

## RESOLUTION 2008-5

### A RESOLUTION OF THE HARMONY COMMUNITY DEVELOPMENT DISTRICT RELATING TO THE ANNUAL APPROPRIATIONS OF THE DISTRICT AND ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2008, AND ENDING SEPTEMBER 30, 2009, AND REFERENCING THE MAINTENANCE AND BENEFIT SPECIAL ASSESSMENTS TO BE LEVIED BY THE DISTRICT FOR SAID FISCAL YEAR

WHEREAS, the District Manager has, prior to the fifteenth (15th) day in June, 2008, submitted to the Board of Supervisors (the "Board") a proposed budget for the next ensuing budget year along with an explanatory and complete financial plan for each fund of the District, pursuant to the provisions of Section 190.008(2)(a), Florida Statutes; and

WHEREAS, at least sixty (60) days prior to the adoption of the proposed annual budget and any proposed long-term financial plan or program of the District for future operations (the "Proposed Budget") the District did file a copy of the Proposed Budget with the general purpose local governing authorities having jurisdiction over the area included in the District pursuant to the provisions of Section 190.008(2)(b), Florida Statutes; and

WHEREAS, on June 26, 2008, the Board set August 28, 2008, as the date for a public hearing thereon and caused notice of such public hearing to be given by publication pursuant to Section 190.008(2)(a) Florida Statutes; and

WHEREAS, Section 190.008(2)(a), Florida Statutes requires that, prior to October 1 of each year, the District Board by passage of the Annual Appropriation Resolution shall adopt a budget for the ensuing fiscal year and appropriate such sums of money as the Board deems necessary to defray all expenditures of the District during the ensuing fiscal year; and

WHEREAS, the District Manager has prepared a Proposed Budget on a Cash Flow Budget basis, whereby the budget shall project the cash receipts and disbursements anticipated during a given time period, including reserves for contingencies for emergency or other unanticipated expenditures during the fiscal year; and

WHEREAS, Section 190.021, Florida Statutes provides that the Annual Appropriation Resolution shall also fix the Maintenance Special Assessments and Benefit Special Assessments upon each piece of property within the boundaries of the District benefited, specifically and peculiarly, by the maintenance and/or capital improvement programs of the District, such levy representing the amount of District assessments necessary to provide for payment during the ensuing budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds, in order for the District to exercise its various general and special powers to implement its single and specialized infrastructure provision purpose; and

WHEREAS, the Board of Supervisors of the Harmony Community Development District finds and determines that the non-ad valorem special assessments it imposes and levies by this Resolution for maintenance on the parcels of property involved will constitute a mechanism by which the property owners lawfully and validly will reimburse the District for those certain special and peculiar benefits the

District has determined are received by, and flow to, the parcels of property from the systems, facilities and services being provided, and that the special and peculiar benefits are apportioned in a manner that is fair and reasonable in accordance with applicable assessment methodology and related case law; and

WHEREAS, the Chair of the Board of Supervisors may designate the District Manager or other person to certify the non-ad valorem assessment roll to the Tax Collector in and for Osceola County political subdivision on compatible electronic medium tied to the property identification number no later than 15 September 2008 so that the Tax Collector may merge that roll with others into the collection roll from which the November tax notice is to be printed and mailed; and

WHEREAS, the proceeds from the collections of these imposed and levied non-ad valorem assessments shall be paid to the Harmony Community Development District; and

WHEREAS, the Tax Collector, under the direct supervision of the Florida Department of Revenue performs the state work in preparing, mailing out, collecting and enforcing against delinquency the non-ad valorem assessments of the District using the Uniform Collection Methodology for non-ad valorem assessments; and

WHEREAS, if the Property Appraiser and the Tax Collector have adopted a different technological procedure for certifying and merging the rolls, then that procedure must be worked out and negotiated with Board approval through the auspices of the District Manager before there are any deviations from the provisions of Section 197.3632, Fla. Stat., and Rule 12D-18, Florida Administrative Code.

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

**Section 1.** The provisions of the whereas clauses are true and correct and are incorporated herein as dispositive.

**Section 2. Budget**

- a. That the Board of Supervisors has reviewed the District Manager's Proposed Budget, a copy of which is on file with the office of the District Treasurer and the office of the Recording Secretary, and is hereby attached to this resolution, and hereby approves certain amendments thereto, as shown in Section 2 below.
- b. That the District Manager's Proposed Budget, as amended by the Board, is adopted hereby in accordance with the provisions of Section 190.008(2)(a), Florida Statutes and incorporated herein by reference; provided, however, that the comparative figures contained in the adopted budget may be revised subsequently as deemed necessary by the District Manager to reflect actual revenues and expenditures for the Fiscal Year 2008 and/or revised projections for Fiscal Year 2009.
- c. That the adopted budget, as amended, shall be maintained in the office of the District Treasurer and the District Recording Secretary and identified as "The Budget for the Harmony Community Development District for the Fiscal Year Ending September 30, 2009, as Adopted by the Board of Supervisors on August 28, 2008.

**Section 3. Appropriations**

That there be, and hereby is appropriated out of the revenues of the Harmony Community Development District, for the Fiscal Year beginning October 1, 2008, and ending September 30, 2009 the sum of \$4,200,872 to be raised by the applicable imposition and levy by the Board of applicable non-ad valorem special assessments and otherwise, which sum is deemed by the Board of Supervisors to be necessary to defray all expenditures of the District during said budget year, to be divided and appropriated in the following fashion:

TOTAL GENERAL FUND	\$1,512,202
DEBT SERVICE FUND	\$2,688,670
Total All Funds	\$4,200,872

**Section 4. Supplemental Appropriations**

The Board may authorize by resolution supplemental appropriations or revenue changes for any lawful purpose from funds on hand or estimated to be received within the fiscal year as follows:

- a. Board may authorize a transfer of the unexpended balance or portion thereof of any appropriation item.
- b. Board may authorize an appropriation from the unappropriated balance of any fund.
- c. Board may increase any revenue or income budget account to reflect receipt of any additional unbudgeted monies and make the corresponding change to appropriations or the unappropriated balance.

