



Rizzetta & Company

# **Sterling Hill Community Development District**

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**Financial Statements  
(Unaudited)**

**June 30, 2018**

**Prepared by: Rizzetta & Company, Inc.**

[sterlinghillcdd.org](http://sterlinghillcdd.org)  
[rizzetta.com](http://rizzetta.com)

**Sterling Hill Community Development District**

Balance Sheet  
As of 6/30/2018  
(In Whole Numbers)

	General Fund	Reserve Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
<b>Assets</b>						
Cash In Bank	223,356	0	0	223,356	0	0
Investments	432,412	0	603,039	1,035,451	0	0
Investments - Reserves	0	726,159	0	726,159	0	0
Accounts Receivable	104,213	0	1,528,937	1,633,151	0	0
Allowance for Uncollectible Assessments	(79,333)	0	(1,528,937)	(1,608,271)	0	0
Prepaid Expenses	0	0	0	0	0	0
Deposits	30,063	0	0	30,063	0	0
Due From Other Funds	0	0	33,421	33,421	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	17,575,000
Fixed Assets	0	0	0	0	26,512,751	0
<b>Total Assets</b>	<u>710,711</u>	<u>726,159</u>	<u>636,459</u>	<u>2,073,330</u>	<u>26,512,751</u>	<u>17,575,000</u>
<b>Liabilities</b>						
Accounts Payable	143,983	0	0	143,983	0	0
Sales Tax Payable	4	0	0	4	0	0
Accrued Expenses Payable	0	0	0	0	0	0
Due To Other Funds	33,421	0	0	33,421	0	0
Deferred Revenue	3,160	0	0	3,160	0	0
Debt Service Obligations - Current	0	0	5,572,675	5,572,675	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	17,575,000
<b>Total Liabilities</b>	<u>180,567</u>	<u>0</u>	<u>5,572,675</u>	<u>5,753,242</u>	<u>0</u>	<u>17,575,000</u>
<b>Fund Equity And Other Credits</b>						
Beginning Fund Balance	85,579	1,151,135	(4,281,364)	(3,044,649)	26,512,751	0
Net Change in Fund Balance	444,564	(424,976)	(654,852)	(635,263)	0	0
<b>Total Fund Equity And Other Credits</b>	<u>530,144</u>	<u>726,159</u>	<u>(4,936,216)</u>	<u>(3,679,912)</u>	<u>26,512,751</u>	<u>0</u>
<b>Total Liabilities And Fund Equity</b>	<u>710,711</u>	<u>726,159</u>	<u>636,459</u>	<u>2,073,330</u>	<u>26,512,751</u>	<u>17,575,000</u>

See Notes to Unaudited Financial Statements

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
<b>Revenues</b>					
Interest Earnings					
Interest Earnings	0	0	1,443	1,443	0.00%
Special Assessments					
Tax Roll	1,127,216	1,127,216	1,156,425	29,209	(2.59)%
Off Roll	24,880	24,880	24,880	0	0.00%
Other Miscellaneous Revenues					
Interest Earnings	0	0	54	54	0.00%
Miscellaneous	5,000	3,750	11,032	7,282	(120.63)%
RV & Boat Storage Rental	10,000	7,500	14,846	7,346	(48.46)%
<b>Total Revenues</b>	<u>1,167,096</u>	<u>1,163,346</u>	<u>1,208,680</u>	<u>45,334</u>	<u>(3.56)%</u>
<b>Expenditures</b>					
Legislative					
Supervisor Fees	13,000	9,750	10,000	(250)	23.07%
Financial & Administrative					
Administrative Services	8,820	6,615	6,615	0	25.00%
District Management	35,000	26,250	26,381	(131)	24.62%
District Engineer	10,000	7,500	4,121	3,379	58.78%
Disclosure Report	6,000	6,000	2,000	4,000	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Assessment Roll	5,250	5,250	5,250	0	0.00%
Financial & Revenue Collections	5,250	3,938	3,938	0	25.00%
Accounting Services	20,000	15,000	15,000	0	24.99%
Auditing Services	4,100	4,100	4,200	(100)	(2.43)%
Arbitrage Rebate Calculation	1,150	1,000	500	500	56.52%
Public Officials Liability	3,500	3,500	3,250	250	7.14%
Insurance					
Legal Advertising	750	563	577	(14)	23.11%
Dues, Licenses & Fees	1,096	847	1,951	(1,104)	(78.03)%
Website Fees & Maintenance	2,100	1,575	900	675	57.14%
Legal Counsel					
District Counsel	20,000	15,000	16,273	(1,273)	18.63%
Special Counsel	0	0	8,181	(8,181)	0.00%
Law Enforcement					
Deputy	35,000	26,250	22,725	3,525	35.07%
Security Operations					
Security System Monitoring & Maintenance	18,000	13,500	9,949	3,551	44.72%
Electric Utility Services					

