

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

December 31, 2012

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 12/31/2012

(In Whole Numbers)

	General Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Group	General Long Term Debt Group
Assets					
Cash In Bank	780,067	0	780,067	0	0
Investments	150,873	1,690,332	1,841,205	0	0
Investments - Reserves	573,587	0	573,587	0	0
Accounts Receivable	446,623	1,590,034	2,036,657	0	0
Allowance for Uncollectible Assessments	0	(1,263,096)	(1,263,096)	0	0
Accounts Receivable - Other	0	0	0	0	0
Bond Prepayments Receivable	0	0	0	0	0
Prepaid Expenses	0	0	0	0	0
Due From Other Funds	0	11,304	11,304	0	0
Amount Available - Debt Service	0	0	0	0	0
Amount To Be Provided-Debt Service	0	0	0	0	19,250,000
Fixed Assets	0	0	0	26,011,955	0
Total Assets	1,951,150	2,028,574	3,979,724	26,011,955	19,250,000
Liabilities					
Accounts Payable	28,569	0	28,569	0	0
Accrued Expenses Payable	942	0	942	0	0
Due To Other Funds	11,304	0	11,304	0	0
Due To Others	0	0	0	0	0
Debt Service Obligations - Current	0	5,100,930	5,100,930	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	19,250,000
Total Liabilities	40,816	5,100,930	5,141,746	0	19,250,000
Fund Equity And Other Credits					
Beginning Fund Balance	1,072,690	(3,379,503)	(2,306,813)	26,011,955	0
Net Change in Fund Balance	837,644	307,146	1,144,790	0	0
Total Fund Equity And Other Credits	1,910,335	(3,072,357)	(1,162,022)	26,011,955	0
Total Liabilities And Fund Equity	1,951,150	2,028,574	3,979,724	26,011,955	19,250,000

Notes:

1. Trust statement activity has been recorded through 12/31/12.
2. This statement is unaudited.
3. \$573,587 is reserved for future Capital Expenditures as appropriated from the General Fund Budget. Current YTD funding is \$0.
4. Debt Service Obligations-Current, recorded above, represent scheduled Series 2003/2006 Debt Service payments that were not made May & Nov 2010, May & Nov 2011, and May & Nov 2012.
5. The District utilized funds from the Debt Service Reserve Fund for the May 2009, November 2009, and May 2010 Series 2006 Bond payments and the November 2012 Series 2003 Bond payments.
6. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 12/31/2012

(In Whole Numbers)

	<u>Annual Budget</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>YTD Variance</u>	<u>Percent Annual Budget Remaining</u>
Revenues					
Interest Earnings					
Interest Earnings	0	0	863	863	0.00%
Special Assessments					
Tax Roll	1,109,466	1,109,466	1,108,535	(930)	0.08%
Off Roll	138,678	138,678	0	(138,678)	100.00%
Other Miscellaneous Revenues					
Miscellaneous	0	0	2,226	2,226	0.00%
Total Revenues	<u>1,248,144</u>	<u>1,248,144</u>	<u>1,111,624</u>	<u>(136,520)</u>	<u>10.94%</u>
Expenditures					
Legislative					
Supervisor Fees	12,000	3,000	3,000	0	75.00%
Financial & Administrative					
Administrative Services	8,400	2,100	2,100	0	75.00%
District Management	32,000	8,000	8,000	0	75.00%
District Engineer	12,000	3,000	1,658	1,342	86.18%
Disclosure Report	6,500	1,625	0	1,625	100.00%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	5,750	5,750	0	28.12%
Accounting Services	17,000	4,250	4,250	0	75.00%
Auditing Services	5,000	0	0	0	100.00%
Arbitrage Rebate Calculation	650	0	650	(650)	0.00%
Public Officials Liability Insurance	11,650	11,650	10,130	1,520	13.04%
Legal Advertising	750	188	53	134	92.91%
Bank Fees	500	125	297	(172)	40.51%
Dues, Licenses & Fees	1,000	175	175	0	82.50%
Legal Counsel					
District Counsel	10,000	2,500	1,617	883	83.83%
District Counsel Assessment Collection	5,000	1,250	0	1,250	100.00%
Foreclosure Legal Services	5,000	1,250	2,194	(944)	56.12%
Law Enforcement					
Off Duty Deputy Services	45,000	11,250	12,064	(814)	73.19%
Electric Utility Services					
Utility Services	52,056	13,014	13,222	(208)	74.60%
Street Lights	67,735	16,934	14,854	2,080	78.07%
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	4,400	1,100	1,128	(28)	74.36%
Water-Sewer Combination Services					
Utility Services	5,000	1,250	1,592	(342)	68.16%
Stormwater Control					
Lake/Pond Repair	35,000	8,750	7,216	1,534	79.38%
Other Physical Environment					
General Liability Insurance	8,891	8,891	7,673	1,218	13.69%
Property Casualty Insurance	15,494	15,494	14,618	876	5.65%
Entry & Walls Maintenance	30,000	7,500	625	6,875	97.91%
Landscape Maintenance Contract	118,200	29,550	36,568	(7,018)	69.06%
Irrigation Repairs & Maintenance	28,000	7,000	10,835	(3,835)	61.30%