The District Manager and Treasurer shall have the power within a given fund to authorize the transfer of any unexpended balance of any appropriation item or any portion thereof, provided such transfers do not exceed Ten Thousand (\$10,000) Dollars or have the effect of causing more than 10% of the total appropriation of a given program or project to be transferred previously approved transfers included. Such transfer shall not have the effect of causing a more than \$10,000 or 10% increase, previously approved transfers included, to the original budget appropriation for the receiving program. Transfers within a program or project may be approved by the applicable department director and the District Manager or Treasurer. The District Manager or Treasurer must establish administrative procedures, which require information on the request forms proving that such transfer requests comply with this section.

**Section 5. Maintenance Special Assessment Levy: Fixed and Referenced and to be Levied by the Board**

- a. That the Fiscal Year 2009 Maintenance Special Assessment Levy (the "assessment levy") for the assessment upon all the property within the boundaries of the District based upon the special and peculiar benefit received and further based upon reasonable and fair apportionment of the special benefit, shall be in accordance with the attached Exhibit A, which levy represents the amount of

District assessments necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the District, including principal and interest of special revenue, capital improvement and/or benefit assessment bonds. Said assessment levy shall be distributed as follows:

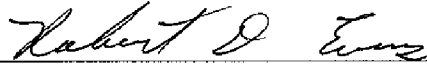
General Fund O & M  
Debt Service Fund

\$ [See Assessment Levy Resolution 2008-6]  
\$ [See Assessment Levy Resolution 2008-6]

- b. The designee of the Chair of the Board of Supervisors of the Harmony Community Development District shall be the Manager or the Treasurer of the District designated to certify the non-ad valorem assessment roll to the Tax Collector in and for the Osceola County political subdivision, in accordance with applicable provisions of State law (Chapters 170, 190 and 197, Fla. Stat.) and applicable rules (Rule 12D-18, Florida Administrative Code) which shall include not only the maintenance special assessment levy but also the total for the debt service levy, as required by and pursuant to law.

Introduced, considered favorably, and adopted this 28<sup>th</sup> day of August, 2008.

Harmony Community Development District



Robert D. Evans  
Chairman

Attest:



Gary L. Moyer  
Secretary

**Harmony  
Community Development District**

Operating and Debt Service Budget  
Fiscal Year 2009  
(Proposed)

**HARMONY CDD  
GENERAL FUND  
PROPOSED BUDGET  
FY 2009**

	ACTUAL FY 2007	ADOPTED BUDGET FY 2007	ADOPTED BUDGET FY 2008	ACTUAL THRU JULY 2008	PROJECTED AUG - SEPT 2008	TOTAL PROJECTED 9/30/2008	PROPOSED BUDGET FY 2009
<b>REVENUE</b>							
Interest - Investments	\$ -	\$ -	\$ -	\$ 10,539	\$ 2,108	\$ 12,647	\$ 5,728
Interest - Tax Collector	1,958	-	-	1,238	-	1,238	-
Special Assmnts - On Roll	306,179	306,179	520,303	507,746	12,557	520,303	622,750
Special Assmnts - Off Roll	1,050,939	1,051,089	988,513	812,302	176,211	988,513	914,363
Special Assmnts - Delinquent	4,864	-	-	-	-	-	-
Special Assmnts - Discounts	-	-	(20,812)	(15,346)	-	(15,346)	(24,910)
Other Miscellaneous Revenues	4,237	-	-	8,071	-	8,071	-
<b>TOTAL REVENUE</b>	<b>1,368,177</b>	<b>1,357,268</b>	<b>1,488,004</b>	<b>1,324,550</b>	<b>190,876</b>	<b>1,515,426</b>	<b>1,517,930</b>
<b>EXPENDITURES</b>							
<b>ADMINISTRATIVE</b>							
P/R-Board of Supervisors	10,800	12,000	12,000	7,400	3,000	10,400	12,000
FICA Taxes	826	918	918	566	230	796	918
Workers' Compensation	-	-	2,000	1,350	450	1,800	2,000
ProfServ-Arbitrage Rebate	3,600	3,000	3,000	1,200	-	1,200	3,000
ProfServ-Dissemination Agent	500	6,000	6,000	500	-	500	500
ProfServ-Engineering	31,751	6,000	26,000	9,164	7,500	16,664	26,000
ProfServ-Info Technology	500	500	1,000	833	167	1,000	-
ProfServ-Legal Services	23,016	12,000	16,000	25,869	8,000	33,869	20,000
ProfServ-Mgmt Consulting Serv	44,000	44,000	45,540	37,950	7,590	45,540	50,740
ProfServ-Special Assessment	10,000	10,000	10,350	10,350	-	10,350	10,714
ProfServ-Trustee	13,899	11,880	14,000	9,186	-	9,186	10,000
Auditing Services	15,500	15,500	15,500	15,500	-	15,500	15,500
Communication - Telephone	218	150	250	330	66	396	250
Postage and Freight	3,581	3,300	3,300	2,201	440	2,641	3,400
Rentals - General	2,400	2,400	2,484	2,070	414	2,484	-
Insurance - General Liability	23,318	18,480	22,000	21,612	-	21,612	23,000
Printing and Binding	7,925	3,000	7,000	5,681	1,136	6,817	7,000
Legal Advertising	2,114	700	3,000	1,495	600	2,095	3,000
Misc-Property Taxes	-	7,500	7,500	-	-	-	-
Misc-Assessmnt Collection Fee	79,000	81,436	10,406	10,297	251	10,548	12,455
Misc-Contingency	32	250	1,000	-	1,000	1,000	1,000
Office Supplies	759	500	1,000	690	200	890	1,000
Annual District Filing Fee	175	175	175	175	-	175	175
Capital Outlay	-	750	750	-	750	750	750
<b>TOTAL ADMINISTRATIVE</b>	<b>273,614</b>	<b>240,439</b>	<b>211,173</b>	<b>164,419</b>	<b>31,794</b>	<b>196,213</b>	<b>203,402</b>

