

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

December 31, 2015

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet
As of 12/31/2015
(In Whole Numbers)

	General Fund	Reserve Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
Assets						
Cash In Bank	515,401	0	0	515,401	0	0
Investments	278,550	0	1,077,220	1,355,770	0	0
Investments - Reserves	0	883,113	0	883,113	0	0
Accounts Receivable	1,054,487	0	1,827,164	2,881,651	0	0
Allowance for Uncollectible Assessments	(462,095)	0	(1,270,944)	(1,733,039)	0	0
Prepaid Expenses	0	0	0	0	0	0
Deposits	21,026	0	0	21,026	0	0
Due From Other Funds	0	127,366	0	127,366	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,275,000
Fixed Assets	0	0	0	0	26,186,517	0
Total Assets	<u>1,407,368</u>	<u>1,010,479</u>	<u>1,633,441</u>	<u>4,051,288</u>	<u>26,186,517</u>	<u>18,275,000</u>
Liabilities						
Accounts Payable	30,171	0	0	30,171	0	0
Accrued Expenses Payable	5,300	0	0	5,300	0	0
Due To Other Funds	127,366	0	0	127,366	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	5,033,247	5,033,247	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,275,000
Total Liabilities	<u>162,837</u>	<u>0</u>	<u>5,033,247</u>	<u>5,196,084</u>	<u>0</u>	<u>18,275,000</u>
Fund Equity And Other Credits						
Beginning Fund Balance	347,484	882,668	(4,094,900)	(2,864,747)	26,186,517	0
Net Change in Fund Balance	897,046	127,811	695,094	1,719,951	0	0
Total Fund Equity And Other Credits	<u>1,244,531</u>	<u>1,010,479</u>	<u>(3,399,806)</u>	<u>(1,144,796)</u>	<u>26,186,517</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>1,407,368</u>	<u>1,010,479</u>	<u>1,633,441</u>	<u>4,051,288</u>	<u>26,186,517</u>	<u>18,275,000</u>