This statement is unaudited.

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 12/31/2012

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Mulch Installation	68,000	17,000	0	17,000	100.00%
Fertilization/Pesticide Applications	36,000	9,000	6,306	2,695	82.48%
Landscape Replacement Plants, Shrubs, Trees	55,000	13,750	20,630	(6,880)	62.49%
Sod Replacement	20,000	5,000	0	5,000	100.00%
Miscellaneous Expenses	1,500	375	2,443	(2,068)	(62.83)%
Road & Street Facilities					
Gate Phone	8,000	2,000	1,409	591	82.39%
Gate Maintenance	27,995	6,999	7,811	(813)	72.09%
Sidewalk Repair & Maintenance	4,000	1,000	0	1,000	100.00%
Street Light/Decorative Light Maintenance	5,200	1,300	0	1,300	100.00%
Street Sign Repairs	500	125	31	94	93.71%
Security Camera Maintenance & Repair	5,327	1,332	2,614	(1,282)	50.93%
Parks & Recreation					
Management Contract	220,392	55,098	55,248	(150)	74.93%
Clubhouse Facility Maintenance	40,000	10,000	9,368	632	76.58%
Clubhouse Telephone, Fax, Internet	9,300	2,325	1,850	475	80.11%
Clubhouse Office Supplies	5,000	1,250	620	630	87.59%
Pool Furniture Replacement/Repair	5,000	1,250	0	1,250	100.00%
Pool/Water Park/Fountain Maint	13,500	3,375	1,475	1,900	89.07%
Clubhouse Lighting Replacement	2,000	500	146	354	92.72%
Clubhouse Furniture Replacement	3,500	875	0	875	100.00%
Athletic/Park Court/Field Repairs	1,500	375	0	375	100.00%
Miscellaneous Expenses	1,700	425	2,192	(1,767)	(28.94)%
Contingency					
Miscellaneous Contingency	14,743	3,686	1,570	2,116	89.35%
Road Reserve	95,382	23,846	0	23,846	100.00%
Asset Replacement Reserve	45,079	11,270	0	11,270	100.00%
Total Expenditures	<u>1,248,144</u>	<u>352,050</u>	<u>273,979</u>	<u>78,070</u>	<u>78.05%</u>
Excess Of Revenues Over (Under) Expenditures	<u>0</u>	<u>896,094</u>	<u>837,644</u>	<u>(58,450)</u>	<u>0.00%</u>
Exc. of Rev/Other Sources Over Expend/Other Uses	<u>0</u>	<u>896,094</u>	<u>837,644</u>	<u>(58,450)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	1,072,690	1,072,690	0.00%
Fund Balance, End of Period	<u>0</u>	<u>896,094</u>	<u>1,910,335</u>	<u>1,014,240</u>	<u>0.00%</u>

This statement is unaudited.

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2012 Through 12/31/2012

(In Whole Numbers)

	<u>Annual Budget</u>	<u>Current Period Actual</u>	<u>Budget To Actual Variance</u>	<u>Budget Percent Remaining</u>
Revenues				
Interest Earnings				
Interest Earnings	0	138	138	0.00%
Special Assessments				
Tax Roll	918,415	854,823	(63,592)	(6.92)%
Debt Service Prepayments	0	25,908	25,908	0.00%
Total Revenues	<u>918,415</u>	<u>880,869</u>	<u>(37,546)</u>	<u>(4.09)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	11,044	(11,044)	0.00%
Legal Counsel				
Bond Counsel	0	1,237	(1,237)	0.00%
Debt Service				
Interest	688,415	458,518	229,897	33.39%
Principal	230,000	0	230,000	100.00%
Total Expenditures	<u>918,415</u>	<u>470,799</u>	<u>447,616</u>	<u>48.74%</u>
Excess Of Revenues Over (Under) Expenditures	0	410,070	410,070	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	410,070	410,070	0.00%
Fund Balance, Beginning of Period	0	(2,475,734)	(2,475,734)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(2,065,664)</u>	<u>(2,065,664)</u>	<u>0.00%</u>

This statement is unaudited.

