

Sterling Hill  
Community Development District

Financial Statements  
(Unaudited)

August 31, 2013

Prepared by  
Rizzetta & Company, Inc.  
District Manager

**Sterling Hill Community Development District**

Balance Sheet

As of 8/31/2013

(In Whole Numbers)

	General Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
<b>Assets</b>					
Cash In Bank	80,416	0	80,416	0	0
Investments	271,539	1,467,118	1,738,656	0	0
Investments - Reserves	662,713	0	662,713	0	0
Accounts Receivable	426,704	1,239,374	1,666,078	0	0
Allowance for Uncollectible Assessments	(258,631)	(1,239,374)	(1,498,005)	0	0
Prepaid Expenses	0	0	0	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	26,011,955	0
<b>Total Assets</b>	<u>1,182,740</u>	<u>1,467,118</u>	<u>2,649,858</u>	<u>26,011,955</u>	<u>19,020,000</u>
<b>Liabilities</b>					
Accounts Payable	32,033	0	32,033	0	0
Accrued Expenses Payable	117	0	117	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
<b>Total Liabilities</b>	<u>32,150</u>	<u>5,191,992</u>	<u>5,224,142</u>	<u>0</u>	<u>19,020,000</u>
<b>Fund Equity And Other Credits</b>					
Beginning Fund Balance	838,416	(3,382,132)	(2,543,716)	26,011,955	0
Net Change in Fund Balance	312,174	(342,742)	(30,568)	0	0
<b>Total Fund Equity And Other Credits</b>	<u>1,150,590</u>	<u>(3,724,874)</u>	<u>(2,574,284)</u>	<u>26,011,955</u>	<u>0</u>
<b>Total Liabilities And Fund Equity</b>	<u>1,182,740</u>	<u>1,467,118</u>	<u>2,649,858</u>	<u>26,011,955</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 8/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
<b>Revenues</b>					
Interest Earnings					
Interest Earnings	0	0	3,100	3,100	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	8,351	8,351	0.00%
<b>Total Revenues</b>	<b>1,248,144</b>	<b>1,248,144</b>	<b>1,269,273</b>	<b>21,129</b>	<b>(1.69)%</b>
<b>Expenditures</b>					
Legislative					
Supervisor Fees	12,000	11,000	10,400	600	13.33%
Financial & Administrative					
Administrative Services	8,400	7,700	7,700	0	8.33%
District Management	32,000	29,333	29,333	0	8.33%
District Engineer	12,000	11,000	4,717	6,283	60.69%
Disclosure Report	6,500	5,958	2,000	3,958	69.23%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	7,750	7,750	0	3.12%
Accounting Services	17,000	15,583	15,583	0	8.33%
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	688	1,011	(323)	(34.73)%
Bank Fees	500	458	556	(98)	(11.17)%
Dues, Licenses & Fees	1,000	1,000	923	77	7.70%
Legal Counsel					
District Counsel	10,000	9,167	11,671	(2,505)	(16.71)%
District Counsel Assessment	5,000	4,583	0	4,583	100.00%
Collection					
Foreclosure Legal Services	5,000	4,583	10,942	(6,359)	(118.83)%
Law Enforcement					
Off Duty Deputy Services	45,000	41,250	43,210	(1,960)	3.97%
Electric Utility Services					
Utility Services	52,056	47,718	48,124	(406)	7.55%
Street Lights	67,735	62,090	60,245	1,845	11.05%
Garbage/Solid Waste Control Services					

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 8/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	4,400	4,033	4,357	(323)	0.98%
Water-Sewer Combination Services					
Utility Services	5,000	4,583	6,771	(2,188)	(35.42)%
Stormwater Control					
Lake/Pond Repair	35,000	32,083	17,967	14,116	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	27,500	7,175	20,325	76.08%
Landscape Maintenance Contract	118,200	108,350	108,838	(488)	7.92%
Irrigation Repairs & Maintenance	28,000	25,667	54,733	(29,066)	(95.47)%
Mulch Installation	68,000	62,333	31,500	30,833	53.67%
Fertilization/Pesticide Applications	36,000	33,000	29,601	3,399	17.77%
Landscape Replacement Plants, Shrubs, Trees	55,000	50,417	29,110	21,307	47.07%
Sod Replacement	20,000	18,333	0	18,333	100.00%
Miscellaneous Expenses	1,500	1,375	7,374	(5,999)	(391.61)%
Road & Street Facilities					
Gate Phone	8,000	7,333	7,944	(611)	0.70%
Gate Maintenance	27,995	25,662	10,517	15,145	62.43%
Sidewalk Repair & Maintenance	4,000	3,667	6,677	(3,010)	(66.92)%
Street Light/Decorative Light Maintenance	5,200	4,767	0	4,767	100.00%
Street Sign Repairs	500	458	31	427	93.71%
Security Camera Maintenance & Repair	5,327	4,883	8,006	(3,123)	(50.29)%
Parks & Recreation					
Management Contract	220,392	202,026	202,576	(550)	8.08%
Clubhouse Facility Maintenance	40,000	36,667	25,832	10,835	35.41%
Clubhouse Telephone, Fax, Internet	9,300	8,525	6,674	1,851	28.24%
Clubhouse Office Supplies	5,000	4,583	2,282	2,301	54.35%
Pool Furniture Replacement/Repair	5,000	4,583	0	4,583	100.00%
Pool/Water Park/Fountain Maint	13,500	12,375	6,043	6,332	55.23%
Clubhouse Lighting Replacement	2,000	1,833	146	1,688	92.72%
Clubhouse Furniture Replacement	3,500	3,208	4,913	(1,705)	(40.37)%
Athletic/Park Court/Field Repairs	1,500	1,375	873	502	41.82%

