

MEMORANDUM



TO: Board of Supervisors
FROM: Tiziana Cessna, District Accountant
CC: Gary Moyer, District Manager / Peter Brill, Accounting Manager
DATE: August 8, 2016
SUBJECT: July Financial Report

Please find attached the July 2016 financial report. During your review, please keep in mind that the goal is for revenue to meet or exceed the year to date budget and for expenditures to be at or below the year to date budget. To assist with your review, an overview of each of the District's funds was provided below. Should you have any questions or require additional information, please contact me at Tiziana.Cessna@STServices.com.

General Fund

- Total Revenue through July was approximately 103% of the YTD budget.
 - ▶ Settlement revenues represents the Severn Trent reimbursement for October through January of the assessment methodology blending issue from FY 2016.
 - ▶ Miscellaneous revenue includes TOHO former KUA meter and blending matter reimbursement.
 - ▶ Non Ad Valorem Assessments Tax Collector collections are at 100% of the annual budget.
 - ▶ Non Ad Valorem Assessments CDD collected are collected in monthly installments. As of July, the collection were at 85% of the annual budget due to a prorated payment for 63 lots for Neighborhood I.
- Total Expenditures through July were at a favorable 96% of the YTD budget.
 - ▶ Administrative
 - ProfServ-Engineering over budget due to drainage system inspection and drafting street maps.
 - ProfServ-Legal Services over budget due to OUC agreement matter.
 - Insurance - General Liability are over budget due to a slight increase of the Public Officials policy.
 - ▶ Landscaping Services
 - Contracts-Ground - Includes an addition landscaping service for the Neighborhood H2 and F.
 - R&M-Trees and Trimming represents pruning of the District's trees and replacements and planting of new trees.
 - Miscellaneous - Services represents various services for landscape throughout the District.
 - ▶ Utilities
 - Electricity - Street lighting - Compared to last year the service charges are the same.
 - Utility - Water & Sewer - Compared to last year, water and sewer usage was about 7% lower.
 - Cap Outlay - Streetlights - Amendment for Lighting service for Phase A-1 and Phase 2 Roadway.

**General Fund (continued)**

- R&M-Pond - Includes weed barrier for better treatment of the pond and license from Florida Department of Agriculture.
- R&M-Vehicles - Moved expenses from R&M-Equipment Vehicles.
- Miscellaneous Services - Represents the monthly fee for the holding tank.
- OP Supplies - Fuel, Oil - Moved fuel expenses from R&M-Parks & Facilities.
- Cap Outlay -Other - Purchase of a Yamaha T9.9 Outboard Motor.
- Misc-Security Enhancements - Replacement main board and chips for telephone entry unit.
- Cap Outlay-Vehicles - Purchase of a truck.

Debt Service Series 2014

- Total Revenue through July were at a favorable 109% of the YTD budget, due to prepayments from interest payment for Neighborhood H-2 and F and timing of tax collection with budget allocation.
 - ▶ Non Ad Valorem Assessments Tax Collector collections are at 100% of the annual budget.
 - ▶ Non Ad Valorem Assessments CDD collected as at 180% of the annual budget due to interest payments for Neighborhood H-2 and F.

Debt Service Series 2015

- Total Revenue through July were at a favorable 103% of the YTD budget.
 - ▶ Non Ad Valorem Assessments Tax Collector collections at collected 100%.
 - ▶ Non Ad Valorem Assessments CDD collected as at 102% of the annual budget. Over budget due to the first installment of interest for 5/1-10/31/16 for 63 lots of the Neighborhood I.

Other Notes

- Renovation to the Blazing Park expenditure was reclassified to the capital project fund.