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Utility Services	55,000	41,250	38,419	2,831	30.14%
Street Lights	60,000	45,000	46,006	(1,006)	23.32%
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	5,000	3,750	4,047	(297)	19.05%
Water-Sewer Combination Services					
Utility Services	7,000	5,250	3,618	1,632	48.31%
Stormwater Control					
Dry Retention Pond Repair	5,000	3,750	0	3,750	100.00%
Other Physical Environment					
General Liability Insurance	4,250	4,250	3,750	500	11.76%
Property Insurance	25,000	25,000	22,186	2,814	11.25%
Entry & Walls Maintenance	25,000	18,750	19,490	(740)	22.04%
Landscape Maintenance	136,000	102,000	112,033	(10,033)	17.62%
Irrigation Repairs	27,000	20,250	35,656	(15,406)	(32.05)%
Landscape - Mulch	58,800	44,100	0	44,100	100.00%
Landscape - Annual Color	2,100	1,575	1,181	394	43.75%
Landscape Fertilizer	24,023	18,017	16,924	1,093	29.55%
Landscape Pest Control	1,950	1,463	2,755	(1,293)	(41.28)%
Fire Ant Treatment	6,450	4,838	570	4,268	91.16%
Landscape Replacement Plants, Shrubs, Trees	45,000	33,750	1,103	32,648	97.55%
Sod Replacement	10,000	7,500	0	7,500	100.00%
Landscape Maintenance - Inspections	6,300	4,725	4,725	0	25.00%
Holiday Decorations	1,500	1,500	1,419	81	5.40%
Road & Street Facilities					
Gate Phone	9,000	6,750	4,265	2,485	52.61%
Gate Facility Maintenance	17,000	12,750	21,501	(8,751)	(26.47)%
Sidewalk Repair & Maintenance	10,000	7,500	7,080	420	29.20%
Street Light/Decorative Light Maintenance	4,000	3,000	2,014	986	49.64%
Street Sign Repairs & Replacement	5,000	3,750	88	3,662	98.23%
Pressure Washing Curbs and Sidewalk	12,000	9,000	7,487	1,513	37.60%
Parks & Recreation					
Management Contract	270,582	202,937	203,435	(498)	24.81%
Staff Cost of Living and Pay Increases	12,200	9,150	0	9,150	100.00%

