

HARMONY
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2012

(Version 5 - Adopted Budget)
(Adpted at meeting on 8/25/11)

Prepared by:



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Harmony
Community Development District

Operating Budget
Fiscal Year 2012

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2012 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ADOPTED
	FY 2010	BUDGET FY 2011	THRU JUL-2011	AUG - SEP-2011	PROJECTED FY 2011	BUDGET FY 2012
REVENUES						
Interest - Investments	\$ 3,852	\$ 1,500	\$ 4,417	\$ 500	\$ 4,917	\$ 1,500
Judgements and Fines	-	-	376		376	-
Interest - Tax Collector	200	-	130		130	-
Special Assmnts- Tax Collector	621,490	622,750	617,853	4,897	622,750	622,472
Special Assmnts- CDD Collected	914,364	914,363	761,970	152,393	914,363	913,955
Special Assmnts- Delinquent	4,785	-	640	-	640	-
Special Assmnts- Discounts	(9,437)	(24,910)	(11,142)	-	(11,142)	(24,900)
TOTAL REVENUES	1,535,254	1,513,703	1,374,244	157,790	1,532,034	1,513,027
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	8,800	9,600	9,400	1,600	11,000	9,600
FICA Taxes	673	734	719	122	841	734
ProfServ-Arbitrage Rebate	-	1,200	3,000	-	3,000	1,200
ProfServ-Dissemination Agent	500	500	500	-	500	500
ProfServ-Engineering	19,747	18,000	6,866	2,289	9,155	15,000
ProfServ-Legal Services	21,461	23,000	19,427	6,476	25,903	23,000
ProfServ-Mgmt Consulting Serv	52,516	54,091	45,076	9,015	54,091	55,984
ProfServ-Special Assessment	11,089	11,422	11,422	-	11,422	11,822
ProfServ-Property Appraiser	-	-	-	779	779	779
ProfServ-Trustee	9,186	11,000	10,748	-	10,748	11,000
Auditing Services	8,000	8,000	4,500	3,500	8,000	8,000
Communication - Telephone	440	175	242	48	290	380
Postage and Freight	827	1,200	735	147	882	1,200
Insurance - General Liability	18,274	19,850	21,575	-	21,575	23,733
Printing and Binding	3,947	5,000	3,908	782	4,690	5,000
Legal Advertising	990	1,000	492	508	1,000	1,000
Misc-Assessmnt Collection Cost	7,612	12,455	12,133	98	12,231	12,449
Misc-Contingency	276	1,000	178	36	214	2,800
Office Supplies	716	1,500	561	112	673	1,500
Annual District Filing Fee	175	175	175	-	175	175
Capital Outlay	-	750	-	-	-	-
Total Administrative	165,229	180,652	151,657	25,511	177,168	185,856
<i>Field</i>						
Payroll-Salaried	3,761	60	60	-	60	-
ProfServ-Field Management	43,896	79,813	64,982	14,819	79,801	82,606
Total Field	47,657	79,873	65,042	14,819	79,861	82,606

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2012 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2010	ADOPTED BUDGET FY 2011	ACTUAL THRU JUL-2011	PROJECTED AUG - SEP-2011	TOTAL PROJECTED FY 2011	ADOPTED BUDGET FY 2012
Landscape						
Utility - Refuse Removal	34,521	11,482	5,096	-	5,096	-
R&M-Grounds	29,484	32,994	24,995	4,999	29,994	32,994
R&M-Irrigation	38,199	34,500	45,802	5,250	51,052	43,000
R&M-Tree Trimming Services	6,000	15,000	15,000	-	15,000	15,000
R&M-Trees and Trimming	20,252	21,115	18,325	3,186	21,511	21,115
R&M-Turf Care	269,846	283,001	231,668	46,334	278,002	283,001
R&M-Shrub Care	101,714	110,539	89,617	17,923	107,540	110,539
Miscellaneous Services	14,136	10,000	5,747	4,253	10,000	10,000
Total Landscape	514,152	518,631	436,250	81,945	518,195	515,649
Utility						
Electricity - General	32,529	40,000	25,650	5,130	30,780	35,000
Electricity - Streetlighting	375,959	385,220	314,356	62,924	377,280	385,000
Utility - Water & Sewer	93,452	83,000	99,125	19,825	118,950	105,000
Total Utility	501,940	508,220	439,131	87,879	527,010	525,000
Operation & Maintenance						
Contracts-Lake and Wetland	21,635	21,360	17,505	3,060	20,565	35,000
Communication - Telephone	3,261	3,950	2,933	500	3,433	8,000
R&M-Common Area	3,024	18,806	16,059	3,212	19,271	18,806
R&M-Equipment	9,726	21,000	11,035	3,965	15,000	15,000
R&M-Pools	39,377	58,187	29,272	5,854	35,126	70,000
R&M-Roads & Alleyways	2,900	3,000	-	1,000	1,000	1,000
R&M-Sidewalks	3,017	10,000	100	1,500	1,600	6,000
R&M-Parks & Facilities	2,069	6,000	1,200	1,200	2,400	8,500
R&M-Hardscape Cleaning	7,358	10,000	2,836	1,100	3,936	6,000
Misc-Contingency	-	44,025	24,090	5,000	29,090	15,610
Misc-Security Enhancements	-	30,000	24,648	5,352	30,000	5,000
Cap Outlay - Other	23,118	-	-	-	-	15,000
Total Operation & Maintenance	115,485	226,327	129,678	31,743	161,421	203,916
TOTAL EXPENDITURES	1,344,463	1,513,703	1,221,758	241,897	1,463,655	1,513,027
Excess (deficiency) of revenues Over (under) expenditures	190,791	(0)	152,486	(84,107)	68,379	-
Net change in fund balance	190,791	(0)	152,486	(84,107)	68,379	-
FUND BALANCE, BEGINNING	385,208	575,999	575,999	-	575,999	644,378
FUND BALANCE, ENDING	\$ 575,999	\$ 575,999	\$ 728,485	\$ (84,107)	\$ 644,378	\$ 644,378

