

HARMONY  
Community Development District

***Annual Operating and Debt Service Budget***  
**Fiscal Year 2013**

Adopted Budget  
(adopted on 8/30/2012 6pm)

Prepared by:



# HARMONY

Community Development District

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# **Harmony**

Community Development District

## **Operating Budget**

Fiscal Year 2013

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2013 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2011	ADOPTED BUDGET FY 2012	ACTUAL THRU JULY- 2012	PROJECTED AUG - SEP-2012	TOTAL PROJECTED FY 2012	ADOPTED BUDGET FY 2013
<b>REVENUES</b>						
Interest - Investments	\$ 5,208	\$ 1,500	\$ 2,891	\$ 578	\$ 3,469	\$ 2,500
Judgements and Fines	411	-	-	-	-	-
Interest - Tax Collector	130	-	75	-	75	-
Special Assmnts- Tax Collector	622,750	622,472	622,472	0	622,472	602,371
Special Assmnts- CDD Collected	914,364	913,955	761,629	152,326	913,955	884,442
Special Assmnts- Discounts	(10,697)	(24,900)	(11,952)	-	(11,952)	(24,095)
Other Miscellaneous Revenues	-	-	1,501	-	1,501	-
<b>TOTAL REVENUES</b>	<b>1,532,166</b>	<b>1,513,027</b>	<b>1,376,616</b>	<b>152,904</b>	<b>1,529,520</b>	<b>1,465,218</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
P/R-Board of Supervisors	11,800	9,600	7,800	2,400	10,200	11,200
FICA Taxes	903	734	597	184	781	857
ProfServ-Arbitrage Rebate	3,000	1,200	1,200	-	1,200	1,200
ProfServ-Dissemination Agent	500	500	500	-	500	500
ProfServ-Engineering	7,637	15,000	4,742	948	5,690	5,000
ProfServ-Legal Services	27,231	23,000	29,806	28,606	58,412	25,000
ProfServ-Mgmt Consulting Serv	54,091	55,984	41,453	6,731	48,184	55,984
ProfServ-Property Appraiser	-	779	-	779	779	779
ProfServ-Special Assessment	11,422	11,822	11,822	-	11,822	11,822
ProfServ-Trustee	10,748	11,000	9,186	1,614	10,800	10,800
Auditing Services	8,000	8,000	7,500	-	7,500	8,000
Communication - Telephone	317	380	150	30	180	380
Postage and Freight	847	1,200	892	178	1,070	1,200
Insurance - General Liability	21,575	23,733	23,262	-	23,262	26,751
Printing and Binding	4,912	5,000	5,553	528	6,081	5,000
Legal Advertising	1,017	1,000	278	56	334	500
Misc-Assessmnt Collection Cost	7,447	12,449	12,210	0	12,210	12,047
Misc-Contingency	178	2,800	192	92	284	500
Office Supplies	1,055	1,500	592	118	710	1,000
Annual District Filing Fee	175	175	175	-	175	175
<b>Total Administrative</b>	<b>172,855</b>	<b>185,856</b>	<b>157,910</b>	<b>42,264</b>	<b>200,174</b>	<b>178,696</b>
<i>Field</i>						
Payroll-Salaries	60	-	-	-	-	-
ProfServ-Field Management	79,562	109,839	90,896	19,494	110,390	119,113
<b>Total Field</b>	<b>79,622</b>	<b>109,839</b>	<b>90,896</b>	<b>19,494</b>	<b>110,390</b>	<b>119,113</b>

