

HARMONY
Community Development District

Annual Operating and Debt Service Budget
Fiscal Year 2014

Version 5 - Adopted Budget
(Adopted 8/29/13)

Prepared by:



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Harmony
Community Development District

Budget Overview
Fiscal Year 2014

General Fund Budget Overview FY 2014

Below are some highlights on the adopted budget for FY 2014. Overall, the expenditures budgeted for the General Fund, in this version is approximately 5.65% higher than last's budgeted amount.

Revenue

- Assessments increased primarily due to an increase in field management expenditures.

Administration

- Total Administration costs have increased by \$5,526.

Field

- ProfServ-Field Management increased from \$119,000 to \$190,000.

Landscape

- The landscape contract changed from Luke Brothers to The Davey Tree Expert Company which has reduced the entire contract amount by approximately \$10,000.

Utility

- OUC General Electricity increased approximately 3%.
- KUA Water and Sewer charges increased approximately 5%.
- OUC Streetlight Electricity increased approximately 2%.

Operation & Maintenance

- Total Operation & Maintenance have decreased by \$12,650 reducing Misc-Contingency.

Harmony
Community Development District

Operating Budget
Fiscal Year 2014

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2012	BUDGET FY 2013	THRU JUL-2013	AUG - SEP-2013	PROJECTED FY 2013	BUDGET FY 2014
REVENUES						
Interest - Investments	\$ 3,421	\$ 2,501	\$ 2,454	\$ 491	\$ 2,945	\$ 2,500
Interest - Tax Collector	134	-	92	-	92	-
Special Assmnts- Tax Collector	622,472	602,370	602,371	-	602,370	636,415
Special Assmnts- CDD Collected	913,955	884,442	737,035	147,407	884,442	934,428
Special Assmnts- Discounts	(11,952)	(24,095)	(12,695)	-	(12,695)	(25,457)
Other Miscellaneous Revenues	1,511	-	1,922	-	1,922	-
TOTAL REVENUES	1,529,541	1,465,218	1,331,179	147,898	1,479,076	1,547,886
EXPENDITURES						
<i>Administrative</i>						
P/R-Board of Supervisors	10,200	11,200	8,600	1,600	10,200	11,200
FICA Taxes	780	857	658	122	780	857
ProfServ-Arbitrage Rebate	1,200	1,200	1,200	-	1,200	1,200
ProfServ-Dissemination Agent	500	500	500	-	500	500
ProfServ-Engineering	4,742	5,000	3,782	1,218	5,000	5,000
ProfServ-Legal Services	35,666	25,000	16,966	8,034	25,000	30,000
ProfServ-Mgmt Consulting Serv	48,184	55,984	22,876	1,900	24,776	55,984
ProfServ-Property Appraiser	-	779	-	-	-	779
ProfServ-Special Assessment	11,822	11,822	11,822	-	11,822	11,822
ProfServ-Trustee	9,186	10,800	10,748	-	10,748	10,800
Auditing Services	7,500	8,000	7,250	-	7,250	5,000
Communication - Telephone	239	380	17	233	250	380
Postage and Freight	1,108	1,200	582	618	1,200	750
Insurance - General Liability	23,262	26,751	27,848	-	27,848	31,546
Printing and Binding	6,770	5,000	2,384	2,616	5,000	3,500
Legal Advertising	1,592	500	424	1,076	1,500	500
Misc-Assessmnt Collection Cost	7,522	12,047	11,794	-	11,794	12,728
Misc-Contingency	228	500	214	286	500	500
Office Supplies	797	1,000	255	745	1,000	1,000
Annual District Filing Fee	175	175	175	-	175	175
Total Administrative	171,473	178,695	128,095	18,448	146,543	184,221
<i>Field</i>						
ProfServ-Field Management	107,860	119,113	69,760	27,000	96,760	190,000
Total Field	107,860	119,113	69,760	27,000	96,760	190,000
<i>Landscape</i>						
R&M-Grounds	29,539	29,994	17,942	3,589	21,531	21,531
R&M-Irrigation	29,074	20,000	5,901	1,180	7,081	20,000
R&M-Tree Trimming Services	13,000	15,000	-	15,000	15,000	30,000
R&M-Trees and Trimming	17,587	19,115	16,574	3,315	19,889	19,889
R&M-Turf Care	276,952	248,001	202,330	40,466	242,796	242,796
R&M-Shrub Care	107,059	107,540	91,487	18,297	109,784	109,784
Miscellaneous Services	18,654	23,000	8,279	11,000	19,279	20,000
Total Landscape	491,865	462,650	342,513	92,847	435,360	464,000

