

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

January 31, 2014

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 1/31/2014

(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	661,824	0	0	661,824	0	0
Investments	241,674	0	1,956,252	2,197,926	0	0
Investments - Reserves	0	663,686	0	663,686	0	0
Accounts Receivable	750,234	0	1,410,940	2,161,173	0	0
Allowance for Uncollectible Assessments	(385,330)	0	(1,235,566)	(1,620,896)	0	0
Prepaid Expenses	0	0	0	0	0	0
Due From Other Funds	0	0	5,912	5,912	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	19,020,000
Fixed Assets	0	0	0	0	26,018,507	0
Total Assets	1,268,401	663,686	2,137,538	4,069,625	26,018,507	19,020,000
Liabilities						
Accounts Payable	70,155	0	0	70,155	0	0
Accrued Expenses Payable	44	0	0	44	0	0
Due To Other Funds	5,912	0	0	5,912	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	5,621,398	5,621,398	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	19,020,000
Total Liabilities	76,111	0	5,621,398	5,697,508	0	19,020,000
Fund Equity And Other Credits						
Beginning Fund Balance	292,520	662,903	(3,705,551)	(2,750,128)	26,018,507	0
Net Change in Fund Balance	899,771	782	221,692	1,122,245	0	0
Total Fund Equity And Other Credits	1,192,291	663,686	(3,483,860)	(1,627,883)	26,018,507	0
Total Liabilities And Fund Equity	1,268,401	663,686	2,137,538	4,069,625	26,018,507	19,020,000

