

Sterling Hill  
Community Development District

Financial Statements  
(Unaudited)

February 28, 2015

Prepared by  
Rizzetta & Company, Inc.  
District Manager

**Sterling Hill Community Development District**

Balance Sheet  
As of 2/28/2015  
(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	364,570	0	0	364,570	0	0
Investments	492,968	0	2,179,099	2,672,068	0	0
Investments - Reserves	0	791,610	0	791,610	0	0
Accounts Receivable	773,596	0	1,427,827	2,201,423	0	0
Allowance for Uncollectible Assessments	(385,330)	0	(1,219,755)	(1,605,085)	0	0
Prepaid Expenses	0	0	0	0	0	0
Due From Other Funds	0	0	0	0	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,775,000
Fixed Assets	0	0	0	0	26,030,464	0
<b>Total Assets</b>	<u>1,245,805</u>	<u>791,610</u>	<u>2,387,172</u>	<u>4,424,587</u>	<u>26,030,464</u>	<u>18,775,000</u>
<b>Liabilities</b>						
Accounts Payable	18,809	0	0	18,809	0	0
Accrued Expenses Payable	3,342	0	0	3,342	0	0
Due To Other Funds	0	0	0	0	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	5,899,722	5,899,722	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,775,000
<b>Total Liabilities</b>	<u>22,151</u>	<u>0</u>	<u>5,899,722</u>	<u>5,921,873</u>	<u>0</u>	<u>18,775,000</u>
<b>Fund Equity And Other Credits</b>						
Beginning Fund Balance	475,461	759,217	(4,002,314)	(2,767,636)	26,030,464	0
Net Change in Fund Balance	748,192	32,393	489,764	1,270,350	0	0
<b>Total Fund Equity And Other Credits</b>	<u>1,223,653</u>	<u>791,610</u>	<u>(3,512,550)</u>	<u>(1,497,286)</u>	<u>26,030,464</u>	<u>0</u>
<b>Total Liabilities And Fund Equity</b>	<u>1,245,805</u>	<u>791,610</u>	<u>2,387,172</u>	<u>4,424,587</u>	<u>26,030,464</u>	<u>18,775,000</u>

See Notes to Unaudited Financial Statements

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
<b>Revenues</b>					
Interest Earnings					
Interest Earnings	0	0	100	100	0.00%
Special Assessments					
Tax Roll	1,128,790	1,128,790	1,157,056	28,266	(2.50)%
Off Roll	102,882	102,882	101,953	(929)	0.90%
Other Miscellaneous Revenues					
Miscellaneous	0	0	4,137	4,137	0.00%
<b>Total Revenues</b>	<u>1,231,672</u>	<u>1,231,672</u>	<u>1,263,247</u>	<u>31,575</u>	<u>(2.56)%</u>
<b>Expenditures</b>					
Legislative					
Supervisor Fees	13,000	5,417	5,000	417	61.53%
Financial & Administrative					
Administrative Services	8,400	3,500	3,500	0	58.33%
District Management	32,000	13,333	13,333	0	58.33%
District Engineer	10,000	4,167	8,290	(4,124)	17.09%
Disclosure Report	6,000	2,500	2,000	500	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	6,250	6,250	0	21.87%
Accounting Services	17,000	7,083	7,083	0	58.33%
Auditing Services	4,000	0	0	0	100.00%
Arbitrage Rebate Calculation	650	271	650	(379)	0.00%
Public Officials Liability	11,143	11,143	10,564	579	5.19%
Insurance					
Legal Advertising	750	313	221	92	70.57%
Dues, Licenses & Fees	925	925	132	793	85.72%
Legal Counsel					
District Counsel	12,000	5,000	4,658	342	61.18%
Foreclosure Expenses	25,000	10,417	9,671	745	61.31%
Law Enforcement					
Deputy	15,000	6,250	7,010	(760)	53.26%
Security Operations					
Security System Monitoring & Maintenance	10,000	4,167	2,334	1,832	76.65%
Electric Utility Services					
Utility Services	50,982	21,243	17,305	3,938	66.05%
Street Lights	68,018	28,341	28,101	240	58.68%
Garbage/Solid Waste Control Services					