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2012	BUDGET FY 2013	THRU JUL-2013	AUG - SEP-2013	PROJECTED FY 2013	BUDGET FY 2014
Utilities						
Electricity - General	20,160	30,000	22,385	4,477	26,862	31,000
Electricity - Streetlighting	377,961	389,000	315,866	63,173	379,039	400,555
Utility - Water & Sewer	102,793	105,000	83,906	16,781	100,687	110,000
Total Utilities	500,914	524,000	422,157	84,431	506,588	541,555
Operation & Maintenance						
Contracts-Lake and Wetland	26,780	25,000	13,080	2,616	15,696	20,000
Communication - Telephone	4,637	6,000	3,699	750	4,449	5,000
Utility - Refuse Removal	-	2,000	2,107	421	2,528	2,500
R&M-Common Area	19,014	18,800	16,924	3,385	20,309	20,000
R&M-Equipment	16,081	15,000	14,760	2,952	17,712	15,000
R&M-Pools	58,929	57,000	55,251	2,560	57,811	57,000
R&M-Roads & Alleyways	4,041	5,000	549	3,451	4,000	5,000
R&M-Sidewalks	82	4,000	-	4,000	4,000	7,000
R&M-Parks & Amenities	5,204	8,500	7,200	1,440	8,640	8,500
R&M-Hardscape Cleaning	2,836	5,000	5,672	1,134	6,806	5,000
Misc-Contingency	13,316	19,960	5,558	2,200	7,758	8,610
Misc-Security Enhancements	2,358	2,500	3,026	3,190	6,216	2,500
Cap Outlay - Other	30,263	12,000	1,070	10,930	12,000	12,000
Cap Outlay - Vehicles	7,323	-	-	-	-	-
Total Operation & Maintenance	190,864	180,760	128,896	39,030	167,926	168,110
TOTAL EXPENDITURES	1,462,976	1,465,218	1,091,421	261,756	1,353,177	1,547,886
Excess (deficiency) of revenues						
Over (under) expenditures	66,565	-	239,758	(113,859)	125,899	-
OTHER FINANCING SOURCES (USES)						
Sale of General Capital Assets	-	-	577	-	577	-
TOTAL OTHER SOURCES (USES)	-	-	577	-	577	-
Net change in fund balance	66,565	-	240,335	(113,859)	126,476	-
FUND BALANCE, BEGINNING	644,605	711,170	711,170	-	711,170	837,646
FUND BALANCE, ENDING	\$ 711,170	\$ 711,170	\$ 951,505	\$ (113,859)	\$ 837,646	\$ 837,646

Exhibit "A"
Allocation of Fund Balances

AVAILABLE FUNDS

	<u>Amount</u>
Beginning Fund Balance - Fiscal Year 2014	\$ 837,646
Net Change in Fund Balance - Fiscal Year 2014	-
Reserves - Fiscal Year 2014 Additions	-
Total Funds Available (Estimated) - 9/30/2014	837,646

ALLOCATION OF AVAILABLE FUNDS

Assigned Fund Balance

Operating Reserve - First Quarter Operating Capital	386,972 ⁽¹⁾
Reserves - Insurance	50,000 ⁽²⁾
Reserves - Renewal & Replacement	185,000 ⁽³⁾
Subtotal	<u>621,972</u>
Total Allocation of Available Funds	621,972

Total Unassigned (undesignated) Cash	<u><u>\$ 215,674</u></u>
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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 10 year plan (until 2020) for renewal and replacement

Budget Narrative
Fiscal Year 2014

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 2014

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 FY2014.