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Facility Maintenance & Repair	30,000	22,500	19,454	3,046	35.15%
Entry & Walls Maintenance	0	0	226	(226)	0.00%
Telephone, Fax, Internet	6,000	4,500	5,869	(1,369)	2.19%
Office Supplies	5,000	3,750	2,353	1,397	52.93%
Furniture Repair/Replacement	10,000	7,500	2,688	4,812	73.11%
Vehicle Maintenance	3,500	2,625	1,668	957	52.33%
Pool Service Contract - Supplies & Repairs	20,400	15,300	17,736	(2,436)	13.05%
Playground Equipment & Maintenance	10,000	7,500	310	7,190	96.90%
Athletic/Park Court/Field Repairs	12,500	9,375	0	9,375	100.00%
Miscellaneous Expense	15,000	11,250	1,605	9,645	89.30%
Wildlife Management Services	2,000	1,500	3,700	(2,200)	(85.00)%
Fitness Equipment Maintenance & Repairs	10,000	7,500	81	7,419	99.19%
Special Events					
Special Events	3,000	2,250	1,700	550	43.33%
Contingency					
Capital Outlay	55,000	41,250	5,269	35,981	90.42%
Total Expenditures	<u>1,230,871</u>	<u>939,291</u>	<u>764,222</u>	<u>175,069</u>	<u>37.91%</u>
Excess Of Revenues Over (Under) Expenditures	<u>(63,775)</u>	<u>224,055</u>	<u>444,458</u>	<u>220,403</u>	<u>796.91%</u>
Other Financing Sources (Uses)					
Carryforward From Prior Year	63,775	63,775	0	(63,775)	100.00%
SPE Costs	0	0	106	106	0.00%
Total Other Financing Sources (Uses)	<u>63,775</u>	<u>63,775</u>	<u>106</u>	<u>(63,669)</u>	<u>99.83%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>287,830</u>	<u>444,564</u>	<u>156,734</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	85,579	85,579	0.00%
Fund Balance, End of Period	<u>0</u>	<u>287,830</u>	<u>530,144</u>	<u>242,313</u>	<u>0.00%</u>

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	6,605	6,605	0.00%
Special Assessments				
Tax Roll	127,120	127,120	0	0.00%
<b>Total Revenues</b>	<u>127,120</u>	<u>133,725</u>	<u>6,605</u>	<u>5.20%</u>
<b>Expenditures</b>				
Contingency				
Road Reserve	95,382	558,700	(463,318)	(485.75)%
Asset Replacement Reserve	31,738	0	31,738	100.00%
<b>Total Expenditures</b>	<u>127,120</u>	<u>558,700</u>	<u>(431,580)</u>	<u>(339.51)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(424,976)</u>	<u>(424,976)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>(424,976)</u>	<u>(424,976)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	1,151,135	1,151,135	0.00%
Fund Balance, End of Period	<u>0</u>	<u>726,159</u>	<u>726,159</u>	<u>0.00%</u>

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	4,864	4,864	0.00%
Special Assessments				
Tax Roll	795,290	812,913	17,623	2.21%
Prepayments	0	9,194	9,194	0.00%
<b>Total Revenues</b>	<u>795,290</u>	<u>826,971</u>	<u>31,681</u>	<u>3.98%</u>
<b>Expenditures</b>				
Financial & Administrative				
Trustees Fees	0	18,010	(18,010)	0.00%
Legal Counsel				
Bond Counsel	0	42,011	(42,011)	0.00%
Debt Service				
Interest	485,290	816,215	(330,925)	(68.19)%
Principal	310,000	310,000	0	0.00%
<b>Total Expenditures</b>	<u>795,290</u>	<u>1,186,236</u>	<u>(390,946)</u>	<u>(49.16)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(359,265)</u>	<u>(359,265)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>(359,265)</u>	<u>(359,265)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(3,132,619)	(3,132,619)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(3,491,884)</u>	<u>(3,491,884)</u>	<u>0.00%</u>

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2017 Through 6/30/2018

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	185	185	0.00%
Special Assessments				
Tax Roll	4,971	5,086	116	2.32%
<b>Total Revenues</b>	<u>4,971</u>	<u>5,272</u>	<u>301</u>	<u>6.06%</u>
<b>Expenditures</b>				
Legal Counsel				
Bond Counsel	0	63	(63)	0.00%
Debt Service				
Interest	4,971	215,796	(210,825)	(4,241.34)%
Principal	0	85,000	(85,000)	0.00%
<b>Total Expenditures</b>	<u>4,971</u>	<u>300,859</u>	<u>(295,888)</u>	<u>(5,952.61)%</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>0</u>	<u>(295,587)</u>	<u>(295,587)</u>	<u>0.00%</u>
<b>Excess of Rev./Other Sources Over/(Under) Expend./Other Uses</b>	<u>0</u>	<u>(295,587)</u>	<u>(295,587)</u>	<u>0.00%</u>
<b>Fund Balance, Beginning of Period</b>	0	(1,148,745)	(1,148,745)	0.00%
<b>Fund Balance, End of Period</b>	<u><u>0</u></u>	<u><u>(1,444,331)</u></u>	<u><u>(1,444,331)</u></u>	<u><u>0.00%</u></u>