REPORT DATE: 8/21/2008

PREPARED BY  
SEVERN TRENT SERVICES

**HARMONY CDD  
GENERAL FUND  
PROPOSED BUDGET  
FY 2009**

	ACTUAL FY 2007	ADOPTED BUDGET FY 2007	ADOPTED BUDGET FY 2008	ACTUAL THRU JULY 2008	PROJECTED AUG - SEPT 2008	TOTAL PROJECTED 9/30/2008	PROPOSED BUDGET FY 2009
<b>LANDSCAPE</b>							
R&M-Irrigation	20,243	15,000	20,004	17,035	2,750	19,785	22,000
R&M-Phase I	75,984	80,000	80,000	63,690	12,664	76,354	80,000
R&M-Phase II	50,600	52,000	52,000	40,833	8,166	48,999	52,000
R&M-Phase III	33,400	80,000	96,000	66,000	13,200	79,200	80,000
R&M-Landscape - Lakeshore Park	23,700	25,000	25,000	19,935	3,950	23,885	25,000
R&M-Landscape - Town Square	29,148	30,600	30,600	24,290	4,858	29,148	30,600
R&M-Landscape - Hwy 192 Entrance	62,580	65,700	65,700	52,150	10,430	62,580	63,000
R&M-Landscape - Hwy 192 Median	30,000	36,000	36,000	27,836	5,000	32,836	30,000
R&M-Stormwater System	-	7,000	8,400	-	-	-	-
R&M-Swimming Pools (2)	6,601	13,300	13,300	12,117	2,036	14,153	13,300
R&M-Landscape Parcel D-1 Park	6,600	7,000	7,000	5,500	1,100	6,600	7,000
R&M-Landscape Parcel C-2 Park	5,940	6,000	6,000	4,950	990	5,940	6,000
R&M-Landscape Parcel D-2 & E	-	-	-	-	-	-	13,200
R&M-Landscape Pet Park	21,998	21,000	21,000	17,360	3,346	20,706	21,000
R&M-Landscape Parcel G Park	9,600	14,400	14,400	12,185	2,400	14,585	14,400
R&M-Landscape Pond Areas	104,025	108,000	108,000	96,750	19,350	116,100	140,100
R&M-Landscape Buck Lake	6,550	7,800	7,800	3,900	1,200	5,100	6,000
R&M-Landscape Parcel B Park	6,240	6,500	6,500	5,200	1,040	6,240	6,500
R&M-Landscape Parcel C Park	5,829	6,000	6,000	4,750	950	5,700	6,000
R&M-Landscape Parcel D-2 Pond	-	-	12,000	2,100	2,000	4,100	-
R&M-Landscape Parcel E Pond	-	-	8,000	2,100	2,000	4,100	-
R&M-Tree Trimming	-	-	-	-	-	-	15,000
Miscellaneous Services	957	3,600	3,600	-	1,000	1,000	10,000
<b>TOTAL LANDSCAPE</b>	<b>499,995</b>	<b>584,900</b>	<b>627,304</b>	<b>478,681</b>	<b>98,430</b>	<b>577,111</b>	<b>641,100</b>
<b>UTILITY</b>							
Electricity - General	18,967	17,280	19,408	18,226	3,645	21,871	21,000
Electricity - Streetlighting	290,860	303,754	333,770	259,247	61,828	321,075	371,000
Utility - Water & Sewer	143,625	64,470	135,560	87,382	17,476	104,858	120,000
<b>TOTAL UTILITY</b>	<b>453,452</b>	<b>385,504</b>	<b>488,738</b>	<b>364,855</b>	<b>82,950</b>	<b>447,805</b>	<b>512,000</b>

**HARMONY CDD  
GENERAL FUND  
PROPOSED BUDGET  
FY 2009**

	ACTUAL FY 2007	ADOPTED BUDGET FY 2007	ADOPTED BUDGET FY 2008	ACTUAL THRU JULY 2008	PROJECTED AUG - SEPT 2008	TOTAL PROJECTED 9/30/2008	PROPOSED BUDGET FY 2009
<b>OPERATION &amp; MAINTENANCE</b>							
Payroll-Salaried (Dockmaster)	8,652	12,000	12,600	7,210	1,442	8,652	30,889
FICA Taxes	662	918	972	552	110	662	2,111
Contracts-Lake and Wetland	30,229	33,000	44,168	26,292	5,532	31,824	40,000
Communication - Telephone	3,027	1,080	1,800	2,862	575	3,437	2,700
R&M-Renewal and Replacement	10,160	18,000	-	-	-	-	-
R&M-Common Area	8,040	14,400	14,400	6,995	2,400	9,395	12,000
R&M-Equipment	6,205	5,000	5,000	8,648	1,730	10,378	5,000
R&M-Pools	22,774	23,600	22,600	29,794	3,767	33,561	25,000
R&M-Lakeshore Park Facilities	-	6,720	6,720	-	3,360	3,360	4,000
R&M-Hardscape Cleaning	9,114	9,858	9,858	4,920	4,929	9,849	10,000
Misc-Pool Licenses & Permits	445	675	685	818	-	818	900
Misc-Parks	4,156	3,600	3,600	804	500	1,304	3,600
Misc-Contingency	6,308	11,424	11,424	9,665	1,759	11,424	12,000
Op Supplies - General	142	600	600	80	75	155	-
Op Supplies - Pool and Fountain	7,324	5,550	5,550	7,153	2,000	9,153	7,500
<b>TOTAL OPERATION &amp; MAINTENANCE</b>	<b>117,238</b>	<b>146,425</b>	<b>139,977</b>	<b>105,793</b>	<b>28,179</b>	<b>133,972</b>	<b>155,700</b>
<b>TOTAL EXPENDITURES</b>	<b>1,344,299</b>	<b>1,357,268</b>	<b>1,467,192</b>	<b>1,113,748</b>	<b>241,352</b>	<b>1,355,100</b>	<b>1,512,202.39</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	23,878	-	20,812	210,802	(50,476)	160,326	5,728
<b>OTHER FINANCING SOURCES</b>							
1st Quarter Operating Reserves	-	-	(173,924)	-	-	-	(173,924)
Reserve - Self Insurance	-	-	(50,000)	-	-	-	(50,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(223,924)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(223,924)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>23,878</b>	<b>-</b>	<b>(203,112)</b>	<b>210,802</b>	<b>(50,476)</b>	<b>160,326</b>	<b>(218,196)</b>
FUND BALANCE, OCTOBER 1	197,704	-	203,112	221,580	-	221,580	381,906
<b>FUND BALANCE, ENDING</b>	<b>\$ 221,582</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 432,382</b>	<b>\$ -</b>	<b>\$ 381,906</b>	<b>\$ 163,710</b>