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	5,165	2,152	2,509	(357)	51.41%
Water-Sewer Combination Services					
Utility Services	5,367	2,236	2,110	126	60.68%
Stormwater Control					
Dry Retention Pond Repair	15,000	6,250	0	6,250	100.00%
Other Physical Environment					
General Liability Insurance	7,397	7,397	72	7,325	99.02%
Property Insurance	18,330	18,330	16,524	1,806	9.85%
Entry & Walls Maintenance	10,000	4,167	40,850	(36,683)	(308.50)%
Landscape Maintenance	97,881	40,784	42,343	(1,560)	56.73%
Irrigation Repairs	25,241	10,517	15,766	(5,249)	37.53%
Landscape - Mulch	60,876	25,365	49,588	(24,223)	18.54%
Landscape - Annual Color Rotation	1,820	758	0	758	100.00%
Landscape Misc.-Fertilizer/Pesticide	23,839	9,933	7,822	2,111	67.18%
Landscape Replacement Plants, Shrubs, Trees	30,000	12,500	10,759	1,742	64.13%
Sod Replacement	6,000	2,500	0	2,500	100.00%
Landscape Mainrenance - Inspections	6,000	2,500	2,500	0	58.33%
Holiday Decorations	5,000	5,000	421	4,579	91.57%
Miscellaneous Expense	5,000	2,083	0	2,083	100.00%
Road & Street Facilities					
Gate Phone	13,000	5,417	5,489	(73)	57.77%
Gate Facility Maintenance	40,000	16,667	2,960	13,706	92.59%
Sidewalk Repair & Maintenance	6,000	2,500	7,662	(5,162)	(27.70)%
Street Light/Decorative Light Maintenance	15,000	6,250	0	6,250	100.00%
Street Sign Repairs & Replacement	500	208	572	(364)	(14.39)%
Parks & Recreation					
Management Contract	257,027	107,095	103,944	3,151	59.55%
Facility Maintenance & Repair	25,000	10,417	24,085	(13,668)	3.66%
Security System Monitoring & Maintenance	1,000	417	0	417	100.00%
Telephone, Fax, Internet	7,500	3,125	3,175	(50)	57.66%
Office Supplies	4,000	1,667	1,488	179	62.80%
Furniture Repair/Replacement-Pool/CH	15,000	6,250	0	6,250	100.00%

See Notes to Unaudited Financial Statements

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Lighting Replacement	1,000	417	9,627	(9,211)	(862.74)%
Vehicle Maintenance	1,000	417	778	(361)	22.21%
Pool Service Contract - Supplies & Repairs	7,500	3,125	1,642	1,483	78.10%
Supply Storage	10,000	4,167	48	4,119	99.52%
Playground Equipment & Maintenance	1,000	417	12	405	98.80%
Athletic/Park Court/Field Repairs	1,000	417	0	417	100.00%
Miscellaneous Expense	2,500	1,042	2,444	(1,402)	2.24%
Fitness Equipment Maintenance & Repairs	1,000	417	0	417	100.00%
Special Events					
Special Events	1,000	417	85	332	91.50%
Contingency					
Capital Outlay	158,020	65,842	12,088	53,754	92.35%
Total Expenditures	<u>1,198,131</u>	<u>533,777</u>	<u>493,466</u>	<u>40,310</u>	<u>58.81%</u>
Excess Of Revenues Over (Under) Expenditures	<u>33,541</u>	<u>697,896</u>	<u>769,780</u>	<u>71,885</u>	<u>(2,195.04)%</u>
Other Financing Sources (Uses)					
Prior Year Carryforward	91,000	91,000	0	(91,000)	100.00%
Transfer of Asset Repl. Reserve	(29,159)	(29,159)	(28,418)	741	2.54%
Transfer of Road Reserve	(95,382)	(95,382)	(6,123)	89,259	93.58%
Reimbursement of Foreclosure Fees	0	0	12,953	12,953	0.00%
Total Other Financing Sources (Uses)	<u>(33,541)</u>	<u>(33,541)</u>	<u>(21,588)</u>	<u>11,953</u>	<u>35.64%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>664,355</u>	<u>748,192</u>	<u>83,838</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	475,461	475,461	0.00%
Fund Balance, End of Period	<u>0</u>	<u>664,355</u>	<u>1,223,653</u>	<u>559,299</u>	<u>0.00%</u>