Budget Narrative
Fiscal Year 2012

REVENUES

Interest-Investments

The District earns interest on its operating accounts.

Special Assessments-Tax Collector

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the operating expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Selection 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Special Assessment – CDD Collected (Maintenance)

The District will collect a Non-Ad Valorem assessment on all the un-platted parcels within the District in support of the overall fiscal year budget.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Administrative

P/R-Board of Supervisors

Chapter 190 of the Florida Statutes allows for members of the Board of Supervisors to be compensated \$200 per meeting at which they are in attendance. The amount for the Fiscal Year is based upon four supervisors attending 12 meetings.

FICA Taxes

Payroll taxes on Board of Supervisors compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the total Board of Supervisor's payroll expenditures.

Professional Services – Arbitrage Rebate

The District will contract with an independent certified public accountant to annually calculate the District's Arbitrage Rebate Liability on the Series of Benefit Special Assessment Bonds. The budgeted amount for the fiscal year is based on signed engagement letters for each Bond series at \$600 each.

Professional Services – Dissemination Agent

The District is required by the Securities and Exchange Commission to comply with rule 15c2-12(b)-(5), which relates additional reporting requirements for unrelated bond issues and is performed by Digital Assurance Company. The budgeted amount for the fiscal year is based on standard fees charged for this service.

Professional Services-Engineering

The District's engineer, Woolpert Inc., will be providing general engineering services to the District, i.e., attendance and preparation for monthly Board meetings, review of invoices, preparation of requisitions., etc. The budgeted amount for the fiscal year is based on anticipated activity.

Professional Services-Legal Services

The District's general counsel, Young van Assenderp, P.A., retained by the District Board, is responsible for attending and preparing for Board meetings and rendering advice, counsel, recommendations, and representation as determined appropriate or as directed by the Board directly or as relayed by the manager.

Budget Narrative
Fiscal Year 2012

EXPENDITURES

Administrative (continued)

Professional Services-Management Consulting Services

The District receives Management, Accounting and Administrative services as part of a Management Agreement with Severn Trent Environmental Services, Inc. Also included are costs for Information Technology charges to process all of the District's financial activities, i.e. accounts payable, financial statements, budgets, etc., on a main frame computer owned by Severn Trent in accordance with the management contract and the charge for rentals. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement, with a moderate proposed increase.

Professional Services - Special Assessment (Advisor)

The District will be billed annually for calculating and levying the annual operating and maintenance, and debt service assessments, as provided by Severn Trent Management Services.

Professional Services -Property Appraiser

The Property Appraiser provides the District with a listing of the legal description of each property parcel within the District boundaries, and the names and addresses of the owners of such property. The District reimburses the Property Appraiser for necessary administrative costs incurred to provide this service. The FY2012 budget for property appraiser costs was based on a unit price per parcel. In prior years, this cost was included in Misc.-Assessment Collection Cost.

Professional Services- Trustee

The District pays US Bank an annual fee for trustee services on the Series 2001 and Series 2004 Bonds. The budgeted amount for the fiscal year is \$4,500 for each series plus any out-of-pocket expenses.

Auditing Services

The District is required to conduct an annual audit of its financial records by an Independent Certified Public Accounting Firm. The budgeted amount for the fiscal year is based on contracted fees from an existing engagement letter with Grau & Associates.

Communication-Telephone

Telephone and fax transmission expenditures.

Postage and Freight

Actual postage and/or freight used for District mailings including agenda packages, vendor checks and other correspondence.

Insurance-General Liability

The District's General Liability & Public Officials Liability Insurance policy is with Preferred Governmental Insurance Trust (PGIT). They specialize in providing insurance coverage to governmental agencies. The budgeted amount allows for a projected increase in the premium.

Printing and Binding

Copies used in the preparation of agenda packages, required mailings, and other special projects.

Legal Advertising

The District is required to advertise various notices for monthly Board meetings and other public hearings in the Orlando Sentinel.

Budget Narrative
Fiscal Year 2012

EXPENDITURES

Administrative (continued)

Miscellaneous-Assessment Collection Costs

The District reimburses the Osceola Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The FY2012 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Miscellaneous -Contingency

This includes monthly bank charges and any other miscellaneous expenses that may be incurred during the year.