**HARMONY CDD  
2001 DEBT SERVICE FUND  
PROPOSED BUDGET  
FY 2009**

	ACTUAL FY 2007	ADOPTED BUDGET FY 2007	ADOPTED BUDGET FY 2008	ACTUAL THRU JULY 2008	PROJECTED AUG - SEPT 2008	TOTAL PROJECTED 9/30/2008	PROPOSED BUDGET FY 2009
<b>REVENUE</b>							
Interest - Investments	\$ 79,264	\$ -	\$ -	\$ 39,163	\$ 5,000	\$ 44,163	\$ 25,000
Interest - Tax Collector	3,841	-	-	-	-	-	-
Special Assmnts - On Roll	605,756	605,756	875,901	828,779	20,475	849,254	1,075,376
Special Assmnts - Off Roll	866,225	866,225	587,273	297,295	289,978	587,273	373,344
Special Assmnts - Prepayment	52,881	-	-	-	-	-	-
Special Assmnts - Direct Bill	61,000	61,000	61,000	-	61,000	61,000	61,000
Special Assmnts - Delinquent	9,623	-	-	-	-	-	-
Special Assmnts - Discounts	-	-	(35,036)	(25,050)	-	(25,050)	(43,015)
<b>TOTAL REVENUE</b>	<b>1,678,590</b>	<b>1,532,981</b>	<b>1,489,138</b>	<b>1,140,187</b>	<b>376,453</b>	<b>1,516,640</b>	<b>1,491,706</b>
<b>EXPENDITURES</b>							
<b>ADMINISTRATIVE</b>							
Misc-Assessmnt Collection Fee	82,449	88,318	17,518	15,637	410	16,047	21,508
<b>TOTAL ADMINISTRATIVE</b>	<b>82,449</b>	<b>88,318</b>	<b>17,518</b>	<b>15,637</b>	<b>410</b>	<b>16,047</b>	<b>21,508</b>
<b>DEBT SERVICE</b>							
Principal Debt Retirement	235,000	235,000	255,000	255,000	-	255,000	270,000
Principal Prepayments	70,000	-	-	35,000	-	35,000	-
Interest Expense	1,208,938	1,209,663	1,192,625	1,186,281	-	1,186,281	1,174,138
<b>TOTAL DEBT SERVICE</b>	<b>1,513,938</b>	<b>1,444,663</b>	<b>1,447,625</b>	<b>1,476,281</b>	<b>-</b>	<b>1,476,281</b>	<b>1,444,138</b>
<b>TOTAL EXPENDITURES</b>	<b>1,596,387</b>	<b>1,532,981</b>	<b>1,465,143</b>	<b>1,491,918</b>	<b>410</b>	<b>1,492,328</b>	<b>1,465,645</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	82,203	-	23,995	(351,731)	376,044	24,313	26,061
<b>NET CHANGE IN FUND BALANCES</b>	<b>82,203</b>	<b>-</b>	<b>23,995</b>	<b>(351,731)</b>	<b>376,044</b>	<b>24,313</b>	<b>26,061</b>
FUND BALANCE, OCTOBER 1	1,619,191	-	2,029,958	1,701,394	-	1,701,394	1,725,707
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,701,394</b>	<b>\$ -</b>	<b>\$ 2,053,953</b>	<b>\$ 1,349,663</b>	<b>\$ -</b>	<b>\$ 1,725,707</b>	<b>\$ 1,751,767</b>

