

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

July 31, 2015

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet
As of 7/31/2015
(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	173,810	0	0	173,810	0	0
Investments	283,447	0	1,687,213	1,970,660	0	0
Investments - Reserves	0	882,373	0	882,373	0	0
Accounts Receivable	566,291	0	1,323,662	1,889,953	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
Due From Other Funds	0	0	0	0	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,775,000
Fixed Assets	0	0	0	0	26,186,517	0
Total Assets	<u>561,452</u>	<u>882,373</u>	<u>1,739,931</u>	<u>3,183,757</u>	<u>26,186,517</u>	<u>18,775,000</u>
Liabilities						
Accounts Payable	26,656	0	0	26,656	0	0
Accrued Expenses Payable	10,000	0	0	10,000	0	0
Due To Other Funds	0	0	0	0	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	5,898,584	5,898,584	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,775,000
Total Liabilities	<u>36,656</u>	<u>0</u>	<u>5,898,584</u>	<u>5,935,239</u>	<u>0</u>	<u>18,775,000</u>
Fund Equity And Other Credits						
Beginning Fund Balance	388,310	759,217	(4,053,503)	(2,905,976)	26,186,517	0
Net Change in Fund Balance	136,487	123,157	(105,150)	154,494	0	0
Total Fund Equity And Other Credits	<u>524,797</u>	<u>882,373</u>	<u>(4,158,653)</u>	<u>(2,751,482)</u>	<u>26,186,517</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>561,452</u>	<u>882,373</u>	<u>1,739,931</u>	<u>3,183,757</u>	<u>26,186,517</u>	<u>18,775,000</u>

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	579	579	0.00%
Special Assessments					
Tax Roll	1,128,790	1,128,790	1,157,056	28,266	(2.50)%
Off Roll	102,882	102,882	101,953	(929)	0.90%
Other Miscellaneous Revenues					
Miscellaneous	0	0	22,047	22,047	0.00%
Total Revenues	1,231,672	1,231,672	1,281,635	49,963	(4.06)%
Expenditures					
Legislative					
Supervisor Fees	13,000	10,833	11,000	(167)	15.38%
Financial & Administrative					
Administrative Services	8,400	7,000	7,000	0	16.66%
District Management	32,000	26,667	26,667	0	16.66%
District Engineer	10,000	8,333	8,291	42	17.09%
Disclosure Report	6,000	5,000	2,000	3,000	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	7,500	7,500	0	6.25%
Accounting Services	17,000	14,167	14,167	0	16.66%
Auditing Services	4,000	4,000	4,000	0	0.00%
Arbitrage Rebate Calculation	650	542	650	(108)	0.00%
Public Officials Liability	11,143	11,143	3,250	7,893	70.83%
Insurance					
Legal Advertising	750	625	982	(357)	(30.96)%
Dues, Licenses & Fees	925	925	797	128	13.87%
Legal Counsel					
District Counsel	12,000	10,000	12,301	(2,301)	(2.50)%
Foreclosure Expenses	25,000	20,833	15,722	5,111	37.11%
Law Enforcement					
Deputy	15,000	12,500	12,680	(180)	15.46%
Security Operations					
Security System Monitoring & Maintenance	10,000	8,333	4,778	3,555	52.22%
Electric Utility Services					
Utility Services	50,982	42,485	38,233	4,252	25.00%
Street Lights	68,018	56,682	56,362	320	17.13%
Garbage/Solid Waste Control Services					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	5,165	4,304	4,474	(170)	13.37%
Water-Sewer Combination Services					
Utility Services	5,367	4,473	4,784	(312)	10.85%
Stormwater Control					
Dry Retention Pond Repair	15,000	12,500	0	12,500	100.00%
Other Physical Environment					
General Liability Insurance	7,397	7,397	5,172	2,225	30.07%
Property Insurance	18,330	18,330	21,588	(3,258)	(17.77)%
Entry & Walls Maintenance	10,000	8,333	36,500	(28,167)	(265.00)%
Landscape Maintenance	97,881	81,568	93,583	(12,016)	4.39%
Irrigation Repairs	25,241	21,034	24,269	(3,235)	3.85%
Landscape - Mulch	60,876	50,730	49,588	1,142	18.54%
Landscape - Annual Color Rotation	1,820	1,517	1,040	477	42.85%
Landscape Misc.-Fertilizer/Pesticide	23,839	19,866	13,824	6,042	42.01%
Landscape Replacement Plants, Shrubs, Trees	30,000	25,000	13,151	11,850	56.16%
Sod Replacement	6,000	5,000	2,593	2,407	56.78%
Landscape Mainrenance - Inspections	6,000	5,000	5,000	0	16.66%
Holiday Decorations	5,000	5,000	421	4,579	91.57%
Miscellaneous Expense	5,000	4,167	5,560	(1,394)	(11.20)%
Road & Street Facilities					
Gate Phone	13,000	10,833	10,824	9	16.73%
Gate Facility Maintenance	40,000	33,333	36,503	(3,170)	8.74%
Sidewalk Repair & Maintenance	6,000	5,000	7,662	(2,662)	(27.70)%
Street Light/Decorative Light Maintenance	15,000	12,500	309	12,191	97.93%
Street Sign Repairs & Replacement	500	417	572	(155)	(14.39)%
Parks & Recreation					
Management Contract	257,027	214,189	208,175	6,014	19.00%
Facility Maintenance & Repair	25,000	20,833	41,697	(20,863)	(66.78)%
Security System Monitoring & Maintenance	1,000	833	276	557	72.40%
Telephone, Fax, Internet	7,500	6,250	9,387	(3,137)	(25.16)%
Office Supplies	4,000	3,333	2,274	1,059	43.14%
Furniture Repair/Replacement-Pool/CH	15,000	12,500	0	12,500	100.00%