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2013 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2011	ADOPTED BUDGET FY 2012	ACTUAL THRU JULY- 2012	PROJECTED AUG - SEP-2012	TOTAL PROJECTED FY 2012	ADOPTED BUDGET FY 2013
<b>Landscape</b>						
Utility - Refuse Removal	5,096	-	-	-	-	
Contracts - Grounds	31,449	32,994	19,557	3,911	23,468	29,994
R&M-Irrigation	66,425	15,767	28,410	4,182	32,592	20,000
Contracts - Tree Canopy Trimming	15,000	15,000	13,000	-	13,000	15,000
Contracts - Trees and Trimming	21,511	21,115	15,929	3,186	19,115	19,115
Contracts - Turf Care	278,001	283,001	231,668	46,334	278,002	248,001
Contracts - Shrub Care	107,540	110,539	89,616	17,923	107,539	107,540
Miscellaneous Services	14,737	10,000	17,769	554	18,323	23,000
<b>Total Landscape</b>	<b>539,759</b>	<b>488,416</b>	<b>415,949</b>	<b>76,090</b>	<b>492,039</b>	<b>462,650</b>
<b>Utilities</b>						
Electricity - General	29,112	35,000	20,897	4,179	25,076	30,000
Electricity - Streetlighting	377,280	385,000	315,048	63,038	378,086	389,000
Utility - Water & Sewer	107,261	105,000	72,616	15,523	88,139	105,000
<b>Total Utilities</b>	<b>513,653</b>	<b>525,000</b>	<b>408,561</b>	<b>82,741</b>	<b>491,302</b>	<b>524,000</b>
<b>Operation &amp; Maintenance</b>						
Contracts-Lake and Wetland	20,565	35,000	23,215	5,060	28,275	25,000
Communication - Telephone	3,557	8,000	3,668	734	4,402	6,000
R&M-Common Area	20,048	18,806	16,157	36	16,193	18,800
Utility - Refuse Removal	-	-	-	-	-	2,000
R&M-Equipment	15,719	15,000	11,124	2,225	13,349	15,000
R&M-Pools	33,543	70,000	51,363	273	51,636	57,000
R&M-Roads & Alleyways	-	1,000	4,041	808	4,849	5,000
R&M-Sidewalks	-	6,000	-	1,500	1,500	4,000
R&M-Parks & Facilities	1,300	8,500	1,977	395	2,372	8,500
R&M-Hardscape Cleaning	2,836	6,000	2,836	567	3,403	5,000
Misc-Contingency	12,243	15,610	5,828	1,000	6,828	19,960
Misc-Security Enhancements	8,823	5,000	904	-	904	2,500
Cap Outlay - Other	6,393	15,000	30,263	500	30,763	12,000
Cap Outlay - Recreation Impr	15,825	-	-	-	-	-
Cap Outlay - Vehicles	7,594	-	-	-	-	-
<b>Total Operation &amp; Maintenance</b>	<b>148,446</b>	<b>203,916</b>	<b>151,376</b>	<b>13,097</b>	<b>164,473</b>	<b>180,760</b>
<b>TOTAL EXPENDITURES</b>	<b>1,454,335</b>	<b>1,513,027</b>	<b>1,224,692</b>	<b>233,686</b>	<b>1,458,378</b>	<b>1,465,218</b>
Excess (deficiency) of revenues Over (under) expenditures	77,831	-	151,924	(80,782)	71,142	(0)
Net change in fund balance	77,831	-	151,924	(80,782)	71,142	(0)
<b>FUND BALANCE, BEGINNING</b>	576,637	654,468	654,468	-	654,468	725,610
<b>FUND BALANCE, ENDING</b>	<b>\$ 654,468</b>	<b>\$ 654,468</b>	<b>\$ 806,392</b>	<b>\$ (80,782)</b>	<b>\$ 725,610</b>	<b>\$ 725,609</b>

**Budget Narrative**  
Fiscal Year 2013

**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 and 2 workshops.

**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, Boyd Civil Engineering, 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.

**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 2013

**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 Management Services, Inc. The budgeted amount for the fiscal year is based on the contracted fees outlined in Exhibit "A" of the Management Agreement. No increase is expected for FY2013. As part of an agreement on February 2012 to reimburse the District the FY2006 Outstanding O&M Assessments, the monthly invoice will show a reduction of \$1,300 through March 2013. All related legal fees will be reimbursed in 2013.