Contract -Severn Trent Management Services	\$55,984
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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 FY2014 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 \$5,400 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 Public Risks Insurance Agency. 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 newspaper of general circulation.

Budget Narrative
Fiscal Year 2014

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 fiscal year 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 Economic Opportunity Division of Community Development.

Field

Professional Services – Field Management \$190,000

Project Manager will provide onsite field operations management and supervisory services, including oversight of all District contractors providing services including landscape, hardscape, stormwater/ponds, etc. Field services provided for within this scope include community boat operations, facility and common area maintenance and irrigation.

Landscape

Contracts-Ground \$21,531

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)	\$11,692
New Contract (Davey Tree)	\$9,839

R&M-Irrigation \$20,000

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

Unscheduled maintenance/repair of Weather Station	\$1,400
Unscheduled maintenance/repair of lines	\$3,000
Irrigation supplies	\$15,600

Budget Narrative
Fiscal Year 2014

EXPENDITURES

Landscape (continued)

Contracts –Trees Canopy Trimming **\$30,000**
Scheduled maintenance consists of canopy trimming for trees above the 10-foot height level, and consulting with a certified arborist.

Contracts –Trees and Trimming **\$19,889**
Scheduled maintenance consists of pruning, maintaining tree basins and fertilizing trees below the 10-foot height level.

New Contract (Davey Tree) \$19,889
Unscheduled maintenance – Added to Misc Services

Contracts -Turf Care **\$242,796**
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.

New Contract (Davey Tree)- \$242,796
Unscheduled maintenance – Added to Misc Services

R&M-Shrub Care **\$109,784**
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) \$109,784
Unscheduled maintenance – Added to Misc Services

Miscellaneous Services **\$20,000**
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 **\$31,000**
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 **\$400,555**
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.

Utility - Water & Sewer **\$110,000**
The District currently has utility accounts with Toho Water Authority (a division of KUA).Usage consists of water, sewer and reclaimed water services.

Budget Narrative
Fiscal Year 2014

EXPENDITURES

Operation & Maintenance

Contracts-Lake and Wetland

\$20,000

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)	\$15,696
Unscheduled maintenance	\$4,304

Communication – Telephone

\$5,000

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

Utility - Refuse Removal

\$2,500

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

R&M-Common Area

\$20,000

- 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.
- 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 2014, including trash cans, doggie pots, and hardscape elements located within the neighborhood pocket parks.

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 Ashley Park pools and Lakeshore Park Splash Pad 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)	\$15,360
Repair/replace Swim Club Pool Heater Unit # 2	\$20,000
Supplies	\$9,840
Licenses	\$1,050
Unscheduled Maintenance	\$10,750

R&M Roads and Alleyways

\$5,000

Unscheduled maintenance of alleyways. Operation & Maintenance (continued)

Budget Narrative
Fiscal Year 2014

EXPENDITURES

Operation & Maintenance (continued)

R&M Sidewalks **\$7,000**
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, cleaning of basketball court, 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.

Misc-Contingency **\$8,610**
The fiscal year 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