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Lighting Replacement	1,000	833	3,710	(2,877)	(271.01)%
Vehicle Maintenance	1,000	833	2,885	(2,052)	(188.53)%
Pool Service Contract - Supplies & Repairs	7,500	6,250	4,492	1,758	40.11%
Supply Storage	10,000	8,333	228	8,105	97.72%
Playground Equipment & Maintenance	1,000	833	12	821	98.80%
Athletic/Park Court/Field Repairs	1,000	833	2,782	(1,949)	(178.19)%
Miscellaneous Expense	2,500	2,083	5,990	(3,907)	(139.61)%
Fitness Equipment Maintenance & Repairs	1,000	833	3,169	(2,336)	(216.90)%
Special Events					
Special Events	1,000	833	986	(153)	1.40%
Contingency					
Capital Outlay	158,020	131,683	176,601	(44,918)	(11.75)%
Total Expenditures	<u>1,198,131</u>	<u>1,009,458</u>	<u>1,026,460</u>	<u>(17,002)</u>	<u>14.33%</u>
Excess Of Revenues Over (Under) Expenditures	<u>33,541</u>	<u>222,214</u>	<u>255,175</u>	<u>32,961</u>	<u>(660.78)%</u>
Other Financing Sources (Uses)					
Prior Year Carryforward	91,000	91,000	0	(91,000)	100.00%
Transfer of Asset Repl. Reserve	(29,159)	(29,159)	(29,159)	0	0.00%
Transfer of Road Reserve	(95,382)	(95,382)	(95,382)	0	0.00%
SPE Costs	0	0	(7,100)	(7,100)	0.00%
Reimbursement of Foreclosure Fees	0	0	12,953	12,953	0.00%
Total Other Financing Sources (Uses)	<u>(33,541)</u>	<u>(33,541)</u>	<u>(118,688)</u>	<u>(85,147)</u>	<u>(253.86)%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>188,673</u>	<u>136,487</u>	<u>(52,186)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	388,310	388,310	0.00%
Fund Balance, End of Period	<u>0</u>	<u>188,673</u>	<u>524,797</u>	<u>336,124</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	1,909	1,909	0.00%
Total Revenues	0	1,909	1,909	0.00%
Expenditures				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	29,159	3,293	25,866	88.70%
Total Expenditures	124,541	3,293	121,248	97.36%
Excess Revenues Over (Under) Expenditures	(124,541)	(1,384)	123,157	(98.88)%
Other Financing Sources (Uses)				
Transfer of Asset Repl. Reserve	29,159	29,159	0	0.00%
Transfer of Road Reserve	95,382	95,382	0	0.00%
Total Other Financing Sources (Uses)	124,541	124,541	0	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	0	123,157	123,157	0.00%
Fund Balance, Beginning of Period	0	759,217	759,217	0.00%
Fund Balance, End of Period	0	882,373	882,373	0.00%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	141	141	0.00%
Special Assessments				
Tax Roll	798,578	798,578	0	0.00%
Debt Service Prepayments	0	116,490	116,490	0.00%
Off Roll	119,836	0	(119,836)	(100.00)%
Total Revenues	<u>918,415</u>	<u>915,209</u>	<u>(3,205)</u>	<u>(0.35)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	11,090	(11,090)	0.00%
Legal Counsel				
Bond Counsel	0	4,530	(4,530)	0.00%
Debt Service				
Interest	658,415	888,060	(229,645)	(34.87)%
Principal	260,000	260,000	0	0.00%
Other Physical Environment				
Property Insurance	0	286	(286)	0.00%
SPE				
SPE Costs	0	1,875	(1,875)	0.00%
Total Expenditures	<u>918,415</u>	<u>1,165,841</u>	<u>(247,426)</u>	<u>(26.94)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(250,631)</u>	<u>(250,631)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>(250,631)</u>	<u>(250,631)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(3,166,773)	(3,166,773)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(3,417,404)</u>	<u>(3,417,404)</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2014 Through 7/31/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	64	64	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Debt Service Prepayments	0	436,776	436,776	0.00%
Total Revenues	4,971	441,811	436,840	8,788.26%
Expenditures				
Financial & Administrative				
Trustees Fees	0	3,957	(3,957)	0.00%
Legal Counsel				
Bond Counsel	0	1,576	(1,576)	0.00%
Debt Service				
Interest	4,971	215,796	(210,825)	(4,241.34)%
Principal	0	75,000	(75,000)	0.00%
Total Expenditures	4,971	296,329	(291,358)	(5,861.49)%
Excess Revenues Over (Under) Expenditures	0	145,482	145,482	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	0	145,482	145,482	0.00%
Fund Balance, Beginning of Period	0	(886,730)	(886,730)	0.00%
Fund Balance, End of Period	0	(741,248)	(741,248)	0.00%

