

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

September 30, 2013

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 9/30/2013

(In Whole Numbers)

	General Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
Assets					
Cash In Bank	113,346	0	113,346	0	0
Investments	141,536	1,486,440	1,627,977	0	0
Investments - Reserves	662,903	0	662,903	0	0
Accounts Receivable	425,562	1,235,566	1,661,128	0	0
Allowance for Uncollectible Assessments	(258,631)	(1,235,566)	(1,494,197)	0	0
Prepaid Expenses	33,190	0	33,190	0	0
Due From Other Funds	0	0	0	0	0
Amount To Be Provided-Debt Service	0	0	0	0	19,020,000
Fixed Assets	0	0	0	26,018,507	0
Total Assets	<u>1,117,907</u>	<u>1,486,440</u>	<u>2,604,347</u>	<u>26,018,507</u>	<u>19,020,000</u>
Liabilities					
Accounts Payable	32,849	0	32,849	0	0
Accrued Expenses Payable	0	0	0	0	0
Due To Other Funds	0	0	0	0	0
Debt Service Obligations - Current	0	5,191,992	5,191,992	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	19,020,000
Total Liabilities	<u>32,849</u>	<u>5,191,992</u>	<u>5,224,841</u>	<u>0</u>	<u>19,020,000</u>
Fund Equity And Other Credits					
Beginning Fund Balance	838,416	(3,382,132)	(2,543,716)	26,018,507	0
Net Change in Fund Balance	246,641	(323,419)	(76,778)	0	0
Total Fund Equity And Other Credits	<u>1,085,057</u>	<u>(3,705,551)</u>	<u>(2,620,494)</u>	<u>26,018,507</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>1,117,907</u>	<u>1,486,440</u>	<u>2,604,347</u>	<u>26,018,507</u>	<u>19,020,000</u>

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 9/30/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	3,303	3,303	0.00%
Special Assessments					
Tax Roll	1,109,466	1,109,466	1,119,144	9,678	(0.87)%
Off Roll	138,678	138,678	138,679	1	0.00%
Other Miscellaneous Revenues					
Miscellaneous	0	0	8,987	8,987	0.00%
Total Revenues	1,248,144	1,248,144	1,270,113	21,969	(1.76)%
Expenditures					
Legislative					
Supervisor Fees	12,000	12,000	11,200	800	6.66%
Financial & Administrative					
Administrative Services	8,400	8,400	8,400	0	0.00%
District Management	32,000	32,000	32,000	0	0.00%
District Engineer	12,000	12,000	4,911	7,089	59.07%
Disclosure Report	6,500	6,500	2,000	4,500	69.23%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	8,000	8,000	0	0.00%
Accounting Services	17,000	17,000	17,000	0	0.00%
Auditing Services	5,000	5,000	4,800	200	4.00%
Arbitrage Rebate Calculation	650	650	1,300	(650)	(100.00)%
Public Officials Liability	11,650	11,650	10,130	1,520	13.04%
Insurance					
Legal Advertising	750	750	933	(183)	(24.35)%
Bank Fees	500	500	571	(71)	(14.17)%
Dues, Licenses & Fees	1,000	1,000	923	77	7.70%
Legal Counsel					
District Counsel	10,000	10,000	12,146	(2,146)	(21.46)%
District Counsel Assessment	5,000	5,000	0	5,000	100.00%
Collection					
Foreclosure Legal Services	5,000	5,000	14,471	(9,471)	(189.41)%
Law Enforcement					
Off Duty Deputy Services	45,000	45,000	47,482	(2,482)	(5.51)%
Electric Utility Services					
Utility Services	52,056	52,056	52,230	(174)	(0.33)%
Street Lights	67,735	67,735	65,919	1,816	2.68%
Garbage/Solid Waste Control Services					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 9/30/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	4,400	4,400	4,763	(363)	(8.26)%
Water-Sewer Combination Services					
Utility Services	5,000	5,000	7,451	(2,451)	(49.02)%
Stormwater Control					
Dry Retention Lake/Pond Repair	35,000	35,000	17,967	17,033	48.66%
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	30,000	9,075	20,925	69.75%
Landscape Maintenance Contract	118,200	118,200	116,874	1,326	1.12%
Irrigation Repairs & Maintenance	28,000	28,000	55,578	(27,578)	(98.49)%
Mulch Installation	68,000	68,000	31,500	36,500	53.67%
Fertilization/Pesticide Applications	36,000	36,000	30,178	5,822	16.17%
Landscape Replacement Plants, Shrubs, Trees	55,000	55,000	30,613	24,388	44.34%
Sod Replacement	20,000	20,000	798	19,203	96.01%
Miscellaneous Expenses	1,500	1,500	7,374	(5,874)	(391.61)%
Road & Street Facilities					
Gate Phone	8,000	8,000	8,892	(892)	(11.15)%
Gate Maintenance	27,995	27,995	11,012	16,983	60.66%
Sidewalk Repair & Maintenance	4,000	4,000	6,677	(2,677)	(66.92)%
Street Light/Decorative Light Maintenance	5,200	5,200	1,351	3,849	74.01%
Street Sign Repairs	500	500	31	469	93.71%
Security Camera Maintenance & Repair	5,327	5,327	8,622	(3,295)	(61.85)%
Parks & Recreation					
Management Contract	220,392	220,392	220,992	(600)	(0.27)%
Facility Maintenance	40,000	40,000	28,578	11,422	28.55%
Telephone, Fax, Internet	9,300	9,300	7,265	2,035	21.88%
Office Supplies	5,000	5,000	3,085	1,915	38.30%
Furniture	5,000	5,000	0	5,000	100.00%
Repair/Replacement-Pool/CH					
Pool/Water Park/Fountain Maint	13,500	13,500	7,675	5,825	43.14%
Lighting Replacement	2,000	2,000	146	1,854	92.72%
Clubhouse Furniture Replacement	3,500	3,500	4,913	(1,413)	(40.37)%
Athletic/Park Court/Field Repairs	1,500	1,500	873	627	41.82%
Miscellaneous Expenses	1,700	1,700	2,203	(503)	(29.60)%