Harmony
Community Development District

Debt Service Budgets

Fiscal Year 2014

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL	ADOPTED	ACTUAL	PROJECTED	TOTAL	ANNUAL
	FY 2012	BUDGET FY 2013	THRU JUL-2013	AUG - SEP-2013	PROJECTED FY 2013	BUDGET FY 2014
REVENUES						
Interest - Investments	\$ 957	\$ 800	\$ 735	\$ 147	\$ 882	\$ 500
Special Assmnts- Tax Collector	1,031,779	1,050,511	1,049,537	-	1,049,537	1,049,873
Special Assmnts- Prepayment	16,668	-	75,973	-	75,973	-
Special Assmnts- CDD Collected	432,192	439,182	439,182	-	439,182	439,551
Special Assmnts- Discounts	(19,810)	(42,021)	(22,119)	-	(22,119)	(41,995)
TOTAL REVENUES	1,461,786	1,448,472	1,543,308	147	1,543,455	1,447,930
EXPENDITURES						
<i>Administrative</i>						
Misc-Assessmnt Collection Cost	12,467	21,010	20,548	-	20,548	20,997
Total Administrative	12,467	21,010	20,548	-	20,548	20,997
<i>Debt Service</i>						
Principal Debt Retirement	325,000	350,000	350,000	-	350,000	375,000
Principal Prepayments	30,000	-	20,000	-	20,000	-
Interest Expense	1,097,288	1,072,638	1,071,913	-	1,071,913	1,045,813
Total Debt Service	1,452,288	1,422,638	1,441,913	-	1,441,913	1,420,813
TOTAL EXPENDITURES	1,464,755	1,443,648	1,462,461	-	1,462,461	1,441,810
Excess (deficiency) of revenues						
Over (under) expenditures	(2,969)	4,824	80,847	147	80,994	6,120
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	4,824	-	-	-	6,120
TOTAL OTHER SOURCES (USES)	-	4,824	-	-	-	6,120
Net change in fund balance	(2,969)	4,824	80,847	147	80,994	6,120
FUND BALANCE, BEGINNING	1,767,616	1,764,647	1,764,647	-	1,764,647	1,845,641
FUND BALANCE, ENDING	\$ 1,764,647	\$ 1,769,471	\$ 1,845,494	\$ 147	\$ 1,845,641	\$ 1,851,761

AMORTIZATION SCHEDULE

Period Ending	Balance	Coupon Rate	Principal	Interest	Annual Debt Service
11/1/2013	\$14,425,000	7.250%		\$522,906	
5/1/2014	\$14,050,000	7.250%	\$375,000	\$522,906	\$1,420,813
11/1/2014	\$14,050,000	7.250%		\$509,313	
5/1/2015	\$13,650,000	7.250%	\$400,000	\$509,313	\$1,418,625
11/1/2015	\$13,650,000	7.250%		\$494,813	
5/1/2016	\$13,220,000	7.250%	\$430,000	\$494,813	\$1,419,625
11/1/2016	\$13,220,000	7.250%		\$479,225	
5/1/2017	\$12,755,000	7.250%	\$465,000	\$479,225	\$1,423,450
11/1/2017	\$12,755,000	7.250%		\$462,369	
5/1/2018	\$12,260,000	7.250%	\$495,000	\$462,369	\$1,419,738
11/1/2018	\$12,260,000	7.250%		\$444,425	
5/1/2019	\$11,725,000	7.250%	\$535,000	\$444,425	\$1,423,850
11/1/2019	\$11,725,000	7.250%		\$425,031	
5/1/2020	\$11,150,000	7.250%	\$575,000	\$425,031	\$1,425,063
11/1/2020	\$11,150,000	7.250%		\$404,188	
5/1/2021	\$10,535,000	7.250%	\$615,000	\$404,188	\$1,423,375
11/1/2021	\$10,535,000	7.250%		\$381,894	
5/1/2022	\$9,880,000	7.250%	\$655,000	\$381,894	\$1,418,788
11/1/2022	\$9,880,000	7.250%		\$358,150	
5/1/2023	\$9,175,000	7.250%	\$705,000	\$358,150	\$1,421,300
11/1/2023	\$9,175,000	7.250%		\$332,594	
5/1/2024	\$8,415,000	7.250%	\$760,000	\$332,594	\$1,425,188
11/1/2024	\$8,415,000	7.250%		\$305,044	
5/1/2025	\$7,600,000	7.250%	\$815,000	\$305,044	\$1,425,088
11/1/2025	\$7,600,000	7.250%		\$275,500	
5/1/2026	\$6,725,000	7.250%	\$875,000	\$275,500	\$1,426,000
11/1/2026	\$6,725,000	7.250%		\$243,781	
5/1/2027	\$5,785,000	7.250%	\$940,000	\$243,781	\$1,427,563
11/1/2027	\$5,785,000	7.250%		\$209,706	
5/1/2028	\$4,780,000	7.250%	\$1,005,000	\$209,706	\$1,424,413
11/1/2028	\$4,780,000	7.250%		\$173,275	
5/1/2029	\$3,700,000	7.250%	\$1,080,000	\$173,275	\$1,426,550
11/1/2029	\$3,700,000	7.250%		\$134,125	
5/1/2030	\$2,545,000	7.250%	\$1,155,000	\$134,125	\$1,423,250
11/1/2030	\$2,545,000	7.250%		\$92,256	
5/1/2031	\$1,310,000	7.250%	\$1,235,000	\$92,256	\$1,419,513
11/1/2031	\$1,310,000	7.250%		\$47,488	
5/1/2032	\$0	7.250%	\$1,310,000	\$47,488	\$1,404,975
Total			\$14,425,000	\$12,592,163	\$27,017,163