See Notes to Unaudited Financial Statements

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 8/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Miscellaneous Expenses	1,700	1,558	2,192	(634)	(28.94)%
Contingency					
Miscellaneous Contingency	14,743	13,514	9,537	3,977	35.31%
Road Reserve	95,382	87,434	0	87,434	100.00%
Asset Replacement Reserve	45,079	41,322	72,743	(31,421)	(61.36)%
Total Expenditures	<u>1,248,144</u>	<u>1,149,298</u>	<u>957,099</u>	<u>192,199</u>	<u>23.32%</u>
Excess Of Revenues Over (Under) Expenditures	0	98,846	312,174	213,328	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	98,846	312,174	213,328	0.00%
Fund Balance, Beginning of Period	0	0	838,416	838,416	0.00%
Fund Balance, End of Period	<u>0</u>	<u>98,846</u>	<u>1,150,590</u>	<u>1,051,744</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 8/31/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	514	(514)	0.00%
Special Assessments				
Tax Roll	918,415	854,823	63,592	6.92%
Debt Service Prepayments	0	52,510	(52,510)	0.00%
<b>Total Revenues</b>	<u>918,415</u>	<u>907,847</u>	<u>(10,568)</u>	<u>(1.15)%</u>
<b>Expenditures</b>				
Financial & Administrative				
Trustees Fees	0	11,044	11,044	0.00%
Legal Counsel				
Bond Counsel	0	5,522	5,522	0.00%
Debt Service				
Interest	688,415	917,035	228,620	33.20%
Principal	230,000	230,000	0	0.00%
<b>Total Expenditures</b>	<u>918,415</u>	<u>1,163,601</u>	<u>(245,186)</u>	<u>(26.70)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(255,754)	255,754	0.00%
<b>Other Financing Sources (Uses)</b>				
SPE Costs	0	(413)	413	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(256,167)	256,167	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>(2,734,531)</u>	<u>(2,734,531)</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 8/31/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	21	(21)	0.00%
Special Assessments				
Tax Roll	0	4,971	(4,971)	0.00%
Off Roll	0	202,820	(202,820)	0.00%
<b>Total Revenues</b>	<b>0</b>	<b>207,812</b>	<b>207,812</b>	<b>0.00%</b>
<b>Expenditures</b>				
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%
<b>Total Expenditures</b>	<b>0</b>	<b>294,386</b>	<b>(294,386)</b>	<b>0.00%</b>
Excess Of Revenues Over (Under) Expenditures	0	(86,574)	86,574	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(86,574)	86,574	0.00%
Fund Balance, Beginning of Period	0	(903,769)	(903,769)	0.00%
Fund Balance, End of Period	0	(990,343)	(990,343)	0.00%

**Sterling Hill CDD**  
**Investment Summary**  
**August 31, 2013**

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>August 31, 2013</u>
State Board of Administration	Local Government Investment Pool	\$ 5,731
State Board of Administration	Local Government Investment Pool B	1,513
SunTrust	Business Money Market	141,807
The Bank of Tampa	Business Money Market	122,488
	<b>Total General Fund Investments</b>	<b>\$ 271,539</b>
The Bank of Tampa ICS Road Reserve		
Mutual of Omaha Bank	Business Money Market	\$ 245,073
Bank of China	Business Money Market	172,571
Merchants Bank	Business Money Market	162,150
The Bank of Tampa ICS Asset Replacement Reserve		
Merchants Bank	Business Money Market	82,919
	<b>Total General Fund Investments - Reserves</b>	<b>\$ 662,713</b>
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	61,905
US Bank Series 2003 Prepayment B	US Bank Managed Money Market Account	409,798
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	269,167
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	146,543
	<b>Total Debt Service Fund Investments</b>	<b>\$ 1,467,118</b>



**Sterling Hill Community Development District**

Summary A/R Ledger

001 - General Fund

From 8/1/2013 Through 8/31/2013

<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>41,373.53</u>
		Total 001 - General Fund	426,703.79

**Sterling Hill Community Development District**

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 8/1/2013 Through 8/31/2013

Invoice Date	Customer Name	Invoice Number	Current Balance
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	2,629.34
10/1/2011	Pasco Sawgrass Creek, LLC	655-12-04	88,762.66
		Total 200 - Debt Service Fund--Series 2003	904,710.70