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	123	123	0.00%
Special Assessments					
Tax Roll	1,116,078	1,116,078	1,144,620	28,542	(2.55)%
Off Roll	127,595	127,595	127,530	(65)	0.05%
Other Miscellaneous Revenues					
Miscellaneous	0	0	7,439	7,439	0.00%
Total Revenues	<u>1,243,673</u>	<u>1,243,673</u>	<u>1,279,712</u>	<u>36,039</u>	<u>(2.90)%</u>
Expenditures					
Legislative					
Supervisor Fees	12,000	4,000	4,000	0	66.66%
Financial & Administrative					
Administrative Services	8,400	2,800	2,800	0	66.66%
District Management	32,000	10,667	10,667	0	66.66%
District Engineer	12,000	4,000	2,163	1,837	81.97%
Disclosure Report	6,000	6,000	2,000	4,000	66.66%
Trustees Fees	14,300	4,767	0	4,767	100.00%
Financial Consulting Services	8,000	6,000	6,000	0	25.00%
Accounting Services	17,000	5,667	5,667	0	66.66%
Auditing Services	5,000	0	0	0	100.00%
Arbitrage Rebate Calculation	650	650	0	650	100.00%
Public Officials Liability Insurance	11,143	11,143	10,130	1,013	9.09%
Legal Advertising	750	250	0	250	100.00%
Dues, Licenses & Fees	1,000	175	221	(46)	77.90%
Legal Counsel					
District Counsel	15,000	5,000	2,752	2,248	81.65%
Foreclosure Expenses	10,000	3,333	14,364	(11,031)	(43.64)%
Law Enforcement					
Deputy	45,000	15,000	17,187	(2,187)	61.80%
Security Operations					
Security Camera Maintenance	9,884	3,295	2,485	810	74.86%
Electric Utility Services					
Utility Services	52,964	17,655	16,432	1,222	68.97%
Street Lights	66,303	22,101	21,532	569	67.52%
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	4,896	1,632	1,658	(26)	66.13%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Water-Sewer Combination Services					
Utility Services	7,315	2,438	1,990	448	72.79%
Stormwater Control					
Dry Retention Pond Repair	25,000	8,333	0	8,333	100.00%
Other Physical Environment					
General Liability Insurance	8,490	8,490	6,421	2,069	24.37%
Property Insurance	16,080	16,080	16,663	(583)	(3.62)%
Entry & Walls Maintenance	20,000	6,667	2,350	4,317	88.25%
Landscape Maintenance	107,103	35,701	32,343	3,358	69.80%
Irrigation Repairs	25,000	8,333	8,150	183	67.40%
Landscape - Mulch	60,876	20,292	30,438	(10,146)	50.00%
Landscape	33,603	11,201	7,482	3,719	77.73%
Misc.-Fertilizer/Pesticide					
Landscape Replacement Plants, Shrubs, Trees	26,500	8,833	455	8,378	98.28%
Sod Replacement	10,000	3,333	486	2,847	95.14%
Holiday Decorations	3,000	2,200	1,654	546	44.86%
Miscellaneous Expense	5,000	1,667	1,111	555	77.77%
Road & Street Facilities					
Gate Phone	9,800	3,267	5,040	(1,773)	48.57%
Gate Facility Maintenance	69,962	23,321	6,521	16,799	90.67%
Sidewalk Repair & Maintenance	4,420	1,473	3,100	(1,627)	29.86%
Street Light/Decorative Light Maintenance	5,000	1,667	1,360	307	72.80%
Street Sign Repairs & Replacement	500	167	0	167	100.00%
Parks & Recreation					
Management Contract	220,992	73,664	73,664	0	66.66%
Facility Maintenance & Repair	29,700	9,900	6,083	3,817	79.51%
Telephone, Fax, Internet	7,500	2,500	2,508	(8)	66.55%
Office Supplies	3,000	1,000	732	268	75.61%
Furniture	5,000	1,667	65	1,602	98.70%
Repair/Replacement-Pool/CH					
Pool/Water Park/Fountain Maint	7,500	2,500	7,325	(4,825)	2.32%
Lighting Replacement	1,000	333	0	333	100.00%
Vehicle Maintenance	1,500	500	251	249	83.27%
Athletic/Park Court/Field Repairs	1,500	500	0	500	100.00%
Clubhouse Miscellaneous Expense	4,000	1,333	245	1,088	93.86%
Special Events					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Special Events	1,000	333	0	333	100.00%
Contingency					
Capital Outlay	66,000	22,000	43,446	(21,446)	34.17%
Total Expenditures	<u>1,118,631</u>	<u>403,827</u>	<u>379,941</u>	<u>23,886</u>	<u>66.04%</u>
Excess Of Revenues Over (Under) Expenditures	<u>125,042</u>	<u>839,846</u>	<u>899,771</u>	<u>59,926</u>	<u>(619.57)%</u>
Other Financing Sources (Uses)					
Transfer of Asset Repl. Reserve	(95,382)	(95,382)	0	95,382	100.00%
Transfer of Road Reserve	(29,660)	(29,660)	0	29,660	100.00%
Total Other Financing Sources (Uses)	<u>(125,042)</u>	<u>(125,042)</u>	<u>0</u>	<u>125,042</u>	<u>100.00%</u>
Exc. of Rev/Other Sources Over Expend/Other Uses	<u>0</u>	<u>714,804</u>	<u>899,771</u>	<u>184,968</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	292,520	292,520	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>714,804</u></u>	<u><u>1,192,291</u></u>	<u><u>477,487</u></u>	<u><u>0.00%</u></u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	782	782	0.00%
Total Revenues	<u>0</u>	<u>782</u>	<u>782</u>	<u>0.00%</u>
Expenditures				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	29,660	0	29,660	100.00%
Total Expenditures	<u>125,042</u>	<u>0</u>	<u>125,042</u>	<u>100.00%</u>
Excess Of Revenues Over (Under) Expenditures	<u>(125,042)</u>	<u>782</u>	<u>125,824</u>	<u>(100.62)%</u>
Other Financing Sources (Uses)				
Transfer of Asset Repl. Reserve	95,382	0	(95,382)	(100.00)%
Transfer of Road Reserve	29,660	0	(29,660)	(100.00)%
Total Other Financing Sources (Uses)	<u>125,042</u>	<u>0</u>	<u>(125,042)</u>	<u>(100.00)%</u>
Exc. of Rev/Other Sources Over Expend/Other Uses	<u>0</u>	<u>782</u>	<u>782</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	662,903	662,903	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>663,686</u></u>	<u><u>663,686</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 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	57	57	0.00%
Special Assessments				
Tax Roll	918,415	798,578	(119,836)	(13.04)%
Total Revenues	<u>918,415</u>	<u>798,635</u>	<u>(119,780)</u>	<u>(13.04)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	12,006	(12,006)	0.00%
Legal Counsel				
Bond Counsel	0	3,096	(3,096)	0.00%
Debt Service				
Interest	673,415	451,508	221,907	32.95%
Principal	245,000	0	245,000	100.00%
Total Expenditures	<u>918,415</u>	<u>466,610</u>	<u>451,805</u>	<u>49.19%</u>
Excess Of Revenues Over (Under) Expenditures	0	332,025	332,025	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	332,025	332,025	0.00%
Fund Balance, Beginning of Period	0	(2,735,008)	(2,735,008)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(2,402,983)</u>	<u>(2,402,983)</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2013 Through 1/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	5	5	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Total Revenues	<u>4,971</u>	<u>4,976</u>	<u>5</u>	<u>0.11%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	5,993	(5,993)	0.00%
Legal Counsel				
Trustee Counsel	0	1,419	(1,419)	0.00%
Debt Service				
Interest	4,971	107,898	(102,927)	(2,070.67)%
Total Expenditures	<u>4,971</u>	<u>115,310</u>	<u>(110,339)</u>	<u>(2,219.77)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(110,333)	(110,333)	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(110,333)	(110,333)	0.00%
Fund Balance, Beginning of Period	0	(970,543)	(970,543)	0.00%
Fund Balance, End of Period	<u><u>0</u></u>	<u><u>(1,080,877)</u></u>	<u><u>(1,080,877)</u></u>	<u><u>0.00%</u></u>