Office Supplies

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects.

Annual District Filing Fee

The District is required to pay an annual fee of \$175 to the Department of Community Affairs.

Capital Outlay

Represents any minor capital expenditures the District may need to make during the Fiscal Year.

Field

Professional Services – Field Management

\$82,606

Includes payroll and overhead costs for full-time field manager/dockmaster and assistant field manager as provided by Severn Trent Management Services. Primary responsibilities are related to docks and boats, with supplemental activities providing on-site field management and maintenance services.

Landscape

R&M-Ground

\$32,994

Scheduled maintenance consists of mowing, edging, blowing, fertilizing and applying pest and disease control chemicals to ground cover, as well as planting and replacing various annual and seasonal flowers within the District. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

Existing Contract (Luke Brothers)	\$20,394
Existing Contract (Luke Brothers- Flowers)	\$9,600
Unscheduled maintenance	\$2,000

Budget Narrative
Fiscal Year 2012

EXPENDITURES

Landscape (continued)

R&M-Irrigation **\$43,000**

Scheduled maintenance consists of regular inspections, adjustments to controller and irrigation heads, minor system repairs, and purchase of irrigation supplies. Unscheduled maintenance consists of major repairs and replacement of system components.

Existing Contract (Luke Brothers)	\$28,500
System Management (monitoring of the system)	\$2,000
Proposed System Upgrade	\$2,000
Unscheduled maintenance	\$10,500

R&M-Tree Trimming Services **\$15,000**

Scheduled maintenance consists of canopy trimming for trees above the 10-foot height level, and consulting with a certified arborist.

R&M-Tree Trimming **\$21,115**

Scheduled maintenance consists of pruning, maintaining tree basins and fertilizing trees below the 10-foot height level.

Existing Contract (Luke Brothers)	\$19,115
Unscheduled maintenance	\$2,000

R&M-Turf Care **\$283,001**

Scheduled maintenance consists of mowing, edging, blowing, fertilizing, and applying pest and disease control chemicals to turf within Harmony CDD. Unscheduled maintenance consists of replacement to any damaged areas.

Existing Contract (Luke Brothers)	\$278,001
Unscheduled maintenance	\$5,000

R&M-Shrub Care **\$110,539**

Scheduled maintenance consists of pruning, mulching, fertilizing, applying pest and disease control chemicals, and providing weed control and debris removal to Shrubs within the District. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

Existing Contract (Luke Brothers)	\$107,539
Unscheduled maintenance	\$3,000

Miscellaneous Services **\$10,000**

Unscheduled or one-time landscape maintenance expenses for other areas within the District that are not listed in any other budget category.

Utility

Electricity - General **\$35,000**

Electricity for accounts with Orlando Utilities Commissions for the swim club, parks, and irrigation. Fees are based on historical costs for metered use.

Electricity - Streetlighting **\$385,000**

Contract to lease light-poles and fixtures for all street lighting within the District, as per agreement with the Orlando Utilities Commission. Fees are based on historical costs.

Budget Narrative
Fiscal Year 2012

EXPENDITURES

Utility (continued)

Utility - Water & Sewer **\$105,000**

The District currently has utility accounts with Toho Water Authority (a division of KUA). Usage consists of water, sewer and reclaimed water services.

Operation & Maintenance

Contracts-Lake and Wetland **\$35,000**

Scheduled maintenance consists of inspections and treatment of nuisance aquatic species. Unscheduled maintenance consists of aquatic plantings and repair of any damaged areas.

Existing Contract (Bio-Tech Consulting)	\$18,360
Unscheduled maintenance	\$16,640

Communication – Telephone **\$8,000**

Telephone expenses for the dockmaster's phones and the irrigation line for the computerized Maxicom irrigation system.

R&M-Common Area **\$18,806**

- Benches: Unscheduled maintenance consists of replacing damaged benches and purchasing benches for added areas
- Miscellaneous cleaning supplies, light bulbs, and other supplies used throughout the District.
- District facility's expenditures relating to new assistant Field Manager
- Other miscellaneous common area expense not provided in other line items. It is anticipated some items originally installed in 2003 will need to be replaced in FY 2012, including trash cans, doggie pots and fountain

R&M-Equipment **\$15,000**

Supplies, maintenance and equipment needed for the boats.

Boat Operation, supplies and maintenance	\$7,000
Repairs and system upgrade	\$6,000
Miscellaneous	\$2,000

R&M-Pools **\$70,000**

This includes monthly pool service and any repairs and maintenance for the Swim Club and Ashley Park pools that may be incurred during the year by the District, including repair and replacement of pool furniture, shades, safety equipment, etc. Supplies for the pool and fountains such as chemicals and chlorine are provided by Spies Pool LLC. Various pool licenses and permits required for the pools are based on historical expenses.

Contract (Robert's Pool Service)	\$22,560
Repairs for Shade	\$3,000
Repairs for Furniture	\$3,000
Supplies	\$12,540
Licenses	\$900
Unscheduled Maintenance	\$28,000

R&M Roads and Alleyways **\$1,000**

Unscheduled maintenance of alleyways.

