

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

August 31, 2016

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 8/31/2016

(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	81,666	0	0	81,666	0	0
Investments	276,485	0	651,456	927,941	0	0
Investments - Reserves	0	1,011,822	0	1,011,822	0	0
Accounts Receivable	618,651	0	1,599,067	2,217,718	0	0
Allowance for Uncollectible Assessments	(309,691)	0	(1,321,481)	(1,631,172)	0	0
Prepaid Expenses	27,883	0	0	27,883	0	0
Deposits	30,063	0	0	30,063	0	0
Due From Other Funds	0	0	0	0	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,275,000
Fixed Assets	0	0	0	0	26,204,343	0
Total Assets	725,057	1,011,822	929,042	2,665,921	26,204,343	18,275,000
Liabilities						
Accounts Payable	62,378	0	0	62,378	0	0
Accrued Expenses Payable	2,300	0	0	2,300	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	5,066,083	5,066,083	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,275,000
Total Liabilities	64,678	0	5,066,083	5,130,761	0	18,275,000
Fund Equity And Other Credits						
Beginning Fund Balance	259,927	882,668	(4,147,181)	(3,004,585)	26,204,343	0
Net Change in Fund Balance	400,452	129,153	10,139	539,745	0	0
Total Fund Equity And Other Credits	660,379	1,011,822	(4,137,041)	(2,464,840)	26,204,343	0
Total Liabilities And Fund Equity	725,057	1,011,822	929,042	2,665,921	26,204,343	18,275,000

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 8/31/2016

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	346	346	0.00%
Special Assessments					
Tax Roll	1,045,886	1,045,886	1,422,905	377,019	(36.04)%
Off Roll	102,880	102,880	75,088	(27,792)	27.01%
Other Miscellaneous Revenues					
Miscellaneous	0	0	13,613	13,613	0.00%
RV & Boat Storage Rental	0	0	18,839	18,839	0.00%
Total Revenues	1,148,766	1,148,766	1,530,791	382,025	(33.26)%
Expenditures					
Legislative					
Supervisor Fees	13,000	11,917	10,000	1,917	23.07%
Financial & Administrative					
Administrative Services	8,400	7,700	7,700	0	8.33%
District Management	32,000	29,333	29,333	0	8.33%
District Engineer	10,000	9,167	27	9,139	99.72%
Disclosure Report	6,000	5,500	2,000	3,500	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	10,000	9,583	9,583	0	4.16%
Accounting Services	17,000	15,583	15,583	0	8.33%
Auditing Services	4,000	4,000	4,000	0	0.00%
Arbitrage Rebate Calculation	650	596	350	246	46.15%
Public Officials Liability Insurance	10,000	10,000	3,250	6,750	67.50%
Legal Advertising	750	688	922	(235)	(22.94)%
Dues, Licenses & Fees	925	925	1,648	(723)	(78.14)%
Website Fees & Maintenance	2,200	2,017	1,100	917	50.00%
Legal Counsel					
District Counsel	12,000	11,000	15,220	(4,220)	(26.83)%
Foreclosure Expenses	25,000	22,917	16,105	6,812	35.58%
Law Enforcement					
Deputy	19,959	18,296	13,980	4,316	29.95%
Security Operations					
Security System Monitoring & Maintenance	8,000	7,333	4,476	2,858	44.05%
Electric Utility Services					
Utility Services	50,982	46,734	41,105	5,628	19.37%
Street Lights	68,018	62,350	60,369	1,980	11.24%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 8/31/2016

