

**HARMONY COMMUNITY
DEVELOPMENT DISTRICT**

SEPTEMBER 30, 2010

AGENDA PACKAGE

Harmony Community Development District

Severn Trent Services, Management Services Division
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September 22, 2010

Board of Supervisors
Harmony Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Harmony Community Development District will be held on **Thursday, September 30, 2010 at 9:00 A.M.** at 7251 Five Oaks Drive, Harmony, Florida. Following is the advance agenda for this meeting:

1. **Roll Call**
2. **Approval of the Minutes of the August 26, 2010 Meeting**
3. **Subcontractor Reports**
 - A. Landscaping – Luke Brothers
 - B. Aquatic Plant Maintenance – Bio Tech
 - C. Dockmaster/Field Manager - Buck Lake Boat Use Report
4. **District Manager's Report**
 - A. August 2010 Financial Statements
 - B. Invoice Approval #125 and Check Run Summary
 - C. Public Comments/Communication Log
5. **Staff Reports**
 - A. Attorney
 - B. Engineer
 - C. Developer
6. **Supervisor Requests**
7. **Audience Comments**
8. **Adjournment**

I look forward to seeing you at the meeting. In the meantime, if you have any questions, please contact me.

Sincerely,



Gary Moyer/ir
District Manager

Minutes

MINUTES OF MEETING HARMONY COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Harmony Community Development District was held Thursday, August 26, 2010, at :00 p.m. at 7251 Five Oaks Drive, Harmony, Florida.

Present and constituting a quorum were:

Robert D. Evans	Chairman
Nancy Snyder	Vice Chairman
Steve Berube	Supervisor (by phone)
Kerul Kassel (<i>by phone</i>)	Supervisor
Mark LeMenager	Supervisor

Also present were:

Gary L. Moyer	Manager: Moyer Management Group
Tim Qualls	Attorney: Young vanAssenderp, P.A.
Steve Boyd	Engineer: Woolpert
Thomas Belieff	Dockmaster
Brenda Burgess (<i>by phone</i>)	Moyer Management Group (by phone)
Greg Gologowski	Harmony Development Company
Todd Haskett	Harmony Development Company
Jason Shafer	Luke Brothers
Shad Tome	Harmony Development Company
Residents and members of the public	

FIRST ORDER OF BUSINESS

Roll Call

Mr. Evans called the meeting to order at 6:00 p.m.

Mr. Evans called the roll and stated a quorum was present for the meeting.

SECOND ORDER OF BUSINESS

Approval of the Minutes of the July 29, 2010, Regular Meeting

Mr. Evans reviewed the minutes of the July 29, 2010, regular meeting and requested any additions, correction, or deletions.

Ms. Kassel stated page 16, the last paragraph should read "Mr. Berube stated it seems illogical."

Mr. Berube stated that is correct.

Ms. Kassel state-Page 31, first paragraph should refer to ponds instead of lakes.

Mr. Evans stated I think it is the terminology. The intent was about the stormwater ponds as opposed to Buck Lake. It would be more accurate to refer to them as ponds.

Mr. LeMenager stated page 23, the fourth paragraph should read “not lowering our assessments” as opposed to “out.”

On MOTION by Ms. Snyder seconded by Mr. LeMenager with all in favor, the minutes of the July 29, 2010, regular meeting were approved as amended.

THIRD ORDER OF BUSINESS

Subcontractor Reports

A. Landscaping – Luke Brothers

i. Monthly Highlight Report

Mr. Shafer reviewed the monthly landscaping report, which was included in the agenda package and available for public review in the District Office during normal business hours.

Mr. Shafer stated I think we had a good month. August is one of the toughest months of the year and we received a great deal of rainfall. We stopped our rotation, which allowed us to stay on top of everything. Our detail crew was coming from Orlando and we lost about three hours each day of productivity from that crew going back and forth, so we hired our own detail crew and gained a lot of time by doing so. We have been applying fertilizer to the property, including the soccer field and it is now weed free.

Mr. LeMenager stated last month you indicated that tree trimming up to ten feet would be done and I see from my morning walks, it is not quite complete.

Mr. Shafer stated we have some more tree trimming work to do.

Mr. Berube asked were the annuals planted at the west end of the traffic circle as part of the quarterly annual replacement or part of the upgrade that was supposed to start next month?

Mr. Shafer stated it was part of the quarterly replacement. I discussed this with Mr. Haskett, and he thought the annuals looked good, so we are making that replacement.

Mr. Berube stated it looks good.

Mr. Haskett stated they have also been dealing with the chinch bugs on Schoolhouse Road.

Mr. Shafer stated we had someone come out to help us better control the chinch bug problem with an alternative chemical. He said that our chinch bug problem was minor compared to what was happening out here last year. We applied the chemical and I am checking it daily. Due to the rain, we are seeing a lot of leaf-spot disease on the St.

Augustine, so we are attacking it on all fronts. The turf in the entire community looks great.

ii. Tree Replacement Proposals

Mr. LeMenager stated a few trees were removed from the secondary entrance road. Where are we with respect to the replacement of those trees and who is taking responsibility for the trees?

Mr. Haskett stated I spoke with Mr. Pete Lucadano at Luke Brothers along with Mr. Shafer and there were different opinions about whether the manner of the application of the chemical could have damaged the trees. We came up with a proposal for the replacement of six dead Oak trees at a cost of \$3,870. The other 30 to 50 trees that were affected and have minimal damage, Luke Brothers agreed to prune them at no cost to the CDD. They have taken some responsibility, but not complete culpability for six dead trees. I believe this is a good compromise. There is also a proposal for eight trees. Quite a few trees have died over the years along certain areas of Cat Brier and there is a proposal to replace eight River Birch trees for \$960.

Ms. Snyder asked was there discussion last month about getting a better deal if we purchased a certain number of trees?

Mr. Haskett stated that is a separate issue. The trees you are speaking of are along the main boulevards. We need to replace them with trees of substantial size. They are 22 feet tall, compared to the ones we are looking at that are 10 to 14 feet tall. Since this is for Cat Brier, it is appropriate to purchase larger trees than what we discussed last month.

On MOTION by Ms. Snyder seconded by Mr. Berube with all in favor, the proposal from Luke Brothers for the replacement of eight River Birch trees in the amount of \$960 was approved.

Ms. Kassel stated I know there have been conversations about the demise of the existing trees. What was the response to that?

Mr. LeMenager stated Luke Brothers said it is not their fault, but they offered to do some tree trimming without compensation.

Mr. Berube stated that is why I asked for this item to be considered separately. I do not think this is right for a number of reasons. We had some trees that died in the interim that were not Live Oaks. We discussed who is responsible for the dead Live Oak trees. Six to eight Live Oaks died in the Luke Brothers service area. However, an equal number

of Live Oaks were planted in similar conditions and none of those have died. We know that an herbicide was sprayed in and around these trees and apparently there may be enough proof that the herbicide might be the problem. Luke Brothers does not use the herbicide here anymore, but we are being asked to pay for the trees that died. I believe that I would be shirking my fiduciary duty if I agreed to replace those trees with CDD money. It does not seem right to me. In a month from now, Luke Brothers is going to increase their contract to \$15,000 for the year. I do not think it is right for us to pay for these trees.

Ms. Snyder stated I thought when we first had this discussion that there was no proof it was anyone's fault. It could be due to too much rain after they applied the chemical or the soil condition.

Mr. Evans stated there is an entire series of events that took place that you could point to, but there was no common denominator. Luke Brothers manages the entire property and they applied the same chemicals. Not all the trees died but only select ones, so there was no way we could conclusively say it was their fault. The end verdict was inconclusive so Luke Brothers is innocent. We do not know for sure what happened, but the bottom line is that the trees died.

Ms. Snyder stated we have a lot of trees and they treated all of them the same.

Mr. Shafer stated that is correct.

Mr. Evans stated to penalize Luke Brothers for something, of which there is no proof that they committed any kind of defect or fault, is not fair. I think your offer to work with us going forward in doing other things shows your commitment to work with us on this project. It is tough providing landscaping services. I have been in this business for 30 years, and I know how difficult it is. I have a lot of respect for the staff who are out there in the heat and the rain doing this job every day. I have not seen anything conclusive saying that those trees died and was the fault of Luke Brothers so I believe it is the responsibility of the Board to replace the trees.

On MOTION by Ms. Snyder seconded by Mr. LeMenager with Mr. Evans, Ms. Kassel, Mr. LeMenager and Ms. Snyder voting aye and Mr. Berube voting nay, the proposal from Luke Brothers for the replacement of six Oak Trees in the amount of \$3,870 was approved.

Mr. Evans asked what is the status of the trees staff was going to purchase in bulk?

Mr. Golgowski stated we spoke with the vendor and he offered \$50 per tree instead of \$55. Mr. Haskett located 20 locations within neighborhoods that need dead trees to be replaced. We also discussed last month that there are another 30 areas within parks and other areas in the community that need trees.

Ms. Snyder asked if we install the trees and they die, can they be transplanted?

Mr. Golgowski stated yes, these trees come in pots so we can stockpile them.

Mr. Berube stated Ms. Snyder is questioning whether we plant them now or transplant them two years from now, to replace trees that die.

Mr. Golgowski stated you can probably do that. I think they will be fine in the pots for two years.

Mr. Evans stated you can make those replacements gradually over time. Are we getting the trees?

Mr. Golgowski stated yes.

Mr. Berube asked do we have that much of mortality factor on trees where it warrants stockpiling them?

Mr. Tome stated the issues are occurring on the internal roads where the utilities are turned off, not the major boulevards, where the irrigation is controlled by an individual home.

Mr. LeMenager asked can we lien some of these homes in foreclosure for tree replacement? I appreciate that the HOA does not have any funds, but we do.

Mr. Qualls stated I need to think about that.

Mr. LeMenager stated it does not even have to be a home that is foreclosed on. There is a tree on a street that suddenly died in my neighborhood. Someone put something on that tree to kill it. Can we go after the homeowner and have them replace the tree because they killed it?

Mr. Berube stated that is similar to the issue Mr. Evans raised with the six Oak Trees in regards to proof on how they died. How do we prove it?

Mr. LeMenager stated it does not matter. They are supposed to take care of the tree.

Mr. Evans stated we had this conversation a long time ago about the responsibility for these trees. We have the right, but not the obligation. It is the responsibility of the homeowners to maintain those easement areas. It does not say anywhere in the

documents that they are responsible to replace the trees if they die. We reviewed the HOA and the CDD documents. The CDD Board decided that the CDD will be responsible for the replacement of those trees, but there may not be any irrigation because there is no electricity to those homes. It is not prudent to replace a tree that will not have proper irrigation until someone moves into that home. Nor do we have the authority to fine or levy a lien against a homeowner to replace something we have the right to replace, but not the obligation. We cannot prove they have the obligation to replace the tree because it was not clean in that regard.