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 9/30/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Contingency					
Miscellaneous Contingency	14,743	14,743	9,537	5,206	35.31%
Road Reserve	95,382	95,382	0	95,382	100.00%
Asset Replacement Reserve	45,079	45,079	72,743	(27,664)	(61.36)%
Total Expenditures	<u>1,248,144</u>	<u>1,248,144</u>	<u>1,023,472</u>	<u>224,672</u>	<u>18.00%</u>
Excess Of Revenues Over (Under) Expenditures	0	0	246,641	246,641	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	0	246,641	246,641	0.00%
Fund Balance, Beginning of Period	0	0	838,416	838,416	0.00%
Fund Balance, End of Period	<u>0</u>	<u>0</u>	<u>1,085,057</u>	<u>1,085,057</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2012 Through 9/30/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	536	(536)	0.00%
Special Assessments				
Tax Roll	918,415	854,823	63,592	6.92%
Debt Service Prepayments	0	51,337	(51,337)	0.00%
Off Roll	0	1,173	(1,173)	0.00%
Total Revenues	<u>918,415</u>	<u>907,869</u>	<u>(10,546)</u>	<u>(1.15)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	11,044	11,044	0.00%
Legal Counsel				
Bond Counsel	0	6,022	6,022	0.00%
Debt Service				
Interest	688,415	917,035	228,620	33.20%
Principal	230,000	230,000	0	0.00%
Total Expenditures	<u>918,415</u>	<u>1,164,101</u>	<u>(245,686)</u>	<u>(26.75)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(256,232)	256,232	0.00%
Other Financing Sources (Uses)				
SPE Costs	0	(413)	413	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(256,645)	256,645	0.00%
Fund Balance, Beginning of Period	0	(2,478,363)	(2,478,363)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(2,735,008)</u>	<u>(2,735,008)</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2012 Through 9/30/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	23	(23)	0.00%
Special Assessments				
Tax Roll	0	4,971	(4,971)	0.00%
Off Roll	0	222,618	(222,618)	0.00%
Total Revenues	0	227,612	227,612	0.00%
Expenditures				
Financial & Administrative				
Trustees Fees	0	7,797	7,797	0.00%
Legal Counsel				
Trustee Counsel	0	5,793	5,793	0.00%
Debt Service				
Interest	0	215,796	215,796	0.00%
Principal	0	65,000	65,000	0.00%
Total Expenditures	0	294,386	(294,386)	0.00%
Excess Of Revenues Over (Under) Expenditures	0	(66,774)	66,774	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(66,774)	66,774	0.00%
Fund Balance, Beginning of Period	0	(903,769)	(903,769)	0.00%
Fund Balance, End of Period	0	(970,543)	(970,543)	0.00%