**Sterling Hill Community Development District**

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 8/1/2013 Through 8/31/2013

<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	160,776.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	<u>173,887.16</u>
		Total 201 - Debt Service Fund--Series 2006	334,663.16
			<u>Report Balance</u>
			<u><u>1,666,077.65</u></u>

**Sterling Hill Community Development District**

Summary A/P Ledger

001 - General Fund

From 8/1/2013 Through 8/31/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Abraham Dowdell	8/31/2013	AD 083113	Off Duty Deputy 08/31/13	103.50
DCSI Inc.	8/27/2013	13480	Lightning Storm Damage -DVR/Cameras 08/13	899.00
Derik Deso	8/27/2013	DD 082713	Off Duty Deputy 08/27/13	92.00
Derik Deso	8/30/2013	DD 083013	Off Duty Deputy 08/30/13	103.50
Hernando County Sheriff's Office	8/29/2013	HC 082913	Vehicle Usage 08/29/13	10.00
Julio Escoda	8/31/2013	JE 083113	Off Duty Deputy 08/31/13	103.50
Kenneth R. Lund	8/29/2013	KL 082913	Off Duty Deputy 08/29/13	115.00
LLS Tax Solutions, Inc.	8/29/2013	000350	Arbitrage Rebate Calculation Series 2006A/2006B PE 6/30/13	650.00
McCullough Water Services	8/31/2013	18006 08/13	Water Rental and Delivery 08/13	36.65
McCullough Water Services	8/31/2013	18007 08/13	Water Rental and Delivery 08/13	18.92
Outsmart Pest Management, Inc.	8/29/2013	6306	North Clubhouse Pest Control Treatment 08/13	45.00
Outsmart Pest Management, Inc.	8/29/2013	6307	South Clubhouse Pest Control Treatment 08/13	45.00
Ramona C Fuhs	8/30/2013	RF 093013	Off Duty Deputy 08/30/13	103.50
Southern Automated Access Services	8/23/2013	773	Service Call Residents Remotes Not Working - Dunwoody 08/13	75.00
Southern Automated Access Services	8/28/2013	776	Service Call Residents Remotes Not Working - Dunwoody 08/13	141.60
Southern Automated Access Services	8/28/2013	778	Service Call Remotes Not Working - Windance 08/13	109.95
Steven George	1/1/2012	SG010112	Off Duty Deputy 01/01/12	92.00
Straley & Robin	8/21/2013	9988	General/ Monthly Legal Services Through 08/15/13	1,059.35
Straley & Robin	8/21/2013	9989	Grant Homes Foreclosure Legal Services 08/13	14.00
Straley & Robin	8/21/2013	9990	Brown Investment Group, LLC/Foreclosure 08/13	30.00
Straley & Robin	8/21/2013	9991	Mahfuz One Family Trust Foreclosure Legal Services 08/13	44.00
Straley & Robin	8/21/2013	9992	SH Burns Land Trust Foreclosure Legal Services 08/13	1,972.00
Straley & Robin	8/21/2013	9993	Pasco Sawgrass Creek, LLC Foreclosure 08/13	210.00
Times Publishing Company	9/3/2013	I1004012850-0830	Acct # 1000424298 Legal Advertising 08/13	77.84
ValleyCrest Landscape Maintenance	8/15/2013	4313608	Irrigation Repairs Zones 02 - 15 Clock 1 08/13	331.50
ValleyCrest Landscape Maintenance	8/15/2013	4313609	Irrigation Repairs Zones 13 - 21 Clock 2 08/13	180.00
ValleyCrest Landscape Maintenance	8/15/2013	4313610	Irrigation Repairs Zones 2 - 28 Clock 4 08/13	2,859.00
ValleyCrest Landscape Maintenance	8/23/2013	4316437	Repair Mainline Leak - Windance & Clock 8 08/13	315.00

**Sterling Hill Community Development District**

Summary A/P Ledger

001 - General Fund

From 8/1/2013 Through 8/31/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
ValleyCrest Landscape Maintenance	8/23/2013	4316438	Repair Mainline Leak - Clubhouse Entrance 08/13	830.00
ValleyCrest Landscape Maintenance	8/28/2013	4320134	Landscape Maintenance Fert/Irrig 08/13	11,137.83
William Martinez	8/28/2013	BM 082813	Off Duty Deputy 08/28/13	92.00
Withlacoochee River Electric Cooperative, Inc.	8/23/2013	Electric Summary Billing 08/13	Withlacoochee Electric Summary Billing 08/13	10,136.01
			Total 001 - General Fund	32,032.65
Report Balance				32,032.65

**Sterling Hill Community Development District**  
**Notes to Unaudited Financial Statements**  
**August 31, 2013**

**Balance Sheet**

1. Trust statement activity has been recorded through 08/31/13.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$662,713 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 November 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 November 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**

7. 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.