R&M Sidewalks **\$6,000**

Budget Narrative
Fiscal Year 2012

Unscheduled maintenance consists of grinding uneven areas and replacement of concrete sidewalk. Pressure washing areas within the District as needed.

EXPENDITURES

Operation & Maintenance (continued)

R&M Parks and Facilities **\$8,500**
Maintenance or repairs to the basketball courts and athletic fields, including sod replacement, cleaning of basketball courts, dog parks and all miscellaneous park areas.

Lakeshore Park	\$6,500
Dog Parks	\$1,000
Miscellaneous Park Areas	\$1,000

R&M-Hardscape Maintenance **\$6,000**
Scheduled maintenance consists of pressure washing PVC fencing, bridges, and pavilions, restrooms and other Hardscape. Unscheduled maintenance consists of repairs and replacement of damaged areas, including columns.

Existing Contract (Ledesma)	\$5,270
Unscheduled maintenance	\$730

Misc-Contingency **\$15,610**
The FY2012 contingency represents the potential excess of unscheduled maintenance expenses not included in budget categories or not anticipated in specific line items.

Misc-Security Enhancement **\$5,000**
Represents costs to update and improve security within the District. (Gates, camera's etc.) Unscheduled maintenance; includes repair or replacement of damaged cameras and any required upgrades.

Capital – Outlay **\$15,000**
The District will replace existing equipment or purchase new equipment for District facilities

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2012	\$ 644,378
Net Change in Fund Balance - Fiscal Year 2012	-
Reserves - Fiscal Year 2012 Additions	-
Total Funds Available (Estimated) - 9/30/2012	644,378

ALLOCATION OF AVAILABLE FUNDS

Nonspendable Fund Balance

Deposits	1,300
Subtotal	<u>1,300</u>

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital	350,000 ⁽¹⁾
Reserves - Insurance	50,000 ⁽²⁾
Reserves - Renewal and Replacement	185,000 ⁽³⁾
Subtotal	<u>585,000</u>

Total Allocation of Available Funds	586,300
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Total Unassigned (undesignated) Cash	\$ <u>58,078</u>
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Notes

- (1) Represents approximately 2 months of operating expenditures
- (2) Represents deductibles for Liability and Property insurance
- (3) Represents annual amount of approximate 10 year plan for renewal and replacement

Harmony
Community Development District

Debt Service Budgets
Fiscal Year 2012

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2012 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2010	ADOPTED BUDGET FY 2011	ACTUAL THRU JUL-2011	PROJECTED AUG - SEP-2011	TOTAL PROJECTED FY 2011	ADOPTED BUDGET FY 2012
REVENUES						
Interest - Investments	\$ 1,746	\$ 800	\$ 1,708	\$ 60	\$ 1,768	\$ 800
Special Assmnts- Tax Collector	1,040,281	1,038,106	1,028,803	8,153	1,036,956	1,037,460
Special Assmnts- Prepayment	7,974	-	35,940	-	35,940	-
Special Assmnts- CDD Collected	433,309	432,426	432,426	-	432,426	432,195
Special Assmnts- Delinquent	8,058	-	1,072	-	1,072	-
Special Assmnts- Discounts	(15,807)	(41,524)	(18,553)	-	(18,553)	(41,498)
TOTAL REVENUES	1,475,561	1,429,808	1,481,396	8,213	1,489,609	1,428,957
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	11,453	20,762	20,202	163	20,365	20,749
Total Administrative	11,453	20,762	20,202	163	20,365	20,749
<i>Debt Service</i>						
Principal Debt Retirement	285,000	305,000	305,000	-	305,000	325,000
Principal Prepayments	20,000	-	30,000	-	30,000	-
Interest Expense	1,144,413	1,123,388	1,122,663	-	1,122,663	1,098,375
Total Debt Service	1,449,413	1,428,388	1,457,663	-	1,457,663	1,423,375
TOTAL EXPENDITURES	1,460,866	1,449,150	1,477,865	163	1,478,028	1,444,124
Excess (deficiency) of revenues Over (under) expenditures	14,695	(19,342)	3,531	8,050	11,581	(15,167)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(19,342)	-	-	-	(15,167)
TOTAL OTHER SOURCES (USES)	-	(19,342)	-	-	-	(15,167)
Net change in fund balance	14,695	(19,342)	3,531	8,050	11,581	(15,167)
FUND BALANCE, BEGINNING	1,721,124	1,735,819	1,735,819	-	1,735,819	1,747,400
FUND BALANCE, ENDING	\$ 1,735,819	\$ 1,716,477	\$ 1,739,350	\$ 8,050	\$ 1,747,400	\$ 1,732,232