(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	4,735	3,626	1,108	29.79%
Water-Sewer Combination Services					
Utility Services	5,367	4,920	5,603	(684)	(4.40)%
Stormwater Control					
Dry Retention Pond Repair	9,000	8,250	0	8,250	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	18,333	60,340	(42,006)	(201.69)%
Landscape Maintenance	97,000	88,917	132,491	(43,574)	(36.58)%
Irrigation Repairs	26,200	24,017	13,720	10,296	47.63%
Landscape - Mulch	65,250	59,813	0	59,813	100.00%
Landscape - Annual Color Rotation	2,400	2,200	878	1,322	63.41%
Landscape Misc.-Fertilizer/Pesticide	41,600	38,133	26,633	11,501	35.97%
Landscape Replacement Plants, Shrubs, Trees	30,000	27,500	30,827	(3,327)	(2.75)%
Sod Replacement	6,000	5,500	0	5,500	100.00%
Landscape Maintenance - Inspections	6,000	5,500	5,500	0	8.33%
Holiday Decorations	2,000	1,833	0	1,833	100.00%
Miscellaneous Expense	50,000	45,833	938	44,896	98.12%
Road & Street Facilities					
Gate Phone	13,000	11,917	7,657	4,260	41.10%
Gate Facility Maintenance	30,000	27,500	21,356	6,144	28.81%
Sidewalk Repair & Maintenance	7,500	6,875	14,580	(7,705)	(94.40)%
Street Light/Decorative Light Maintenance	18,000	16,500	267	16,233	98.51%
Street Sign Repairs & Replacement	2,500	2,292	2,023	269	19.09%
Parks & Recreation					
Management Contract	270,000	247,500	231,857	15,643	14.12%
Facility Maintenance & Repair	38,000	34,833	19,851	14,983	47.76%
Security System Monitoring & Maintenance	1,000	917	7,384	(6,467)	(638.37)%
Telephone, Fax, Internet	7,500	6,875	5,963	912	20.49%
Office Supplies	4,000	3,667	5,188	(1,522)	(29.70)%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 8/31/2016

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Furniture Repair/Replacement-Pool/CH	20,000	18,333	2,540	15,793	87.29%
Lighting Replacement	2,000	1,833	4,111	(2,278)	(105.56)%
Vehicle Maintenance	1,500	1,375	3,975	(2,600)	(164.97)%
Pool Service Contract - Supplies & Repairs	5,500	5,042	16,302	(11,260)	(196.39)%
Supply Storage	5,000	4,583	664	3,920	86.72%
Playground Equipment & Maintenance	1,000	917	276	641	72.43%
Athletic/Park Court/Field Repairs	1,700	1,558	13,957	(12,398)	(720.97)%
Miscellaneous Expense	2,500	2,292	7,916	(5,624)	(216.63)%
Fitness Equipment Maintenance & Repairs	15,000	13,750	1,717	12,033	88.55%
Special Events					
Special Events	3,000	2,750	628	2,122	79.06%
Contingency					
Capital Outlay	300,000	275,000	21,970	253,030	92.67%
Total Expenditures	<u>1,455,366</u>	<u>1,339,229</u>	<u>937,346</u>	<u>401,883</u>	<u>35.59%</u>
Excess Of Revenues Over (Under) Expenditures	<u>(306,600)</u>	<u>(190,463)</u>	<u>593,445</u>	<u>783,908</u>	<u>293.55%</u>
Other Financing Sources (Uses)					
Carryforward Fund Balance	306,600	306,600	0	(306,600)	100.00%
O&M Split to Trustee	0	0	(181,854)	(181,854)	0.00%
SPE Costs	0	0	(11,139)	(11,139)	0.00%
Total Other Financing Sources (Uses)	<u>306,600</u>	<u>306,600</u>	<u>(192,993)</u>	<u>(499,593)</u>	<u>162.95%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>116,137</u>	<u>400,452</u>	<u>284,316</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	259,927	259,927	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>116,137</u></u>	<u><u>660,379</u></u>	<u><u>544,243</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 8/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	1,787	1,787	0.00%
Special Assessments				
Tax Roll	127,366	127,366	0	0.00%
Total Revenues	<u>127,366</u>	<u>129,153</u>	<u>1,787</u>	<u>1.40%</u>
Expenditures				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	31,984	0	31,984	100.00%
Total Expenditures	<u>127,366</u>	<u>0</u>	<u>127,366</u>	<u>100.00%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>129,153</u>	<u>129,153</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>129,153</u>	<u>129,153</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	882,668	882,668	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>1,011,822</u></u>	<u><u>1,011,822</u></u>	<u><u>0.00%</u></u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2015 Through 8/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	290	290	0.00%
Special Assessments				
Tax Roll	912,767	1,279,885	367,117	40.22%
Off Roll	4,112	0	(4,112)	(100.00)%
Total Revenues	<u>916,879</u>	<u>1,280,175</u>	<u>363,295</u>	<u>39.62%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	21,860	(21,860)	0.00%
Legal Counsel				
Bond Counsel	0	58,924	(58,924)	0.00%
Debt Service				
Interest	641,879	871,754	(229,874)	(35.81)%
Principal	275,000	380,000	(105,000)	(38.18)%
Total Expenditures	<u>916,879</u>	<u>1,332,538</u>	<u>(415,658)</u>	<u>(45.33)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(52,363)</u>	<u>(52,363)</u>	<u>0.00%</u>
Other Financing Sources (Uses)				
Interfund Transfer	0	62,164	62,164	0.00%
O&M Split to Trustee	0	181,854	181,854	0.00%
SPE Costs	0	(4,002)	(4,002)	0.00%
Total Other Financing Sources (Uses)	<u>0</u>	<u>240,015</u>	<u>240,015</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>187,652</u>	<u>187,652</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(3,476,019)	(3,476,019)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(3,288,367)</u>	<u>(3,288,367)</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 8/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	53	53	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>135,550</u>	<u>130,580</u>	<u>2,626.98%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	8,347	(8,347)	0.00%
Legal Counsel				
Bond Counsel	0	5,017	(5,017)	0.00%
Debt Service				
Interest	4,971	219,699	(214,729)	(4,319.87)%
Principal	0	80,000	(80,000)	0.00%
Total Expenditures	<u>4,971</u>	<u>313,063</u>	<u>(308,093)</u>	<u>(6,198.15)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(177,513)</u>	<u>(177,513)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>(177,513)</u>	<u>(177,513)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(671,162)	(671,162)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(848,675)</u>	<u>(848,675)</u>	<u>0.00%</u>