Contract -Severn Trent Management Services		\$55,984
<b>Reimbursement of FY2006 Assessments</b>	<i>Approx. \$1,300 @ 5 months</i>	<b>(6,072)</b>
<b>Reimbursement of Legal Fees</b>	<i>Approx. \$1,410 @ 7 months</i>	<b><u>(9,863)</u></b>
		<b>\$40,049</b>

**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 FY2013 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.

**Budget Narrative**  
Fiscal Year 2013

**EXPENDITURES**

Administrative (continued)

**Legal Advertising**

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

**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 FY2013 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.

**Field**

**Professional Services – Field Management**

**\$119,113**

Includes payroll and overhead costs for full-time field manager/dockmaster and assistant field manager and maintenance employee, 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. As of 2012, Irrigation duties were added to include; regular inspections, adjustments to controller and irrigation heads, minor system repairs, and purchase of irrigation supplies. A slight increase is anticipated for FY2013.

Contract (Severn Trent Management Services)	
\$9,726 per month - Includes 3.5% annual increase	\$116,713
Overtime – approx \$200 @ 12 months	\$2,400

**Landscape**

**Contracts-Ground**

**\$29,994**

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.

New Contract (Davey Tree)	\$20,394
New Contract (Davey Tree)	\$9,600
<b>Unscheduled maintenance – Added to Misc Services</b>	<b>\$3,000</b>



**Budget Narrative**  
Fiscal Year 2013

**EXPENDITURES**

**Landscape** (continued)

**R&M-Irrigation**

**\$20,000**

Purchase of irrigation supplies. Unscheduled maintenance consists of major repairs and replacement of system components.

System Management (monitoring of the system)	\$3,000
Unscheduled maintenance/repair of Weather Station	\$1,400
Unscheduled maintenance/repair of lines	\$3,000
Irrigation supplies	\$12,600

**Contracts –Trees Canopy Trimming**

**\$15,000**

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

**Contracts –Trees and Trimming**

**\$19,115**

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

New Contract (Davey Tree)	\$19,115
<b>Unscheduled maintenance – Added to Misc Services</b>	<b>\$2,000</b>

**Contracts -Turf Care**

**\$248,001**

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. Decreased line item by \$30k to represent savings of new contract with Davey Tree.

New Contract (Davey Tree)-	\$248,001
<b>Unscheduled maintenance – Added to Misc Services</b>	<b>\$5,000</b>

**R&M-Shrub Care**

**\$107,540**

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.

New Contract (Davey Tree)	\$107,540
<b>Unscheduled maintenance – Added to Misc Services</b>	<b>\$3,000</b>

**Miscellaneous Services**

**\$23,000**

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**

**\$30,000**

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**

**\$389,000**

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 2013

**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** **\$25,000**

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)	\$16,000
Unscheduled maintenance	\$9,000

**Communication – Telephone** **\$6,000**

Telephone expenses for the dockmaster and assistant and the irrigation line for the computerized Maxicom irrigation system.

**R&M-Common Area** **\$18,800**

- 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 2013, including trash cans, doggie pots and fountain

**Utility - Refuse Removal** **\$2,000**

Scheduled maintenance consists of trash disposal. Unscheduled maintenance consists of replacement or repair of dumpster.

**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** **\$57,000**

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)	\$14,400
Repair/replace pool furniture	\$20,000
Supplies	\$9,840
Licenses	\$1,050
Unscheduled Maintenance	\$11,710

**R&M Roads and Alleyways** **\$5,000**

Unscheduled maintenance of alleyways.

**Budget Narrative**  
Fiscal Year 2013

**EXPENDITURES**

**Operation & Maintenance** (continued)

**R&M Sidewalks** **\$4,000**  
Unscheduled maintenance consists of grinding uneven areas and replacement of concrete sidewalk. Pressure washing areas within the District as needed.

**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** **\$5,000**  
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. Done in house as of FY2012.

**Misc-Contingency** **\$19,960**  
The FY2013 contingency represents the potential excess of unscheduled maintenance expenses not included in budget categories or not anticipated in specific line items.