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	PREPAYMENT	INTEREST	TOTAL
11/01/11	\$ 15,150,000.00	7.25%	\$ -		\$ 549,187.50	\$ 1,423,375.00
05/01/12	\$ 15,150,000.00	7.25%	\$325,000.00		\$ 549,187.50	
11/01/12	\$ 14,825,000.00	7.25%			\$ 537,406.25	\$ 1,424,812.50
05/01/13	\$ 14,825,000.00	7.25%	\$350,000.00		\$ 537,406.25	
11/01/13	\$ 14,475,000.00	7.25%			\$ 524,718.75	\$ 1,424,437.50
05/01/14	\$ 14,475,000.00	7.25%	\$375,000.00		\$ 524,718.75	
11/01/14	\$ 14,100,000.00	7.25%			\$ 511,125.00	\$ 1,422,250.00
05/01/15	\$ 14,100,000.00	7.25%	\$400,000.00		\$ 511,125.00	
11/01/15	\$ 13,700,000.00	7.25%			\$ 496,625.00	\$ 1,423,250.00
05/01/16	\$ 13,700,000.00	7.25%	\$430,000.00		\$ 496,625.00	
11/01/16	\$ 13,270,000.00	7.25%			\$ 481,037.50	\$ 1,427,075.00
05/01/17	\$ 13,270,000.00	7.25%	\$465,000.00		\$ 481,037.50	
11/01/17	\$ 12,805,000.00	7.25%			\$ 464,181.25	\$ 1,423,362.50
05/01/18	\$ 12,805,000.00	7.25%	\$495,000.00		\$ 464,181.25	
11/01/18	\$ 12,310,000.00	7.25%			\$ 446,237.50	\$ 1,427,475.00
05/01/19	\$ 12,310,000.00	7.25%	\$535,000.00		\$ 446,237.50	
11/01/19	\$ 11,775,000.00	7.25%			\$ 426,843.75	\$ 1,428,687.50
05/01/20	\$ 11,775,000.00	7.25%	\$575,000.00		\$ 426,843.75	
11/01/20	\$ 11,200,000.00	7.25%			\$ 406,000.00	\$ 1,427,000.00
05/01/21	\$ 11,200,000.00	7.25%	\$615,000.00		\$ 406,000.00	
11/01/21	\$ 10,585,000.00	7.25%			\$ 383,706.25	\$ 1,427,412.50
05/01/22	\$ 10,585,000.00	7.25%	\$660,000.00		\$ 383,706.25	
11/01/22	\$ 9,925,000.00	7.25%			\$ 359,781.25	\$ 1,429,562.50
05/01/23	\$ 9,925,000.00	7.25%	\$710,000.00		\$ 359,781.25	
11/01/23	\$ 9,215,000.00	7.25%			\$ 334,043.75	\$ 1,433,087.50
05/01/24	\$ 9,215,000.00	7.25%	\$765,000.00		\$ 334,043.75	
11/01/24	\$ 8,450,000.00	7.25%			\$ 306,312.50	\$ 1,432,625.00
05/01/25	\$ 8,450,000.00	7.25%	\$820,000.00		\$ 306,312.50	
11/01/25	\$ 7,630,000.00	7.25%			\$ 276,587.50	\$ 1,428,175.00
05/01/26	\$ 7,630,000.00	7.25%	\$875,000.00		\$ 276,587.50	
11/01/26	\$ 6,755,000.00	7.25%			\$ 244,868.75	\$ 1,429,737.50
05/01/27	\$ 6,755,000.00	7.25%	\$940,000.00		\$ 244,868.75	
11/01/27	\$ 5,815,000.00	7.25%			\$ 210,793.75	\$ 1,426,587.50
05/01/28	\$ 5,815,000.00	7.25%	\$1,005,000.00		\$ 210,793.75	
11/01/28	\$ 4,810,000.00	7.25%			\$ 174,362.50	\$ 1,428,725.00
05/01/29	\$ 4,810,000.00	7.25%	\$1,080,000.00		\$ 174,362.50	
11/01/29	\$ 3,730,000.00	7.25%			\$ 135,212.50	\$ 1,430,425.00
05/01/30	\$ 3,730,000.00	7.25%	\$1,160,000.00		\$ 135,212.50	
11/01/30	\$ 2,570,000.00	7.25%			\$ 93,162.50	\$ 1,426,325.00
05/01/31	\$ 2,570,000.00	7.25%	\$1,240,000.00		\$ 93,162.50	
11/01/31	\$ 1,330,000.00	7.25%			\$ 48,212.50	\$ 1,426,425.00
05/01/32	\$ 1,330,000.00	7.25%	\$1,330,000.00		\$ 48,212.50	
			\$ 15,150,000.00	\$ -	\$ 14,820,812.50	\$ 29,970,812.50