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	44	44	0.00%
Special Assessments					
Tax Roll	1,045,886	1,045,886	1,057,649	11,763	(1.12)%
Off Roll	102,880	102,880	66,011	(36,869)	35.83%
Other Miscellaneous Revenues					
Miscellaneous	0	0	3,133	3,133	0.00%
Total Revenues	<u>1,148,766</u>	<u>1,148,766</u>	<u>1,126,837</u>	<u>(21,929)</u>	<u>1.91%</u>
Expenditures					
Legislative					
Supervisor Fees	13,000	3,250	3,000	250	76.92%
Financial & Administrative					
Administrative Services	8,400	2,100	2,100	0	75.00%
District Management	32,000	8,000	8,000	0	74.99%
District Engineer	10,000	2,500	227	2,273	97.72%
Disclosure Report	6,000	1,500	0	1,500	100.00%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	10,000	6,250	6,250	0	37.49%
Accounting Services	17,000	4,250	4,250	0	75.00%
Auditing Services	4,000	0	0	0	100.00%
Arbitrage Rebate Calculation	650	163	0	163	100.00%
Public Officials Liability	10,000	10,000	3,250	6,750	67.50%
Insurance					
Legal Advertising	750	188	276	(88)	63.25%
Dues, Licenses & Fees	925	925	1,009	(84)	(9.09)%
Website Fees & Maintenance	2,200	550	300	250	86.36%
Legal Counsel					
District Counsel	12,000	3,000	5,270	(2,270)	56.08%
Foreclosure Expenses	25,000	6,250	4,658	1,592	81.36%
Law Enforcement					
Deputy	19,959	4,990	4,290	700	78.50%
Security Operations					
Security System Monitoring & Maintenance	8,000	2,000	1,221	779	84.74%
Electric Utility Services					
Utility Services	50,982	12,746	8,699	4,046	82.93%
Street Lights	68,018	17,005	16,068	937	76.37%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	5,165	1,291	929	363	82.01%
Water-Sewer Combination Services					
Utility Services	5,367	1,342	1,590	(248)	70.37%
Stormwater Control					
Dry Retention Pond Repair	9,000	2,250	0	2,250	100.00%
Other Physical Environment					
General Liability Insurance	5,500	5,500	5,100	400	7.27%
Property Insurance	22,000	22,000	24,759	(2,759)	(12.54)%
Entry & Walls Maintenance	20,000	5,000	0	5,000	100.00%
Landscape Maintenance	97,000	24,250	24,636	(386)	74.60%
Irrigation Repairs	26,200	6,550	7,203	(653)	72.50%
Landscape - Mulch	65,250	16,313	0	16,313	100.00%
Landscape - Annual Color Rotation	2,400	600	878	(278)	63.41%
Landscape Misc.-Fertilizer/Pesticide	41,600	10,400	10,693	(293)	74.29%
Landscape Replacement Plants, Shrubs, Trees	30,000	7,500	1,756	5,744	94.14%
Sod Replacement	6,000	1,500	0	1,500	100.00%
Landscape Maintenance - Inspections	6,000	1,500	1,500	0	75.00%
Holiday Decorations	2,000	500	0	500	100.00%
Miscellaneous Expense	50,000	12,500	0	12,500	100.00%
Road & Street Facilities					
Gate Phone	13,000	3,250	1,449	1,801	88.85%
Gate Facility Maintenance	30,000	7,500	3,854	3,647	87.15%
Sidewalk Repair & Maintenance	7,500	1,875	0	1,875	100.00%
Street Light/Decorative Light Maintenance	18,000	4,500	0	4,500	100.00%
Street Sign Repairs & Replacement	2,500	625	0	625	100.00%
Parks & Recreation					
Management Contract	270,000	67,500	63,217	4,283	76.58%
Facility Maintenance & Repair	38,000	9,500	5,182	4,318	86.36%
Security System Monitoring & Maintenance	1,000	250	339	(89)	66.10%
Telephone, Fax, Internet	7,500	1,875	2,036	(161)	72.85%
Office Supplies	4,000	1,000	329	671	91.76%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Furniture Repair/Replacement-Pool/CH	20,000	5,000	0	5,000	100.00%
Lighting Replacement	2,000	500	0	500	100.00%
Vehicle Maintenance	1,500	375	380	(5)	74.66%
Pool Service Contract - Supplies & Repairs	5,500	1,375	790	585	85.63%
Supply Storage	5,000	1,250	150	1,100	97.00%
Playground Equipment & Maintenance	1,000	250	276	(26)	72.43%
Athletic/Park Court/Field Repairs	1,700	425	0	425	100.00%
Miscellaneous Expense	2,500	625	0	625	100.00%
Fitness Equipment Maintenance & Repairs	15,000	3,750	700	3,050	95.33%
Special Events					
Special Events	3,000	750	178	572	94.06%
Contingency					
Capital Outlay	300,000	75,000	0	75,000	100.00%
Total Expenditures	<u>1,455,366</u>	<u>406,135</u>	<u>226,790</u>	<u>179,345</u>	<u>84.42%</u>
Excess Of Revenues Over (Under) Expenditures	<u>(306,600)</u>	<u>742,631</u>	<u>900,046</u>	<u>157,416</u>	<u>393.55%</u>
Other Financing Sources (Uses)					
Carryforward Fund Balance	306,600	306,600	0	(306,600)	100.00%
SPE Costs	<u>0</u>	<u>0</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>0.00%</u>
Total Other Financing Sources (Uses)	<u>306,600</u>	<u>306,600</u>	<u>(3,000)</u>	<u>(309,600)</u>	<u>100.98%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>1,049,231</u>	<u>897,046</u>	<u>(152,184)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	347,484	347,484	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>1,049,231</u></u>	<u><u>1,244,531</u></u>	<u><u>195,300</u></u>	<u><u>0.00%</u></u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	445	445	0.00%
Special Assessments				
Tax Roll	127,366	127,366	0	0.00%
Total Revenues	127,366	127,811	445	0.35%
Expenditures				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	31,984	0	31,984	100.00%
Total Expenditures	127,366	0	127,366	100.00%
Excess Revenues Over (Under) Expenditures	0	127,811	127,811	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	0	127,811	127,811	0.00%
Fund Balance, Beginning of Period	0	882,668	882,668	0.00%
Fund Balance, End of Period	0	1,010,479	1,010,479	0.00%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	34	34	0.00%
Special Assessments				
Tax Roll	912,767	1,278,141	365,374	40.02%
Off Roll	4,112	0	(4,112)	(100.00)%
Total Revenues	<u>916,879</u>	<u>1,278,175</u>	<u>361,296</u>	<u>39.40%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	21,860	(21,860)	0.00%
Legal Counsel				
Bond Counsel	0	31,660	(31,660)	0.00%
Debt Service				
Interest	641,879	443,706	198,174	30.87%
Principal	275,000	105,000	170,000	61.81%
Other Physical Environment				
General Liability Insurance	0	352	(352)	0.00%
Total Expenditures	<u>916,879</u>	<u>602,578</u>	<u>314,302</u>	<u>34.28%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>675,598</u>	<u>675,598</u>	<u>0.00%</u>
Other Financing Sources (Uses)				
SPE Costs	0	(3,650)	(3,650)	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>671,948</u>	<u>671,948</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(3,423,738)	(3,423,738)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(2,751,790)</u>	<u>(2,751,790)</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2015 Through 12/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	44	44	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Debt Service Prepayments	0	130,526	130,526	0.00%
Total Revenues	<u>4,971</u>	<u>135,541</u>	<u>130,570</u>	<u>2,626.79%</u>
Expenditures				
Legal Counsel				
Bond Counsel	0	594	(594)	0.00%
Debt Service				
Interest	4,971	111,801	(106,831)	(2,149.20)%
Total Expenditures	<u>4,971</u>	<u>112,395</u>	<u>(107,425)</u>	<u>(2,161.15)%</u>
Excess Revenues Over (Under) Expenditures	0	23,146	23,146	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	0	23,146	23,146	0.00%
Fund Balance, Beginning of Period	0	(671,162)	(671,162)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(648,016)</u>	<u>(648,016)</u>	<u>0.00%</u>