Sterling Hill CDD
Investment Summary
September 30, 2013

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>September 30, 2013</u>
State Board of Administration	Local Government Investment Pool	\$ 5,762
State Board of Administration	Local Government Investment Pool B	1,458
SunTrust	Business Money Market	11,798
The Bank of Tampa	Business Money Market	122,518
	Total General Fund Investments	\$ 141,536
The Bank of Tampa ICS Road Reserve		
Bank of China	Business Money Market	\$ 245,069
Mutual of Omaha Bank	Business Money Market	172,764
Happy State Bank	Business Money Market	162,125
Merchants Bank	Business Money Market	3
The Bank of Tampa ICS Asset Replacement Reserve		
Happy State Bank	Business Money Market	82,941
Merchants Bank	Business Money Market	1
	Total General Fund Investments - Reserves	\$ 662,903
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	61,406
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	269,188
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	166,344
	Total Debt Service Fund Investments	\$ 1,486,440

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 9/1/2013 Through 9/30/2013

<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
1/15/2013	Sterling Hills, Inc.	655-13-01	<u>40,231.65</u>
		Total 001 - General Fund	425,561.91

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 9/1/2013 Through 9/30/2013

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	Hernando County Tax Collector	FY11-12	2,629.34
10/1/2011	Pasco Sawgrass Creek, LLC	655-12-04	88,762.66
		Total 200 - Debt Service Fund--Series 2003	903,537.63

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 9/1/2013 Through 9/30/2013

<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	<u>172,494.00</u>
		Total 201 - Debt Service Fund--Series 2006	332,028.00
			<u>1,661,127.54</u>
Report Balance			<u><u>1,661,127.54</u></u>

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 9/1/2013 Through 9/30/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
ADT Security Services, Inc.	9/7/2013	05684056	01200117452440 South Clubhouse Security Service PE 12/31/13	189.05
ADT Security Services, Inc.	9/7/2013	05684057	01200 183497578 North Clubhouse Security Service PE 12/31/13	189.05
Apex Floor & Furniture Care	9/9/2013	3055	North & South Clubhouse Carpet Maintenance 09/13	160.00
Bruce Edward Nichols	9/27/2013	BN 092713	Off Duty Deputy 09/27/13	103.50
Dave Vargas	9/24/2013	DV 092413	Off Duty Deputy 09/24/13	92.00
E.C. Electrical Contractors, Inc.	9/17/2013	387999	Bulbs/Flood Lights/Ballesters Replaced 09/13	1,315.22
E.C. Electrical Contractors, Inc.	9/17/2013	387999-1	Diff in Invoice 09/13	36.00
Edward J. Ciccone	9/28/2013	EC 092813	Off Duty Deputy 09/28/13	92.00
Florida Department of Revenue	9/30/2013	37-8015579013-3 09/13	Sales & Use Tax 09/13	41.38
Hernando County Sheriff's Office	9/26/2013	HC 092613	Vehicle Usage 09/26/13	10.00
Hernando County Utilities	9/24/2013	SS00001-00 09/13	North Clubhouse Water 09/13	179.93
Hernando County Utilities	9/24/2013	SS00013 - 00 09/13	South Clubhouse Water Bill 09/13	499.77
Jeffrey Lamondra	9/30/2013	JL 093013	Off Duty Deputy 09/30/13	92.00
Kenneth R. Lund	9/28/2013	KL 092813	Off Duty Deputy 09/28/13	103.50
McCullough Water Services	9/30/2013	18006 09/13	Water Rental and Delivery 09/13	36.65
McCullough Water Services	9/30/2013	18007 09/13	Water Rental and Delivery 09/13	28.67
Michael A. Woodward	9/26/2013	MW 092613	Off Duty Deputy 09/26/13	69.00
Outsmart Pest Management, Inc.	9/30/2013	6497	North Clubhouse Pest Control Treatment 09/13	45.00
Outsmart Pest Management, Inc.	9/30/2013	6498	South Clubhouse Fire Ant Treatment 9/13	285.00
Outsmart Pest Management, Inc.	9/30/2013	6499	South Clubhouse Pest Control Treatment 09/13	45.00
Richard Purchase	9/27/2013	RP 092713	Off Duty Deputy 09/27/13	103.50
Robert Santoro	9/25/2013	RS 092513	Off Duty Deputy 09/25/13	69.00
Shaun Duval	9/24/2013	SD 091913	Off Duty Deputy 09/24/13	69.00
Southern Automated Access Services	9/26/2013	821	Repair Lead Edge Entrance Island - Haverhill 09/13	270.00
Stantec Consulting Services Inc	9/20/2013	724268	Engineering Services 09/13	194.00
Straley & Robin	9/20/2013	10048	General/ Monthly Legal Services Through 09/15/13	475.00
Straley & Robin	9/20/2013	10049	Grant Homes Foreclosure Legal Services 09/13	572.75
Straley & Robin	9/20/2013	10050	Brown Investment Group, LLC/Foreclosure 09/13	162.00
Straley & Robin	9/20/2013	10051	Mahfuz One Family Trust Foreclosure Legal Services 09/13	907.60
Straley & Robin	9/20/2013	10052	SH Burns Land Trust Foreclosure Legal Services 09/13	1,754.60