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2012 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2010	ADOPTED BUDGET FY 2011	ACTUAL THRU JUL-2011	PROJECTED AUG - SEP-2011	TOTAL PROJECTED FY 2011	ADOPTED BUDGET FY 2012
REVENUES						
Interest - Investments	\$ 2,371	\$ 800	\$ 1,251	\$ 120	\$ 1,371	\$ 800
Net Incr (Decr) In FMV-Invest	(1,263)	-	-	-	-	-
Special Assmnts- CDD Collected	1,201,217	1,198,145	826,295	371,850	1,198,145	1,197,400
TOTAL REVENUES	1,202,325	1,198,945	827,546	371,970	1,199,516	1,198,200
EXPENDITURES						
<i>Debt Service</i>						
Principal Debt Retirement	210,000	225,000	225,000	-	225,000	245,000
Interest Expense	1,014,863	1,000,688	1,000,688	-	1,000,688	985,500
Total Debt Service	1,224,863	1,225,688	1,225,688	-	1,225,688	1,230,500
TOTAL EXPENDITURES	1,224,863	1,225,688	1,225,688	-	1,225,688	1,230,500
Excess (deficiency) of revenues Over (under) expenditures	(22,538)	(26,743)	(398,142)	371,970	(26,172)	(32,300)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(26,743)	-	-	-	(32,300)
TOTAL OTHER SOURCES (USES)	-	(26,743)	-	-	-	(32,300)
Net change in fund balance	(22,538)	(26,743)	(398,142)	371,970	(26,172)	(32,300)
FUND BALANCE, BEGINNING	1,450,369	1,427,831	1,427,831	-	1,427,831	1,401,659
FUND BALANCE, ENDING	\$ 1,427,831	\$ 1,401,088	\$ 1,029,689	\$ 371,970	\$ 1,401,659	\$ 1,369,359

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/1/2011	\$ 14,600,000.00	6.75%	\$ -	\$ 492,750.00	\$ 1,230,500.00
5/1/2012	\$ 14,600,000.00	6.75%	\$ 245,000.00	\$ 492,750.00	
11/1/2012	\$ 14,355,000.00	6.75%	\$ -	\$ 484,481.25	\$ 1,223,962.50
5/1/2013	\$ 14,355,000.00	6.75%	\$ 255,000.00	\$ 484,481.25	
11/1/2013	\$ 14,100,000.00	6.75%	\$ -	\$ 475,875.00	\$ 1,226,750.00
5/1/2014	\$ 14,100,000.00	6.75%	\$ 275,000.00	\$ 475,875.00	
11/1/2014	\$ 13,825,000.00	6.75%	\$ -	\$ 466,593.75	\$ 1,223,187.50
5/1/2015	\$ 13,825,000.00	6.75%	\$ 290,000.00	\$ 466,593.75	
11/1/2015	\$ 13,535,000.00	6.75%	\$ -	\$ 456,806.25	\$ 1,223,612.50
5/1/2016	\$ 13,535,000.00	6.75%	\$ 310,000.00	\$ 456,806.25	
11/1/2016	\$ 13,225,000.00	6.75%	\$ -	\$ 446,343.75	\$ 1,222,687.50
5/1/2017	\$ 13,225,000.00	6.75%	\$ 330,000.00	\$ 446,343.75	
11/1/2017	\$ 12,895,000.00	6.75%	\$ -	\$ 435,206.25	\$ 1,225,412.50
5/1/2018	\$ 12,895,000.00	6.75%	\$ 355,000.00	\$ 435,206.25	
11/1/2018	\$ 12,540,000.00	6.75%	\$ -	\$ 423,225.00	\$ 1,226,450.00
5/1/2019	\$ 12,540,000.00	6.75%	\$ 380,000.00	\$ 423,225.00	
11/1/2019	\$ 12,160,000.00	6.75%	\$ -	\$ 410,400.00	\$ 1,225,800.00
5/1/2020	\$ 12,160,000.00	6.75%	\$ 405,000.00	\$ 410,400.00	
11/1/2020	\$ 11,755,000.00	6.75%	\$ -	\$ 396,731.25	\$ 1,228,462.50
5/1/2021	\$ 11,755,000.00	6.75%	\$ 435,000.00	\$ 396,731.25	
11/1/2021	\$ 11,320,000.00	6.75%	\$ -	\$ 382,050.00	\$ 1,224,100.00
5/1/2022	\$ 11,320,000.00	6.75%	\$ 460,000.00	\$ 382,050.00	
11/1/2022	\$ 10,860,000.00	6.75%	\$ -	\$ 366,525.00	\$ 1,228,050.00
5/1/2023	\$ 10,860,000.00	6.75%	\$ 495,000.00	\$ 366,525.00	
11/1/2023	\$ 10,365,000.00	6.75%	\$ -	\$ 349,818.75	\$ 1,224,637.50
5/1/2024	\$ 10,365,000.00	6.75%	\$ 525,000.00	\$ 349,818.75	
11/1/2024	\$ 9,840,000.00	6.75%	\$ -	\$ 332,100.00	\$ 1,224,200.00
5/1/2025	\$ 9,840,000.00	6.75%	\$ 560,000.00	\$ 332,100.00	
11/1/2025	\$ 9,280,000.00	6.75%	\$ -	\$ 313,200.00	\$ 1,221,400.00
5/1/2026	\$ 9,280,000.00	6.75%	\$ 595,000.00	\$ 313,200.00	
11/1/2026	\$ 8,685,000.00	6.75%	\$ -	\$ 293,118.75	\$ 1,221,237.50
5/1/2027	\$ 8,685,000.00	6.75%	\$ 635,000.00	\$ 293,118.75	
11/1/2027	\$ 8,050,000.00	6.75%	\$ -	\$ 271,687.50	\$ 1,223,375.00
5/1/2028	\$ 8,050,000.00	6.75%	\$ 680,000.00	\$ 271,687.50	
11/1/2028	\$ 7,370,000.00	6.75%	\$ -	\$ 248,737.50	\$ 1,227,475.00
5/1/2029	\$ 7,370,000.00	6.75%	\$ 730,000.00	\$ 248,737.50	
11/1/2029	\$ 6,640,000.00	6.75%	\$ -	\$ 224,100.00	\$ 1,223,200.00
5/1/2030	\$ 6,640,000.00	6.75%	\$ 775,000.00	\$ 224,100.00	
11/1/2030	\$ 5,865,000.00	6.75%	\$ -	\$ 197,943.75	\$ 1,220,887.50
5/1/2031	\$ 5,865,000.00	6.75%	\$ 825,000.00	\$ 197,943.75	
11/1/2031	\$ 5,040,000.00	6.75%	\$ -	\$ 170,100.00	\$ 1,220,200.00
5/1/2032	\$ 5,040,000.00	6.75%	\$ 880,000.00	\$ 170,100.00	
11/1/2032	\$ 4,160,000.00	6.75%	\$ -	\$ 140,400.00	\$ 1,220,800.00
5/1/2033	\$ 4,160,000.00	6.75%	\$ 940,000.00	\$ 140,400.00	
11/1/2033	\$ 3,220,000.00	6.75%	\$ -	\$ 108,675.00	\$ 1,217,350.00
5/1/2034	\$ 3,220,000.00	6.75%	\$ 1,000,000.00	\$ 108,675.00	
11/1/2034	\$ 2,220,000.00	6.75%	\$ -	\$ 74,925.00	\$ 1,219,850.00
5/1/2035	\$ 2,220,000.00	6.75%	\$ 1,070,000.00	\$ 74,925.00	
11/1/2035	\$ 1,150,000.00	6.75%	\$ -	\$ 38,812.50	\$ 1,227,625.00
5/1/2036	\$ 1,150,000.00	6.75%	\$ 1,150,000.00	\$ 38,812.50	
			\$ 14,600,000.00	\$ 22,178,028.75	\$ 37,768,028.75