Summary of Revenues, Expenditures and Changes in Fund Balances
Fiscal Year 2014 Adopted Budget

ACCOUNT DESCRIPTION	ACTUAL FY 2012	ADOPTED BUDGET FY 2013	ACTUAL THRU JUL-2013	PROJECTED AUG - SEP-2013	TOTAL PROJECTED FY 2013	ANNUAL BUDGET FY 2014
REVENUES						
Interest - Investments	\$ 3,778	\$ 2,000	\$ 290	\$ 58	\$ 348	\$ 100
Net Incr (Decr) In FMV-Invest	(2,765)	-	-	-	-	-
Special Assmnts- CDD Collected	1,197,400	1,219,938	714,296	505,642	1,219,938	1,221,130
TOTAL REVENUES	1,198,413	1,221,938	714,586	505,700	1,220,286	1,221,230
EXPENDITURES						
<i>Debt Service</i>						
Principal Debt Retirement	245,000	255,000	255,000	-	255,000	275,000
Interest Expense	985,500	968,963	968,963	-	968,963	951,750
Total Debt Service	1,230,500	1,223,963	1,223,963	-	1,223,963	1,226,750
TOTAL EXPENDITURES	1,230,500	1,223,963	1,223,963	-	1,223,963	1,226,750
Excess (deficiency) of revenues Over (under) expenditures	(32,087)	(2,025)	(509,377)	505,700	(3,677)	(5,520)
OTHER FINANCING SOURCES (USES)						
Contribution to (Use of) Fund Balance	-	(2,025)	-	-	-	(5,520)
TOTAL OTHER SOURCES (USES)	-	(2,025)	-	-	-	(5,520)
Net change in fund balance	(32,087)	(2,025)	(509,377)	505,700	(3,677)	(5,520)
FUND BALANCE, BEGINNING	1,401,937	1,369,850	1,369,850	-	1,369,850	1,366,173
FUND BALANCE, ENDING	\$ 1,369,850	\$ 1,367,825	\$ 860,473	\$ 505,700	\$ 1,366,173	\$ 1,360,653

AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/1/2013	\$ 14,100,000	6.75%	\$ -	\$ 475,875.00	
5/1/2014	\$ 14,100,000	6.75%	\$ 275,000.00	\$ 475,875.00	\$ 1,226,750.00
11/1/2014	\$ 13,825,000	6.75%	\$ -	\$ 466,593.75	
5/1/2015	\$ 13,825,000	6.75%	\$ 290,000.00	\$ 466,593.75	\$ 1,223,187.50
11/1/2015	\$ 13,535,000	6.75%	\$ -	\$ 456,806.25	
5/1/2016	\$ 13,535,000	6.75%	\$ 310,000.00	\$ 456,806.25	\$ 1,223,612.50
11/1/2016	\$ 13,225,000	6.75%	\$ -	\$ 446,343.75	
5/1/2017	\$ 13,225,000	6.75%	\$ 330,000.00	\$ 446,343.75	\$ 1,222,687.50
11/1/2017	\$ 12,895,000	6.75%	\$ -	\$ 435,206.25	
5/1/2018	\$ 12,895,000	6.75%	\$ 355,000.00	\$ 435,206.25	\$ 1,225,412.50
11/1/2018	\$ 12,540,000	6.75%	\$ -	\$ 423,225.00	
5/1/2019	\$ 12,540,000	6.75%	\$ 380,000.00	\$ 423,225.00	\$ 1,226,450.00
11/1/2019	\$ 12,160,000	6.75%	\$ -	\$ 410,400.00	
5/1/2020	\$ 12,160,000	6.75%	\$ 405,000.00	\$ 410,400.00	\$ 1,225,800.00
11/1/2020	\$ 11,755,000	6.75%	\$ -	\$ 396,731.25	
5/1/2021	\$ 11,755,000	6.75%	\$ 435,000.00	\$ 396,731.25	\$ 1,228,462.50
11/1/2021	\$ 11,320,000	6.75%	\$ -	\$ 382,050.00	
5/1/2022	\$ 11,320,000	6.75%	\$ 460,000.00	\$ 382,050.00	\$ 1,224,100.00
11/1/2022	\$ 10,860,000	6.75%	\$ -	\$ 366,525.00	
5/1/2023	\$ 10,860,000	6.75%	\$ 495,000.00	\$ 366,525.00	\$ 1,228,050.00
11/1/2023	\$ 10,365,000	6.75%	\$ -	\$ 349,818.75	
5/1/2024	\$ 10,365,000	6.75%	\$ 525,000.00	\$ 349,818.75	\$ 1,224,637.50
11/1/2024	\$ 9,840,000	6.75%	\$ -	\$ 332,100.00	
5/1/2025	\$ 9,840,000	6.75%	\$ 560,000.00	\$ 332,100.00	\$ 1,224,200.00
11/1/2025	\$ 9,280,000	6.75%	\$ -	\$ 313,200.00	
5/1/2026	\$ 9,280,000	6.75%	\$ 595,000.00	\$ 313,200.00	\$ 1,221,400.00
11/1/2026	\$ 8,685,000	6.75%	\$ -	\$ 293,118.75	
5/1/2027	\$ 8,685,000	6.75%	\$ 635,000.00	\$ 293,118.75	\$ 1,221,237.50
11/1/2027	\$ 8,050,000	6.75%	\$ -	\$ 271,687.50	
5/1/2028	\$ 8,050,000	6.75%	\$ 680,000.00	\$ 271,687.50	\$ 1,223,375.00
11/1/2028	\$ 7,370,000	6.75%	\$ -	\$ 248,737.50	
5/1/2029	\$ 7,370,000	6.75%	\$ 730,000.00	\$ 248,737.50	\$ 1,227,475.00
11/1/2029	\$ 6,640,000	6.75%	\$ -	\$ 224,100.00	
5/1/2030	\$ 6,640,000	6.75%	\$ 775,000.00	\$ 224,100.00	\$ 1,223,200.00
11/1/2030	\$ 5,865,000	6.75%	\$ -	\$ 197,943.75	
5/1/2031	\$ 5,865,000	6.75%	\$ 825,000.00	\$ 197,943.75	\$ 1,220,887.50
11/1/2031	\$ 5,040,000	6.75%	\$ -	\$ 170,100.00	
5/1/2032	\$ 5,040,000	6.75%	\$ 880,000.00	\$ 170,100.00	\$ 1,220,200.00
11/1/2032	\$ 4,160,000	6.75%	\$ -	\$ 140,400.00	
5/1/2033	\$ 4,160,000	6.75%	\$ 940,000.00	\$ 140,400.00	\$ 1,220,800.00
11/1/2033	\$ 3,220,000	6.75%	\$ -	\$ 108,675.00	
5/1/2034	\$ 3,220,000	6.75%	\$ 1,000,000.00	\$ 108,675.00	\$ 1,217,350.00
11/1/2034	\$ 2,220,000	6.75%	\$ -	\$ 74,925.00	
5/1/2035	\$ 2,220,000	6.75%	\$ 1,070,000.00	\$ 74,925.00	\$ 1,219,850.00
11/1/2035	\$ 1,150,000	6.75%	\$ -	\$ 38,812.50	
5/1/2036	\$ 1,150,000	6.75%	\$ 1,150,000.00	\$ 38,812.50	\$ 1,227,625.00
			\$ 14,100,000.00	\$ 14,046,750.00	\$ 28,146,750.00