**Sterling Hill CDD
Investment Summary
July 31, 2015**

<u>Account</u>	<u>Investment</u>	<u>Balance as of July 31, 2015</u>
State Board of Administration	Local Government Investment Pool	\$ 299
SunTrust	Business Money Market	129,928
The Bank of Tampa	Business Money Market	153,220
	Total General Fund Investments	\$ 283,447
The Bank of Tampa ICS Road Reserve		
BB&T	Business Money Market	\$ 147,248
Bank of China, New York, NY	Business Money Market	245,042
Iberiabank	Business Money Market	65,120
Western Alliance Bank	Business Money Market	245,041
	Sub Total	702,451
The Bank of Tampa ICS Asset Replacement Reserve		
Iberiabank	Business Money Market	179,922
	Sub Total	179,922
	Total Reserve Fund Investments	\$ 882,373
US Bank Series 2003 Reserve A	US Bank Money Market Account Managed	\$ 328,409
US Bank Series 2003 Reserve B	US Bank Money Market Account Managed	5,681
US Bank Series 2003 Prepayment B	US Bank Money Market Account Managed	504,121
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	94
US Bank Series 2006 Revenue	US Bank Money Market Account Managed	841,588
	Total Debt Service Fund Investments	\$ 1,687,213

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 7/1/2015 Through 7/31/2015

<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	73,602.44
11/19/2014	Sterling Hills 2, Inc.	655-15-03	5,341.29
11/20/2014	Sterling Hills, Inc.	655-15-01	25,252.08
		Total 001 - General Fund	566,291.21

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 7/1/2015 Through 7/31/2015

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
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	52,071.10
		Total 200 - Debt Service Fund--Series 2003	1,006,802.20

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 7/1/2015 Through 7/31/2015

<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	324.11
		Total 201 - Debt Service Fund--Series 2006	316,859.79
			<hr/>
Report Balance			1,889,953.20
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Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 7/1/2015 Through 7/31/2015