**Misc-Security Enhancement** **\$2,500**  
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** **\$12,000**  
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 2013	\$ 725,610
Net Change in Fund Balance - Fiscal Year 2013	(0)
Reserves - Fiscal Year 2013 Additions	-
<b>Total Funds Available (Estimated) - 9/30/2013</b>	<b>725,609</b>

**ALLOCATION OF AVAILABLE FUNDS**

***Nonspendable Fund Balance***

Prepaid Items 1,281

***Assigned Fund Balance***

Operating Reserve - First Quarter Operating Capital	366,305	(1)
Reserves - Insurance	50,000	(2)
Reserves - Renewal & Replacement	185,000	(3)
Subtotal	<u>601,305</u>	

<b>Total Allocation of Available Funds</b>	<b>602,586</b>
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<b>Total Unassigned (undesignated) Cash</b>	<b>\$ 123,024</b>
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**Notes**

- (1) Represents approximately 3 months of operating expenditures
- (2) Represents deductibles for Liability and Property insurance
- (3) Represents annual amount of approximate 10 year plan (until 2020) for renewal and replacement

# **Harmony**

Community Development District

## **Debt Service Budgets**

Fiscal Year 2013

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2013 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2011	ADOPTED BUDGET FY 2012	ACTUAL THRU JULY- 2012	PROJECTED AUG - SEP-2012	TOTAL PROJECTED FY 2012	ADOPTED BUDGET FY 2013
<b>REVENUES</b>						
Interest - Investments	\$ 1,929	\$ 800	\$ 710	\$ 142	\$ 852	\$ 800
Special Assmnts- Tax Collector	1,036,956	1,035,285	1,031,779	-	1,031,779	1,050,511
Special Assmnts- Prepayment	47,289	-	16,668	-	16,668	-
Special Assmnts- CDD Collected	432,426	432,195	614,176	-	614,176	439,182
Special Assmnts- Delinquent	1,072	-	-	-	-	-
Special Assmnts- Discounts	(17,811)	(41,411)	(19,810)	-	(19,810)	(42,020)
<b>TOTAL REVENUES</b>	<b>1,501,861</b>	<b>1,426,868</b>	<b>1,643,523</b>	<b>142</b>	<b>1,643,665</b>	<b>1,448,472</b>
<b>EXPENDITURES</b>						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	12,399	20,706	20,239	-	20,239	21,010
<b>Total Administrative</b>	<b>12,399</b>	<b>20,706</b>	<b>20,239</b>	<b>-</b>	<b>20,239</b>	<b>21,010</b>
<i>Debt Service</i>						
Principal Debt Retirement	305,000	325,000	325,000	-	325,000	350,000
Principal Prepayments	30,000	-	30,000	-	30,000	-
Interest Expense	1,122,663	1,098,375	1,097,288	-	1,097,288	1,072,638
<b>Total Debt Service</b>	<b>1,457,663</b>	<b>1,423,375</b>	<b>1,452,288</b>	<b>-</b>	<b>1,452,288</b>	<b>1,422,638</b>
<b>TOTAL EXPENDITURES</b>	<b>1,470,062</b>	<b>1,444,081</b>	<b>1,472,527</b>	<b>-</b>	<b>1,472,527</b>	<b>1,443,648</b>
Excess (deficiency) of revenues Over (under) expenditures	31,799	(17,213)	170,996	142	171,138	4,825
<b>OTHER FINANCING SOURCES (USES)</b>						
Contribution to (Use of) Fund Balance	-	(17,213)	-	-	-	4,825
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>(17,213)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,825</b>
Net change in fund balance	31,799	(17,213)	170,996	142	171,138	4,825
<b>FUND BALANCE, BEGINNING</b>	<b>1,735,818</b>	<b>1,767,617</b>	<b>1,767,617</b>	<b>-</b>	<b>1,767,617</b>	<b>1,938,755</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,767,617</b>	<b>\$ 1,750,404</b>	<b>\$ 1,938,613</b>	<b>\$ 142</b>	<b>\$ 1,938,755</b>	<b>\$ 1,943,580</b>