Mr. Qualls stated I recall reviewing the homeowner documents and seeing that the homeowner is responsible for the maintenance, but they are silent as it relates to the trees. At that time, I recall that this Board made the policy decision that the CDD will maintain and replace the trees, but I will review the minutes to be sure.

Mr. Evans stated that is also how I recall the discussion.

Mr. Qualls stated I get nervous when the District contemplates trying to fine or send letters to put a lien on a property. I am not clear if the District has that authority; in fact, I do not think the District has that authority, but I will research that issue.

B. Aquatic Plant Maintenance – Bio-Tech Consulting

Mr. Golgowski reviewed the Monthly Aquatic Maintenance Report, which was included in the agenda package and available for public review in the District Office during normal business hours.

C. Dockmaster/Field Manager

i. Buck Lake Boat Use Report

Mr. Belieff reviewed Monthly Boat Report, which was included in the agenda package and available for public review in the District Office during normal business hours.

Mr. Belieff stated some of the pylons have worked themselves loose in these past couple storms and we should look into getting them repaired or replaced soon.

ii. Proposal to Purchase Two Kayaks

Mr. Golgowski reviewed the proposals for two kayaks in the amount of \$2,045.90.

Ms. Kassel asked are these identical to the existing two kayaks?

Mr. Golgowski stated yes.

Ms. Kassel asked does that include shipping or delivery?

Mr. Golgowski stated yes, we will pick them up.

Mr. LeMenager stated I do not see how I can possibly support the purchase of two additional kayaks when we have such limited use of them. We have two kayaks and five canoes plus the solar boat, two pontoons and one fishing boat. It is a nice facility, but we only had four uses of kayaks this month.

Mr. Berube stated the request originated from Ms. Rachel Garwood who is a frequent user of these boats. She indicated if we had four kayaks, they would be used more often. They do not like the canoes because of the stability factor.

Mr. LeMenager asked who owns the dock area?

Mr. Golgowski stated the developer.

Mr. LeMenager stated the solution is simple to me. If people want more kayaks, let them store their own kayaks there. I understand they will have to carry them in and I appreciate that the developer says we cannot store them there, probably for some insurance reason. The bottom line is, this Board is not preventing storage of extra kayaks at the dock; the developer is. Let us be clear on this issue. I do not see the CDD spending money on a facility that will get limited use.

Ms. Snyder stated I think it will get more use with more kayaks.

Mr. Berube stated I agree. I am not one for spending money just because we can, but the boating budget came in at least \$12,000 under our anticipated expenses this year, which is very good. I think there is a potential use and I agree with Ms. Garwood that more people will use these kayaks.

Ms. Snyder stated I am in the group that uses them and they will be used more if there are four of them. People often will not go because there are only two.

Mr. Evans stated there was a lot of discussion on the utilization and maximizing the utilization based on the number of units we had.

Mr. Berube stated if we had only one, the usage would be terrible. Two get more use and the theory is that more kayaks will result in more usage. I do not mean to go out and buy 12, but by purchasing four kayaks for \$2,000, we will be able to see if the usage will increase. I think we could put that money for worse use than for two kayaks.

Ms. Snyder stated I agree.

On MOTION by Ms. Kassel, seconded by Ms. Snyder, Mr. Evans, Ms. Kassel, Mr. Berube and Ms. Snyder voting aye and Mr. LeMenager voting nay, the proposal to purchase two kayaks in the amount of \$2,045.90 was approved.

iii. Assistant Field Manager Proposal

Mr. Berube stated I prepared this proposal for the Board's consideration. It appears that the community might be large enough to have an Assistant Field Manager to back up Mr. Belieff. Right now we do not have one. We had a part-time assistant, but this proposal anticipates having a full-time person to cover for Mr. Belieff on his days off and picking up trash and cleaning the facility. As a result, we can remove the refuse removal portion of the Luke Brothers's contract and cancel the contract with Jan Pro. The proposal also includes the purchase of a cart for this employee as well as a dumpster. The benefit will be having a full-time staff member to backup Mr. Belieff. It will also help Mr. Haskett with the endless series of duties that we assign him, as well as monitoring contractor performance such as pool cleaning service and pool deliveries. If we hire the right person who is a handyman, he can handle the things that need to be done like painting columns and other things around the property. I have discussed this with the District Manager and development personnel and I think they will be in support of this as being positive. The first year is almost a zero cost savings largely because of the startup and purchasing costs. Ongoing savings should be \$10,000 to \$11,000 annually. The real gain is another person to assist Mr. Belieff so someone is here every single day. This will require hiring another person through Severn Trent.

Ms. Snyder asked can you cut refuse removal from the Luke Brothers contract and cut down the Jan Pro contract?

Mr. Berube stated we can remove and add things to the Luke Brothers contract at will as long as we give them reasonable notice. We do not know about the Jan Pro contract, but there have been changes to their contract in other areas. We need to ask that question.

Mr. Moyer stated all of our contracts for that type of service provides for 30 days' cancellation.

Mr. Evans asked is this a reasonable expectation of what it would cost to hire someone for that scope of work?

Mr. Moyer stated yes.

Mr. Berube stated this anticipates an Assistant Field Manager working 40 hours per week at \$12.50 per hour. We may not need them for 40 hours per week. We do not know what the needs are, but we can probably keep someone busy for 40 hours each week. Perhaps the person we hire is a retiree who lives here and does not want to work 40 hours. There is a great deal of flexibility in these numbers and this proposal is the most

conservative at 40 hours per week. The other benefit is emptying trash cans as needed rather than on a three-day-per-week schedule. Sometimes on weekends, the trash cans are full and they can be a mess, especially if someone has a big gathering. If we had a staff member, they can remove the trash right away. The restrooms would be cleaned as needed rather than on a set schedule, whether they need it or not. I realize this is a big change from the way we are doing things, but I think we are big enough now to support a second field person.

Ms. Kassel asked would this person and/or Mr. Belieff be considered a representative of the CDD if we needed to call the Sheriff for some kind of violation?

Mr. Berube stated yes, that is the thinking. Monitoring the swimming pool has become a big issue. We are coming into the winter months right now, so that usage will decrease, but summertime has proven that we need some additional pass throughs at the swimming areas. If we change the key system, there will be a need to issue key cards and it will be nice if there are a couple people who can issue the key cards. We cannot shift all of that responsibility to the Welcome Center.

Mr. Qualls stated the Statute says that the District has the ability to work with the District Manager, who manages the workers of the District, which is why the management company hired Mr. Belief. Whatever ability Mr. Belieff has, including the ability to call the Sheriff would apply to this new individual.

Mr. Moyer stated that is correct.

Mr. LeMenager stated it was a pleasure to read my agenda package this month and see such a good idea that pays for itself.

Ms. Kassel asked do you have someone in mind for this position?

Mr. Berube stated no.

On MOTION by Ms. Kassel seconded by Mr. LeMenager with all in favor, the Assistant Field Manager proposal, as presented was approved, subject to revisions for the Luke Brothers and Jan Pro contracts.

Mr. Moyer stated Mr. Marks submitted a question on this agenda item dealing with the trees. The question is for Mr. Qualls. Can the CDD be fined for breaking HOA standards?

Mr. Qualls stated no.

Mr. Marks asked does the District have any accountability for the areas looking nice?

Mr. Qualls stated no, the law describes common areas as an HOA function, whereas this District's single purpose is to maintain infrastructure. Part of that infrastructure, while not common areas, includes areas such as the parks that falls under the parks and recreation power the District has and things of that nature.

Mr. Marks asked regarding those standards, is there any course of action this Board has to take?

Mr. Qualls stated the appropriate body to address that is the HOA.

Mr. LeMenager stated if a CDD area looks bad, we hold Mr. Shafer accountable.

FOURTH ORDER OF BUSINESS

Public Hearing to Adopt the Fiscal Year 2011 Budget

A. Fiscal Year 2011 Budget

Mr. Moyer stated we made several changes, most of which were discussed by the Board. To Mr. Berube's credit, when the original budget was put together, we had not increased the Luke Brothers contract in accordance with their renewal provisions. The amounts shown in this version of the budget include their 3% increase. We did incorporate the discussion the Board had last month in terms of reserves and the way we budgeted for our contribution of the irrigation improvements has been moved above the line where it is no longer a reserve, but is an expense. The monies to cover that come from a self-insurance reserve of the \$43,000, which no longer exists. That money for the most part was used to pay the \$30,000 irrigation project expense and the balance went towards the increase in the landscaping contract. Overall it had a diminimus effect on the budget. The conclusion for the public is this budget does not anticipate or require any additional assessments from what you are currently paying.

Mr. Berube asked is there still a 0.16% decrease to the assessments?

Mr. Moyer stated yes, that is correct.

Mr. LeMenager stated I would like to compliment Mr. Moyer and his staff. I think they did a good job this year. We all received our trim notices and now our CDD assessments are higher than our property taxes. Keep in mind that two-thirds of the assessments are actually for the retirement of the long-term bonds. Even if the Board was able to substantially reduce operating costs, that would not result in a substantial reduction in the overall assessments.

Mr. Evans I will now open the public hearing for comments from the public.

A resident asked what is the increase in the landscape cost?

Mr. Moyer stated there was an adjustment made to the budget because under the contract with Luke Brothers, which may be renewed in September 2010, there is a provision that they increase their fees by 3%.

The resident stated in light of the current economy and the fact that people are starving, I am sure that there is no sense in having an increase.

Mr. Moyer stated we build the budget around our contracts and historical costs. If this Board agrees that an increase is not warranted, we could go back and negotiate with Luke Brothers. To the degree it is not successful and our option is not to renew the contract, we would have to go through a fairly cumbersome process of putting this back out to bid through an RFP. To their credit, these Board members spent the better part of two months reviewing materials and discussing the contract. It is a lengthy and cumbersome process, but this does not mean it cannot be done.

The resident asked so we are giving them a 3% increase because going out to bid is a cumbersome job?

Mr. Moyer stated we do not know what the bids will be when they come in. However, we do know with certainty what the cost will be for the renewal of this contract.

The resident stated I am looking at the economy and the house I purchased three years ago for \$700,000. Yet this year my property taxes are based on a value of \$300,000.

Mr. Moyer stated we sympathize with you.

The resident stated I sympathize that you want to give them a 3% increase to avoid a cumbersome situation that might be able to save us some money.

Mr. Evans stated the Board entered into a contract with Luke Brothers that had a provision that the Board can elect to renew their contract for one year under those conditions. Contractually the Board can either not renew by the end of September, which leaves us with no one to care for the landscape and trying to find someone to mobilize while we go through the formal bid process or to move forward with certainty.