REPORT DATE: 8/21/2008

PREPARED BY  
SEVERN TRENT SERVICES

**Harmony**  
**Community Development District**  
Series 2001 Special Assessment Bonds

**AMORTIZATION SCHEDULE**

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
11/01/04	\$ 17,280,000.00	7.25%	\$ 105,000.00	\$ 626,400.00	\$ 1,573,993.75
05/01/05	\$ 17,175,000.00	7.25%	\$ 220,000.00	\$ 622,593.75	
11/01/05	\$ 16,955,000.00	7.25%	\$ 50,000.00	\$ 614,618.75	\$ 1,497,425.00
05/01/06	\$ 16,905,000.00	7.25%	\$ 220,000.00	\$ 612,806.25	
11/01/06	\$ 16,685,000.00	7.25%	\$ -	\$ 604,831.25	\$ 1,444,662.50
05/01/07	\$ 16,685,000.00	7.25%	\$ 235,000.00	\$ 604,831.25	
11/01/07	\$ 16,450,000.00	7.25%	\$ -	\$ 596,312.50	\$ 1,447,625.00
05/01/08	\$ 16,450,000.00	7.25%	\$ 255,000.00	\$ 596,312.50	
11/01/08	\$ 16,195,000.00	7.25%	\$ -	\$ 587,068.75	\$ 1,444,137.50
05/01/09	\$ 16,195,000.00	7.25%	\$ 270,000.00	\$ 587,068.75	
11/01/09	\$ 15,925,000.00	7.25%	\$ -	\$ 577,281.25	\$ 1,444,562.50
05/01/10	\$ 15,925,000.00	7.25%	\$ 290,000.00	\$ 577,281.25	
11/01/10	\$ 15,635,000.00	7.25%	\$ -	\$ 566,768.75	\$ 1,448,537.50
05/01/11	\$ 15,635,000.00	7.25%	\$ 315,000.00	\$ 566,768.75	
11/01/11	\$ 15,320,000.00	7.25%	\$ -	\$ 555,350.00	\$ 1,445,700.00
05/01/12	\$ 15,320,000.00	7.25%	\$ 335,000.00	\$ 555,350.00	
11/01/12	\$ 14,985,000.00	7.25%	\$ -	\$ 543,206.25	\$ 1,441,412.50
05/01/13	\$ 14,985,000.00	7.25%	\$ 355,000.00	\$ 543,206.25	
11/01/13	\$ 14,630,000.00	7.25%	\$ -	\$ 530,337.50	\$ 1,440,675.00
05/01/14	\$ 14,630,000.00	7.25%	\$ 380,000.00	\$ 530,337.50	
11/01/14	\$ 14,250,000.00	7.25%	\$ -	\$ 516,562.50	\$ 1,443,125.00
05/01/15	\$ 14,250,000.00	7.25%	\$ 410,000.00	\$ 516,562.50	
11/01/15	\$ 13,840,000.00	7.25%	\$ -	\$ 501,700.00	\$ 1,443,400.00
05/01/16	\$ 13,840,000.00	7.25%	\$ 440,000.00	\$ 501,700.00	
11/01/16	\$ 13,400,000.00	7.25%	\$ -	\$ 485,750.00	\$ 1,441,500.00
05/01/17	\$ 13,400,000.00	7.25%	\$ 470,000.00	\$ 485,750.00	
11/01/17	\$ 12,930,000.00	7.25%	\$ -	\$ 468,712.50	\$ 1,442,425.00
05/01/18	\$ 12,930,000.00	7.25%	\$ 505,000.00	\$ 468,712.50	
11/01/18	\$ 12,425,000.00	7.25%	\$ -	\$ 450,406.25	\$ 1,440,812.50
05/01/19	\$ 12,425,000.00	7.25%	\$ 540,000.00	\$ 450,406.25	
11/01/19	\$ 11,885,000.00	7.25%	\$ -	\$ 430,831.25	\$ 1,441,662.50
05/01/20	\$ 11,885,000.00	7.25%	\$ 580,000.00	\$ 430,831.25	
11/01/20	\$ 11,305,000.00	7.25%	\$ -	\$ 409,806.25	\$ 1,444,612.50
05/01/21	\$ 11,305,000.00	7.25%	\$ 625,000.00	\$ 409,806.25	
11/01/21	\$ 10,680,000.00	7.25%	\$ -	\$ 387,150.00	\$ 1,444,300.00
05/01/22	\$ 10,680,000.00	7.25%	\$ 670,000.00	\$ 387,150.00	
11/01/22	\$ 10,010,000.00	7.25%	\$ -	\$ 362,862.50	\$ 1,445,725.00
05/01/23	\$ 10,010,000.00	7.25%	\$ 720,000.00	\$ 362,862.50	
11/01/23	\$ 9,290,000.00	7.25%	\$ -	\$ 336,762.50	\$ 1,443,525.00
05/01/24	\$ 9,290,000.00	7.25%	\$ 770,000.00	\$ 336,762.50	
11/01/24	\$ 8,520,000.00	7.25%	\$ -	\$ 308,850.00	\$ 1,447,700.00
05/01/25	\$ 8,520,000.00	7.25%	\$ 830,000.00	\$ 308,850.00	
11/01/25	\$ 7,690,000.00	7.25%	\$ -	\$ 278,762.50	\$ 1,447,525.00
05/01/26	\$ 7,690,000.00	7.25%	\$ 890,000.00	\$ 278,762.50	
11/01/26	\$ 6,800,000.00	7.25%	\$ -	\$ 246,500.00	\$ 1,448,000.00
05/01/27	\$ 6,800,000.00	7.25%	\$ 955,000.00	\$ 246,500.00	
11/01/27	\$ 5,845,000.00	7.25%	\$ -	\$ 211,881.25	\$ 1,448,762.50
05/01/28	\$ 5,845,000.00	7.25%	\$ 1,025,000.00	\$ 211,881.25	
11/01/28	\$ 4,820,000.00	7.25%	\$ -	\$ 174,725.00	\$ 1,439,450.00
05/01/29	\$ 4,820,000.00	7.25%	\$ 1,090,000.00	\$ 174,725.00	
11/01/29	\$ 3,730,000.00	7.25%	\$ -	\$ 135,212.50	\$ 1,440,425.00
05/01/30	\$ 3,730,000.00	7.25%	\$ 1,170,000.00	\$ 135,212.50	
11/01/30	\$ 2,560,000.00	7.25%	\$ -	\$ 92,800.00	\$ 1,445,600.00
05/01/31	\$ 2,560,000.00	7.25%	\$ 1,260,000.00	\$ 92,800.00	
11/01/31	\$ 1,300,000.00	7.25%	\$ -	\$ 47,125.00	\$ 1,394,250.00
05/01/32	\$ 1,300,000.00	7.25%	\$ 1,300,000.00	\$ 47,125.00	
			\$ 17,280,000.00	\$ 23,291,531.25	\$ 40,571,531.25