**Sterling Hill CDD
Investment Summary
August 31, 2016**

<u>Account</u>	<u>Investment</u>	<u>Balance as of August 31, 2016</u>
State Board of Administration	Local Government Investment Pool	\$ 300
SunTrust	Business Money Market	29,946
The Bank of Tampa	Business Money Market	246,239
	Total General Fund Investments	\$ 276,485
The Bank of Tampa ICS Road Reserve		
ConnectOne Bank	Business Money Market	\$ 245,042
The Park National Bank	Business Money Market	245,042
United Bank	Business Money Market	64,359
Western Alliance Bank	Business Money Market	245,041
	Sub Total	799,484
The Bank of Tampa ICS Asset Replacement Reserve		
Mutual of Omaha Bank	Business Money Market	31,655
United Bank	Business Money Market	180,683
	Sub Total	212,338
	Total Reserve Fund Investments	\$ 1,011,822
US Bank Series 2003 Reserve A	US Bank Money Market Account Managed	\$ 232,436
US Bank Series 2003 Reserve B	US Bank Money Market Account Managed	967
US Bank Series 2003 Prepayment B	US Bank Money Market Account Managed	4
US Bank Series 2003 Revenue	US Bank Money Market Account Managed	389,825
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	20,811
	Total Debt Service Fund Investments	\$ 651,456

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 8/1/2016 Through 8/31/2016

<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	321.40
10/1/2015	Hernando County Tax Collector	FY15-16	1,072.87
		Total 201 - Debt Service Fund--Series 2006	317,929.95
			<hr/>
Report Balance			2,217,718.08
			<hr/> <hr/>