Mr. LeMenager stated we can still terminate their contract with 30 days' notice. Your comment has been noted.

The resident asked should this issue have been addressed a couple months ago when we knew September was approaching so we did not put ourselves in a 34-day predicament?

Mr. LeMenager stated we are not in a 34-day predicament. You misunderstood. Should we agree to the 3% increase, it could be as little as one month having that increase because we can terminate their contract with 30 days' notice at any time?

The resident asked would it not behoove us to look at other opportunities? I am getting ready to put an addition on my house and I will consider proposals from more than one person.

Mr. LeMenager stated we did look at various landscaping companies. I have noted your comment and I intend to bring this matter up during Supervisor requests.

B. Consideration of Resolution 2010-03 Adopting the Budget

Mr. Evans read Resolution 2010-03 by title into the record.

On MOTION by Mr. LeMenager seconded by Mr. Berube with all in favor, Resolution 2010-03 Adopting the Budget for Fiscal Year 2011 was adopted

C. Consideration of Resolution 2010-04 Imposing and Levying the Assessments

Mr. Evans read Resolution 2010-04 by title into the record.

On MOTION by Ms. Kassel seconded by Ms. Snyder with all in favor, Resolution 2010-04 Imposing and Levying Non-Ad valorem Assessments for Fiscal Year 2011 was adopted.

FIFTH ORDER OF BUSINESS

Acceptance of the Audited Financial Statements for Fiscal Year 2009

Mr. Moyer stated the Independent Auditor's letter states that in their opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of September 30, 2009. That is referred to as a clean audit opinion, which means that the books and records the District provided to the Auditor at the close of fiscal year 2009 did fairly represent our financial position as of that date. The other reports I want to highlight are in the back of the Audit report, starting on Page 22, which is the Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an Audit of financial statements performed in accordance with *Government Auditing Standards*.

As it relates to material weaknesses, there are several paragraphs defining a material weakness. The report states that the Auditor did not identify any deficiencies in internal control over financial reporting that they consider to be a material weakness. On the Report Dealing with Compliance with Laws, Ordinances, Rules, Contracts and things of that nature, the report states that the results of their tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. Page 24 is the Management Letter. Pursuant to the rules of the Auditor General of the State of Florida, there are certain reports that the Auditor has to include in this Audit. One report includes the recommendations that are not material weaknesses, but nonetheless improve our financial reporting. They did not have any recommendations, nor did they have any recommendations in the prior fiscal year. On the compliance issues, I will call to your attention the disclosure on Page 26, Paragraph 8, which states that the District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes. In other words, the District is not in a state of financial emergency, which is a defined term under the Statute and the Rules of the Auditor General. If you do not do certain things, you can trigger a financial emergency and this report says that we have not done any of those things. On that same page in Paragraph 9, the report states that they applied Financial Condition Assessment Procedures pursuant to Rule 10.556(7) and no deteriorating financial conditions were noted. There is a statement of this provision in the beginning of this Audit under the management discussion.

Mr. Berube stated Page 18 shows that the total amount of money needed through 2014 to retire bonds is fairly low, but in 2015 and thereon, it jumps up markedly. Am I looking at this with alarm needlessly?

Mr. Moyer stated that is for five years, not a single year.

On MOTION by Mr. LeMenager seconded by Ms. Snyder with all in favor, the Audited Financial Statements for fiscal year 2009 was approved and staff was authorized to file said Audit with the appropriate State agencies.

Mr. Moyer stated to expand on Mr. Berube's question for the benefit of the audience, the payment of the principal and interest on these bonds is much like your home

mortgage and it is level, basically the same every single year. You will not see swings in what you pay for principal and interest on the bonds.

Mr. LeMenager asked is it possible to renegotiate the rates?

Mr. Moyer stated you can reissue bonds, but there are some thresholds that need to occur first. One is, it will be difficult to do this now because of the concentration of debt. When the neighborhoods subject to the Series 2001 bonds are substantially built out and there is a higher number of rooftops, you could go back and refinance because it then would be investment grade. We could get the bonds rated through a rating agency. Then it depends on what the bond market is at that point in time. As you are all aware, those interest rates vary widely, depending on the economic health of our system. Because of the current rates, it would not make sense to do that, plus you would not be able to get it rated. There is also a 10-year call protection period, so you cannot even consider it until after next year on the 2001 bonds. On the Series 2004 bonds, you cannot consider it until after 2014.

Mr. LeMenager stated our window of opportunity will start next year. Are we paying 6.5% on the Series 2001 bonds?

Mr. Moyer stated I believe they were 7% or 7.25%.

Mr. LeMenager stated that might have been reasonable in the 2001 market. If there is some way we can refinance them, we should consider it.

Mr. Berube asked is there a cost in doing that?

Mr. Moyer stated yes, a refinancing cost, but all of the costs are included in the analysis of whether or not you have lower principal and interest payments at the end of the process.

Mr. Berube asked would it not make as much sense to prepay?

Ms. Snyder stated I did that on mine.

Mr. Moyer stated that is up to each individual homeowner. The documents provide that residents can prepay their debt assessment, which goes into a sinking fund that will be used to call bonds at the appropriate time, which is every six months. I can provide the pros and cons of that. One of the cons is if you owe \$8,000 and you want to pay that off but you sell your house next month, it is the market that determines what you sell your house for. You will not sell it at market plus the \$8,000.

Ms. Snyder stated it can be an asset because you have less to pay towards your assessments. That is what I did with my homes.

SIXTH ORDER OF BUSINESS

District Manager's Report

A. Financial Statements

Mr. Moyer reviewed the financial statements, which were included in the agenda package and available for public review in the District Office during normal business hours.

B. Invoice Approval #124 and Check Run Summary

Mr. Moyer reviewed the invoices, which was included in the agenda package and available for public review in the District Office during normal business hours.

On MOTION by Ms. Snyder seconded by Mr. LeMenager with all in favor, the invoices were approved as presented.

C. Meeting Schedule for Fiscal Year 2011

Ms. Kassel stated I request that we move all of our meetings to the evening so more residents can attend regularly. I know some residents attend in the morning. Anyone who works a daytime job is not able to attend half our meetings.

Mr. Evans stated I prefer having them all during the day.

Mr. Berube stated I agree.

Mr. Evans stated having them during the day does not place such an inconvenience on staff members who are here, especially from the development side.

Ms. Snyder stated I have also noticed that more people attend the morning meetings than those who attend in the evening.

Mr. LeMenager stated that sometimes varies.

Ms. Snyder stated perhaps we can consider having them the same nights as the home owners association or when there is another meeting scheduled.

Mr. Evans stated I have heard comments about having four of the evening meetings to be concurrent with the quarterly homeowner association meeting, where their meeting will take place prior to our meeting and follow it with the CDD meeting, and then move the other eight meetings to the morning.

Mr. LeMenager stated I think the proposed schedule of every other month works well. Every time we have had an HOA meeting precede this meeting, we started late. This is a governmental meeting, not a meeting of a non-governmental body. When we

have a scheduled start time, it is nice to begin at that time and not later. The HOA should probably not meet before our meetings, but that is an issue for them to consider. I understand Ms. Kassel's comments. I tend to agree more with Ms. Snyder because I think we get different people. Yes, we have a certain group that attends in the evening, but when we meet in the morning, we have people attending. Clearly people are working different schedules. I think that by alternating between morning and evening meetings, we actually get more people involved.

Ms. Snyder stated I prefer the alternating meeting schedule.

Mr. Berube stated I like having them during the day, but I see the reasons for having them at night. My personal preference is for the daytime.

Ms. Snyder stated I definitely prefer having the meetings during the day as there are more people who attend during the day, but for the sake of those people who cannot attend daytime meetings, I can make a concession for evening meetings.

On MOTION by Mr. LeMenager seconded by Ms. Kassel with all in favor, the meeting schedule for fiscal year 2011 was approved .

D. Public Comments/Complaints

Mr. Moyer reviewed the complaint log, which were included in the agenda package and available for public review in the District Office during normal business hours..

Mr. LeMenager stated my wife has reported problems with the sprinklers in the park behind our home. She did not think they were repaired yet, but the report says they were completed. Have they actually been out and looked at them?

Mr. Haskett stated they inspected them and reported to me that they have been fixed. Whenever I get a report on sprinkler heads, I forward it to Luke Brothers and ask them to take a look. I cannot verify if any new ones have been repaired.

Ms. Snyder asked would you check the area around the basketball court?

Mr. Haskett stated yes.

FIFTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being nothing to report, the next item followed.

B. Engineer

Mr. Evans asked did you get that issue sorted out on the easement?

Mr. Boyd stated we will check that.

Mr. Moyer stated we discussed Mr. Boyd's report last month about sidewalks and the need to grind them. The young man who did that in the past offered a very good price and did a great job, but he was not available because he is in college. He ended up being back here for a week recently, so I took the liberty of employing him through my company to grind those sidewalks at a fee of \$2,922 for 77 locations.

C. Developer

Mr. Tome stated we appreciate the Board having half of your meetings during the day to facilitate our staffs' schedules.

SIXTH ORDER OF BUSINESS

Supervisor Requests

Mr. LeMenager stated I would like to raise the issue this resident mentioned during the budget hearing. I would like to ask that Mr. Moyer approach Luke Brothers with respect to negotiating the renewal of their contract at no increase. All they can say is no. In that case, we can tell them we will go through the process again.

Mr. Evans stated anytime you are in the marketplace and you hire a contractor to do a project of this magnitude, the industry as a whole looks at you and your decision-making capabilities. They view us as customers in the same way we view them as contractors. If this Board keeps going through a lot of contractor changes, there is a perception in the marketplace of who is right and who is wrong. Are the employees in the field having a hard time, or is the Board having a hard time trying to make decisions. It is a two-sided street. I do not disagree that we can ask them about their increase for fiscal year 2011, and I value the comments that were made that these are tough economic times and conditions right now. They have been consistently difficult for a number of years. I do not think we should automatically say we are going to go rebid the work to get another price. We all know Luke Brothers went through a learning curve that placed an enormous burden on Mr. Haskett, who is not an employee of the District. He spends a lot of his time holding their hand and walking them up that learning curve. To change contractors just because it is a great idea, there has to be a balance and you have to consider that. Is it worth it to hire another contractor, knowing that we are going to go through the exact same learning process that we went through and took months? I am not trying to sway the Board one way or the other, but I want you to take that into consideration, all of the things that go into re-bidding this contract every year. Let us find a contractor that we like and work with them. They are no different than any of us. We all have jobs and we

all do the best we can with what we have and make a conscious effort to do the best job we can. I think this applies to everyone we hire. Arbitrarily getting another bid does not necessarily better our situation; we could actually make it worse just by that act.