Budget Narrative
Fiscal Year 2012

REVENUES

Interest-Investments

The District earns interest income on its trust accounts with US Bank.

Special Assessments-Tax Collector

The District will levy a Non-Ad Valorem assessment on all the assessable property within the District in order to pay for the debt service expenditures during the Fiscal Year. The collection will be provided by the Tax Collector pursuant to Selection 197.3632, Florida Statutes, which is the Uniform Collection Methodology.

Special Assessment – CDD Collected (Maintenance)

The District will collect a Non-Ad Valorem assessment on all the un-platted parcels within the District in support of the overall fiscal year budget.

Special Assessments-Discounts

Per Section 197.162, Florida Statutes, discounts are allowed for early payment of assessments only when collected by the Tax Collector. The budgeted amount for the fiscal year is calculated at 4% of the anticipated Non-Ad Valorem assessments.

EXPENDITURES

Administrative

Miscellaneous-Assessment Collection Cost

The District reimburses the Osceola Tax Collector for her or his necessary administrative costs. Per the Florida Statutes, administrative costs shall include, but not be limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The District also compensates the Tax Collector for the actual cost of collection or 2% on the amount of special assessments collected and remitted, whichever is greater. The FY2012 budget for collection costs was based on a maximum of 2% of the anticipated assessment collections.

Principal Debt Retirement

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

Interest Expense

The District pays interest expense on the debt service bonds twice a year.