**AMORTIZATION SCHEDULE**

<b>Period Ending</b>	<b>Principal</b>	<b>Coupon Rate</b>	<b>Interest</b>	<b>Debt Service</b>	<b>Annual Debt Service</b>
11/1/2012			\$536,318.75	\$536,318.75	
5/1/2013	\$350,000.00	7.250%	\$536,318.75	\$886,318.75	\$1,422,637.50
11/1/2013			\$523,631.25	\$523,631.25	
5/1/2014	\$375,000.00	7.250%	\$523,631.25	\$898,631.25	\$1,422,262.50
11/1/2014			\$510,037.50	\$510,037.50	
5/1/2015	\$400,000.00	7.250%	\$510,037.50	\$910,037.50	\$1,420,075.00
11/1/2015			\$495,537.50	\$495,537.50	
5/1/2016	\$430,000.00	7.250%	\$495,537.50	\$925,537.50	\$1,421,075.00
11/1/2016			\$479,950.00	\$479,950.00	
5/1/2017	\$465,000.00	7.250%	\$479,950.00	\$944,950.00	\$1,424,900.00
11/1/2017			\$463,093.75	\$463,093.75	
5/1/2018	\$495,000.00	7.250%	\$463,093.75	\$958,093.75	\$1,421,187.50
11/1/2018			\$445,150.00	\$445,150.00	
5/1/2019	\$535,000.00	7.250%	\$445,150.00	\$980,150.00	\$1,425,300.00
11/1/2019			\$425,756.25	\$425,756.25	
5/1/2020	\$575,000.00	7.250%	\$425,756.25	\$1,000,756.25	\$1,426,512.50
11/1/2020			\$404,912.50	\$404,912.50	
5/1/2021	\$615,000.00	7.250%	\$404,912.50	\$1,019,912.50	\$1,424,825.00
11/1/2021			\$382,618.75	\$382,618.75	
5/1/2022	\$655,000.00	7.250%	\$382,618.75	\$1,037,618.75	\$1,420,237.50
11/1/2022			\$358,875.00	\$358,875.00	
5/1/2023	\$705,000.00	7.250%	\$358,875.00	\$1,063,875.00	\$1,422,750.00
11/1/2023			\$333,318.75	\$333,318.75	
5/1/2024	\$760,000.00	7.250%	\$333,318.75	\$1,093,318.75	\$1,426,637.50
11/1/2024			\$305,768.75	\$305,768.75	
5/1/2025	\$815,000.00	7.250%	\$305,768.75	\$1,120,768.75	\$1,426,537.50
11/1/2025			\$276,225.00	\$276,225.00	
5/1/2026	\$875,000.00	7.250%	\$276,225.00	\$1,151,225.00	\$1,427,450.00
11/1/2026			\$244,506.25	\$244,506.25	
5/1/2027	\$940,000.00	7.250%	\$244,506.25	\$1,184,506.25	\$1,429,012.50
11/1/2027			\$210,431.25	\$210,431.25	
5/1/2028	\$1,005,000.00	7.250%	\$210,431.25	\$1,215,431.25	\$1,425,862.50
11/1/2028			\$174,000.00	\$174,000.00	
5/1/2029	\$1,080,000.00	7.250%	\$174,000.00	\$1,254,000.00	\$1,428,000.00
11/1/2029			\$134,850.00	\$134,850.00	
5/1/2030	\$1,155,000.00	7.250%	\$134,850.00	\$1,289,850.00	\$1,424,700.00
11/1/2030			\$92,981.25	\$92,981.25	
5/1/2031	\$1,235,000.00	7.250%	\$92,981.25	\$1,327,981.25	\$1,420,962.50
11/1/2031			\$48,212.50	\$48,212.50	
5/1/2032	\$1,330,000.00	7.250%	\$48,212.50	\$1,378,212.50	\$1,426,425.00
<b>Total</b>	<b>\$14,795,000.00</b>		<b>\$13,156,031.25</b>	<b>\$27,951,031.25</b>	<b>\$28,487,350.00</b>