Mr. Berube stated to expand on that and what we just approved with the Assistant Field Manager; this will take a substantial amount of money from the Luke Brothers contract, about 7%. That portion of the contract to remove trash is \$32,576 per year, but they may or may not have been making a lot of money on that particular work effort. A portion of their contract is coming out and coming back to us where we can hopefully generate some savings. I am in favor of carefully watching Luke Brothers, as this Board is well aware. I cannot argue that their invoice will increase, but they are improving. We had our differences but they are working on it and the community does look better, although we are taking a piece of that away.

Ms. Snyder stated we are removing \$32,000 but we will only be increasing it \$15,000.

Mr. Berube stated \$32,576 was the budgeted amount for fiscal year 2011, which had the 3% increase. The overall contract is increasing almost \$15,000 with a 3% increase for the entire year.

Ms. Snyder stated they will only recover half of what they are going to lose.

Mr. Berube stated that is one way of looking at it, on a scope of \$500,000. I cannot argue with Mr. LeMenager, but I agree with Mr. Evans. We are at this point with them and we do have a contract. We agreed to the contract and we are going to make a modification to it. I think we should leave it alone and allow Mr. Haskett, who is in communication with them every day, guide us as to what we need to do in the upcoming months. We asked for his guidance several times and he has suggested that we stay on the current course.

SEVENTH ORDER OF BUSINESS

Audience Comments

A resident stated we are having many problems with the pool and I do not know who to contact and what can be done. The pools are being destroyed due to misuse.

Mr. Evans stated that is why the Board approved hiring an additional staff member to provide another presence and to keep monitor those areas. You can also call the deputy to try to keep a better handle on the activities that are happening in those pool areas.

The resident stated people climb over the fences.

Ms. Snyder stated if you see any vandalism or anything like what you are referring to, please call the Sheriff and they will come out.

The resident stated I called them but I was not sure if I should do that.

Ms. Snyder stated they encourage you to call them.

The resident stated I called the CDD office to report feces in the pool. Something should be done. People should not be able to act freely.

Mr. Berube stated we recognized several problems at the pools. Some of it is due to unauthorized people getting into that area. To that end, we may change the locks on the pool gates. This is a much more difficult process than I ever anticipated. We are looking at changing access to the gates by eliminating all of the extra keys and going to an identification card system. We may also upgrade the cameras so there is constant monitoring rather than sporadic. There may be some landscaping upgrades along the fences to prevent people from climbing over the fence that you are seeing. All of these changes should provide a much better pool experience before the next swimming season. We will be doing an upgrade this winter to replace the damaged tiles and a general sprucing up of the pool. We do not want to do any of this now because the pools are currently heavily used. We have seen what you are talking about and we agree with you. I hope by next spring, all of this is complete and everything looks nice so we do not have to give you another excuse.

A resident stated the trees on Blue Stem have been dead for almost three years and I have lived here for six years.

Mr. Haskett stated if the home is occupied, it is slated to have the trees replaced, but not if it is not occupied.

The resident stated the home was rented previously and it is being rented again.

Mr. Berube stated we just purchased about 100 trees, which are scheduled to be planted, but only in front of houses that are occupied so there is irrigation. It does not matter if it is an owner or a renter. You will be seeing a lot of tree replacement activity in the next couple weeks.

A resident asked will there be an area in the future designated for boat trailers?

Mr. Evans stated no, the CDD does not have any property for a public trailer area.

Mr. Berube stated neither the CDD nor the HOA has property for that purpose.

Mr. LeMenager stated we just had a big issue about the Fire Station being closed. This has nothing to do with the CDD, but I thought about asking the Fire Department if they wanted to make some money by renting the space behind their firehouse.

Mr. Evans stated I do not think they have any space back there.

Ms. Snyder stated you are referring to the Harmony Institute.

A resident stated I live in the townhomes and there is a dead tree behind our unit that has been dead since 2009 when we moved in.

Mr. Haskett stated that is the responsibility of the sub-association. You should contact Century Management Company. I will provide their contact information to you.

A resident stated with respect to the pools, I suggest a simple education process with a reminder of the rules in the next newsletter and request help from the residents in enforcing those rules. The last time we were at the pool, it was sunset when the pool was closing, but there were some teenagers who wanted to get in, but they did not have any keys. I told them that they needed to have a key, however the pool was closing. Perhaps a reminder of encouragement will help. It is our pool and our community so we should take care of it and help each other. With respect to the resident's report about feces in the pool, I know that accidents happen, but is there a place or a number to call to report this?

Mr. Haskett stated there is a phone number on the doors to the restrooms as well as on the gate for the District Office. They communicate those items to my office as well as to Mr. Belieff so we can contact the pool company.

The resident asked regarding landscaping, is it possible to get Luke Brothers locked into a longer term?

Mr. Evans stated when we re-negotiated the contract, it was for an extended period of time to get the prices locked in.

Mr. LeMenager stated we have three more years of guaranteed prices under our contract.

A resident asked is it true that a number of trees have been dying from a lack of water?

Mr. Evans stated we may not ever know why some of the trees died. It could have been a lack of water. But before we replace them, we need to be able to irrigate them to ensure their survivability.

The resident stated typically there are trees all over Florida that are not irrigated, but they do not die.

Mr. Evans stated when you plant trees and you do not irrigate them so the root system can get established, their chance of survivability is fairly low because those conditions are very tough on them.

A resident asked does the dockmaster work for the CDD?

Mr. Evans stated yes.

The resident asked is he also contracted by the HOA for the pool?

Mr. Evans stated no, the pools are owned by the CDD.

A resident stated it looks like there are a lot of diseases in the grass in Ashley Park from the sidewalk onto the road, which is spreading. Is this something you are aware of? Is it due to chinch bugs?

Mr. Haskett stated that area is the responsibility of Century Management. There were chinch bugs and I saw Vila & Son spraying a week and a half ago.

A resident asked what is being done about pet owners not picking up feces from their dogs?

Mr. Berube stated that is an ongoing issue.

The Resident asked are you sending letters to owners and renters? How do you get a letter to a renter?

Mr. Berube stated we send a letter to the house. Those letters do not come from this Board, they come from the HOA. When a letter is sent, it goes to the renter and owner of the property.

A resident stated the baseball fields were built in front of my house. Who is in charge of that?

Mr. Tome stated the developer is managing that, not the CDD. The actual field itself is being maintained by the developer, but was installed on the school grounds to be used by the school.

The resident stated there are some high school kids using that field and I am concerned about balls breaking my windows.

Mr. Tome stated the closest house is far enough away that they will not ever hit a ball that far.

EIGHTH ORDER OF BUSINESS Adjournment

The meeting adjourned at 7:20 p.m.

Gary L. Moyer, Secretary

Robert D. Evans, Chairman

Third Order of Business

3A



LUKE BROTHERS INC.
LANDSCAPE SERVICES

September 21, 2010

Harmony Community Development District
Attention: Mr. Gary Moyer, District Manager
610 Sycamore Street, Suite 140
Celebration, FL 34747

RE: 2011 Landscape Maintenance Program Pricing

Dear Mr. Moyer:

Thank you for taking the time to speak with me regarding a proposed pricing option for the 2011 landscape maintenance program for *Harmony CDD*. We appreciate the trust that you, the District Board of Supervisors and the staff team have shown in our firm over the past year, and we are very thankful for the class and professionalism that has been consistently illustrated toward our employees. We value our relationship with *Harmony CDD*, and we look forward to a successful and improved 2011 landscape maintenance program.

The following will outline the items that we propose:

- 1) **Luke Brothers will retain the existing pricing structure for the program and will waive the right for an annual 3% cost-of-living increase for 2011 fiscal year.**
- 2) **Luke Brothers will guarantee the continuance of the 2010 rate through the 2012 fiscal year in exchange for a contract extension with a (60) day termination clause.**
- 3) **Luke Brothers will cease the function of garbage can dumping and liner replacement in the community as a fair exchange for waiving our cost-of-living increase.**

Should you have any additional questions regarding our proposal for 2011, please do not hesitate to contact me at (727) 919-3915 or at petel@lukebrothers.com. Thank you for the opportunity to serve the District and to provide this proposal for the consideration of the Board.

Respectfully,

Pete Lucadano, MBA, CLP
President

Luke Brothers Landscape Services



LUKE BROTHERS INC.
LANDSCAPE SERVICES

OAK TREE STRUCTURAL PRUNING PROPOSAL:

HARMONY
COMMUNITY DEVELOPMENT DISTRICT

To: Mr. Gary Moyer, District Manager – *Severn Trent Services*

From: Pete Lucadano, President & Certified Arborist – *Luke Brothers Landscape Services*

Date: September 21, 2010

PROJECT RATIONALE

To provide effective seasonal pruning of the street-theme oak trees on the property so as to enhance the appearance of the landscape while encouraging proper branching structure of the trees.

PROJECT SCOPE

The following program will be performed under the direction of a Certified Arborist:

- 1) **Crown cleaning of all street-theme oak trees to remove dead, diseased and damaged limbs.**
- 2) **Crown thinning of all street-theme oak trees to remove all crossing and rubbing limbs so as to establish proper air flow, light flow and branching habit.**
- 3) **Specialized structural pruning of oak trees so as to “balance” canopies that were partially destroyed due to mentioned die-back conditions.**
- 4) **Debris removal, hauling and dumping fees.**
- 5) **The project will be performed in October of 2010.**

OAK TREE STRUCTURAL PRUNING PROGRAM:	\$15,000.00
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Proposal Accepted By

_____/_____
Date

Thank you for the opportunity to submit this proposal. Should you approve of this proposal, please sign and fax the proposal to (727) 937-6458 or e-mail the proposal to petel@lukebrothers.com.

By signing this proposal, I hereby agree to pay all statements and/or invoices within thirty (30) days of receipt and interest on any statements and/or invoices not paid within such period at the rate of 1 ½ percent (1 ½ %) per month until paid in full and I further agree to be responsible for any and all costs and fees, including but not limited to attorneys' fees and court costs incurred by Luke Brothers, Inc. in collecting any amounts due and owing under this contract.