Sterling Hill CDD
Investment Summary
January 31, 2014

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>January 31, 2014</u>
State Board of Administration	Local Government Investment Pool	\$ 6,085
State Board of Administration	Local Government Investment Pool B	1,201
SunTrust	Business Money Market	11,815
The Bank of Tampa	Business Money Market	222,573
	Total General Fund Investments	\$ 241,674
The Bank of Tampa ICS Road Reserve		
Bank of China, New York, NY	Business Money Market	\$ 245,061
Western Alliance Bank	Business Money Market	173,558
Morton Comm Bank	Business Money Market	2
United Bank	Business Money Market	162,024
The Bank of Tampa ICS Asset Replacement Reserve		
Morton Comm Bank	Business Money Market	1
United Bank	Business Money Market	83,040
	Total Reserve Fund Investments	\$ 663,686
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	46,306
US Bank Series 2003 Prepayment B	US Bank Managed Money Market Account	409,797
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	887,656
US Bank Series 2003 Prepayment A	US Bank Managed Money Market Account	3,531
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	32,787
	Total Debt Service Fund Investments	\$ 1,956,252

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

001 - General Fund

From 1/1/2014 Through 1/31/2014

<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	243,379.03
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
11/18/2013	Sterling Hills, Inc.	655-14-01	<u>116,246.27</u>
		Total 001 - General Fund	750,233.61

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

200 - Debt Service Fund--Series 2003

From 1/1/2014 Through 1/31/2014

<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	174,289.09
		Total 200 - Debt Service Fund--Series 2003	1,077,826.72

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

201 - Debt Service Fund--Series 2006

From 1/1/2014 Through 1/31/2014

<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	159,534.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	172,494.00
10/1/2013	Hernando County Tax Collector	FY13-14	<u>1,084.85</u>
		Total 201 - Debt Service Fund--Series 2006	<u>333,112.85</u>
Report Balance			<u><u>2,161,173.18</u></u>