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	1,145	1,145	0.00%
<b>Total Revenues</b>	<b>0</b>	<b>1,145</b>	<b>1,145</b>	<b>0.00%</b>
<b>Expenditures</b>				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	29,159	3,293	25,866	88.70%
<b>Total Expenditures</b>	<b>124,541</b>	<b>3,293</b>	<b>121,248</b>	<b>97.36%</b>
Excess Of Revenues Over (Under) Expenditures	(124,541)	(2,148)	122,393	(98.27)%
<b>Other Financing Sources (Uses)</b>				
Transfer of Asset Repl. Reserve	29,159	28,418	(741)	(2.54)%
Transfer of Road Reserve	95,382	6,123	(89,259)	(93.58)%
<b>Total Other Financing Sources (Uses)</b>	<b>124,541</b>	<b>34,541</b>	<b>(90,000)</b>	<b>(72.27)%</b>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	0	32,393	32,393	0.00%
Fund Balance, Beginning of Period	0	759,217	759,217	0.00%
Fund Balance, End of Period	0	791,610	791,610	0.00%

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	86	86	0.00%
Special Assessments				
Tax Roll	798,578	798,578	0	0.00%
Debt Service Prepayments	0	116,490	116,490	0.00%
Off Roll	119,836	0	(119,836)	(100.00)%
<b>Total Revenues</b>	<u>918,415</u>	<u>915,154</u>	<u>(3,260)</u>	<u>(0.36)%</u>
<b>Expenditures</b>				
Financial & Administrative				
Trustees Fees	0	11,090	(11,090)	0.00%
Legal Counsel				
Bond Counsel	0	1,188	(1,188)	0.00%
Debt Service				
Interest	658,415	444,036	214,379	32.55%
Principal	260,000	0	260,000	100.00%
<b>Total Expenditures</b>	<u>918,415</u>	<u>456,314</u>	<u>462,101</u>	<u>50.32%</u>
Excess Of Revenues Over (Under) Expenditures	0	458,841	458,841	0.00%
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	0	458,841	458,841	0.00%
Fund Balance, Beginning of Period	0	(3,115,584)	(3,115,584)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(2,656,743)</u>	<u>(2,656,743)</u>	<u>0.00%</u>

**Sterling Hill Community Development District**

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2014 Through 2/28/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
<b>Revenues</b>				
Interest Earnings				
Interest Earnings	0	40	40	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Debt Service Prepayments	0	134,412	134,412	0.00%
<b>Total Revenues</b>	<u>4,971</u>	<u>139,423</u>	<u>134,452</u>	<u>2,704.89%</u>
<b>Expenditures</b>				
Legal Counsel				
Bond Counsel	0	602	(602)	0.00%
Debt Service				
Interest	4,971	107,898	(102,927)	(2,070.67)%
<b>Total Expenditures</b>	<u>4,971</u>	<u>108,500</u>	<u>(103,529)</u>	<u>(2,082.78)%</u>
Excess Of Revenues Over (Under) Expenditures	0	30,923	30,923	0.00%
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	0	30,923	30,923	0.00%
Fund Balance, Beginning of Period	0	(886,730)	(886,730)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(855,807)</u>	<u>(855,807)</u>	<u>0.00%</u>



**Sterling Hill CDD**  
**Investment Summary**  
**February 28, 2015**

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>February 28, 2015</u>
State Board of Administration	Local Government Investment Pool	\$ 1
SunTrust	Business Money Market	249,883
The Bank of Tampa	Business Money Market	243,084
	<b>Total General Fund Investments</b>	<b>\$ 492,968</b>
The Bank of Tampa ICS Road Reserve		
Bank of China, New York, N.Y.	Business Money Market	\$ 245,055
First National Bank of Omaha	Business Money Market	245,066
Happy State Bank	Business Money Market	56,427
Mutual of Omaha Bank	Business Money Market	66,038
West Bank	Business Money Market	1
	Sub Total	612,587
The Bank of Tampa ICS Asset Replacement Reserve		
Bank of China, New York, N.Y.	Business Money Market	7
Mutual of Omaha Bank	Business Money Market	179,016
	Sub Total	179,023
	<b>Total Reserve Fund Investments</b>	<b>\$ 791,610</b>
US Bank Series 2003 Reserve A	US Bank Managed Money Market Account	\$ 363,859
US Bank Series 2003 Reserve B	US Bank Managed Money Market Account	24,295
US Bank Series 2003 Prepayment B	US Bank Managed Money Market Account	504,121
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	735,923
US Bank Series 2003 Prepayment A	US Bank Managed Money Market Account	7,309
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	543,488
	<b>Total Debt Service Fund Investments</b>	<b>\$ 2,179,099</b>