**HARMONY CDD  
2004 DEBT SERVICE FUND  
PROPOSED BUDGET  
FY 2009**

	ACTUAL FY 2007	ADOPTED BUDGET FY 2007	ADOPTED BUDGET FY 2008	ACTUAL THRU JULY 2008	PROJECTED AUG - SEPT 2008	TOTAL PROJECTED 9/30/2008	PROPOSED BUDGET FY 2009
<b>REVENUE</b>							
Interest - Investments	\$ 50,191	\$ -	\$ 18,246	\$ 21,650	\$ 3,000	\$ 24,650	\$ 20,000
Special Assmnts - Off Roll	1,304,261	1,305,665	1,183,055	845,307	337,748	1,183,055	1,205,596
<b>TOTAL REVENUE</b>	<b>1,354,452</b>	<b>1,305,665</b>	<b>1,201,301</b>	<b>866,957</b>	<b>340,748</b>	<b>1,207,705</b>	<b>1,225,596</b>
<b>EXPENDITURES</b>							
<b>ADMINISTRATIVE</b>							
Misc-Assessmnt Collection Fee	78,339	78,340	-	-	-	-	-
<b>TOTAL ADMINISTRATIVE</b>	<b>78,339</b>	<b>78,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEBT SERVICE</b>							
Principal Debt Retirement	175,000	175,000	185,000	185,000	-	185,000	195,000
Interest Expense	1,052,325	1,052,325	1,040,513	1,040,513	-	1,040,513	1,028,025
<b>TOTAL DEBT SERVICE</b>	<b>1,227,325</b>	<b>1,227,325</b>	<b>1,225,513</b>	<b>1,225,513</b>	<b>-</b>	<b>1,225,513</b>	<b>1,223,025</b>
<b>TOTAL EXPENDITURES</b>	<b>1,305,664</b>	<b>1,305,665</b>	<b>1,225,513</b>	<b>1,225,513</b>	<b>-</b>	<b>1,225,513</b>	<b>1,223,025</b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	48,788	-	(24,212)	(358,556)	340,748	(17,808)	2,571
<b>NET CHANGE IN FUND BALANCES</b>	<b>48,788</b>	<b>-</b>	<b>(24,212)</b>	<b>(358,556)</b>	<b>340,748</b>	<b>(17,808)</b>	<b>2,571</b>
FUND BALANCE, OCTOBER 1	1,430,342	-	1,537,945	1,479,130	-	1,479,130	1,461,322
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,479,130</b>	<b>\$ -</b>	<b>\$ 1,513,734</b>	<b>\$ 1,120,574</b>	<b>\$ -</b>	<b>\$ 1,461,322</b>	<b>\$ 1,463,893</b>

## Harmony

Community Development District  
Series 2004 Capital Improvement Revenue Bonds

### AMORTIZATION SCHEDULE

DATE	BALANCE	RATE	PRINCIPAL	INTEREST	TOTAL
5/1/2005	\$ 15,590,000.00	6.75%	\$ -	\$ 137,442.19	\$ 137,442.19
11/1/2005	\$ 15,590,000.00	6.75%	\$ -	\$ 376,799.06	\$ 902,961.56
5/1/2006	\$ 15,590,000.00	6.75%	\$ -	\$ 526,162.50	
11/1/2006	\$ 15,590,000.00	6.75%	\$ -	\$ 526,162.50	\$ 1,227,325.00
5/1/2007	\$ 15,590,000.00	6.75%	\$ 175,000.00	\$ 526,162.50	
11/1/2007	\$ 15,415,000.00	6.75%	\$ -	\$ 520,256.25	\$ 1,225,512.50
5/1/2008	\$ 15,415,000.00	6.75%	\$ 185,000.00	\$ 520,256.25	
11/1/2008	\$ 15,230,000.00	6.75%	\$ -	\$ 514,012.50	\$ 1,223,025.00
5/1/2009	\$ 15,230,000.00	6.75%	\$ 195,000.00	\$ 514,012.50	
11/1/2009	\$ 15,035,000.00	6.75%	\$ -	\$ 507,431.25	\$ 1,224,862.50
5/1/2010	\$ 15,035,000.00	6.75%	\$ 210,000.00	\$ 507,431.25	
11/1/2010	\$ 14,825,000.00	6.75%	\$ -	\$ 500,343.75	\$ 1,225,687.50
5/1/2011	\$ 14,825,000.00	6.75%	\$ 225,000.00	\$ 500,343.75	
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	
			\$ 15,590,000.00	\$ 22,178,028.75	\$ 37,768,028.75