Harmony
Community Development District

Supporting Budget Schedules
Fiscal Year 2012

2011-2012 Non-Ad Valorem Assessment Summary

Platted			2012	2011	2012	2011	2012	2011	% Change	
Neighborhood	Lot Type	Lot Width	O & M Assessment	O & M Assessment	Debt Service Assessment	Debt Service Assessment	Total Assessment	Total Assessment	(Decrease) Increase	Units
A-1	MF	n/a	\$ 393.97	\$ 394.14	\$ 676.15	\$ 676.57	\$ 1,070.12	\$ 1,070.72	-0.1%	186
B	B	80	\$ 1,245.45	\$ 1,246.01	\$ 2,137.53	\$ 2,138.86	\$ 3,382.98	\$ 3,384.87	-0.1%	9
	C	65	\$ 1,011.93	\$ 1,012.38	\$ 1,736.75	\$ 1,737.83	\$ 2,748.67	\$ 2,750.21	-0.1%	25
	E	52	\$ 809.54	\$ 809.91	\$ 1,389.40	\$ 1,390.26	\$ 2,198.94	\$ 2,200.17	-0.1%	35
	G	42	\$ 653.86	\$ 654.15	\$ 1,122.20	\$ 1,122.90	\$ 1,776.07	\$ 1,777.06	-0.1%	22
	H	35	\$ 544.88	\$ 545.13	\$ 935.17	\$ 935.75	\$ 1,480.06	\$ 1,480.88	-0.1%	15
C-1	B	80	\$ 1,224.99	\$ 1,225.54	\$ 2,102.41	\$ 2,103.72	\$ 3,327.40	\$ 3,329.25	-0.1%	10
	C	65	\$ 995.30	\$ 995.75	\$ 1,708.21	\$ 1,709.27	\$ 2,703.51	\$ 2,705.02	-0.1%	30
	E	52	\$ 796.24	\$ 796.60	\$ 1,366.57	\$ 1,367.42	\$ 2,162.81	\$ 2,164.02	-0.1%	35
	G	42	\$ 643.12	\$ 643.41	\$ 1,103.77	\$ 1,104.45	\$ 1,746.88	\$ 1,747.86	-0.1%	30
C-2	H	35	\$ 535.93	\$ 536.17	\$ 919.80	\$ 920.38	\$ 1,455.74	\$ 1,456.55	-0.1%	12
	B	80	\$ 1,273.81	\$ 1,274.38	\$ 2,186.21	\$ 2,187.57	\$ 3,460.02	\$ 3,461.95	-0.1%	4
	C	65	\$ 1,034.97	\$ 1,035.44	\$ 1,776.29	\$ 1,777.40	\$ 2,811.27	\$ 2,812.84	-0.1%	14
	E	52	\$ 827.98	\$ 828.35	\$ 1,421.04	\$ 1,421.92	\$ 2,249.01	\$ 2,250.27	-0.1%	13
D-1	G	42	\$ 668.75	\$ 669.05	\$ 1,147.76	\$ 1,148.47	\$ 1,816.51	\$ 1,817.52	-0.1%	31
	H	35	\$ 557.29	\$ 557.54	\$ 956.47	\$ 957.06	\$ 1,513.76	\$ 1,514.60	-0.1%	25
	B	80	\$ 1,316.03	\$ 1,316.62	\$ 2,258.67	\$ 2,260.08	\$ 3,574.71	\$ 3,576.70	-0.1%	9
	C	65	\$ 1,069.28	\$ 1,069.76	\$ 1,835.17	\$ 1,836.31	\$ 2,904.45	\$ 2,906.07	-0.1%	20
D-2	E	52	\$ 855.42	\$ 855.80	\$ 1,468.14	\$ 1,469.05	\$ 2,323.56	\$ 2,324.86	-0.1%	6
	E	n/a	\$ 781.74	\$ 782.09	\$ 1,341.67	\$ 1,342.51	\$ 2,123.41	\$ 2,124.59	-0.1%	11
E	Custom	n/a	\$ 2,085.82	\$ 2,086.75	\$ 3,579.84	\$ 3,582.06	\$ 5,665.66	\$ 5,668.82	-0.1%	51
G	E	52	\$ 941.61	\$ 942.03	\$ 1,616.05	\$ 1,617.06	\$ 2,557.66	\$ 2,559.08	-0.1%	62
	G	42	\$ 760.53	\$ 760.87	\$ 1,305.27	\$ 1,306.08	\$ 2,065.80	\$ 2,066.95	-0.1%	85
	H	35	\$ 633.77	\$ 634.06	\$ 1,087.73	\$ 1,088.40	\$ 1,721.50	\$ 1,722.46	-0.1%	39
Unplatted										
A-2	MF		\$ 348.41	\$ 348.57	\$ 597.97	\$ 598.34	\$ 946.38	\$ 946.91	-0.1%	44
H-1/H-2	MF		\$ 598.89	\$ 599.16	\$ 1,027.86	\$ 1,028.50	\$ 1,626.75	\$ 1,627.66	-0.1%	222
F	MF		\$ 463.10	\$ 463.30	\$ 794.80	\$ 795.30	\$ 1,257.90	\$ 1,258.60	-0.1%	120
M	MF		\$ 225.89	\$ 225.99	\$ 387.68	\$ 387.93	\$ 613.57	\$ 613.91	-0.1%	120
I/J	TBD		\$ 468.73	\$ 468.94	\$ 804.47	\$ 804.97	\$ 1,273.20	\$ 1,273.91	-0.1%	600
K	TBD		\$ 431.56	\$ 431.75	\$ 740.67	\$ 741.13	\$ 1,172.22	\$ 1,172.88	-0.1%	220
L	TBD		\$ 462.42	\$ 462.63	\$ 793.64	\$ 794.13	\$ 1,256.06	\$ 1,256.76	-0.1%	180
Comm	Comm		\$ 26,409.64	\$ 26,421.45	\$ 45,326.11	\$ 45,354.32	\$ 71,735.75	\$ 71,775.77	-0.1%	7.58
Office	Office		\$ 91,771.75	\$ 91,812.79	\$ 157,505.25	\$ 157,603.27	\$ 249,277.01	\$ 249,416.06	-0.1%	26.34
TC	Town Center		\$ 105,394.67	\$ 105,441.79	\$ 180,885.87	\$ 180,998.44	\$ 286,280.54	\$ 286,440.24	-0.1%	30.25
GC	Golf Course									

2,349.17