3C

Fourth Order of Business

4A

**Harmony
Community Development District**

Financial Statements

August 31, 2010

**HARMONY CDD
BALANCE SHEET
AUGUST 31, 2010**

	GENERAL	2001 DEBT SERVICE	2004 DEBT SERVICE	2004 CAPITAL PROJECTS	TOTALS
ASSETS	\$	\$	\$	\$	\$
CASH	66,526	-	-	-	66,526
CASH ON HAND	500	-	-	-	500
ASSESSMENTS RECEIVABLE, NET	163,827	36,418	-	-	200,245
DUE FROM OTHER FUNDS	8,299	9,811	-	-	18,110
INTEREST/DIVIDENDS RECEIVABLE	658	-	-	-	658
INVESTMENTS:					
CERTIFICATE OF DEPOSIT - 450 DAYS	125,000	-	-	-	125,000
MONEY MARKET ACCOUNT	376,665	-	-	-	376,665
CONSTRUCTION FUND	-	-	-	86,223	86,223
PREPAYMENT ACCOUNT	-	2,329	3,229	-	5,558
RESERVE FUND	-	1,430,739	861,350	-	2,292,089
REVENUE FUND	-	282,600	207,859	-	490,459
PREPAID ITEMS	781	-	-	-	781
TOTAL ASSETS	<u>\$ 742,256</u>	<u>\$ 1,761,897</u>	<u>\$ 1,072,438</u>	<u>\$ 86,223</u>	<u>\$ 3,662,814</u>
LIABILITIES & FUND BALANCES					
LIABILITIES	\$	\$	\$	\$	\$
ACCOUNTS PAYABLE	20,669	-	-	-	20,669
ACCRUED EXPENSES	82,304	-	-	-	82,304
DUE TO OTHER FUNDS	-	-	-	18,110	18,110
DEPOSITS	700	-	-	-	700
DEFERRED REVENUE	11,433	36,418	-	-	47,851
TOTAL LIABILITIES	<u>115,106</u>	<u>36,418</u>	<u>-</u>	<u>18,110</u>	<u>169,634</u>
FUND BALANCES					
RESERVED FOR DEBT SERVICE	-	1,725,480	1,072,438	-	2,797,918
RESERVED FOR CAPITAL PROJECTS	-	-	-	68,113	68,113
UNRESERVED/UNDESIGNATED	627,150	-	-	-	627,150
TOTAL FUND BALANCES	<u>627,150</u>	<u>1,725,480</u>	<u>1,072,438</u>	<u>68,113</u>	<u>3,493,181</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 742,256</u>	<u>\$ 1,761,898</u>	<u>\$ 1,072,438</u>	<u>\$ 86,223</u>	<u>\$ 3,662,815</u>

NOTE: MINOR DIFFERENCES IN STATEMENT TOTALS
ARE A DIRECT RESULT OF ROUNDING TO WHOLE DOLLARS.

HARMONY CDD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2010

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	500	457	3,156	2,700
INTEREST - TAX COLLECTOR	-	-	200	200
SPECIAL ASSMNTS- TAX COLLECTOR	622,750	622,750	621,490	(1,260)
SPECIAL ASSMNTS- CDD COLLECTED	914,364	838,167	838,167	0
SPECIAL ASSMNTS- DELINQUENT	-	-	4,785	4,785
SPECIAL ASSMNTS- DISCOUNTS	(24,911)	(24,911)	(9,437)	15,474
TOTAL REVENUE	1,512,703	1,436,462	1,458,361	21,899
EXPENDITURES				
ADMINISTRATIVE				
P/R-BOARD OF SUPERVISORS	9,600	8,800	8,000	800
FICA TAXES	734	673	612	61
WORKERS' COMPENSATION	2,000	1,833	-	1,833
PROFSERV-ARBITRAGE REBATE	3,000	3,000	-	3,000
PROFSERV-DISSEMINATION AGENT	500	500	500	-
PROFSERV-ENGINEERING	18,000	16,500	17,770	(1,270)
PROFSERV-LEGAL SERVICES	24,000	22,000	17,323	4,677
PROFSERV-MGMT CONSULTING SERV	52,516	48,140	48,140	(0)
PROFSERV-SPECIAL ASSESSMENT	11,089	11,089	11,089	-
PROFSERV-TRUSTEE	11,000	11,000	9,186	1,814
AUDITING SERVICES	15,500	15,500	8,000	7,500
COMMUNICATION - TELEPHONE	175	161	311	(150)
POSTAGE AND FREIGHT	2,000	1,833	693	1,140
INSURANCE - GENERAL LIABILITY	19,500	19,500	18,274	1,226
PRINTING AND BINDING	7,000	6,417	3,440	2,977
LEGAL ADVERTISING	2,500	2,291	940	1,351
MISC-ASSESSMNT COLLECTION COST	12,456	12,456	13,116	(660)
MISC-CONTINGENCY	1,000	917	276	641
OFFICE SUPPLIES	1,000	917	656	261
ANNUAL DISTRICT FILING FEE	175	175	175	-
CAPITAL OUTLAY	750	688	-	688
TOTAL ADMINISTRATIVE	194,495	184,389	158,501	25,888
OPERATIONS AND MAINTENANCE				
FIELD				
PAYROLL-SALARIED	4,800	4,400	3,761	639
FICA TAXES	3,725	3,415	-	3,415
PROFSERV-FIELD MANAGEMENT	43,896	40,238	40,238	-
TOTAL FIELD	52,421	48,053	43,999	4,054
LANDSCAPE				
UTILITY - REFUSE REMQVAL	32,576	29,861	31,973	(2,112)
R&M-GROUNDS	32,994	30,245	26,985	3,260
R&M-IRRIGATION	37,500	34,375	30,723	3,652
R&M-TREE TRIMMING SERVICES	15,000	13,750	6,000	7,750
R&M-TREES AND TRIMMING	21,115	19,356	18,659	697
R&M-TURF CARE	283,001	259,417	246,679	12,738
R&M-SHRUB CARE	110,539	101,328	92,752	8,576
MISCELLANEOUS SERVICES	10,000	9,163	600	8,563
TOTAL LANDSCAPE	542,725	497,494	454,371	43,123

NOTE: MINOR DIFFERENCES IN STATEMENT TOTALS ARE
A DIRECT RESULT OF ROUNDING TO WHOLE DOLLARS.

HARMONY CDD
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2010

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
UTILITY				
ELECTRICITY - GENERAL	40,000	36,663	30,649	6,014
ELECTRICITY - STREETLIGHTING	385,220	353,118	344,629	8,489
UTILITY - WATER & SEWER	90,000	82,500	86,499	(3,999)
TOTAL UTILITY	515,220	472,281	461,777	10,504
OPERATION & MAINTENANCE				
CONTRACTS-LAKE AND WETLAND	33,250	30,479	20,105	10,374
COMMUNICATION - TELEPHONE	2,500	2,291	3,017	(726)
R&M-COMMON AREA	10,500	9,625	2,712	6,913
R&M-EQUIPMENT	21,000	19,250	8,470	10,780
R&M-POOLS	45,213	41,445	52,745	(11,300)
R&M-ROADS & ALLEYWAYS	5,000	4,583	2,900	1,683
R&M-SIDEWALKS	9,000	8,250	25	8,225
R&M-PARKS & AMENITIES	10,600	9,716	1,619	8,097
R&M-HARDSCAPE CLEANING	10,000	9,167	6,180	2,987
MISC-CONTINGENCY	20,000	18,337	-	18,337
TOTAL OPERATION & MAINTENANCE	167,063	153,143	97,773	55,370
TOTAL EXPENDITURES AND RESERVES	1,471,924	1,355,358	1,216,421	138,937
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND RESERVES	40,779	81,104	241,940	160,836
OTHER FINANCING SOURCES				
RESERVE - SELF INSURANCE	(40,779)	(40,779)	-	40,779
TOTAL OTHER FINANCING SOURCES (USES)	(40,779)	(40,779)	-	40,779
NET CHANGE IN FUND BALANCES	(0)	40,325	241,940	201,615
FUND BALANCE, BEGINNING (OCT 1, 2009)	385,207	-	385,207	385,207
FUND BALANCE, ENDING	\$ 385,207	\$ 40,325	\$ 627,147	\$ 586,822

NOTE: MINOR DIFFERENCES IN STATEMENT TOTALS ARE
A DIRECT RESULT OF ROUNDING TO WHOLE DOLLARS.

HARMONY CDD
2001 DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2010

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	25,000	22,917	632	(22,285)
SPECIAL ASSMNTS- TAX COLLECTOR	1,071,740	1,071,740	1,040,281	(31,459)
SPECIAL ASSMNTS- PREPAYMENT	-	-	7,974	7,974
SPECIAL ASSMNTS- CDD COLLECTED	433,379	255,694	433,309	177,615
SPECIAL ASSMNTS- DELINQUENT	-	-	8,058	8,058
SPECIAL ASSMNTS- DISCOUNTS	(42,869)	(42,869)	(15,807)	27,062
TOTAL REVENUE	<u>1,487,250</u>	<u>1,307,481</u>	<u>1,474,447</u>	<u>166,966</u>
EXPENDITURES				
ADMINISTRATIVE				
MISC-ASSESSMNT COLLECTION COST	21,435	21,435	20,678	757
TOTAL ADMINISTRATIVE	<u>21,435</u>	<u>21,435</u>	<u>20,678</u>	<u>757</u>
DEBT SERVICE				
PRINCIPAL DEBT RETIREMENT	290,000	290,000	285,000	5,000
PRINCIPAL PREPAYMENTS	-	-	20,000	(20,000)
INTEREST EXPENSE	1,144,775	1,144,775	1,144,413	362
TOTAL DEBT SERVICE	<u>1,434,775</u>	<u>1,434,775</u>	<u>1,449,413</u>	<u>(14,638)</u>
TOTAL EXPENDITURES AND RESERVES	<u>1,456,210</u>	<u>1,456,210</u>	<u>1,470,091</u>	<u>(13,881)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND RESERVES	<u>31,040</u>	<u>(148,729)</u>	<u>4,356</u>	<u>153,085</u>
NET CHANGE IN FUND BALANCES	<u>31,040</u>	<u>(148,729)</u>	<u>4,356</u>	<u>153,085</u>
FUND BALANCE, BEGINNING (OCT 1, 2009)	<u>1,721,124</u>	<u>-</u>	<u>1,721,124</u>	<u>1,721,124</u>
FUND BALANCE, ENDING	<u>\$ 1,752,164</u>	<u>\$ (148,729)</u>	<u>\$ 1,725,480</u>	<u>\$ 1,874,209</u>

NOTE: MINOR DIFFERENCES IN STATEMENT TOTALS ARE
A DIRECT RESULT OF ROUNDING TO WHOLE DOLLARS.