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 9/1/2013 Through 9/30/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Straley & Robin	9/20/2013	10053	Pasco Sawgrass Creek, LLC Foreclosure 09/13	132.00
Suncoast Pool Service	8/31/2013	1460	North Pool Chemical Supplies 08/13	541.75
Suncoast Pool Service	8/31/2013	1461	South Pool Chemical Service 08/13	360.75
Suncoast Pool Service	9/30/2013	1494	South Pool Chemical Service 09/13	254.88
Suncoast Pool Service	9/30/2013	1495	North Pool Chemical Supplies 09/13	474.50
T & R Painting Specialists, Inc.	9/16/2013	12859	Repair COLUMNS/Labor & Material Lightning Damage 09/13	1,900.00
ValleyCrest Landscape Maintenance	9/20/2013	4336647	Install Annuals to Beds-Fall Mix 09/13	390.00
ValleyCrest Landscape Maintenance	9/20/2013	4336649	Remove & Install Loropetalums-Flag Pole 09/13	975.00
ValleyCrest Landscape Maintenance	9/25/2013	4338343	Landscape Maintenance Fert/Irrig 09/13	9,457.83
Vincent Spallino Jr	9/29/2013	VS 092913	Off Duty Deputy 09/29/13	92.00
William L Boettger	9/26/2013	WB 092613	Off Duty Deputy 09/26/13	115.00
William Martinez	9/25/2013	BM 092513	Off Duty Deputy 09/25/13	92.00
William Martinez	9/27/2013	BM 092713	Off Duty Deputy 09/27/13	69.00
Withlacoochee River Electric Cooperative, Inc.	9/24/2013	Electric Summary Billing 09/13	Withlacoochee Electric Summary Billing 09/13	9,779.14
Zeno Office Solutions, Inc.	9/12/2013	AUT13A 1	Custom Name Plates for BOS Meetings	25.45
			Total 001 - General Fund	32,849.47
Report Balance				32,849.47

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
September 30, 2013

Balance Sheet

1. Trust statement activity has been recorded through 09/30/13.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$662,903 is reserved for future Capital Expenditures as appropriated from the General Fund Budget. Current YTD funding is \$140,461.
4. Debt Service Obligations-Current, represents scheduled Series 2003 Debt Service payment that was not made in Nov 2010 and Series 2006 Debt Service payments that were not made May 2010 - May 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.

Statement of Revenue and Expenditures – Debt Service Fund 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

1. 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.
2. Payment for Invoice #655-13-01 was received on 10/9/13.