**Sterling Hill CDD**  
**Investment Summary**  
**June 30, 2018**

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>June 30, 2018</u>
SunTrust	Business Money Market	\$ 9,971
The Bank of Tampa	Business Money Market	245,038
The Bank of Tampa ICS:		
BB&T	Business Money Market	16
Dallas Capital Bank, N.A.	Business Money Market	24
Five Star Bank	Business Money Market	130
Great Southern Bank	Business Money Market	1
Legacy Texas Bank	Business Money Market	177,232
	<b>Total General Fund Investments</b>	<b>\$ 432,412</b>
The Bank of Tampa ICS Road Reserve		
BB&T	Business Money Market	\$ 25
Bremer Bank, National Association	Business Money Market	135,143
Dallas Capital Bank, N.A.	Business Money Market	5
Five Star Bank	Business Money Market	25
Great Southern Bank	Business Money Market	80
Legacy Texas Bank	Business Money Market	67,794
United Bank	Business Money Market	245,188
	Subtotal	448,260
The Bank of Tampa ICS Asset Replacement Reserve		
BB&T	Business Money Market	6
Bremer Bank, National Association	Business Money Market	32,690
Great Southern Bank	Business Money Market	15
Mutual of Omaha Bank	Business Money Market	245,188
	Subtotal	277,899
	<b>Total Reserve Fund Investments</b>	<b>\$ 726,159</b>
US Bank Series 2003 Reserve A	Fidelity Government Portfolio Class III	\$ 126,855
US Bank Series 2003 Reserve B	Fidelity Government Portfolio Class III	656
US Bank Series 2003 Prepayment B	Fidelity Government Portfolio Class III	4
US Bank Series 2003 Revenue	Fidelity Government Portfolio Class III	421,395
US Bank Series 2003 Prepayment A	Fidelity Government Portfolio Class III	25,993
US Bank Series 2006 Prepayment B	Fidelity Government Portfolio Class III	11
US Bank Series 2006 Reserve A	Fidelity Government Portfolio Class III	32
US Bank Series 2006 Revenue	Fidelity Government Portfolio Class III	28,093
	<b>Total Debt Service Fund Investments</b>	<b>\$ 603,039</b>

**Sterling Hill Community Development District**

Summary A/R Ledger

001 - General Fund

From 6/1/2018 Through 6/30/2018

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2015	Sterling Hills, Inc.	655-16-01	53,140.20
12/1/2016	Maxcy Development Group Holdings-Sterling Hills Inc	655-17-02	26,193.19
12/8/2017	Maxcy Development Group Holdings-Sterling Hills Inc	655-18-01	24,879.89
		Total 001 - General Fund	104,213.28

**Sterling Hill Community Development District**

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 6/1/2018 Through 6/30/2018

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
10/1/2008	Sterling Hills, Inc.	DB1008-1	152,082.00
10/1/2009	Sterling Hills, Inc.	ORA-SH-09.10	164,135.04
10/1/2010	Sterling Hills, Inc.	FY10-11 S06A	173,245.76
10/1/2011	Sterling Hills, Inc.	FY11-12 S06A	173,245.76
10/1/2012	Sterling Hills, Inc.	FY12-13 S06A	173,245.76
10/1/2013	Sterling Hills, Inc.	FY13-14 S06A	173,245.76
10/1/2014	Sterling Hills, Inc.	FY14-15 S06A	173,245.76
10/1/2015	Sterling Hills, Inc.	FY15-16 S06A	173,245.76
10/1/2016	Sterling Hills, Inc.	FY16-17 S06A	173,245.76
		Total 201 - Debt Service Fund--Series 2006	1,528,937.36
			<hr/>
Report Balance			1,633,150.64
			<hr/> <hr/>