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 1/1/2014 Through 1/31/2014

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	1/13/2014	3155	North & South Clubhouse Carpet Maintenance 01/14	160.00
Big Dog Fence, Inc	1/31/2014	13114	50% Basketball Court Fence Installed 01/14	7,000.00
Big Dog Fence, Inc	1/31/2014	13114-1	Full Payment Commercial Chain Link Fence Installed 01/14	7,000.00
Castro's Welding & Maintenance LLC	1/22/2013	118	Gate Repair-Welding Repairs and Fabrication of Aluminum	920.00
Dave Vargas	1/30/2014	DV 013014	Off Duty Deputy 01/30/14	96.00
DCSI Inc.	1/27/2014	14246	Access System Not Communicating With Gate Controllers 01/14	105.00
Dustin Adkins	1/31/2014	DA 013114	Off Duty Deputy 01/31/14	96.00
Florida Department of Revenue	2/11/2014	37-8015579013-30114	Sales & Use Tax 01/14	30.52
John M. Cameron IV	1/27/2014	JC 012714	Off Duty Deputy 01/27/14	96.00
Joseph Schneider	1/29/2014	JS 012914	Off Duty Deputy 01/29/14	96.00
Julio Escoda	1/31/2014	JE 013114	Off Duty Deputy 01/31/14	72.00
Outsmart Pest Management, Inc.	1/28/2014	7266	South Clubhouse Pest Control Treatment 01/14	45.00
Outsmart Pest Management, Inc.	1/29/2014	7265	North Clubhouse Pest Control Treatment 01/14	45.00
Prager & Co., LLC	1/14/2014	5109	Annual Dissemination Fee Series 2003 A&B FY 13/14	2,000.00
Ramona C Fuhs	1/27/2014	RF 012714	Off Duty Deputy 01/27/14	72.00
Ramona C Fuhs	1/28/2014	RF 012814	Off Duty Deputy 01/28/14	96.00
Shaun Duval	1/31/2014	SD 013114	Off Duty Deputy 01/31/14	96.00
Straley & Robin	1/22/2014	10513	General/ Monthly Legal Services Through 01/15/14	334.00
Straley & Robin	1/22/2014	10514	Mahfuz One Family Trust Foreclosure Legal Services 01/14	770.50
Straley & Robin	1/22/2014	10515	SH Burns Land Trust Foreclosure Legal Services 01/14	985.00
Straley & Robin	1/22/2014	10516	Series 2003 Bond Defaults 01/14	224.00
Suncoast Fire Safety	1/16/2014	59560	Annual Service of Portable Fire Equipment	45.00
ValleyCrest Landscape Maintenance	1/24/2014	4423391	Landscape Maintenance Fert/Irrig/Pest Control 01/14	8,980.83
ValleyCrest Landscape Maintenance	1/29/2014	4425938	Install Pine Bark Mulch 01/14	30,438.00
Withlacoochee River Electric Cooperative, Inc.	1/24/2014	Electric Summary Billing 02/14	Withlacoochee Electric Summary Billing 02/14	10,351.65
				<hr/>
				Total 001 - General Fund
				<hr/>
				70,154.50
				<hr/>
				70,154.50
				<hr/> <hr/>
Report Balance				70,154.50

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
January 31, 2014

Balance Sheet

1. Trust statement activity has been recorded through 1/31/14.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$663,686 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 \$0.
4. Debt Service Obligations - Current, represents a scheduled Series 2003 Debt Service payment that was not made Nov 2010 and scheduled Series 2006 Debt Service payments that were not made May 2010 – Nov 2013.
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 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.
7. Payment for Invoice #655-14-01Off Roll totaling \$27,134.66 was received in February 2014.
8. Payment for Invoice #FY13-14 Tax Roll totaling \$25,161.42 was received in February 2014.