

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

March 31, 2016

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 3/31/2016

(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	396,303	0	0	396,303	0	0
Investments	276,273	0	941,749	1,218,023	0	0
Investments - Reserves	0	1,010,974	0	1,010,974	0	0
Accounts Receivable	635,180	0	1,653,235	2,288,415	0	0
Allowance for Uncollectible Assessments	(230,068)	0	(1,269,874)	(1,499,943)	0	0
Prepaid Expenses	0	0	0	0	0	0
Deposits	21,026	0	0	21,026	0	0
Due From Other Funds	137,616	0	0	137,616	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	<u>1,236,329</u>	<u>1,010,974</u>	<u>1,325,110</u>	<u>3,572,413</u>	<u>26,204,343</u>	<u>18,275,000</u>
Liabilities						
Accounts Payable	17,178	0	0	17,178	0	0
Accrued Expenses Payable	17,583	0	0	17,583	0	0
Due To Other Funds	0	0	137,616	137,616	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	4,603,185	4,603,185	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,275,000
Total Liabilities	<u>34,762</u>	<u>0</u>	<u>4,740,801</u>	<u>4,775,563</u>	<u>0</u>	<u>18,275,000</u>
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	941,640	128,306	731,490	1,801,436	0	0
Total Fund Equity And Other Credits	<u>1,201,567</u>	<u>1,010,974</u>	<u>(3,415,691)</u>	<u>(1,203,150)</u>	<u>26,204,343</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>1,236,329</u>	<u>1,010,974</u>	<u>1,325,110</u>	<u>3,572,413</u>	<u>26,204,343</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 3/31/2016

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	134	134	0.00%
Special Assessments					
Tax Roll	1,045,886	1,045,886	1,368,006	322,120	(30.79)%
Off Roll	102,880	102,880	75,088	(27,792)	27.01%
Other Miscellaneous Revenues					
Miscellaneous	0	0	6,752	6,752	0.00%
RV & Boat Storage Rental	0	0	6,061	6,061	0.00%
Total Revenues	1,148,766	1,148,766	1,456,041	307,275	(26.75)%
Expenditures					
Legislative					
Supervisor Fees	13,000	6,500	6,000	500	53.84%
Financial & Administrative					
Administrative Services	8,400	4,200	4,200	0	50.00%
District Management	32,000	16,000	16,000	0	49.99%
District Engineer	10,000	5,000	27	4,973	99.72%
Disclosure Report	6,000	3,000	2,000	1,000	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	10,000	7,500	7,500	0	24.99%
Accounting Services	17,000	8,500	8,500	0	50.00%
Auditing Services	4,000	4,000	4,000	0	0.00%
Arbitrage Rebate Calculation	650	325	0	325	100.00%
Public Officials Liability Insurance	10,000	10,000	3,250	6,750	67.50%
Legal Advertising	750	375	276	99	63.25%
Dues, Licenses & Fees	925	925	1,096	(171)	(18.44)%
Website Fees & Maintenance	2,200	1,100	600	500	72.72%
Legal Counsel					
District Counsel	12,000	6,000	9,922	(3,922)	17.31%
Foreclosure Expenses	25,000	12,500	7,685	4,815	69.25%
Law Enforcement					
Deputy	19,959	9,980	7,890	2,090	60.46%
Security Operations					
Security System Monitoring & Maintenance	8,000	4,000	2,441	1,559	69.48%
Electric Utility Services					
Utility Services	50,982	25,491	20,612	4,879	59.56%
Street Lights	68,018	34,009	32,681	1,328	51.95%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 3/31/2016