Balance Sheet
July 31, 2016

<u>ACCOUNT DESCRIPTION</u>	<u>GENERAL FUND</u>	<u>SERIES 2014 DEBT SERVICE FUND</u>	<u>SERIES 2015 DEBT SERVICE FUND</u>	<u>SERIES 2015 CAPITAL PROJECTS FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>					
Cash - Checking Account	\$ 269,943	\$ -	\$ -	\$ -	\$ 269,943
Interest/Dividend Receivables	314	-	-	-	314
Investments:					
Certificates of Deposit - 12 Months	100,801	-	-	-	100,801
Money Market Account	552,469	-	-	-	552,469
Construction Fund	-	-	-	64,104	64,104
Prepayment Account	-	36,962	-	-	36,962
Reserve Fund	-	607,313	340,000	-	947,313
Revenue Fund	-	501,774	49,194	-	550,968
TOTAL ASSETS	\$ 923,527	\$ 1,146,049	\$ 389,194	\$ 64,104	\$ 2,522,874
<u>LIABILITIES</u>					
Accounts Payable	\$ 41,782	\$ -	\$ -	\$ -	\$ 41,782
Accrued Expenses	83,714	-	-	-	83,714
Accrued Wages Payable	800	-	-	-	800
Accrued Taxes Payable	61	-	-	-	61
Deferred Revenue	3,500	4,294	-	-	7,794
TOTAL LIABILITIES	129,857	4,294	-	-	134,151
<u>FUND BALANCES</u>					
Restricted for:					
Debt Service	-	1,141,755	389,194	-	1,530,949
Capital Projects	-	-	-	64,104	64,104
Assigned to:					
Operating Reserves	250,000	-	-	-	250,000
Reserves-Renewal & Replacement	99,188	-	-	-	99,188
Reserves - Self Insurance	50,000	-	-	-	50,000
Reserves - Sidewalks & Alleyways	165,000	-	-	-	165,000
Unassigned:	229,482	-	-	-	229,482
TOTAL FUND BALANCES	\$ 793,670	\$ 1,141,755	\$ 389,194	\$ 64,104	\$ 2,388,723
TOTAL LIABILITIES & FUND BALANCES	\$ 923,527	\$ 1,146,049	\$ 389,194	\$ 64,104	\$ 2,522,874

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
REVENUES				
Interest - Investments	\$ 2,500	\$ 2,080	\$ 2,501	\$ 421
Interest - Tax Collector	-	-	56	56
Special Assmnts- Tax Collector	1,017,931	1,017,931	1,017,932	1
Special Assmnts- CDD Collected	893,202	744,335	761,904	17,569
Special Assmnts- Discounts	(40,717)	(40,717)	(29,481)	11,236
Settlements	-	-	7,864	7,864
Other Miscellaneous Revenues	-	-	9,678	9,678
Access Cards	1,200	1,000	1,460	460
Facility Revenue	-	-	2,790	2,790
Facility Membership Fee	-	-	1,000	1,000
TOTAL REVENUES	1,874,116	1,724,629	1,775,704	51,075

EXPENDITURES

Administration

P/R-Board of Supervisors	11,200	9,600	9,600	-
FICA Taxes	857	732	734	(2)
ProfServ-Arbitrage Rebate	1,200	1,200	1,200	-
ProfServ-Dissemination Agent	1,500	1,500	1,500	-
ProfServ-Engineering	8,000	6,670	7,675	(1,005)
ProfServ-Legal Services	35,000	29,170	41,822	(12,652)
ProfServ-Mgmt Consulting Serv	55,984	46,650	46,653	(3)
ProfServ-Property Appraiser	779	779	406	373
ProfServ-Special Assessment	8,822	8,822	8,822	-
ProfServ-Trustee Fees	10,024	10,024	10,127	(103)
Auditing Services	4,900	4,900	4,900	-
Postage and Freight	750	626	494	132
Rental - Meeting Room	1,500	1,250	-	1,250
Insurance - General Liability	25,512	25,512	26,759	(1,247)
Printing and Binding	2,500	2,080	1,550	530
Legal Advertising	900	750	199	551
Misc-Records Storage	150	125	-	125
Misc-Assessmnt Collection Cost	20,359	20,359	19,783	576
Misc-Contingency	2,600	2,170	124	2,046
Office Supplies	300	250	39	211
Annual District Filing Fee	175	175	175	-
Total Administration	193,012	173,344	182,562	(9,218)

