facility reports, pursuant to a continuing care contract, 373 residents in independent living, 47 residents in assisted living and memory care, and 23 residents in skilled nursing.

## **SUMMARY OF FINDINGS**

### Resident Council Required Disclosures

#### Finding 1:

In three instances, pursuant to Section 651.091(2)(h), Florida Statutes, Oak Hammock failed to provide documentation demonstrating that the information described in Section 651.085(4), Florida Statutes, was provided in writing to the President or Chair of the Residents' Council.

### Notifications to the OIR

#### Finding 2:

In 16 instances, pursuant to Rule 69O-193.058(3), Florida Administrative Code, Oak Hammock failed to notify the OIR of any change in Members of the Board, Trustees, Directors, or Officers.

#### Finding 3:

In seven instances, pursuant to Section 651.026(2)(a), Florida Statutes, Oak Hammock failed to notify the OIR, in their annual report, of any change in status with respect to the information required to be filed under 651.022(2), Florida Statutes.

### New Financing, Additional Financing or Refinancing

#### Finding 4:

In one instance, pursuant to Section 651.019(1)(a), Florida Statutes, Oak Hammock failed to provide a written general outline of the amount and the anticipated terms of any new financing or refinancing to the residents' council at least 30 days before the closing date of the financing or refinancing transaction.

## **MINIMUM LIQUID RESERVE**

As of December 31, 2022, Oak Hammock at the University of Florida, Inc. had a Minimum Liquid Reserve that was funded in accordance with Section 651.035, Florida Statutes.

## **SUMMARY OF RECOMMENDATIONS**

### Resident Council Required Disclosures

Finding 1: The OIR recommends that Oak Hammock establish adequate procedures and controls to ensure the statutory availability, distribution, and posting of reports and records are distributed to the President or Chair of the Residents' Council, in accordance with Section 651.091(2)(h), Florida Statutes.

### Notifications to the OIR

Findings 2 and 3: The OIR recommends that Oak Hammock ensures the OIR is timely provided information and documentation for managers or management companies, in accordance with requirements of Chapter 651, Florida Statutes and Rule Chapter 69O-193, Florida Administrative Code.

### New Financing, Additional Financing or Refinancing

Finding 4: The OIR recommends that Oak Hammock submits executed financing documents, escrow, or trust agreements prepared in support of such financing or refinancing transaction, to the OIR within 30 days after the closing date of financing, and a copy of all documents required to be submitted to the Residents Council at least 30 days before the closing date of the financing or refinancing transaction, adhering to Section 651.019, Florida Statutes.

## CONCLUSION

This Report of Examination is based upon the information provided to the OIR from Oak Hammock at the University of Florida, Inc. and additional research conducted by the OIR.

The following individuals from the Florida Office of Insurance Regulation participated in the examination: Michael Rockwell, Financial Administrator; Steven Waites, Financial Specialist; Al Garabedian, Financial Specialist.

Respectfully submitted,



Carolyn M. Morgan, APIR  
Director  
Life & Health Financial Oversight  
Florida Office of Insurance Regulation  
Date Signed: 6/6/24