**Sterling Hill Community Development District**

Aged Payables by Invoice Date

Aging Date - 6/1/2018

001 - General Fund

From 6/1/2018 Through 6/30/2018

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Bright House Networks	6/21/2018	065067801062118	4411 Sterling Hill Blvd Office 07/18	104.92
Derek Origon	6/22/2018	54342	Off Duty Patrol 06/22/18	125.00
Hernando County Sheriff's Office	6/22/2018	54342-V	Vehicle Usage 06/18	10.00
Michael J Edwards Jr	6/22/2018	2018-6-22	Pressure Washed Northside Concrete 06/18	3,517.16
Sunrise Landcare, Inc.	6/22/2018	103312	Quartely Service - OTC Injections & Lethal Yellowing 06/18	280.00
Withlacoochee River Electric Cooperative, Inc.	6/22/2018	Electric Summary Billing 06/18	Withlacoochee Electric Summary Billing 06/18	10,255.18
Sunrise Landcare, Inc.	6/24/2018	103288	Landscape Maintenance 07/18	13,583.33
Marcie Prather Alford	6/24/2018	54307	Off Duty Patrol 06/23/18	100.00
Marcie Prather Alford	6/24/2018	54314	Off Duty Patrol 06/24/18	100.00
Robert Saliva	6/24/2018	4897	Installed Advance Circuit Board 06/18	95.00
Robert Saliva	6/24/2018	4898	Performed Power Cycles 06/18	95.00
Robert Saliva	6/24/2018	4899	Replaced Exit Gate Kant Slam 06/18	95.00
Hernando County Sheriff's Office	6/24/2018	54303-V	Vehicle Usage 06/18	10.00
Chris Croft	6/24/2018	54303	Off Duty Patrol 06/23/18	125.00
Hernando County Utilities	6/25/2018	SS00001-00 06/18	North Clubhouse Water Bill 06/18	222.82
Robert Saliva	6/25/2018	4906	Installed Loaner Circuit Board 06/18	95.00
Sunrise Landscape	6/25/2018	61884	Replaced Rain Sensor 06/18	100.50
Sunrise Landscape	6/25/2018	61887	Replaced Valves & Misc Parts 06/18	274.21
Sunrise Landscape	6/25/2018	61888	Replaced Valves 06/18	112.50
Sunrise Landscape	6/25/2018	61922	Replaced Irrigation Parts 06/18	512.25
Sunrise Landscape	6/25/2018	61923	Replaced Valve & Controller 06/18	602.25
Straley Robin Vericker	6/26/2018	15841	General/Monthly Legal Services 06/18	2,265.00
Bright House Networks	6/27/2018	051149801062718	North Clubhouse Cable 07/18	262.66
Bright House Networks	6/27/2018	051150701062718	South Clubhouse Cable 07/18	232.93
DCSI Inc.	6/28/2018	24032	Repaired Gates not Staying Locked 06/18	105.00
DCSI Inc.	6/28/2018	24035	Installed 2 Cameras at South Clubhouse 06/18	998.00
Hernando County Utilities	6/28/2018	SS00013-00 06/18	South Clubhouse Water Bill 06/18	150.78

**Sterling Hill Community Development District**

Aged Payables by Invoice Date

Aging Date - 6/1/2018

001 - General Fund

From 6/1/2018 Through 6/30/2018

<u>Vendor Name</u>	<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Current Balance</u>
Sterling Hill CDD	6/29/2018	062918	Transfer From Bank of Tampa MMA to Suntrust Operating	100,000.00
Rizzetta Amenity Services, Inc.	6/29/2018	INV00000000005123	Amenity Management Services Payroll 06/18	9,553.67
			Total 001 - General Fund	143,983.16
Report Total				143,983.16

**Sterling Hill Community Development District**  
**Notes to Unaudited Financial Statements**  
**June 30, 2018**

**Balance Sheet**

1. Trust statement activity has been recorded through 06/30/18.
2. See EMMA (Electronic Municipal Market Access) at <https://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 through May 2018 and scheduled Series 2006 Debt Service payments that were not made May 2010 through May 2018.
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 FY17-18 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.