**Harmony  
Community Development District  
2008 - 2009 Proposed Assessments**

Neighborhood	Lot Type	Lot Width	2009 O & M Assessment	2008 O & M Assessment	2009 Debt Service Assessment	2008 Debt Service Assessment	2009 Total Assessment	2008 Total Assessment	% Change (Decrease) Increase
A-1	MF	n/a	\$ 394.14	\$ 403.91	\$ 680.61	\$ 679.96	\$ 1,074.76	\$ 1,083.87	-0.84%
B	B	80	\$ 1,246.01	\$ 1,276.88	\$ 2,151.63	\$ 2,149.56	\$ 3,397.64	\$ 3,426.44	-0.84%
	C	65	\$ 1,012.38	\$ 1,037.47	\$ 1,748.20	\$ 1,746.52	\$ 2,760.58	\$ 2,783.98	-0.84%
	E	52	\$ 809.90	\$ 829.97	\$ 1,398.56	\$ 1,397.21	\$ 2,208.46	\$ 2,227.19	-0.84%
	G	42	\$ 654.15	\$ 670.36	\$ 1,129.61	\$ 1,128.52	\$ 1,783.76	\$ 1,798.88	-0.84%
	H	35	\$ 545.13	\$ 558.64	\$ 941.34	\$ 940.43	\$ 1,486.47	\$ 1,499.07	-0.84%
C-1	B	80	\$ 1,225.53	\$ 1,255.90	\$ 2,116.28	\$ 2,114.24	\$ 3,341.81	\$ 3,370.14	-0.84%
	C	65	\$ 995.75	\$ 1,020.42	\$ 1,719.48	\$ 1,717.82	\$ 2,715.22	\$ 2,738.24	-0.84%
	E	52	\$ 796.60	\$ 816.34	\$ 1,375.58	\$ 1,374.26	\$ 2,172.18	\$ 2,190.59	-0.84%
	G	42	\$ 643.41	\$ 659.35	\$ 1,111.05	\$ 1,109.98	\$ 1,754.45	\$ 1,769.32	-0.84%
	H	35	\$ 536.17	\$ 549.46	\$ 925.87	\$ 924.98	\$ 1,462.04	\$ 1,474.44	-0.84%
C-2	B	80	\$ 1,274.38	\$ 1,305.96	\$ 2,200.63	\$ 2,198.51	\$ 3,475.01	\$ 3,504.47	-0.84%
	C	65	\$ 1,035.44	\$ 1,061.09	\$ 1,788.01	\$ 1,786.29	\$ 2,823.44	\$ 2,847.38	-0.84%
	E	52	\$ 828.35	\$ 848.87	\$ 1,430.41	\$ 1,429.03	\$ 2,258.76	\$ 2,277.90	-0.84%
	G	42	\$ 669.05	\$ 685.63	\$ 1,155.33	\$ 1,154.22	\$ 1,824.38	\$ 1,839.85	-0.84%
	H	35	\$ 557.54	\$ 571.36	\$ 962.77	\$ 961.85	\$ 1,520.32	\$ 1,533.21	-0.84%
D-1	B	80	\$ 1,316.62	\$ 1,349.25	\$ 2,273.57	\$ 2,271.38	\$ 3,590.19	\$ 3,620.63	-0.84%
	C	65	\$ 1,069.76	\$ 1,096.26	\$ 1,847.27	\$ 1,845.50	\$ 2,917.03	\$ 2,941.76	-0.84%
	E	52	\$ 855.80	\$ 877.01	\$ 1,477.82	\$ 1,476.40	\$ 2,333.62	\$ 2,353.41	-0.84%
D-2	E	n/a	\$ 782.09	\$ 801.47	\$ 1,350.52	\$ 1,349.17	\$ 2,132.61	\$ 2,150.64	-0.84%
E	Custom	n/a	\$ 2,086.75	\$ 2,138.46	\$ 3,603.45	\$ 3,599.85	\$ 5,690.20	\$ 5,738.31	-0.84%
G	E	52	\$ 942.03	\$ 965.37	\$ 1,626.71	\$ 1,625.14	\$ 2,568.74	\$ 2,590.51	-0.84%
	G	42	\$ 760.87	\$ 779.72	\$ 1,313.88	\$ 1,312.62	\$ 2,074.75	\$ 2,092.34	-0.84%
	H	35	\$ 634.06	\$ 649.77	\$ 1,094.90	\$ 1,093.85	\$ 1,728.96	\$ 1,743.61	-0.84%

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**REVENUES:**

**Interest Income (Investments)**

The District earns interest income on their checking account. Interest is calculated on the average monthly collected balance for their operating accounts.

**Special Assessment – On Roll**

The District will levy a Non-Ad Valorem assessment on all the assessable property (platted parcels) within the District in order to pay for the operating expenditures during the Fiscal Year.

**Special Assessment - Off Roll (Maintenance)**

The District will levy a Non-Ad Valorem assessment on all the assessable property (unplatted parcels) within the District in order to pay for the operating expenditures during the Fiscal Year.

**Special Assessment – Discounts**

Per Section 197.162, Florida Statutes, discounts are allowed for early payments. 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 a member of the Board of Supervisors to be compensated for a meeting attendance and to receive \$200 per meeting plus payroll taxes. The amount for the Fiscal Year is based upon all supervisors attending to the meetings.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**FICA Taxes**

Payroll taxes on Board of Supervisor's 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 standard fees charged for this service.

**Professional Services – Dissemination Agent**

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

**Professional Services - Engineering**

The District's engineer will be providing general engineering services to the District, i.e. attendance and preparation for monthly board meetings, review invoices, etc. Fees are based on prior year activity plus anticipated increases or contingencies.

**Professional Services - Legal Services**

The District's legal counsel will be providing general legal services to the District, i.e. attendance and preparation for monthly meetings, review operating and maintenance contracts, etc. Fees are based on prior year expenses adjusted for anticipated changes to service levels.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**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. The budgeted amount for the fiscal year is based on the contracted fees of the Management Agreement plus anticipated increases.

<i>Services Provided</i>	<i>Fee</i>
Management Services	\$47,134.00
Information Technology Services	\$1,035.00
Rentals & Leases	\$2,571.00
<b>Total</b>	<b>\$50,740.00</b>

**Professional Services - Special Assessment**

The District will be billed annually for calculating and levying the annual operating & maintenance, and debt service assessments.

**Professional Services- Trustee**

The District pays US Bank an annual fee for trustee services on the Series 2001 and 2004 Special Assessment Bonds. The budgeted amount for the fiscal year is based on standard fees charged plus any out-of-pocket expenses.

**Auditing Services**

The District is required annually to conduct an audit of its financial records by an Independent Certified Public Accounting Firm. Fee is based on existing engagement letter.