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
<u>Field</u>				
ProfServ-Field Management	200,000	166,670	152,641	14,029
Total Field	200,000	166,670	152,641	14,029
<u>Landscape Services</u>				
Contracts-Trees & Trimming	20,692	17,243	17,243	-
Contracts-Shrub Care	121,738	101,450	101,448	2
Contracts-Ground	22,400	18,667	32,863	(14,196)
Contracts-Turf Care	265,063	220,885	220,136	749
R&M-Irrigation	15,000	12,500	5,276	7,224
R&M-Trees and Trimming	15,000	12,500	19,562	(7,062)
Miscellaneous Services	25,000	20,830	22,885	(2,055)
Total Landscape Services	484,893	404,075	419,413	(15,338)
<u>Utilities</u>				
Electricity - General	32,000	26,670	26,702	(32)
Electricity - Streetlighting	90,206	75,172	61,026	14,146
Utility - Water & Sewer	105,000	87,500	86,709	791
Lease - Street Light	208,467	173,720	173,723	(3)
Cap Outlay - Streetlights	330,638	330,638	365,610	(34,972)
Total Utilities	766,311	693,700	713,770	(20,070)
<u>Operation & Maintenance</u>				
Contracts-Lake and Wetland	20,000	16,670	3,924	12,746
Communication - Telephone	4,000	3,330	3,048	282
Utility - Refuse Removal	3,000	2,500	2,507	(7)
R&M-Ponds	-	-	1,812	(1,812)
R&M-Pools	30,000	25,000	16,148	8,852
R&M-Roads & Alleyways	65,000	65,000	168	64,832
R&M-Sidewalks	5,000	4,170	2,685	1,485
R&M-Vehicles	-	-	7,571	(7,571)
R&M-Equipment Boats	7,500	6,250	1,687	4,563
R&M-Equipment Vehicles	5,000	4,170	-	4,170
R&M-Parks & Facilities	37,000	30,830	18,914	11,916
Miscellaneous Services	2,400	2,000	1,250	750
Misc-Access Cards&Equipment	2,500	2,080	349	1,731
Misc-Contingency	8,000	6,670	3,455	3,215
Misc-Security Enhancements	2,500	2,084	4,332	(2,248)
Op Supplies - Fuel, Oil	-	-	1,952	(1,952)

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
Cap Outlay - Other	16,000	2,300	2,252	48
Cap Outlay - Vehicles	22,000	22,000	24,033	(2,033)
Total Operation & Maintenance	229,900	195,054	96,087	98,967
TOTAL EXPENDITURES	1,874,116	1,632,843	1,564,473	68,370
Excess (deficiency) of revenues Over (under) expenditures	-	91,786	211,231	119,445
Net change in fund balance	\$ -	\$ 91,786	\$ 211,231	\$ 119,445
FUND BALANCE, BEGINNING (OCT 1, 2015)	582,439	582,439	582,439	
FUND BALANCE, ENDING	\$ 582,439	\$ 674,225	\$ 793,670	