HARMONY CDD
2004 DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2010

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	20,000	18,337	566	(17,771)
SPECIAL ASSMNTS- CDD COLLECTED	<u>1,201,223</u>	<u>708,722</u>	<u>846,366</u>	<u>137,644</u>
TOTAL REVENUE	<u>1,221,223</u>	<u>727,059</u>	<u>846,932</u>	<u>119,873</u>
DEBT SERVICE				
PRINCIPAL DEBT RETIREMENT	210,000	210,000	210,000	-
INTEREST EXPENSE	<u>1,014,863</u>	<u>1,014,863</u>	<u>1,014,863</u>	<u>(1)</u>
TOTAL DEBT SERVICE	<u>1,224,863</u>	<u>1,224,863</u>	<u>1,224,863</u>	<u>(1)</u>
TOTAL EXPENDITURES AND RESERVES	<u>1,224,863</u>	<u>1,224,863</u>	<u>1,224,863</u>	<u>(1)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND RESERVES	<u>(3,639)</u>	<u>(497,804)</u>	<u>(377,931)</u>	<u>119,873</u>
NET CHANGE IN FUND BALANCES	<u>(3,639)</u>	<u>(497,804)</u>	<u>(377,931)</u>	<u>119,873</u>
FUND BALANCE, BEGINNING (OCT 1, 2009)	<u>1,450,369</u>	<u>-</u>	<u>1,450,369</u>	<u>1,450,369</u>
FUND BALANCE, ENDING	<u>\$ 1,446,730</u>	<u>\$ (497,804)</u>	<u>\$ 1,072,438</u>	<u>\$ 1,570,242</u>

NOTE: MINOR DIFFERENCES IN STATEMENT TOTALS ARE
A DIRECT RESULT OF ROUNDING TO WHOLE DOLLARS.

HARMONY CDD
2004 CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDING AUGUST 31, 2010

	ANNUAL ADOPTED BUDGET	YEAR TO DATE BUDGET	YEAR TO DATE ACTUAL	YTD BUDGET VS. ACTUAL VARIANCE FAVORABLE (UNFAVORABLE)
	\$	\$	\$	\$
REVENUE				
INTEREST - INVESTMENTS	-	-	94	94
TOTAL REVENUE	-	-	94	94
CONSTRUCTION IN PROGRESS				
CONSTRUCTION IN PROGRESS A	-	-	141,952	(141,952)
TOTAL CONSTRUCTION IN PROGRESS	-	-	141,952	(141,952)
TOTAL EXPENDITURES AND RESERVES	-	-	141,952	(141,952)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES AND RESERVES	-	-	(141,858)	(141,858)
NET CHANGE IN FUND BALANCES	-	-	(141,858)	(141,858)
FUND BALANCE, BEGINNING (OCT 1, 2009)	-	-	209,970	209,970
FUND BALANCE, ENDING	\$ -	\$ -	\$ 68,112	\$ 68,112

**Harmony
Community Development District**

Notes to the Financial Statements

August 31, 2010

GENERAL FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS	See Cash and Investment Report for details		
ASSESSMENTS RECEIVABLE, NET	Delinquent assessments from FY2006 will be added to assessment roll	\$	11,433
	Birchwood O&M assessment invoice for July 2010		76,197
	Birchwood O&M assessment invoice for August 2010		76,197
		Total	<u>\$ 163,827</u>
DUE TO/FROM OTHER FUNDS	Due from Capital Project Series 2004	\$	18,110
	Delinquent 2009 Assessments collected, transferred to Debt Service in September	\$	(9,811)
		Total	<u>\$ 8,299</u>
INTEREST/DIVIDENDS RECEIVABLE	Accrued interest from Certificates of Deposit	\$	658
PREPAID ITEMS	US Bank Trustee Fee- Series 2004 (10/1 -11/30 2010) -2 months	\$	781

LIABILITIES

ACCOUNTS PAYABLE			
	Severn Trent Management Services		8,725
	Advance Marine		2,616
	Woolpert Inc		2,763
	Grainger		1,597
	JP Orlando		1,471
	Bio-Tech Consulting Inc.		1,530
	Robert's Pool Repair		1,475
	Various invoices paid in August		493
		Total	<u>\$ 20,670</u>
ACCRUED EXPENSES			
	Luke Brothers - Landscaping Services for June	\$	41,143
	Kissimmee Utility Authority - Water & Sewer from 9/9/07 - 10/8/2010		3,301
	City of St. Cloud - Electricity General from 9/17 - 10/15/2010		31,330
	City of St. Cloud - Electricity Streetlight from 9/17 - 10/15/2010		5,000
	Bio-Tech Consulting - Contracts Lake and Wetland for August		1,530
		Total	<u>\$ 82,304</u>
DEPOSITS	Deposits for Pool Keys	\$	700
DEFERRED REVENUE	Delinquent assessments from FY2006	\$	11,433

Harmony Community Development District

Notes to the Financial Statements

August 31, 2010

GENERAL FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS	Interest earned on operating and investment accounts	
INTEREST- TAX COLLECTOR	Interest earned on assessments collected by Osceola Tax Collector between the period of collection and distribution to the District. Paid quarterly.	
SPECIAL ASSMNTS - TAX COLLECTOR	Non-Ad Valorem assessment collected by the Tax Collector on all the platted parcels.	
SPECIAL ASSMNTS - CDD COLLECTED	Non-Ad Valorem assessments collected by the District on all the un-platted parcels.	
SPECIAL ASSMNTS - DELINQUENT	Non-Ad Valorem delinquent assessments from FY2009, collected by the Tax Collector.	
SPECIAL ASSMNTS - DISCOUNTS	Discounts on Non-Ad Valorem assessments collected by tax collector.	

EXPENDITURES

ADMINISTRATIVE

PROFSERV-ENGINEERING	Woolpert Inc. - Services as of July 2010	
PROFSERV-LEGAL SERVICES	Young van Assenderp, P.A. services as of July 2010	
PROFSERV-TRUSTEE	US Bank annual fees plus expenses for Series 2001 and Series 2004	
INSURANCE - GENERAL LIABILITY	Public Risk Agency - Paid in Full for FY 2010 - General Insurance Policy	
MISC-ASSESSMNT COLLECTION COST	Invoice from the Osceola Board of County Commissioners for reimbursement of administrative costs	\$ 779
	Administrative and collection costs from Osceola County Tax Collector	<u>12,337</u>
		Total \$ <u>13,116</u>

FIELD

PAYROLL-SALARIED	Salary and benefits for full-time field manager/dockmaster
	Extra hours were necessary during the holiday season
FICA TAXES	Expenditures are included in salaried payroll

LANDSCAPE

UTILITY - REFUSE REMOVAL	Luke Bros monthly fee for trash removal and litter control within District	\$ 27,073
	Beyer's Welding Inc.- March invoice for repairing 28 trash cans	<u>4,900</u>
		Total \$ <u>31,973</u>
R&M-GROUNDS	Luke Bros monthly fee to maintain ground cover and plant annuals within District	
R&M-IRRIGATION	Luke Bros monthly fee for irrigation, maintenance. Walker Tech. monthly fee for Maxi-com. Received Weather Station reimbursement from Golf Club - \$1,540 in July	
R&M-TREES TRIMMING SERVICE	Luke Bros monthly fee for pruning and maintenance for trees over 10 feet	
R&M-TREES AND TRIMMING	A Cut Above Tree & Landscape - Arborist Tree Service	
R&M-TURF CARE	Luke Bros monthly fee for mowing, edging and maintenance of turf within District	
	Luke Bros monthly fee for weed removal on Schoolhouse Rd. and Park near Primrose Rd.	
R&M-SHRUB CARE	Luke Bros monthly fee for pruning, mulching and maintaining shrubs within District	
MISCELLANEOUS SERVICES	Luke Bros monthly fee for relocating trees from US 192	

Harmony Community Development District

Notes to the Financial Statements

August 31, 2010

UTILITY

ELECTRICITY - GENERAL	City of St. Cloud - services through August
ELECTRICITY - STREET LIGHTING	City of St. Cloud - services through August
UTILITY - WATER & SEWER	KUA - services through August

OPERATION & MAINTENANCE

CONTRACTS-LAKE AND WETLAND	Bio-Tech Consulting monthly fees of \$1,530 and pond plantings \$3,274
COMMUNICATION - TELEPHONE	AT&T paid through June and Century Link paid through August 2010
R&M-COMMON AREA (DISTRICT FACILITIES)	District facility's expenditures; services to repair Time Clock, Flag Pole and gate

R&M-EQUIPMENT	Supplies and parts for boat /dock from NAPA Auto Parts.	\$ 2,583
	Advanced Marine Services	2,805
	Advanced Marine Services - E Drive Motor	2,616
	Home Depot	<u>465</u>
	Total	<u>\$ 8,470</u>

R&M-POOLS	Jan Pro \$735.39 through Sept. and Robert's Pool Service \$1,180 monthly service	\$23,159
	A-1 Home Inspection Service - Pest Control monthly fee - \$75	300
	Roberts Pool Service & Repair -replaced motor/seal at kiddie pool, replace grids	1,758
	Spies Pool LLC - Pool supplies	7,955
	Symbiont Service Corp - Thermal Pool Heat/ Cool Unit Repair	16,287
	Osceola County Health Department	1,050
	Grainger- Valve Rebuild Kit	1,597
	Various Invoices through August 2010	<u>639</u>
	Total	<u>\$ 52,745</u>

R&M-ROADS & ALLEYWAYS	Florida Site & Seed- Alley radius repair - \$2,900
R&M-SIDEWALKS	Supplies for sidewalk repair
R&M-PARKS & AMENITIES	Grainer - Water cooler and dog park supplies
R&M-HARDSCAPE CLEANING	Chapco Fence LLC. - fence installation, Buck Lake Park
MISC-CONTINGENCY	Ledesma Innovations Inc. - Invoice for pressure-washing and painting Swim Club
	No invoices as of August 2010

**Harmony
Community Development District**

Notes to the Financial Statements

August 31, 2010

SERIES 2001 DEBT SERVICE FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS	See Cash and Investment Report for details		
ASSESSMENTS RECEIVABLES, NET	Delinquent assessments from FY2006	\$	36,418
DUE FROM OTHER FUNDS	Delinquent 2009 Assessments collected, transferred to Debt Service in September	\$	9,811

LIABILITIES

DEFERRED REVENUE	Delinquent assessments from FY2009	\$	36,418
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SERIES 2001 DEBT SERVICE FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS	Interest earned on investments
SPECIAL ASSMNTS - TAX COLLECTOR	Non-Ad Valorem assessment collected by the Tax Collector on all the platted parcels
SPECIAL ASSMNTS - PREPAYMENT	Received prepayment for Debt Service Prepayments
SPECIAL ASSMNTS - CDD COLLECTED	Non-Ad Valorem assessments collected by the District on all the un-platted parcels.
SPECIAL ASSMNTS - DISCOUNTS	Discounts on Non-Ad Valorem assessments collected by tax collector

EXPENDITURES

ADMINISTRATIVE

MISC-ASSESSMNT COLLECTION COST	Administrative and collection costs from Osceola County Tax Collector
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DEBT SERVICE

INTEREST EXPENSE	Due to principal prepayment, interest is lowered than budgeted.
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**Harmony
Community Development District**

Notes to the Financial Statements

August 31, 2010

SERIES 2004 DEBT SERVICE FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS

See Cash and Investment Report for details

SERIES 2004 DEBT SERVICE FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS

Interest earned on investments

SPECIAL ASSMNTS - CDD COLLECTED

Non-Ad Valorem assessments collected by the District on all the un-platted parcels.