Sterling Hill CDD
Investment Summary
December 31, 2015

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>December 31, 2015</u>
State Board of Administration	Local Government Investment Pool	\$ 299
SunTrust	Business Money Market	29,938
The Bank of Tampa	Business Money Market	248,313
	Total General Fund Investments	\$ 278,550
The Bank of Tampa ICS Road Reserve		
Bank of China, New York, NY	Business Money Market	\$ 245,042
EagleBank	Business Money Market	212,957
Western Alliance Bank	Business Money Market	245,041
	Sub Total	703,040
The Bank of Tampa ICS Asset Replacement Reserve		
EagleBank	Business Money Market	32,084
Iberiabank	Business Money Market	147,989
	Sub Total	180,073
	Total Reserve Fund Investments	\$ 883,113
US Bank Series 2003 Reserve A	US Bank Money Market Account Managed	\$ 258,949
US Bank Series 2003 Reserve B	US Bank Money Market Account Managed	1,717
US Bank Series 2003 Prepayment B	US Bank Money Market Account Managed	4
US Bank Series 2003 Revenue	US Bank Money Market Account Managed	776,665
US Bank Series 2003 Prepayment A	US Bank Money Market Account Managed	7,309
US Bank Series 2006 Prepayment B	US Bank Money Market Account Managed	11
US Bank Series 2006 Reserve A	US Bank Money Market Account Managed	93
US Bank Series 2006 Revenue	US Bank Money Market Account Managed	32,472
	Total Debt Service Fund Investments	\$ 1,077,220

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 12/1/2015 Through 12/31/2015

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2011	Hernando County Tax Collector	FY11-12	258,630.98
10/1/2012	Hernando County Tax Collector	FY 12-13	126,699.28
10/1/2013	Hernando County Tax Collector	FY13-14	71,487.09
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
10/1/2014	Hernando County Tax Collector	FY14-15	72,988.65
11/19/2014	Sterling Hills 2, Inc.	655-15-03	5,341.29
10/1/2015	Hernando County Tax Collector	FY15-16	455,340.18
10/1/2015	Sterling Hills 2, Inc.	655-16-02	5,581.41
10/1/2015	Sterling Hills, Inc.	655-16-01	53,140.20
		Total 001 - General Fund	1,054,487.13

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 12/1/2015 Through 12/31/2015

Invoice Date	Customer Name	Invoice Number	Current Balance
3/24/2008	Lennar Homes	SAI0308-6	610.01
10/1/2008	Brown Investment Group	SAI1008-8	44,378.88
10/1/2008	Richard & Jill Bozek	SAI1008-10	693.42
3/19/2009	Brown Investment Group	SAI0309-2	44,378.88
3/19/2009	Pasco Sawgrass Creek, LLC	SAI309-13	27,194.62
10/1/2009	Avatar Properties, Inc.	SAI-SH.A-05.10	3,253.29
10/1/2009	Avatar Properties, Inc.	SAI-SH.A-11.09	3,253.29
10/1/2009	Brown Investment Group	SAI-SH.B-11.09	63,669.57
10/1/2009	Brown Investment Group	SAI-SH.B-5.10	63,669.57
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	876.76
10/1/2009	Pasco Sawgrass Creek, LLC	SAI-SH.PSC-05.10	27,194.62
10/1/2009	Pasco Sawgrass Creek, LLC	SAI-SH.PSC-11.09	27,194.62
10/1/2009	Richard & Jill Bozek	SAI-SH.B-05.10	693.42
10/1/2009	Richard & Jill Bozek	SAI-SH.BR-11.09	693.42
10/1/2010	Brown Investment Group	655-11-03	207,814.30
10/1/2010	Pasco Sawgrass Creek, LLC	655-11-04	88,762.66
10/1/2011	Brown Investment Group	655-12-03	207,814.30
10/1/2011	Hernando County Tax Collector	FY11-12	2,629.34
10/1/2011	Pasco Sawgrass Creek, LLC	655-12-04	88,762.66
10/1/2013	Hernando County Tax Collector	FY13-14	51,193.47
10/1/2014	Hernando County Tax Collector	FY14-15	51,636.86
10/1/2015	Hernando County Tax Collector	FY15-16	343,954.60
10/1/2015	Hernando County Tax Collector	FY15-16 -Del	158,032.03
		Total 200 - Debt Service Fund--Series 2003	1,508,354.59