Budget Narrative
Fiscal Year 2014

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 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 FY2014 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 2014

HARMONY
Community Development District

2013-2014 Non-Ad Valorem Assessment Summary

Platted			O & M			Debt Service			Total			Units
Neighborhood	Lot Type	Lot Width	2014 O & M Assessment	2013 O & M Assessment	% Change (Decrease) Increase	2014 Debt Service Assessment	2013 Debt Service Assessment	% Change (Decrease) Increase	2014 Total Assessment	2013 Total Assessment	% Change (Decrease) Increase	
A-1	MF	n/a	\$ 402.79	\$ 381.24	5.65%	\$ 689.55	\$ 688.88	0.10%	\$ 1,092.34	\$ 1,070.12	2.08%	186
B	B	80	\$ 1,273.35	\$ 1,205.23	5.65%	\$ 2,179.90	\$ 2,177.77	0.10%	\$ 3,453.25	\$ 3,383.00	2.08%	9
	C	65	\$ 1,034.60	\$ 979.25	5.65%	\$ 1,771.17	\$ 1,769.44	0.10%	\$ 2,805.76	\$ 2,748.69	2.08%	25
	E	52	\$ 827.68	\$ 783.40	5.65%	\$ 1,416.93	\$ 1,415.55	0.10%	\$ 2,244.61	\$ 2,198.95	2.08%	35
	G	42	\$ 668.51	\$ 632.75	5.65%	\$ 1,144.45	\$ 1,143.33	0.10%	\$ 1,812.95	\$ 1,776.08	2.08%	22
	H	35	\$ 557.09	\$ 527.29	5.65%	\$ 953.70	\$ 952.77	0.10%	\$ 1,510.79	\$ 1,480.06	2.08%	15
C-1	B	80	\$ 1,252.43	\$ 1,185.43	5.65%	\$ 2,144.08	\$ 2,141.98	0.10%	\$ 3,396.51	\$ 3,327.41	2.08%	10
	C	65	\$ 1,017.60	\$ 963.16	5.65%	\$ 1,742.06	\$ 1,740.36	0.10%	\$ 2,759.66	\$ 2,703.52	2.08%	30
	E	52	\$ 814.08	\$ 770.53	5.65%	\$ 1,393.65	\$ 1,392.29	0.10%	\$ 2,207.73	\$ 2,162.82	2.08%	35
	G	42	\$ 657.52	\$ 622.35	5.65%	\$ 1,125.64	\$ 1,124.54	0.10%	\$ 1,783.17	\$ 1,746.89	2.08%	30
	H	35	\$ 547.94	\$ 518.63	5.65%	\$ 938.03	\$ 937.12	0.10%	\$ 1,485.97	\$ 1,455.74	2.08%	12
C-2	B	80	\$ 1,302.35	\$ 1,232.68	5.65%	\$ 2,229.54	\$ 2,227.36	0.10%	\$ 3,531.88	\$ 3,460.04	2.08%	4
	C	65	\$ 1,058.16	\$ 1,001.55	5.65%	\$ 1,811.50	\$ 1,809.73	0.10%	\$ 2,869.65	\$ 2,811.28	2.08%	14
	E	52	\$ 846.53	\$ 801.24	5.65%	\$ 1,449.20	\$ 1,447.78	0.10%	\$ 2,295.72	\$ 2,249.02	2.08%	13
	G	42	\$ 683.73	\$ 647.16	5.65%	\$ 1,170.51	\$ 1,169.36	0.10%	\$ 1,854.24	\$ 1,816.52	2.08%	31