SERIES 2004 CAPITAL PROJECTS FUND - BALANCE SHEET

ASSETS

CASH AND INVESTMENTS

See Cash and Investment Report for details

LIABILITIES

DUE TO OTHER FUNDS

Due to General Fund

SERIES 2004 CAPITAL PROJECT FUND - REVENUES AND EXPENDITURES

REVENUES

INTEREST- INVESTMENTS

CONSTRUCTION IN PROGRESS

CONSTRUCTION IN PROGRESS

Harmony

Community Development District

Cash and Investment Report August 31, 2010

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	Interest Bearing Account	n/a	0.25%	\$66,526
Cash On Hand		Petty Cash	n/a	0.00%	500
Money Market Account	CenterState	MMA	n/a	1.00%	276,374
Money Market Account	Florida Shores Bank	MMA	n/a	1.45%	100,291
Certificate of Deposit	CenterState	15 month CD	6/15/2011	1.75%	125,000
				Subtotal	\$568,691

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 2001 Revenue Fund	US Bank	US Bank Fixed Commercial Paper	10/13/2010	0.43%	\$200,000
Series 2001 Revenue Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$82,600
				Subtotal	\$282,600
Series 2001 Prepayment Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	2,329
Series 2001 Reserve Fund	US Bank	US Treasury Bills	9/23/2010	0.16%	\$714,388
Series 2001 Reserve Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$716,351
				Subtotal	\$1,430,739
Series 2004 Revenue Fund	US Bank	US Bank Fixed Commercial Paper	10/13/2010	0.32%	\$200,000
Series 2004 Revenue Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$7,859
				Subtotal	\$207,859
Series 2004 Prepayment Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$3,229
Series 2004 Reserve Fund	US Bank	US Treasury Bills	9/23/2010	0.16%	\$430,631
Series 2004 Reserve Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$70,348
Series 2004 Reserve Fund	US Bank	Corporate Bonds and Notes **	Variable	Variable **	\$360,371
				Subtotal	\$861,350
Series 2004 Construction Fund	US Bank	US Bank Open-Ended Commercial Paper	n/a	0.15%	\$86,223
				Total	\$3,443,020

** Yield range from .31% - .45% - Detailed list available upon request.

Harmony
COMMUNITY DEVELOPMENT DISTRICT
ASSESSMENT COLLECTIONS SCHEDULE - OSCEOLA COUNTY TAX COLLECTOR
FISCAL YEAR ENDING SEPTEMBER 30, 2010

Date Received	Net Amount Received	Discount / (Penalty) Amount	Collection Costs	Gross Amount	General Fund Gross Assessments	Series 2001 Debt Service Gross Assessments
Assessments Levied				\$ 1,666,513	\$ 622,750	\$ 1,043,763
Allocation %				100%	37%	63%
10/9/09 (1)	\$ -	\$ -	\$ 779	\$ -	\$ -	\$ -
11/18/09	3,282	186	67	3,534	1,321	2,214
11/19/09	36,051	1,533	736	38,320	14,319	24,000
12/3/09 (2)	(1,370)	-	-	(1,370)	-	(1,370)
12/07/09	622,334	26,460	12,701	661,495	247,190	414,305
12/21/09	65,462	2,691	1,336	69,489	25,967	43,522
01/11/10	19,104	603	390	20,096	7,510	12,587
02/05/10	21,603	540	441	22,584	8,439	14,145
03/15/10	4,937	51	101	5,088	1,901	3,187
04/12/10	696,844	27	14,221	711,092	265,724	445,368
05/04/10	15,116	(245)	308	15,180	5,672	9,507
06/03/10	9,861	(293)	201	9,769	3,650	6,118
06/17/10	107,495	(3,195)	2,194	106,494	39,795	66,699
TOTAL	\$ 1,600,719	\$ 28,357	\$ 33,475	\$ 1,661,771	\$ 621,490	\$ 1,040,282
% COLLECTED				99.80%	99.80%	99.80%
TOTAL OUTSTANDING				\$ 4,742	\$ 1,260	\$ 3,482

Note (1) Reimbursement of Administrative cost.
Note (2) Resident - Paid debt service portion twice in error.

Harmony

COMMUNITY DEVELOPMENT DISTRICT

DELINQUENT ASSESSMENT COLLECTIONS SCHEDULE - OSCEOLA COUNTY TAX COLLECTOR

FISCAL YEAR ENDING SEPTEMBER 30, 2009

Date Received	Net Amount Received	Discount / (Penalty) Amount	Collection Costs	Gross Amount	General Fund Gross Assessments	Series 2001 Debt Service Gross Assessments
Delinquent Assessments FY 2009				\$ 12,844	\$ 4,785	\$ 8,058
Allocation %				100%	37%	63%
07/08/10	\$ 15,638	\$ (3,113)	\$ 319	\$ 12,844	\$ 4,785	\$ 8,058
TOTAL	\$ 15,638	\$ (3,113)	\$ 319	\$ 12,844	\$ 4,785	\$ 8,058
% COLLECTED				100.00%	100.00%	100.00%
TOTAL OUTSTANDING				\$ 0	\$ 0	\$ 0

4B

Community Development District

Invoice Approval Report # 125

September 17, 2010

Payee	Invoice Number	A= Approval R= Ratification	Invoice Amount
<u>ADVANCED MARINE SERVICES</u>	49074	A	\$ 2,616.47
		Vendor Total	\$ 2,616.47
<u>AT & T</u>	993377858X08262010	R	\$ 147.88
		Vendor Total	\$ 147.88
<u>BIO-TECH CONSULTING INC</u>	10651	A	\$ 1,530.00
		Vendor Total	\$ 1,530.00
<u>CENTURY LINK</u>	080710-83185	R	\$ 49.05
	082510-11308	R	\$ 43.15
	090410-27636	R	\$ 47.27
	090710-83185	R	\$ 49.05
		Vendor Total	\$ 188.52
<u>CITY OF ST CLOUD</u>	081210	R	\$ 33,616.63
		Vendor Total	\$ 33,616.63
<u>FEDEX</u>	7-185-69574	R	\$ 16.10
	7-216-95611	R	\$ 11.83
		Vendor Total	\$ 27.93
<u>FLORIDA SITE & SEED, INC.</u>	1	R	\$ 2,900.00
		Vendor Total	\$ 2,900.00
<u>GRAINGER</u>	9328701728	A	\$ 676.97
	9333498922	A	\$ 919.80
		Vendor Total	\$ 1,596.77
<u>HOME DEPOT CREDIT SERVICES</u>	4023627	R	\$ 465.15
		Vendor Total	\$ 465.15

Community Development District

Invoice Approval Report # 125

September 17, 2010

Payee	Invoice Number	A= Approval R= Ratification	Invoice Amount
<u>JP ORLANDO LLC</u>	283	A	\$ 735.39
	705	A	\$ 735.39
		Vendor Total	\$ 1,470.78
<u>KISSIMMEE UTILITY AUTHORITY</u>	082510	R	\$ 10,435.65
	090210-74940	R	\$ 199.94
		Vendor Total	\$ 10,635.59
<u>LEDESMA INNOVATIONS INC.</u>	091410	R	\$ 552.00
	090810	R	\$ 3,576.00
		Vendor Total	\$ 4,128.00
<u>MIRACLE RECREATION EQUIP CO.</u>	703106	R	\$ 1,925.28
		Vendor Total	\$ 1,925.28
<u>NAPA AUTO PARTS</u>	551175	A	\$ 733.96
		Vendor Total	\$ 733.96
<u>ORLANDO SENTINEL</u>	911320001	R	\$ 558.00
		Vendor Total	\$ 558.00
<u>ROBERTS POOL SERVICE & REPAIR</u>	081510	A	\$ 1,475.00
		Vendor Total	\$ 1,475.00
<u>SEVERN TRENT ENVIRONMENTAL SER</u>	2048804	A	\$ 8,724.65
		Vendor Total	\$ 8,724.65
<u>TRAVEL COUNTRY OUTDOORS</u>	81410	R	\$ 2,045.90
		Vendor Total	\$ 2,045.90

Community Development District

Invoice Approval Report # 125

September 17, 2010

Payee	Invoice Number	A= Approval R= Ratification	Invoice Amount
<u>WALKER TECHNICAL SERVICES</u>	797	A	\$ 250.00
		Vendor Total	\$ 250.00
<u>WOOLPERT INC.</u>	2010005664	A	\$ 2,762.50
		Vendor Total	\$ 2,762.50
<u>YOUNG VAN ASSENDERP, P.A.</u>	10312	A	\$ 692.23
		Vendor Total	\$ 692.23
			Total \$ 78,491.24