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
<u>REVENUES</u>				
Interest - Investments	\$ 50	\$ 40	\$ 1,119	\$ 1,079
Special Assmnts- Tax Collector	1,207,426	1,207,426	1,201,012	(6,414)
Special Assmnts- Prepayment	-	-	49,300	49,300
Special Assmnts- CDD Collected	63,546	63,546	114,564	51,018
Special Assmnts- Discounts	(48,297)	(48,297)	(34,783)	13,514
TOTAL REVENUES	1,222,725	1,222,715	1,331,212	108,497
<u>EXPENDITURES</u>				
<u>Administration</u>				
Misc-Assessmnt Collection Cost	24,149	24,149	23,311	838
Total Administration	24,149	24,149	23,311	838
<u>Debt Service</u>				
Principal Debt Retirement	520,000	520,000	520,000	-
Principal Prepayments	-	-	85,000	(85,000)
Interest Expense	692,350	692,350	690,700	1,650
Total Debt Service	1,212,350	1,212,350	1,295,700	(83,350)
TOTAL EXPENDITURES	1,236,499	1,236,499	1,319,011	(82,512)
Excess (deficiency) of revenues Over (under) expenditures	(13,774)	(13,784)	12,201	25,985
<u>OTHER FINANCING SOURCES (USES)</u>				
Contribution to (Use of) Fund Balance	(13,774)	-	-	-
TOTAL FINANCING SOURCES (USES)	(13,774)	-	-	-
Net change in fund balance	\$ (13,774)	\$ (13,784)	\$ 12,201	\$ 25,985
FUND BALANCE, BEGINNING (OCT 1, 2015)	1,129,554	1,129,554	1,129,554	
FUND BALANCE, ENDING	\$ 1,115,780	\$ 1,115,770	\$ 1,141,755	

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

ACCOUNT DESCRIPTION	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	VARIANCE (\$) FAV(UNFAV)
REVENUES				
Interest - Investments	\$ -	\$ -	\$ 303	\$ 303
Special Assmnts- Tax Collector	54,166	54,166	54,166	-
Special Assmnts- CDD Collected	1,013,028	1,013,028	1,037,666	24,638
Special Assmnts- Discounts	(2,167)	(2,167)	-	2,167
TOTAL REVENUES	1,065,027	1,065,027	1,092,135	27,108
EXPENDITURES				
Administration				
Misc-Assessmnt Collection Cost	1,083	1,083	1,083	-
Total Administration	1,083	1,083	1,083	-
Debt Service				
Principal Debt Retirement	390,000	390,000	390,000	-
Interest Expense	668,632	668,632	668,632	-
Total Debt Service	1,058,632	1,058,632	1,058,632	-
TOTAL EXPENDITURES	1,059,715	1,059,715	1,059,715	-
Excess (deficiency) of revenues Over (under) expenditures	5,312	5,312	32,420	27,108
OTHER FINANCING SOURCES (USES)				
Contribution to (Use of) Fund Balance	5,312	-	-	-
TOTAL FINANCING SOURCES (USES)	5,312	-	-	-
Net change in fund balance	\$ 5,312	\$ 5,312	\$ 32,420	\$ 27,108
FUND BALANCE, BEGINNING (OCT 1, 2015)	356,774	356,774	356,774	
FUND BALANCE, ENDING	\$ 362,086	\$ 362,086	\$ 389,194	

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Period Ending July 31, 2016

<u>ACCOUNT DESCRIPTION</u>	<u>ANNUAL ADOPTED BUDGET</u>	<u>YEAR TO DATE BUDGET</u>	<u>YEAR TO DATE ACTUAL</u>	<u>VARIANCE (\$) FAV(UNFAV)</u>
<u>REVENUES</u>				
Interest - Investments	\$ -	\$ -	\$ 65	\$ 65
TOTAL REVENUES	-	-	65	65
<u>EXPENDITURES</u>				
<u>Physical Environment</u>				
Impr - Park	-	-	20,756	(20,756)
Cap Outlay - Vehicles	-	-	15,240	(15,240)
Total Physical Environment	-	-	35,996	(35,996)
TOTAL EXPENDITURES	-	-	35,996	(35,996)
Excess (deficiency) of revenues Over (under) expenditures	-	-	(35,931)	(35,931)
Net change in fund balance	\$ -	\$ -	\$ (35,931)	\$ (35,931)
FUND BALANCE, BEGINNING (OCT 1, 2015)	-	-	100,035	
FUND BALANCE, ENDING	\$ -	\$ -	\$ 64,104	

**Harmony
Community Development District**

Supporting Schedules

July 31, 2016

**Non-Ad Valorem Special Assessments
Osceola County Tax Collector - Monthly Collection Report
For the Fiscal Year Ending September 30, 2016**