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2012 Through 12/31/2012

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	3	3	0.00%
Special Assessments				
Tax Roll	0	4,971	4,971	0.00%
Total Revenues	0	4,974	4,974	0.00%
Expenditures				
Debt Service				
Interest	0	107,898	(107,898)	0.00%
Total Expenditures	0	107,898	(107,898)	0.00%
Excess Of Revenues Over (Under) Expenditures	0	(102,924)	(102,924)	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(102,924)	(102,924)	0.00%
Fund Balance, Beginning of Period	0	(903,769)	(903,769)	0.00%
Fund Balance, End of Period	0	(1,006,693)	(1,006,693)	0.00%

Notes:

1. The scheduled Series 2006 Debt Service payments, that were not made, have been accrued and are reflected in the accompanying Balance Sheet.
2. This statement is unaudited.

**Sterling Hill CDD
Investment Summary
December 31, 2012**

<u>Account</u>	<u>Investment</u>	<u>Balance as of December 31, 2012</u>
State Board of Administration	Local Government Investment Pool	\$ 4,378
State Board of Administration	Local Government Investment Pool B	2,609
SunTrust	Business Money Market	21,641
The Bank of Tampa	Business Money Market	122,245
	Total General Fund Investments	\$ 150,873
The Bank of Tampa - Road Reserve	Business Money Market	\$ 52
The Bank of Tampa ICS Program:		
Road Reserve - Morton Community Bank	Business Money Market	245,073
Road Reserve - Fieldpoint Private Bank & Trust	Business Money Market	237,934
Road Reserve - Stonegate Bank	Business Money Market	3
Road Reserve - Western Alliance Bank	Business Money Market	28
Asset Reserve - Stonegate Bank	Business Money Market	2
Asset Reserve - Western Alliance Bank	Business Money Market	83,389
Asset Reserve - Fieldpoint Private Bank & Trust	Business Money Market	7,106
	Total General Fund Investments - Reserves	\$ 573,587
US Bank Series 2003 Reserve A	US Bank Managed Money Market Account	\$ 576,048
US Bank Series 2003 Reserve B	US Bank Managed Money Market Account	66,586
US Bank Series 2003 Prepayment B	US Bank Managed Money Market Account	384,582
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	622,318
US Bank Series 2003 Prepayment A	US Bank Managed Money Market Account	3,530
US Bank Series 2003 Principal	US Bank Managed Money Market Account	23
US Bank Series 2006 Prepayment B	US Bank Managed Money Market Account	11
US Bank Series 2006 Reserve A	US Bank Managed Money Market Account	93
US Bank Series 2006 Revenue	US Bank Managed Money Market Account	37,141
	Total Debt Service Fund Investments	\$ 1,690,332

Sterling Hill Community Development District
Summary A/R Ledger
001 - General Fund
From 12/1/2012 Through 12/31/2012

<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	144,384.81
10/1/2012	Hernando County Tax Collector	FY 12-13	<u>302,237.86</u>
		Total 001 - General Fund	446,622.67

Payment terms for landowner assessments are (a) defined in the FY12-13 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.

Sterling Hill Community Development District
Summary A/R Ledger
200 - Debt Service Fund--Series 2003
From 12/1/2012 Through 12/31/2012

<u>Invoice Date</u>	<u>Customer Name</u>	<u>Invoice Number</u>	<u>Current Balance</u>
3/24/2008	Lennar Homes	SAI0308-6	1,220.02
3/24/2008	US Homes	SAI0308-8	563.06
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	91,946.72
10/1/2011	Pasco Sawgrass Creek, LLC	655-12-04	88,762.66
10/1/2012	Hernando County Tax Collector	FY 12-13	233,064.18
		Total 200 - Debt Service Fund--Series 2003	1,227,092.26

Payment terms for landowner assessments are (a) defined in the FY12-13 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.