**Harmony
Community Development District**

Check Register

August 1 - August 31, 2010

**Harmony
Community Development District**

**Check Register by Fund
For the Period from 8/1/2010 to 8/31/2010
(Sorted by Check No.)**

Fund No.	Check No.	Check Date	Payee	Invoice No.	Invoice Description	G/L Account Name	G/L Account #	Check Amount
GENERAL FUND - 001								
001	51996	08/02/10	AT & T	993377858X07262010	#993377858 6/19-7/18	Communication - Telephone	541003-53910	\$144.62
001	51997	08/02/10	KISSIMMEE UTILITY AUTHORITY	072710	BILLING PERIOD 6/16-7/19	Utility - Water & Sewer	543021-53903	\$13,173.24
001	51998	08/06/10	CENTURY LINK	072510-11308	#4078911308 7/25-8/24	Communication - Telephone	541003-53910	\$43.15
001	51999	08/11/10	CENTURY LINK	080410-27636	407-892-7636 8/4-9/3	Communication - Telephone	541003-53910	\$47.27
001	52000	08/16/10	CENTURY LINK	080710-83185	#407-498-3185 8/7-9/6	Communication - Telephone	541003-53910	\$49.05
001	52001	08/16/10	CITY OF ST CLOUD	081210	BILLING 7/9-8/10	Electricity - Streetlighting	543013-53903	\$31,329.93
001	52001	08/16/10	CITY OF ST CLOUD	081210	BILLING 7/9-8/10	Electricity - General	543006-53903	\$2,286.70
001	52002	08/16/10	FEDEX	7-185-69574	#1209-1334-4	Postage and Freight	541006-51301	\$16.10
001	52003	08/16/10	HOME DEPOT CREDIT SERVICES	4023627	BOAT/DOCKWATER	R&M-Equipment	546022-53910	\$465.15
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Turf Care	546130-53902	\$7,833.07
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Turf Care	546130-53902	\$9,943.13
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Turf Care	546130-53902	\$2,474.38
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Turf Care	546130-53902	\$2,916.18
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Grounds	546037-53902	\$1,699.50
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Shrub Care	546131-53902	\$8,961.56
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Trees and Trimming	546099-53902	\$1,592.93
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	Utility - Refuse Removal	543020-53902	\$2,548.00
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Irrigation	546041-53902	\$2,375.00
001	52004	08/16/10	LUKE BROTHERS INC.	1007-97875	LAWN MAINTENANCE-JULY	R&M-Grounds	546037-53902	\$800.00
001	52005	08/18/10	HARMONY DEVELOPMENT CO, LLC	071006	LAKESHORE PARK	R&M-Landscape Lakeshore Park	546306-53901	\$186.00
001	52006	08/23/10	FLORIDA SITE & SEED, INC.	1	ALLEY RADIUS REPAIRS- A-1	R&M-Roads & Alleyways	546081-53910	\$2,900.00
001	52007	08/25/10	ORLANDO SENTINEL	911320001	LEGAL AD-MTG 8/26	Legal Advertising	548002-51301	\$558.00
001	52008	08/27/10	ADVANCED MARINE SERVICES	48125	BOAT SUPPLIES	R&M-Equipment	546022-53910	\$232.66
001	52009	08/27/10	BIO-TECH CONSULTING INC	10492	AQUATIC PLANT MAINT-JUNE	Contracts-Lake and Wetland	534021-53910	\$1,530.00
001	52010	08/27/10	GARYS LOCK & SAFE INC.	50965	100 KEYS	R&M-Pools	546074-53901	\$252.50
001	52011	08/27/10	GRAINGER	9316101311	SUPPLIES	R&M-Common Area	546016-53901	\$321.71
001	52012	08/27/10	JP ORLANDO LLC	503	JANITORIAL SVC-AUG	R&M-Pools	546074-53910	\$735.39
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Turf Care	546130-53902	\$7,833.07
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Turf Care	546130-53902	\$9,943.13
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Turf Care	546130-53902	\$2,474.38
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Turf Care	546130-53902	\$2,916.18
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Grounds	546037-53902	\$1,699.50
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Shrub Care	546131-53902	\$8,961.56

Prepared by:

Severn Trent Management Services

**Harmony
Community Development District**

**Check Register by Fund
For the Period from 8/1/2010 to 8/31/2010
(Sorted by Check No.)**

Fund No.	Check No.	Check Date	Payee	Invoice No.	Invoice Description	G/L Account Name	G/L Account #	Check Amount
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Trees and Trimming	546099-53902	\$1,592.93
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	Utility - Refuse Removal	543020-53902	\$2,548.00
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Irrigation	546041-53902	\$2,375.00
001	52013	08/27/10	LUKE BROTHERS INC.	1008-98054	LAWN MAINTENANCE-AUGUST	R&M-Grounds	546037-53902	\$800.00
001	52014	08/27/10	NAPA AUTO PARTS	541533	SUPPLIES	R&M-Equipment	546022-53910	\$39.10
001	52014	08/27/10	NAPA AUTO PARTS	543920	SUPPLIES	R&M-Equipment	546022-53910	\$24.45
001	52014	08/27/10	NAPA AUTO PARTS	543919	SUPPLIES	R&M-Equipment	546022-53910	\$37.86
001	52015	08/27/10	ROBERTS POOL SERVICE & REPAIR	071510	POOL MAINTENANCE-JULY	R&M-Pools	546074-53910	\$1,180.00
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	ProfServ-Mgmt Consulting Serv	531027-51201	\$4,376.33
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	ProfServ-Field Management	531016-53901	\$3,658.00
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Postage and Freight	541006-51301	\$18.69
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Printing and Binding	547001-51301	\$315.60
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Office Supplies	551002-51301	\$67.00
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Communication - Telephone	541003-51301	\$1.83
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Communication - Telephone	541003-51301	\$1.40
001	52016	08/27/10	SEVERN TRENT ENVIRONMENTAL SER	2048142	MGT FEES-JULY 2010	Postage and Freight	541006-51301	\$34.35
001	52017	08/27/10	SPIES POOL LLC	214277	BULK BLEACH	R&M-Pools	546074-53910	\$446.75
001	52017	08/27/10	SPIES POOL LLC	214279	BULK BLEACH	R&M-Pools	546074-53910	\$392.50
001	52017	08/27/10	SPIES POOL LLC	214142	POOL SUPPLIES	R&M-Pools	546074-53910	\$270.60
001	52017	08/27/10	SPIES POOL LLC	214144	POOL SUPPLIES	R&M-Pools	546074-53910	\$382.35
001	52018	08/27/10	WALKER TECHNICAL SERVICES	783	MAXI-COM SYSTEM-AUGUST	R&M-Irrigation	546041-53902	\$250.00
001	52019	08/27/10	WOOLPERT INC.	2010004540	ENG FEES-JUNE	ProfServ-Engineering	531013-51501	\$3,620.00
001	52020	08/27/10	YOUNG VAN ASSENDERP, P.A.	10244	LEGAL FEES-JULY	ProfServ-Legal Services	531023-51401	\$2,543.50
001	52025	08/31/10	AT & T	993377858X08262010	#993377858 7/19-8/18	Communication - Telephone	541003-53910	\$147.88
001	52026	08/31/10	KISSIMMEE UTILITY AUTHORITY	082510	BILLING PERIOD 7/19-8/17	Utility - Water & Sewer	543021-53903	\$10,435.65
001	52021	08/31/10	MARK W. LEMENAGER	PAYROLL	August 31, 2010 Payroll Posting			\$184.70
001	52022	08/31/10	STEVEN P. BERUBE	PAYROLL	August 31, 2010 Payroll Posting			\$184.70
001	52023	08/31/10	ROBERT D. EVANS	PAYROLL	August 31, 2010 Payroll Posting			\$184.70
001	52024	08/31/10	NANCY M. SNYDER	PAYROLL	August 31, 2010 Payroll Posting			\$184.70
							Fund Total	\$165,541.61

Total Checks Paid	\$165,541.61
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4C

HARMONY COMMUNICATION LOG

Date	Description of complaint	Location	Action taken	Work Status	Completed by:	Date	Resident contacted	Name
7/1/2010	complaint against Thomas regarding "attitude"	keeping gate open at pool	new resident was propping the gate open for kids and was jamming the lock	Complete				Winnie Tolentino
7/8/2010	request for crape myrtle, not oak tree replacement tree	7106 Indian Grass	to be replaced in September	pending				Kathy Murdoch
7/8/2010	dog gate not secure, dog escaped/scrap with another dog	small dog park	Todd will get repaired	Complete				Kathy Ball
7/20/2010	hornets stinging kids	playground at Buck Lake		Complete				Carla
7/20/2010	teenage boys playing "football" in pool, very disruptive	Ashley Park Pool, downtown pool	Thomas will check them out	Complete		7/23/2010		Patrick
7/26/2010	irrigation head broken along fence	Catbrier small dog park		Complete				
7/26/2010	fence top rail broken, gate needs to be adjusted	Catbrier small dog park		Complete				
7/26/2010	broken or buried sprinkler heads	behind Schoolhouse & Beargrass		Complete				Pam LeMenager
7/26/2010	hitting a bump hard can damage the stand-up mowers							Pam LeMenager
7/26/2010	dead tree still not replaced	Catbrier & Buttonbush	Todd will discuss at board meeting in July	pending				Karen Russell
7/27/2010	small dog park gate does not close properly, not secure			Complete				Kathy Ball
7/27/2010	irrigation leak--always muddy	small dog park		Complete				Kathy Ball
7/28/2010	broken sprinkler head in small dog park							Dave Lehman
7/28/2010	unhappy with work of landscapers	Five Oaks Drive, etc.						George Schiro
7/30/2010	area of wetness in small dog park--broken pipe??	near fence on north side						Dave/Kerul Kassel
8/6/2010	unhappy with landscapers and CDD							George Schiro
8/16/2010	gate latches are unsafe	large dog park on Catbrier		Complete		8/20/2010		Jim Warren
8/16/2010	large decorative rocks being thrown into pool	Ashley Park Pool						Alando Bracia
8/16/2010	unhappy with landscapers and CDD							George Schiro
8/20/2010	irrigation on every day, incorrect coverage	park at Schoolhouse & Beargrass						Pam LeMenager
8/20/2010	gate installed incorrectly, hanging	small dog park	gates are fixed, working as of 8/16	Complete				Kathy Ball
8/20/2010	poor landscaping (dead shrubs, trees need trimming, etc)	park behind Buttonbush	Todd checking into issues					Kathy Ball
8/24/2010	noise complaint from weed whackers	Bluestem Rd. ball field						Jane Christenson
8/26/2010	CDD trees are dead, sickly, requesting crape myrtles	7106 Indian Grass	to be replaced in September	pending				Kathy Murdoch
8/26/2010	questions about high water usage							Kerul Kassel
8/26/2010	possible leak between small & large dog parks	Primrose Willow	leaks repaired on Catbrier & dog parks	Complete	Luke Bros	8/26/2010		Kerul Kassel
8/26/2010	empty fields not being mown & maintained	6840 Butterfly Dr.						Linda Donnarumeno
8/30/2010	not able to get irrigation working--reclaimed system on?							Bob Bradford
9/2/2010	use of boat felt "disrespected" by Thomas--claimed Thomas purposely pushed his reservation back to the afternoon when Thomas knew it would rain and would have to be cancelled		no one is allowed on the lake when a storm is coming, reminded resident no alcohol allowed on the boat, resident is a habitual offender, on the verge of having boating privileges revoked	Complete			yes	Alan Santa Cruz
9/2/2010	are new plantings CDD approved	Five Oaks & Schoolhouse						Pam LeMenager
9/3/2010	tree branches hanging over bike path	Five Oaks Road						George
9/7/2010	dispute over boat rentals (seems they are not available when the resident wants to use them), Thomas made them pour out their drinks/alcohol in glass containers at the pool or leave		3rd time this year resident has been reminded no glass containers and no alcohol permitted in the pool, habitual offender	Complete			yes	Andy Brinkmoeller
9/7/2010	defecation on pool deck	Ashley Park townhomes	cleaned	Complete				Nicole Burda