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 12/1/2015 Through 12/31/2015

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2008	Hernando Developers, LLC/DEVCO	DB1008-1	152,082.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	164,135.04
10/1/2013	Hernando County Tax Collector	FY13-14	318.64
10/1/2014	Hernando County Tax Collector	FY14-15	321.41
10/1/2015	Hernando County Tax Collector	FY15-16	1,952.24
		Total 201 - Debt Service Fund--Series 2006	318,809.33
			<hr/>
Report Balance			2,881,651.05
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Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 12/1/2015 Through 12/31/2015

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	12/14/2015	3700	North & South Clubhouse Carpet Maint 12/15	160.00
AT&T	12/13/2015	ATT 352 684-4763 001 1984 12/15	Amrsham Isl Gate Phones 12/15	60.22
AT&T	12/16/2015	ATT 352 688-5907 001 1987 12/15	Edgmere Gate Phone 12/15	60.22
Chris Croft	12/18/2015	CC 121815	Off Duty Deputy 12/18/15	125.00
DCSI Inc.	12/28/2015	18801	150 Clamshell HID Access Cards 12/15	553.50
Hernando County Sheriff's Office	12/18/2015	HCSO 121815	Vehicle Usage 12/18/15	10.00
Hernando County Sheriff's Office	12/19/2015	HCSO 121915	Vehicle Usage 12/19/15	10.00
Hernando County Sheriff's Office	12/25/2015	HCSO 122515	Vehicle Usage 12/25/15	10.00
Hernando County Sheriff's Office	12/26/2015	HCSO 122615	Vehicle Usage 12/26/15	10.00
Hernando County Utilities	12/23/2015	SS00001-00 12/15	North Clubhouse Water Bill 12/15	357.89
Hernando County Utilities	12/23/2015	SS00013 - 00 12/15	South Clubhouse Water Bill 12/15	125.22
Johnny Lee Jackson III	12/25/2015	JJ 122515	Off Duty Deputy 12/25/15	125.00
LLS Tax Solutions, Inc.	12/8/2015	000848	Arbitrage Rebate Calculation Series 2003A/2003B PE 09/30/15	500.00
Luke Brothers Inc.	12/3/2015	00016153	Monthly Maint & Irrig 12/15	10,266.66
Luke Brothers Inc.	12/9/2015	00016187	Insecticide Application/Poinsettas & Annuals Installed 12/15	2,206.00
Norman E. Burburan	12/19/2015	EB 121915	Off Duty Deputy 12/19/15	125.00
Outsmart Pest Management, Inc.	12/14/2015	12063	North Clubhouse Pest Control Treatment 12/15	45.00
Outsmart Pest Management, Inc.	12/14/2015	12064	South Clubhouse Pest Control Treatment 12/15	45.00
Rizzetta Technology Services, LLC	12/1/2015	0000000798	Website Hosting 12/15	100.00
Stantec Consulting Services Inc	12/11/2015	989607	Engineering Services 12/15	1,027.33
Straley & Robin	12/21/2015	12829	General/ Monthly Legal Services Through 12/15	869.00
Straley & Robin	12/21/2015	12830	Brown Investment Group, LLC/Foreclosure 12/15	2,335.80
Straley & Robin	12/21/2015	12831	Sale of SPE Lots 12/15	1,293.15
William Cooper	12/26/2015	WC 122615	Off Duty Deputy 12/26/15	125.00
Withlacoochee River Electric Cooperative, Inc.	12/22/2015	Electric Summary Billing 12/15	Withlacoochee Electric Summary Billing 12/15	9,626.45
			Total 001 - General Fund	30,171.44
Report Balance				30,171.44

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
December 31, 2015

Balance Sheet

1. Trust statement activity has been recorded through 12/31/15.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. For presentation purposes, the Reserves are shown in a separate fund titled Reserve Fund.
4. Debt Service Obligations - Current, represents scheduled Series 2003 Debt Service payment that were not made November 2010 to November 2015 and scheduled Series 2006 Debt Service payments that were not made May 2010 – November 2015.
5. The District utilized funds from the Debt Service Reserve Fund for the May 2009-May 2010 Series 2006 Bond payments and the November 2012- May 2015 Series 2003 Bond payment.

Statement of Revenue and Expenditures – Debt Service Fund 200, and 201

6. The scheduled Series 2003 and 2006 Debt Service payments that were not made have been accrued, and are reflected in the accompanying Balance Sheet.

Summary A/R Ledger – Payment Terms

7. Payment terms for landowner assessments are (a) defined in the FY15-16 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.