	H	35	\$ 569.78	\$ 539.30	5.65%	\$ 975.42	\$ 974.47	0.10%	\$ 1,545.20	\$ 1,513.77	2.08%	25
D-1	B	80	\$ 1,345.51	\$ 1,273.54	5.65%	\$ 2,303.44	\$ 2,301.19	0.10%	\$ 3,648.95	\$ 3,574.72	2.08%	9
	C	65	\$ 1,093.23	\$ 1,034.75	5.65%	\$ 1,871.54	\$ 1,869.71	0.10%	\$ 2,964.77	\$ 2,904.46	2.08%	20
	E	52	\$ 874.58	\$ 827.80	5.65%	\$ 1,497.23	\$ 1,495.77	0.10%	\$ 2,371.82	\$ 2,323.57	2.08%	6
D-2	E	n/a	\$ 799.25	\$ 756.49	5.65%	\$ 1,368.26	\$ 1,366.93	0.10%	\$ 2,167.51	\$ 2,123.42	2.08%	11
E	Custom	n/a	\$ 2,132.54	\$ 2,018.47	5.65%	\$ 3,650.78	\$ 3,647.22	0.10%	\$ 5,783.33	\$ 5,665.69	2.08%	51
G	E	52	\$ 962.70	\$ 911.20	5.65%	\$ 1,648.08	\$ 1,646.47	0.10%	\$ 2,610.78	\$ 2,557.67	2.08%	62
	G	42	\$ 777.56	\$ 735.97	5.65%	\$ 1,331.14	\$ 1,329.84	0.10%	\$ 2,108.70	\$ 2,065.81	2.08%	85
	H	35	\$ 647.97	\$ 613.31	5.65%	\$ 1,109.28	\$ 1,108.20	0.10%	\$ 1,757.25	\$ 1,721.51	2.08%	39
Unplatted												
A-2	MF		\$ 356.22	\$ 337.16	5.65%	\$ 609.82	\$ 609.23	0.10%	\$ 966.04	\$ 946.39	2.08%	44
H-1/H-2	MF		\$ 612.31	\$ 579.55	5.65%	\$ 1,048.23	\$ 1,047.21	0.10%	\$ 1,660.54	\$ 1,626.76	2.08%	222
F	MF		\$ 473.47	\$ 448.14	5.65%	\$ 810.55	\$ 809.76	0.10%	\$ 1,284.02	\$ 1,257.91	2.08%	120
M	MF		\$ 230.95	\$ 218.59	5.65%	\$ 395.37	\$ 394.98	0.10%	\$ 626.31	\$ 613.57	2.08%	120
I/J	TBD		\$ 479.23	\$ 453.59	5.65%	\$ 820.41	\$ 819.61	0.10%	\$ 1,299.64	\$ 1,273.21	2.08%	600
K	TBD		\$ 441.22	\$ 417.62	5.65%	\$ 755.35	\$ 754.61	0.10%	\$ 1,196.57	\$ 1,172.23	2.08%	220
L	TBD		\$ 472.78	\$ 447.49	5.65%	\$ 809.37	\$ 808.58	0.10%	\$ 1,282.15	\$ 1,256.07	2.08%	180
Comm	Comm		\$ 27,001.23	\$ 25,556.84	5.65%	\$ 46,224.41	\$ 46,179.26	0.10%	\$ 73,225.63	\$ 71,736.10	2.08%	7.58
Office	Office		\$ 93,827.48	\$ 88,808.32	5.65%	\$ 160,626.76	\$ 160,469.90	0.10%	\$ 254,454.24	\$ 249,278.22	2.08%	26.34
TC	Town Center		\$ 107,755.55	\$ 101,991.34	5.65%	\$ 184,470.75	\$ 184,290.60	0.10%	\$ 292,226.31	\$ 286,281.93	2.08%	30.25
GC	Golf Course (1)		\$ -	\$ -	NA	\$ 61,000.00	\$ 61,000.00	0.00%	\$ 61,000.00	\$ 61,000.00	0.00%	1

Note 1: As per report: \$60,919.52, gross is \$64,808

Total Units 2,350.17