**Summary of Revenues, Expenditures and Changes in Fund Balances**  
Fiscal Year 2013 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2011	ADOPTED BUDGET FY 2012	ACTUAL THRU JULY- 2012	PROJECTED AUG - SEP-2012	TOTAL PROJECTED FY 2012	ADOPTED BUDGET FY 2013
<b>REVENUES</b>						
Interest - Investments	\$ 1,648	\$ 800	\$ 2,612	\$ 522	\$ 3,134	\$ 2,000
Special Assmnts- CDD Collected	1,198,145	1,197,400	692,061	505,339	1,197,400	1,219,938
<b>TOTAL REVENUES</b>	<b>1,199,793</b>	<b>1,198,200</b>	<b>694,673</b>	<b>505,861</b>	<b>1,200,534</b>	<b>1,221,938</b>
<b>EXPENDITURES</b>						
<i>Debt Service</i>						
Principal Debt Retirement	225,000	245,000	245,000	-	245,000	255,000
Interest Expense	1,000,688	985,500	985,500	-	985,500	968,963
<b>Total Debt Service</b>	<b>1,225,688</b>	<b>1,230,500</b>	<b>1,230,500</b>	<b>-</b>	<b>1,230,500</b>	<b>1,223,963</b>
<b>TOTAL EXPENDITURES</b>	<b>1,225,688</b>	<b>1,230,500</b>	<b>1,230,500</b>	<b>-</b>	<b>1,230,500</b>	<b>1,223,963</b>
Excess (deficiency) of revenues Over (under) expenditures	(25,895)	(32,300)	(535,827)	505,861	(29,966)	(2,025)
<b>OTHER FINANCING SOURCES (USES)</b>						
Contribution to (Use of) Fund Balance	-	(32,300)	-	-	-	(2,025)
<b>TOTAL OTHER SOURCES (USES)</b>	<b>-</b>	<b>(32,300)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,025)</b>
Net change in fund balance	(25,895)	(32,300)	(535,827)	505,861	(29,966)	(2,025)
<b>FUND BALANCE, BEGINNING</b>	<b>1,427,831</b>	<b>1,401,936</b>	<b>1,401,936</b>	<b>-</b>	<b>1,401,936</b>	<b>1,371,970</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,401,936</b>	<b>\$ 1,369,636</b>	<b>\$ 866,109</b>	<b>\$ 505,861</b>	<b>\$ 1,371,970</b>	<b>\$ 1,369,946</b>



**AMORTIZATION SCHEDULE**

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

**Budget Narrative**  
Fiscal Year 2013**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 FY2013 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 2013