**Communication-Telephone**

Telephone and fax machine expenses. The amount for fiscal year 2009 is based on prior year expenses adjusted for anticipated changes to service levels.



**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**Postage & Freight**

Mailing of agenda packages, overnight deliveries, correspondence, etc. The amount for fiscal year 2009 is based on prior year expenses adjusted for anticipated changes to service levels.

**Insurance-General Liability**

The District's General Liability & Public Officials Liability Insurance policy is with Preferred Governmental Insurance Trust. The Preferred Governmental Insurance Trust specializes in providing insurance coverage to governmental agencies. The budgeted amount is based upon other similar Community Development Districts.

**Printing & Binding**

Printing and Binding agenda packages for board meetings, printing of computerized checks, stationary, envelopes etc. The amount for fiscal year 2009 is based on prior year expenses adjusted for anticipated changes to service levels.

**Legal Advertising**

The District is required to advertise various notices for monthly Board meetings, public hearings etc in a newspaper of general circulation. The amount for fiscal year 2009 is based on the prior year budget.

**Misc-Assessmnt Collection Fee**

A collection fee of 2% is paid to Osceola County Property Appraiser and Tax Collector for the collection and remittance to the District of special assessments.

**Misc-Contingency**

Bank charges and any other miscellaneous expenses incurred during the year.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**Office Supplies**

Supplies used in the preparation and binding of agenda packages, required mailings, and other special projects. The amount for fiscal year 2009 is based on prior year expenses adjusted for anticipated changes to service levels.

**Annual district filling 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 such as a file cabinet for District files.

**Landscape**

**R&M-Irrigation**

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.

**R&M-Phase I**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Phase 1 Blvd and Long Park West of \$6,332 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**R&M-Phase II**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Phase II Blvd. & Secondary Entry of \$4,083 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Phase III**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Phase III Blvd and Long Park East of \$6,600 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape - Lakeshore Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Lakeshore Park of \$1,975 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape - Town Square**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Town Square Park of \$2,429 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape - Hwy 192 Entrance**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to US 192 Entrance of \$5,215 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape - Hwy 192 Median**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Landscape Harmony 192 of \$2,500 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**R&M-Swimming Pools (2)**

This includes monthly pool service and any repairs and maintenance for the main pool and parcel A-1 pool that may be incurred during the year by the District.

**R&M-Landscape Parcel D-1 Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel D-1 Park of \$550 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Parcel C-2 Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel C-2 Park of \$495 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Parcel D-2 & E**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel D-2 & E Park of \$1,100 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Pet Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to the Pet Park of \$1,673 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas

**R&M-Landscape Parcel G Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel G Park of \$1,200 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**R&M-Landscape Pond Areas**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to all pond areas of \$9,675 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Buck Lake**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Buck Lake Dock and Schoolhouse Road of \$500 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Parcel B Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel C Park of \$520 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Landscape Parcel C Park**

Scheduled maintenance consists of mowing, edging, blowing, applying pest and disease control chemicals to sod to Parcel C Park of \$475 monthly. Unscheduled maintenance consists of repairs and replacement to any damaged areas.

**R&M-Tree Trimming**

Maintenance consists of pruning, trimming, fertilizing, mulching, and applying pest and disease control chemicals for trees in CDD right-of-way and common areas. For FY 2009, this consists for the canopy trimming.

**Miscellaneous Services**

Unscheduled or one time maintenance expenses for various areas within the district such as the cabana or mulch in the parks.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**UTILITY**

**Electricity – General**

Electricity for accounts with Orlando Utilities Commissions for the swim clubs, parks, and irrigation. *[Fees are based on historical costs for metered use plus anticipated future activity.]*

**Electricity – Streetlighting**

Electricity for all street lighting, as per agreement with the Orlando Utilities Commission. *[Fees are based on historical costs for metered use plus anticipated future activity.]*

**Utility - Water & Sewer**

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

**OPERATION & MAINTENANCE**

**Payroll-Salaried (Dockmaster)**

Yearly salary and benefits for full-time dockmaster with an assistant.

**FICA Taxes**

Payroll taxes on compensation. The budgeted amount for the fiscal year is calculated at 7.65% of the expenditures for payroll salaries.

**Contracts-Lake and Wetland**

The District has contracted services with Aquatic System for treatment of the Lakes and Wetlands and the Preserves for \$2,766 per month.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**Communication – Telephone**

Telephone expenses for the dockmaster and irrigation lines. The budgeted amount for the fiscal year is based on prior year spending.

**R&M-Common Area**

Dumpster pulls services by REW Landscape.

**R&M-Equipment**

Supplies, maintenance and equipment needed for the boats.

**R&M-Pools**

This includes monthly pool service and any repairs and maintenance for the main pool and parcel A-1 pool that may be incurred during the year by the District.

**R&M-Lakeshore Park Facilities**

Maintenance or repairs to the basketball courts and fields.

**R&M-Hardscape Cleaning**

Scheduled maintenance consists of pressure washing PVC fencing, bridges and other hardscape. Unscheduled maintenance consists of repairs and replacement of damaged areas.

**Misc-Pool Licenses & Permits**

Various pool licenses and permits required for the pools.

**Misc-Parks**

This consists of maintenance to the pet park.

**Harmony**  
**Community Development District**

GENERAL FUND BUDGET NARRATIVE  
Fiscal Year 2009

**Misc-Contingency**

The current year contingency represents the potential excess of unscheduled maintenance expenses not included in budget categories or not anticipated in specific line items.

**Op Supplies - Pool and Fountain**

Supplies for the pool and fountains such as chemicals and bleach.

**Reserves**

**1<sup>st</sup> Quarter Operating Reserve**

The District has appropriated a reserve to fund the District during the first quarter of the Fiscal Year until assessments are collected.

**Self Insurance Reserve**

The District has set aside funds as a general self insurance reserve.