Sterling Hill Community Development District
 Summary A/R Ledger
 201 - Debt Service Fund--Series 2006
 From 12/1/2012 Through 12/31/2012

<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	173,196.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	187,818.76
10/1/2011	Hernando County Tax Collector	FY11-12	571.88
10/1/2012	Hernando County Tax Collector	FY 12-13	<u>1,355.26</u>
		Total 201 - Debt Service Fund--Series 2006	<u>362,941.90</u>
			<u>2,036,656.83</u>
Report Balance			<u>2,036,656.83</u>

Payment terms for landowner assessments are (a) defined in the FY12-13 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.

Sterling Hill Community Development District
Summary A/P Ledger
001 - General Fund
From 12/1/2012 Through 12/31/2012

<u>Vendor Name</u>	<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Invoice Description</u>	<u>Current Balance</u>
Abraham Dowdell	12/22/2012	AD122112	Off Duty Deputy 12/21/12	103.50
Abraham Dowdell	12/29/2012	AD122912	Off Duty Deputy 12/29/12	103.50
Cardinal Landscaping Services of Tampa, Inc.	12/21/2012	16335	Landscape & Irrigation Maintenance 12/12	14,080.00
Cari Smith	12/19/2012	CS121912	Off Duty Deputy 12/19/12	92.00
Chris Croft	12/30/2012	CC123012	Off Duty Deputy 12/30/12	92.00
Daniel J Snyder	12/26/2012	DS122612	Off Duty Deputy 12/26/12	92.00
DCSI Inc.	12/15/2012	12161	CCTV Gate Warranty	406.89
Derik Deso	12/21/2012	DD122112	Off Duty Deputy 12/21/12	103.50
Dustin Adkins	12/18/2012	DA121812	Off Duty Deputy 12/18/12	92.00
Edward Brandhuber	12/31/2012	EB123112	Off Duty Deputy 12/31/12	92.00
Florida Department of Revenue	12/31/2012	Sales Tax 12/12	Sales & Use Tax 12/12	27.83
Hernando County Utilities	12/26/2012	SS00001-00 12/12	North Clubhouse Water 12/12	217.31
Hernando County Utilities	12/26/2012	SS00013 - 00 12/12	South Clubhouse Water Bill 12/12	294.39
Lance Origon	12/20/2012	LO122012	Off Duty Deputy 12/20/12	92.00
McCullough Water Services	12/31/2012	18006 12/12	Water Rental and Delivery 12/12	33.40
McCullough Water Services	12/31/2012	18007 12/12	Water Rental and Delivery 12/12	17.82
Outsmart Pest Management, Inc.	12/19/2012	4878	North Clubhouse Pest Control Treatment 12/12	45.00
Outsmart Pest Management, Inc.	12/19/2012	4879	South Clubhouse Pest Control Treatment 12/12	45.00
Richard Purchase	12/25/2012	RP122512	Off Duty Deputy 12/25/12	92.00
Robert Spears	12/29/2012	RS122912	Off Duty Deputy 12/29/12	103.50
Shane E. Landgraff	12/23/2012	SL122312	Off Duty Deputy 12/23/12	92.00
Southern Automated Access Services	12/19/2012	459	Gate Repair 12/12	405.00
Southern Automated Access Services	12/22/2012	460	Gate Repair 12/12	114.50
Southern Automated Access Services	12/30/2012	480	Gate Repair 12/12	208.32
Steven Johnson	12/28/2012	SJ122812A	Off Duty Deputy 12/28/12	103.50
Steven Johnson	12/28/2012	SL122812B	Off Duty Deputy 12/28/12	103.50
Straley & Robin	12/27/2012	9268	General/ Monthly Legal Services Through 12/15/12	297.00
Straley & Robin	12/27/2012	9269	Brown Investment Group, LLC/Foreclosure 12/12.	359.70
Times Publishing Company	12/28/2012	I1003878652-1227	Acct # 1000424298 Legal Advertising 12/12	53.12
Tommy Harris	12/24/2012	TH122412	Off Duty Deputy 12/24/12	92.00
William Cooper	12/27/2012	WC122712	Off Duty Deputy 12/27/12	92.00
William Power	12/22/2012	WP122212	Off Duty Deputy 12/22/12	103.50
William R Leggett	12/22/2012	RL122212	Off Duty Deputy 12/22/12	103.50
Withlacoochee River Electric Cooperative, Inc.	12/26/2012	Electric Summary Billing 12/12	Withlacoochee Electric Summary Billing 12/12	10,129.62
Zeno Office Solutions, Inc.	12/20/2012	ALB61A	Custom Name Plates for BOS Meetings	86.50
Total 001 - General Fund				28,569.40
Report Balance				28,569.40