

HARMONY TECHNOLOGY PARK METROPOLITAN DISTRICT NO. 2
2019
BUDGET MESSAGE

Attached please find a copy of the adopted 2019 budget for the Harmony Technology Park Metropolitan District No. 2.

The Harmony Technology Park Metropolitan District No. 2 has adopted budgets for three funds, a General Fund to provide for general operating expenditures; a Capital Projects Fund to provide for the estimated infrastructure costs that are to be built for the benefit of the District; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary sources of revenue for the District in 2019 will be property taxes and specific ownership tax. The District intends to impose a 20.000 mill levy on the property within the District for 2019, of which 5.000 mills will be dedicated to the General Fund and the balance of 15.000 mills will be allocated to the Debt Service Fund.

Harmony Technology Park Metropolitan District No. 2
Adopted Budget
General Fund
For the Year ended December 31, 2019

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimated <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ 64,071	\$ 158,737	\$ 145,043	\$ 145,043	\$ 92,209
Revenues:					
Property taxes	122,852	46,911	44,289	46,911	70,983
Specific ownership taxes	11,419	3,518	1,933	3,900	5,324
Interest income	<u>127</u>	<u>15</u>	<u>41</u>	<u>100</u>	<u>100</u>
Total revenues	<u>134,398</u>	<u>50,444</u>	<u>46,263</u>	<u>50,911</u>	<u>76,407</u>
Total funds available	<u>198,469</u>	<u>209,181</u>	<u>191,306</u>	<u>195,954</u>	<u>168,616</u>
Expenditures:					
Accounting / audit	11,953	9,000	4,544	15,000	15,000
Legal	25,834	20,000	22,116	56,000	25,000
Insurance	4,731	4,500	6,297	6,297	6,500
Miscellaneous	1,174	100	46	100	100
Maintenance	-	19,209	-	19,209	20,000
Engineering	6,176	5,000	-	5,000	5,000
Directors fees	1,100	1,000	600	1,200	1,200
Treasurer fees	2,458	938	886	939	1,420
Contingency	-	147,642	-	-	92,169
Emergency reserve (3%)	<u>-</u>	<u>1,792</u>	<u>-</u>	<u>-</u>	<u>2,227</u>
Total expenditures	<u>53,426</u>	<u>209,181</u>	<u>34,489</u>	<u>103,745</u>	<u>168,616</u>
Ending fund balance	<u>\$ 145,043</u>	<u>\$ -</u>	<u>\$ 156,817</u>	<u>\$ 92,209</u>	<u>\$ -</u>
Assessed valuation		<u>9,382,269</u>			<u>14,196,646</u>
Mill Levy		<u>5.000</u>			<u>5.000</u>

Harmony Technology Park Metropolitan District No. 2
Adopted Budget
Capital Projects Fund
For the Year ended December 31, 2019

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimated <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ -	\$ 400,000	\$ 568,571	\$ 568,571	\$ 576,571
Revenues:					
Developer advances	4,056,434	-	-	-	-
Interest income	118	-	4,009	8,000	3,000
Bond proceeds	10,930,000	144,787	-	-	-
Bond proceeds subordinate	-	-	-	-	-
Total revenues	<u>14,986,552</u>	<u>144,787</u>	<u>4,009</u>	<u>8,000</u>	<u>3,000</u>
Total funds available	<u>14,986,552</u>	<u>544,787</u>	<u>572,580</u>	<u>576,571</u>	<u>579,571</u>
Expenditures:					
Issuance costs	451,578	-	-	-	-
Organization costs	73,867	-	-	-	-
Repayment of loan principal	7,250,815	-	-	-	-
Repayment of Loan interest	1,414,029	-	-	-	-
Capital expenditures	3,982,567	544,787	-	-	579,571
Repay developer advances	-	-	-	-	-
Repay developer advances - interest	-	-	-	-	-
Transfer to Debt Service	<u>1,245,125</u>	-	<u>23,698</u>	-	-
Total expenditures	<u>14,417,981</u>	<u>544,787</u>	<u>23,698</u>	<u>-</u>	<u>579,571</u>
Ending fund balance	<u>\$ 568,571</u>	<u>\$ -</u>	<u>\$ 548,882</u>	<u>\$ 576,571</u>	<u>\$ -</u>

Harmony Technology Park Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2019

	Actual <u>2017</u>	Adopted Budget <u>2018</u>	Actual <u>6/30/2018</u>	Estimated <u>2018</u>	Adopted Budget <u>2019</u>
Beginning fund balance	\$ -	\$ 1,130,281	\$ 1,132,539	\$ 1,132,539	\$ 772,335
Revenues:					
Property taxes	-	140,734	132,865	140,734	212,950
Specific ownership taxes	-	7,037	5,799	11,000	10,645
Transfer from Capital Projects Fund	1,245,125	-	23,698	23,698	-
Interest income	<u>258</u>	<u>2,500</u>	<u>3,404</u>	<u>6,000</u>	<u>7,000</u>
Total revenues	<u>1,245,383</u>	<u>150,271</u>	<u>165,766</u>	<u>181,432</u>	<u>230,595</u>
Total funds available	<u>1,245,383</u>	<u>1,280,552</u>	<u>1,298,305</u>	<u>1,313,971</u>	<u>1,002,930</u>
Expenditures:					
Interest expense	112,844	534,526	267,262	534,525	534,525
Bond principal	-	-	-	-	-
Treasurer's fees	-	2,111	2,657	2,111	3,194
Trustee / paying agent fees	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Total expenditures	<u>112,844</u>	<u>541,637</u>	<u>269,919</u>	<u>541,636</u>	<u>542,719</u>
Ending fund balance	<u>\$ 1,132,539</u>	<u>\$ 738,915</u>	<u>\$ 1,028,386</u>	<u>\$ 772,335</u>	<u>\$ 460,211</u>
Assessed valuation		<u>\$ 9,382,269</u>			<u>\$ 14,196,646</u>
Mill Levy		<u>15.000</u>			<u>15.000</u>
Total Mill Levy		<u>20.000</u>			<u>20.000</u>