Date Received	Net Amount Received	Discount/ (Penalties) Amount	Collection Cost	Gross Amount Received	Allocation by Fund		
					General Fund	Series 2014 Debt Service Fund	Series 2015 Debt Service Fund
ASSESSMENTS LEVIED FY 2016				\$ 2,273,110	\$ 1,017,932	\$ 1,201,012	\$ 54,166
Allocation %				100%	44.78%	52.84%	2.38%
11/10/15	\$ 4,237	\$ 240	\$ 86	\$ 4,563	\$ 2,093	\$ 2,470	\$ -
11/20/15	107,726	4,580	2,199	114,505	52,529	61,976	-
12/09/15	1,102,022	46,855	22,490	1,171,367	537,360	634,007	-
12/11/15	578	9	12	598	275	324	-
01/08/16	231,993	8,231	4,735	244,959	112,374	132,585	-
01/11/16	1,531	48	31	1,611	739	872	-
02/08/16	193,724	5,823	3,954	203,501	93,355	110,146	-
03/08/16	31,947	391	652	32,990	15,134	17,856	-
04/08/16	419,899	58	8,569	428,527	172,430	201,931	54,166
05/10/16	22,353	(526)	456	22,283	10,222	12,061	-
06/08/16	8,767	(261)	179	8,685	3,984	4,701	-
6/17/16 (1)	39,893	(1,186)	814	39,521	17,436	22,085	-
TOTAL	\$ 2,164,670	\$ 64,263	\$ 44,177	\$ 2,273,110	\$ 1,017,932	\$ 1,201,012	\$ 54,166

Collected in % 100% 100% 100% 100%

Note (1) - 2016 Tax Sale

Cash and Investment Report
July 31, 2016

General Fund

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Maturity</u>	<u>Yield</u>	<u>Balance</u>
Checking Account- Operating	CenterState Bank	Interest Bearing Account	n/a	0.05%	\$263,998
Checking Account	CenterState Bank	Business Checking Account	n/a	0.05%	\$5,945
Subtotal					\$269,943
Certificate of Deposit	BankUnited	12 month CD	2/9/2017	0.80%	\$100,801
Money Market Account	CenterState Bank	Money Market Account	n/a	0.10%	\$8,992
Money Market Account	Stonegate Bank	Money Market Account	n/a	0.40%	\$354,924
Money Market Account	BankUnited	Money Market Account	n/a	0.45%	\$188,553
Subtotal					\$552,469

Debt Service and Capital Projects Funds

<u>Account Name</u>	<u>Bank Name</u>	<u>Investment Type</u>	<u>Maturity</u>	<u>Yield</u>	<u>Balance</u>
Series 2014 Prepayment Fund	US Bank	US Bank Governmental Obligation Fund	n/a	0.05%	\$36,962
Series 2014 Reserve Fund	US Bank	US Bank Governmental Obligation Fund	n/a	0.05%	\$607,313
Series 2014 Revenue Fund	US Bank	US Bank Governmental Obligation Fund	n/a	0.05%	\$501,774
Series 2015 Reserve Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.05%	\$340,000
Series 2015 Revenue Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.05%	\$49,194
Series 2015 Construction Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.05%	\$64,104
Subtotal					\$1,599,346
Total					\$2,522,559

Construction Report
Series 2015 Bonds

Recap of Capital Project Fund Activity Through July 31, 2016

Source of Funds:	Amount
Opening Balance in Construction Account	\$ 200,000
Opening Balance in Cost of Issuance account	145,130
Interest Earned	
Construction Account	\$ 100
Cost of Issuance Account	4
Transferred to Revenue Account (includes balance of Cost of Issuance)	(1,905)
	\$ (1,802)
 Total Source of Funds:	 \$ 343,328
 Use of Funds:	
Disbursements:	
Cost of Issuance	\$ 143,229
Streetlights Buy Down	100,000
Capital Outlay - Vehicle	15,240
Improvement - Park	20,756
Total Use of Funds:	\$ 279,225
 Available Balance in Construction Account at July 31, 2016	 \$ 64,104