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	7/20/2015	3583	North & South Clubhouse Vinyl Scrubbing/Carpet Maint 07/15	982.00
Aqua Chill of Tampa	7/20/2015	1246383	Monthly Rental White Cold Room/Tank 08/15	30.00
Aqua Chill of Tampa	7/20/2015	1246384	Monthly Rental White Cold Room/Tank 08/15	30.00
AT&T	6/13/2015	ATT 352 684-4763 001 1984 07/15	Amersham Isl Gate Phones Credit 07/15	(149.90)
AT&T	7/13/2015	ATT 352 684-4763 001 1984 08/15	Amersham Isl Gate Phones 08/15	61.40
AT&T	7/16/2015	ATT 352 688-5907 001 1987 07/15	Edgmere Gate Phone 07/15	61.40
AT&T	7/29/2015	ATT Gate Phone Summ 08/15	Summary Gate Phone 07/29/15 - 08/28/15	390.92
Bayonet Plumbing, Heating & A/C, Inc.	7/28/2015	6308	Install PVC Water Service 07/28/15	1,200.00
Beach Lake Sprinkler Corp	2/17/2015	1342	Test Two Fire Hydrants 02/15	275.00
DCSI Inc.	7/13/2015	17684	Service Call/Cameras & Access System Down 07/15	409.00
DCSI Inc.	7/15/2015	17688	Replace Broken Exit Lever-North Clubhouse 07/15	254.00
DCSI Inc.	7/15/2015	17681	CCTV Gate Warranty 07/15	406.89
DCSI Inc.	7/24/2015	17759	Replace Existing Access Controller 07/15	2,989.00
DCSI Inc.	7/24/2015	17760	Replace Existing Access Controller 07/15	3,549.00
DCSI Inc.	7/27/2015	17782	Monitoring/Cellular Backup - North Clubhouse 07/15	138.00
DCSI Inc.	7/27/2015	17783	Monitoring/Cellular Backup - South Clubhouse 07/15	138.00
Florida Department of Revenue	7/30/2015	37-8015579013-3 07/15	Sales & Use Tax 07/15	259.45
Hernando County Sheriff's Office	7/24/2015	HCSO 072415	Vehicle Usage 07/24/15	10.00
Hernando County Sheriff's Office	7/25/2015	HCSO 072515	Vehicle Usage 07/25/15	10.00
Hernando County Utilities	7/24/2015	SS00001-00 07/15	North Clubhouse Water Bill 07/15	463.24
Hernando County Utilities	7/24/2015	SS00013 - 00 07/15	South Clubhouse Water Bill 07/15	253.22
K Johnson's Lawn and Landscaping Inc.	6/19/2015	13113	Mowing of 102 Lots 06/15	385.56
K Johnson's Lawn and Landscaping Inc.	7/30/2015	13116	Mowing of 102 Lots 07/15	385.56
Outsmart Pest Management, Inc.	7/30/2015	10841	North Clubhouse Pest Control Treatment 07/15	45.00
Outsmart Pest Management, Inc.	7/30/2015	10842	South Clubhouse Pest Control Treatment 07/15	45.00
Straley & Robin	7/25/2015	12353	General/ Monthly Legal Services Through 07/15	2,787.85

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 7/1/2015 Through 7/31/2015

<u>Vendor Name</u>	<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Current Balance</u>
Straley & Robin	7/25/2015	12354	Series 2003 Bond Defaults 07/15	309.00
Tampa Bay Times	7/22/2015	135925	Acct # 107011 Legal Advertising 07/15	72.16
Timothy Istvan	7/24/2015	TI 072415	Off Duty Deputy 07/24/15	125.00
William Cooper	7/25/2015	WC 072515	Off Duty Deputy 07/25/15	125.00
Withlacoochee River Electric Cooperative, Inc.	7/24/2015	Electric Summary Billing 07/15	Withlacoochee Electric Summary Billing 07/15	10,614.82
			Total 001 - General Fund	26,655.57
Report Balance				26,655.57

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

Balance Sheet

1. Trust statement activity has been recorded through 07/31/15.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$882,373 of the General Fund Balance is reserved for future Capital Expenditures as appropriated from the General Fund Budget and is reflected in the Reserve Fund. Current YTD Funding is \$124,541.
4. Debt Service Obligations - Current, represents a scheduled Series 2003 Debt Service payment that was not made May 2015 and scheduled Series 2006 Debt Service payments that were not made May 2010 – May 2015.
5. The District utilized funds from the Debt Service Reserve Fund for the May 2009-May 2010 Series 2006 Bond payments and the Nov 2012 Series 2003 Bond payment.

Summary A/R Ledger

6. Payment terms for landowner assessments are (a) defined in the FY14-15 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.