(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	2,583	1,892	691	63.36%
Water-Sewer Combination Services					
Utility Services	5,367	2,684	3,309	(625)	38.35%
Stormwater Control					
Dry Retention Pond Repair	9,000	4,500	0	4,500	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	10,000	52,440	(42,439)	(162.19)%
Landscape Maintenance	97,000	48,500	68,168	(19,668)	29.72%
Irrigation Repairs	26,200	13,100	9,386	3,714	64.17%
Landscape - Mulch	65,250	32,625	0	32,625	100.00%
Landscape - Annual Color Rotation	2,400	1,200	878	322	63.41%
Landscape Misc.-Fertilizer/Pesticide	41,600	20,800	10,693	10,107	74.29%
Landscape Replacement Plants, Shrubs, Trees	30,000	15,000	1,756	13,244	94.14%
Sod Replacement	6,000	3,000	0	3,000	100.00%
Landscape Maintenance - Inspections	6,000	3,000	3,000	0	50.00%
Holiday Decorations	2,000	1,000	0	1,000	100.00%
Miscellaneous Expense	50,000	25,000	807	24,193	98.38%
Road & Street Facilities					
Gate Phone	13,000	6,500	3,364	3,136	74.12%
Gate Facility Maintenance	30,000	15,000	8,025	6,975	73.24%
Sidewalk Repair & Maintenance	7,500	3,750	6,180	(2,430)	17.60%
Street Light/Decorative Light Maintenance	18,000	9,000	0	9,000	100.00%
Street Sign Repairs & Replacement	2,500	1,250	2,023	(773)	19.09%
Parks & Recreation					
Management Contract	270,000	135,000	120,552	14,448	55.35%
Facility Maintenance & Repair	38,000	19,000	12,295	6,705	67.64%
Security System Monitoring & Maintenance	1,000	500	597	(97)	40.30%
Telephone, Fax, Internet	7,500	3,750	3,613	137	51.82%
Office Supplies	4,000	2,000	1,251	749	68.72%

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2015 Through 3/31/2016

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Furniture Repair/Replacement-Pool/CH	20,000	10,000	0	10,000	100.00%
Lighting Replacement	2,000	1,000	0	1,000	100.00%
Vehicle Maintenance	1,500	750	2,810	(2,060)	(87.30)%
Pool Service Contract - Supplies & Repairs	5,500	2,750	5,540	(2,790)	(0.72)%
Supply Storage	5,000	2,500	364	2,136	92.72%
Playground Equipment & Maintenance	1,000	500	276	224	72.43%
Athletic/Park Court/Field Repairs	1,700	850	0	850	100.00%
Miscellaneous Expense	2,500	1,250	5,465	(4,215)	(118.60)%
Fitness Equipment Maintenance & Repairs	15,000	7,500	890	6,610	94.06%
Special Events					
Special Events	3,000	1,500	178	1,322	94.06%
Contingency					
Capital Outlay	300,000	150,000	17,970	132,030	94.01%
Total Expenditures	<u>1,455,366</u>	<u>758,546</u>	<u>508,262</u>	<u>250,284</u>	<u>65.08%</u>
Excess Of Revenues Over (Under) Expenditures	<u>(306,600)</u>	<u>390,220</u>	<u>947,779</u>	<u>557,558</u>	<u>409.12%</u>
Other Financing Sources (Uses)					
Carryforward Fund Balance	306,600	306,600	0	(306,600)	100.00%
SPE Costs	0	0	(6,139)	(6,139)	0.00%
Total Other Financing Sources (Uses)	<u>306,600</u>	<u>306,600</u>	<u>(6,139)</u>	<u>(312,739)</u>	<u>102.00%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>696,820</u>	<u>941,640</u>	<u>244,820</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>696,820</u></u>	<u><u>1,201,567</u></u>	<u><u>504,747</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 3/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	940	940	0.00%
Special Assessments				
Tax Roll	127,366	127,366	0	0.00%
Total Revenues	<u>127,366</u>	<u>128,306</u>	<u>940</u>	<u>0.74%</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>128,306</u>	<u>128,306</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>128,306</u>	<u>128,306</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>1,010,974</u></u>	<u><u>1,010,974</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 3/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	129	129	0.00%
Special Assessments				
Tax Roll	912,767	1,331,491	418,724	45.87%
Off Roll	4,112	0	(4,112)	(100.00)%
Total Revenues	<u>916,879</u>	<u>1,331,620</u>	<u>414,741</u>	<u>45.23%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	21,860	(21,860)	0.00%
Legal Counsel				
Bond Counsel	0	46,153	(46,153)	0.00%
Debt Service				
Interest	641,879	442,699	199,181	31.03%
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>616,064</u>	<u>300,815</u>	<u>32.81%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>715,556</u>	<u>715,556</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>711,906</u>	<u>711,906</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>(2,764,113)</u>	<u>(2,764,113)</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 3/31/2016