**Sterling Hill Community Development District**

Summary A/R Ledger

001 - General Fund

From 2/1/2015 Through 2/28/2015

<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	71,487.09
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
10/1/2014	Hernando County Tax Collector	FY14-15	219,929.07
11/19/2014	D. R. Horton, Inc.	655-15-02	5,190.90
11/19/2014	Sterling Hills 2, Inc.	655-15-03	5,341.29
11/20/2014	Sterling Hills, Inc.	655-15-01	81,039.49
		Total 001 - General Fund	773,596.15

**Sterling Hill Community Development District**

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 2/1/2015 Through 2/28/2015

<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	51,193.47
10/1/2014	Hernando County Tax Collector	FY14-15	155,591.98
		Total 200 - Debt Service Fund--Series 2003	1,110,323.08

**Sterling Hill Community Development District**

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 2/1/2015 Through 2/28/2015

<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	152,082.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	164,135.04
10/1/2013	Hernando County Tax Collector	FY13-14	318.64
10/1/2014	Hernando County Tax Collector	FY14-15	968.48
		Total 201 - Debt Service Fund--Series 2006	317,504.16
Report Balance			2,201,423.39

**Sterling Hill Community Development District**

Summary A/P Ledger

001 - General Fund

From 2/1/2015 Through 2/28/2015

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	2/9/2015	3489	North & South Clubhouse Vinyl Scrubbing/Carpet Maint 02/15	160.00
Dave Vargas	2/27/2015	DV 022715	Off Duty Deputy 02/27/15	125.00
DCSI Inc.	2/23/2015	16702	HID Prox II 1326 Access Cards 02/15	369.00
Hernando County Sheriff's Office	2/20/2015	HCSO 022015	Vehicle Usage 02/20/15	10.00
Hernando County Sheriff's Office	2/21/2015	HCSO 022115	Vehicle Usage 02/21/15	10.00
Hernando County Sheriff's Office	2/27/2015	HCSO 022715	Vehicle Usage 02/27/15	10.00
Hernando County Sheriff's Office	2/28/2015	HCSO 022815	Vehicle Usage 02/28/15	10.00
Hernando County Utilities	2/24/2015	SS00001-00 02/15	North Clubhouse Water Bill 02/15	249.33
Hernando County Utilities	2/24/2015	SS00013 - 00 02/15	South Clubhouse Water Bill 02/15	95.00
Outsmart Pest Management, Inc.	2/24/2015	9777	North Clubhouse Pest Control Treatment 02/15	45.00
Outsmart Pest Management, Inc.	2/24/2015	9778	South Clubhouse Pest Control Treatment 02/15	45.00
Paul Barreto	2/20/2015	PB 022015	Off Duty Deputy 02/20/15	125.00
Southern Automated Access Services	2/27/2015	1471	Pedestrian Gates Replace Closers/Kant Slam 02/15	1,158.00
Stardust Farms Inc.	11/12/2014	2572	Plants Installed & Delivery Fee 02/15668.50	668.50
Straley & Robin	2/20/2015	11816	General/ Monthly Legal Services Through 02/15	1,315.70
Straley & Robin	2/20/2015	11818	Mahfuz One Family Trust/Foreclosure 02/15	1,190.25
Straley & Robin	2/20/2015	11819	Pasco Sawgrass Creek, LLC Foreclosure 02/15	708.25
Straley & Robin	2/21/2015	11852	Brown Investment Group, LLC/Foreclosure 02/15	2,378.15
Tommy Harris	2/21/2015	TH 022115	Off Duty Deputy 02/21/15	125.00
ValleyCrest Landscape Maintenance	2/24/2015	4711186	Irrigation Main Line Repair@South Clbhse & Mandalay 02/15	266.50
ValleyCrest Landscape Maintenance	2/24/2015	4711187	Irrigation Main Line Repairs @ Brackenwood 02/15	566.00
William Cooper	2/28/2015	WC 022815	Off Duty Deputy 02/28/15	125.00
Withlacoochee River Electric Cooperative, Inc.	2/23/2015	Electric Summary Billing 02/15	Withlacoochee Electric Summary Billing 02/15	9,054.63
			Total 001 - General Fund	18,809.31
Report Balance				18,809.31

**Sterling Hill Community Development District**  
**Notes to Unaudited Financial Statements**  
**February 28, 2015**

**Balance Sheet**

1. Trust statement activity has been recorded through 02/28/15.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$791,610 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.
4. Debt Service Obligations - Current, represents a scheduled Series 2003 Debt Service payment that was not made Nov 2014 and scheduled Series 2006 Debt Service payments that were not made May 2010 – Nov 2014.
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 FY14-15 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.