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 8/1/2016 Through 8/31/2016

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	8/30/2016	3974	North & South Clbhse Carpet/Tile Cleaning.Finish 08/16	466.00
AT&T	8/13/2016	352 684 2754 001 1987 08/16	Glenburne Gate 08/16	59.78
AT&T	8/13/2016	352 684 4807 001 1985 08/16	Brackenwood Gate 08/16	109.31
AT&T	8/13/2016	352 684-4763 001 1984 08/16	Amrsham Isl Gate Phones 08/16	109.31
AT&T	8/16/2016	ATT 352 688-5907 001 1987 08/16	Edgmere Gate Phone 08/16	109.31
Billiard and Dart Supply LLC	8/22/2016	21517 - Bal Due	Diamond ProAm Pool Table Package-Bal Due	3,500.00
Cassi Harbuck	8/25/2016	CH082516	Board Of Supervisors Meeting 08/25/16	200.00
Christina Miller	8/25/2016	CM082516	Board Of Supervisors Meeting 08/25/16	200.00
Dave Vargas	8/30/2016	DV 082716	Off Duty Deputy 08/27/16	125.00
David Martin	8/30/2016	DM 082616	Off Duty Deputy 08/26/16	125.00
DCSI Inc.	8/29/2016	20341	Program Router & Pool Camera	315.00
DCSI Inc.	8/29/2016	20342	Replace Transmitter & Reset Camera	194.00
Egis Insurance Advisors, LLC	8/23/2016	4809	General/POL Liability Insurance #100116639-FY16/17	27,883.00
Fitness Logic, Inc.	5/24/2016	68008	Fitness Equipment-Bicep Curl Repair	156.50
Fitness Logic, Inc.	8/20/2016	69562	Quarterly General Maintenance 08/16	135.00
Florida Department of Revenue	8/31/2016	37-8015579013-3 08/16	Sales & Use Tax 08/16	188.23
Frances E Krause	8/25/2016	FK082516	Board Of Supervisors Meeting 08/25/16	200.00
Hernando County Sheriff's Office	8/19/2016	HCSO 081916	Vehicle Usage 08/19/16	10.00
Hernando County Sheriff's Office	8/20/2016	HCSO 082016	Vehicle Usage 08/20/16	10.00
Hernando County Sheriff's Office	8/30/2016	HCSO 082616	Vehicle Usage 08/26/16	10.00
Hernando County Sheriff's Office	8/30/2016	HCSO 082716	Vehicle Usage 08/27/16	10.00
Hernando County Utilities	8/24/2016	SS00001-00 08/16	North Clubhouse Water Bill 08/16	222.55
Hernando County Utilities	8/24/2016	SS00013-00 08/16	South Clubhouse Water Bill 08/16	237.33
Johnny Lee Jackson III	8/19/2016	JJ 081916	Off Duty Deputy 08/19/16	125.00
K Johnson's Lawn and Landscaping Inc.	8/20/2016	13809	Mowing of 96 Lots 08/16	362.88
Louis E. Peters	8/25/2016	LP082516	Board Of Supervisors Meeting 08/25/16	200.00
Sandra Manuele	8/25/2016	SM082516	Board Of Supervisors Meeting 08/25/16	200.00
Shore Commercial Services, Inc	8/24/2016	153642	North Clubhs-Patch Pool & Replace Grates	95.00
Shore Commercial Services, Inc	8/24/2016	153644	South Clubhs-Replace Depth Number and Broken Grate	72.00
Southern Automated Access Svcs	8/22/2016	2512	Gate Repair-Remove & Replace Bracket	675.00
Southern Automated Access Svcs	8/22/2016	2514	Gate Repair	85.00
Southern Automated Access Svcs	8/22/2016	2515	Exit Gate Stuck Open-Circuit Board Malfunction	127.50
Straley Robin Vericker	8/22/2016	13552	General/ Monthly Legal Services Thru 08/15/16	1,570.00

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 8/1/2016 Through 8/31/2016

<u>Vendor Name</u>	<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Current Balance</u>
Straley Robin Vericker	8/22/2016	13553	Brown Investment Group, LLC Foreclosure thru 8/15/16	883.78
Sunrise Landcare, Inc.	7/24/2016	98235	Landscape Maintenance 08/16	13,583.33
William Cooper	8/20/2016	WC 082016	Off Duty Deputy 08/20/16	125.00
Withlacoochee River Electric Cooperative, Inc.	8/24/2016	Electric Summary Billing 08/16	Withlacoochee Electric Summary Billing 08/16	9,697.87
			Total 001 - General Fund	62,377.68
Report Balance				62,377.68

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
August 31, 2016

Balance Sheet

1. Trust statement activity has been recorded through 08/31/16.
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 payments that were not made November 2010 and May 2016 and scheduled Series 2006 Debt Service payments that were not made May 2010 to May 2016.
5. The District utilized funds from the Debt Service Reserve Fund for the November 2012 – November 2015 Series 2003 Bond payments and May 2009 – May 2010 Series 2006 Bond payments.

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

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

Summary A/R Ledger

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.