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	47	47	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>135,544</u>	<u>130,573</u>	<u>2,626.85%</u>
Expenditures				
Legal Counsel				
Bond Counsel	0	4,159	(4,159)	0.00%
Debt Service				
Interest	4,971	111,801	(106,831)	(2,149.20)%
Total Expenditures	<u>4,971</u>	<u>115,960</u>	<u>(110,990)</u>	<u>(2,232.87)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>19,584</u>	<u>19,584</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>19,584</u>	<u>19,584</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>(651,578)</u>	<u>(651,578)</u>	<u>0.00%</u>

Sterling Hill CDD
Investment Summary
March 31, 2016

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>March 31, 2016</u>
State Board of Administration	Local Government Investment Pool	\$ 299
SunTrust	Business Money Market	29,941
The Bank of Tampa	Business Money Market	246,033
	Total General Fund Investments	\$ 276,273
The Bank of Tampa ICS Road Reserve		
Alerus Financial, N.A.	Business Money Market	\$ 30,807
Bank of China, New York, NY	Business Money Market	245,042
EagleBank	Business Money Market	245,042
The Park National Bank	Business Money Market	2
United Bank	Business Money Market	32,880
Western Alliance Bank	Business Money Market	245,041
	Sub Total	798,814
The Bank of Tampa ICS Asset Replacement Reserve		
Alerus Financial, N.A.	Business Money Market	4
The Park National Bank	Business Money Market	3
United Bank	Business Money Market	212,153
	Sub Total	212,160
	Total Reserve Fund Investments	\$ 1,010,974
US Bank Series 2003 Reserve A	US Bank Money Market Account Managed	\$ 244,456
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	658,142
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	30,017
	Total Debt Service Fund Investments	\$ 941,749

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 3/1/2016 Through 3/31/2016

<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	94,148.07
10/1/2012	Hernando County Tax Collector	FY 12-13	50,824.27
10/1/2013	Hernando County Tax Collector	FY13-14	33,851.49
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
10/1/2014	Hernando County Tax Collector	FY14-15	40,625.19
11/19/2014	Sterling Hills 2, Inc.	655-15-03	5,341.29
10/1/2015	Hernando County Tax Collector	FY15-16	346,390.03
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	635,180.00

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 3/1/2016 Through 3/31/2016

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	Pasco Sawgrass Creek, LLC	655-12-04	88,762.66
10/1/2013	Hernando County Tax Collector	FY13-14	24,134.21
10/1/2014	Hernando County Tax Collector	FY14-15	28,614.87
10/1/2015	Hernando County Tax Collector	FY15-16	235,253.96
10/1/2015	Hernando County Tax Collector	FY15-16 -Del	146,621.34
		Total 200 - Debt Service Fund--Series 2003	1,335,532.67

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 3/1/2016 Through 3/31/2016

<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
10/1/2015	Hernando County Tax Collector	FY15-16	<u>1,485.12</u>
		Total 201 - Debt Service Fund--Series 2006	<u>317,702.16</u>
Report Balance			<u><u>2,288,414.83</u></u>

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

Balance Sheet

1. Trust statement activity has been recorded through 3/31/16.
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 scheduled Series 2006 Debt Service payments that were not made May 2010 to November 2015.
5. The District utilized funds from the Debt Service Reserve Fund for the November 2012 – May 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 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 FY13-14 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.