HARMONY  
Community Development District

2012-2013 Non-Ad Valorem Assessment Summary

Platted			2013	2012	2013	2012	2013	2012	% 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	\$ 381.24	\$ 393.97	\$ 688.88	\$ 676.15	\$ 1,070.12	\$ 1,070.12	0.00%	186
B	B	80	\$ 1,205.23	\$ 1,245.45	\$ 2,177.77	\$ 2,137.53	\$ 3,383.00	\$ 3,382.98	0.00%	9
	C	65	\$ 979.25	\$ 1,011.93	\$ 1,769.44	\$ 1,736.75	\$ 2,748.69	\$ 2,748.67	0.00%	25
	E	52	\$ 783.40	\$ 809.54	\$ 1,415.55	\$ 1,389.40	\$ 2,198.95	\$ 2,198.94	0.00%	35
	G	42	\$ 632.75	\$ 653.86	\$ 1,143.33	\$ 1,122.20	\$ 1,776.08	\$ 1,776.07	0.00%	22
	H	35	\$ 527.29	\$ 544.88	\$ 952.77	\$ 935.17	\$ 1,480.06	\$ 1,480.06	0.00%	15
C-1	B	80	\$ 1,185.43	\$ 1,224.99	\$ 2,141.98	\$ 2,102.41	\$ 3,327.41	\$ 3,327.40	0.00%	10
	C	65	\$ 963.16	\$ 995.30	\$ 1,740.36	\$ 1,708.21	\$ 2,703.52	\$ 2,703.51	0.00%	30
	E	52	\$ 770.53	\$ 796.24	\$ 1,392.29	\$ 1,366.57	\$ 2,162.82	\$ 2,162.81	0.00%	35
	G	42	\$ 622.35	\$ 643.12	\$ 1,124.54	\$ 1,103.77	\$ 1,746.89	\$ 1,746.88	0.00%	30
	H	35	\$ 518.63	\$ 535.93	\$ 937.12	\$ 919.80	\$ 1,455.74	\$ 1,455.74	0.00%	12
C-2	B	80	\$ 1,232.68	\$ 1,273.81	\$ 2,227.36	\$ 2,186.21	\$ 3,460.04	\$ 3,460.02	0.00%	4
	C	65	\$ 1,001.55	\$ 1,034.97	\$ 1,809.73	\$ 1,776.29	\$ 2,811.28	\$ 2,811.27	0.00%	14
	E	52	\$ 801.24	\$ 827.98	\$ 1,447.78	\$ 1,421.04	\$ 2,249.02	\$ 2,249.01	0.00%	13
	G	42	\$ 647.16	\$ 668.75	\$ 1,169.36	\$ 1,147.76	\$ 1,816.52	\$ 1,816.51	0.00%	31
	H	35	\$ 539.30	\$ 557.29	\$ 974.47	\$ 956.47	\$ 1,513.77	\$ 1,513.76	0.00%	25
D-1	B	80	\$ 1,273.54	\$ 1,316.03	\$ 2,301.19	\$ 2,258.67	\$ 3,574.72	\$ 3,574.71	0.00%	9
	C	65	\$ 1,034.75	\$ 1,069.28	\$ 1,869.71	\$ 1,835.17	\$ 2,904.46	\$ 2,904.45	0.00%	20
	E	52	\$ 827.80	\$ 855.42	\$ 1,495.77	\$ 1,468.14	\$ 2,323.57	\$ 2,323.56	0.00%	6
D-2	E	n/a	\$ 756.49	\$ 781.74	\$ 1,366.93	\$ 1,341.67	\$ 2,123.42	\$ 2,123.41	0.00%	11
E	Custom	n/a	\$ 2,018.47	\$ 2,085.82	\$ 3,647.22	\$ 3,579.84	\$ 5,665.69	\$ 5,665.66	0.00%	51
G	E	52	\$ 911.20	\$ 941.61	\$ 1,646.47	\$ 1,616.05	\$ 2,557.67	\$ 2,557.66	0.00%	62
	G	42	\$ 735.97	\$ 760.53	\$ 1,329.84	\$ 1,305.27	\$ 2,065.81	\$ 2,065.80	0.00%	85
	H	35	\$ 613.31	\$ 633.77	\$ 1,108.20	\$ 1,087.73	\$ 1,721.51	\$ 1,721.50	0.00%	39
<b>Unplatted</b>										
A-2	MF		\$ 337.16	\$ 348.41	\$ 609.23	\$ 597.97	\$ 946.39	\$ 946.38	0.00%	44
H-1/H-2	MF		\$ 579.55	\$ 598.89	\$ 1,047.21	\$ 1,027.86	\$ 1,626.76	\$ 1,626.75	0.00%	222
F	MF		\$ 448.14	\$ 463.10	\$ 809.76	\$ 794.80	\$ 1,257.91	\$ 1,257.90	0.00%	120
M	MF		\$ 218.59	\$ 225.89	\$ 394.98	\$ 387.68	\$ 613.57	\$ 613.57	0.00%	120
I/J	TBD		\$ 453.59	\$ 468.73	\$ 819.61	\$ 804.47	\$ 1,273.21	\$ 1,273.20	0.00%	600
K	TBD		\$ 417.62	\$ 431.56	\$ 754.61	\$ 740.67	\$ 1,172.23	\$ 1,172.22	0.00%	220
L	TBD		\$ 447.49	\$ 462.42	\$ 808.58	\$ 793.64	\$ 1,256.07	\$ 1,256.06	0.00%	180
Comm	Comm		\$ 25,556.84	\$ 26,409.64	\$ 46,179.26	\$ 45,326.11	\$ 71,736.10	\$ 71,735.75	0.00%	7.58
Office	Office		\$ 88,808.32	\$ 91,771.75	\$ 160,469.90	\$ 157,505.25	\$ 249,278.22	\$ 249,277.01	0.00%	26.34
TC	Town Center		\$ 101,991.34	\$ 105,394.67	\$ 184,290.60	\$ 180,885.87	\$ 286,281.93	\$ 286,280.54	0.00%	30.25
GC	Golf Course		n/a	n/a	n/a	n/a	n/a	n/a	n/a	

Total Units 2,349.17