

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

July 31, 2013

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet

As of 7/31/2013

(In Whole Numbers)

	General Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Group	General Long Term Debt Group
Assets					
Cash In Bank	183,253	0	183,253	0	0
Investments	271,490	1,410,728	1,682,218	0	0
Investments - Reserves	662,516	0	662,516	0	0
Accounts Receivable	427,560	1,247,279	1,674,840	0	0
Allowance for Uncollectible Assessments	(258,631)	(1,247,279)	(1,505,910)	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
Total Assets	1,286,188	1,410,728	2,696,916	26,011,955	19,020,000
Liabilities					
Accounts Payable	47,971	0	47,971	0	0
Accrued Expenses Payable	4,372	0	4,372	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	52,343	5,191,992	5,244,334	0	19,020,000
Fund Equity And Other Credits					
Beginning Fund Balance	838,416	(3,382,132)	(2,543,716)	26,011,955	0
Net Change in Fund Balance	395,429	(399,132)	(3,702)	0	0
Total Fund Equity And Other Credits	1,233,845	(3,781,264)	(2,547,418)	26,011,955	0
Total Liabilities And Fund Equity	1,286,188	1,410,728	2,696,916	26,011,955	19,020,000

See Notes to Unaudited Financial Statements

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 7/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	2,854	2,854	0.00%
Special Assessments					
Tax Roll	1,109,466	1,109,466	1,118,118	8,653	(0.77)%
Off Roll	138,678	138,678	138,679	1	0.00%
Other Miscellaneous Revenues					
Miscellaneous	0	0	7,747	7,747	0.00%
Total Revenues	1,248,144	1,248,144	1,267,398	19,254	(1.54)%
Expenditures					
Legislative					
Supervisor Fees	12,000	10,000	9,800	200	18.33%
Financial & Administrative					
Administrative Services	8,400	7,000	7,000	0	16.66%
District Management	32,000	26,667	26,667	0	16.66%
District Engineer	12,000	10,000	4,717	5,283	60.69%
Disclosure Report	6,500	5,417	2,000	3,417	69.23%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	7,500	7,500	0	6.25%
Accounting Services	17,000	14,167	14,167	0	16.66%
Auditing Services	5,000	5,000	4,800	200	4.00%
Arbitrage Rebate Calculation	650	650	650	0	0.00%
Public Officials Liability	11,650	11,650	10,130	1,520	13.04%
Insurance					
Legal Advertising	750	625	798	(173)	(6.34)%
Bank Fees	500	417	556	(139)	(11.17)%
Dues, Licenses & Fees	1,000	1,000	923	77	7.70%
Legal Counsel					
District Counsel	10,000	8,333	10,612	(2,279)	(6.11)%
District Counsel Assessment	5,000	4,167	0	4,167	100.00%
Collection					
Foreclosure Legal Services	5,000	4,167	8,672	(4,505)	(73.43)%
Law Enforcement					
Off Duty Deputy Services	45,000	37,500	38,537	(1,037)	14.36%
Electric Utility Services					
Utility Services	52,056	43,380	43,662	(282)	16.12%
Street Lights	67,735	56,446	54,571	1,874	19.43%
Garbage/Solid Waste Control Services					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2012 Through 7/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	4,400	3,667	3,950	(284)	10.22%
Water-Sewer Combination Services					
Utility Services	5,000	4,167	6,031	(1,865)	(20.62)%
Stormwater Control					
Lake/Pond Repair	35,000	29,167	17,967	11,199	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	25,000	7,175	17,825	76.08%
Landscape Maintenance Contract	118,200	98,500	100,805	(2,305)	14.71%
Irrigation Repairs & Maintenance	28,000	23,333	47,177	(23,844)	(68.48)%
Mulch Installation	68,000	56,667	31,500	25,167	53.67%
Fertilization/Pesticide Applications	36,000	30,000	27,341	2,659	24.05%
Landscape Replacement Plants, Shrubs, Trees	55,000	45,833	29,110	16,723	47.07%
Sod Replacement	20,000	16,667	0	16,667	100.00%
Miscellaneous Expenses	1,500	1,250	7,044	(5,794)	(369.61)%
Road & Street Facilities					
Gate Phone	8,000	6,667	7,944	(1,277)	0.70%
Gate Maintenance	27,995	23,329	8,272	15,057	70.45%
Sidewalk Repair & Maintenance	4,000	3,333	6,677	(3,344)	(66.92)%
Street Light/Decorative Light Maintenance	5,200	4,333	0	4,333	100.00%
Street Sign Repairs	500	417	31	385	93.71%
Security Camera Maintenance & Repair	5,327	4,439	6,523	(2,084)	(22.44)%
Parks & Recreation					
Management Contract	220,392	183,660	184,160	(500)	16.43%
Clubhouse Facility Maintenance	40,000	33,333	23,445	9,888	41.38%
Clubhouse Telephone, Fax, Internet	9,300	7,750	6,084	1,666	34.58%
Clubhouse Office Supplies	5,000	4,167	1,892	2,274	62.15%
Pool Furniture Replacement/Repair	5,000	4,167	0	4,167	100.00%
Pool/Water Park/Fountain Maint	13,500	11,250	4,572	6,678	66.13%
Clubhouse Lighting Replacement	2,000	1,667	146	1,521	92.72%
Clubhouse Furniture Replacement	3,500	2,917	4,913	(1,997)	(40.37)%
Athletic/Park Court/Field Repairs	1,500	1,250	873	377	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 7/31/2013

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Miscellaneous Expenses	1,700	1,417	2,192	(775)	(28.94)%
Contingency					
Miscellaneous Contingency	14,743	12,286	8,201	4,085	44.37%
Road Reserve	95,382	79,485	0	79,485	100.00%
Asset Replacement Reserve	45,079	37,566	59,892	(22,326)	(32.86)%
Total Expenditures	<u>1,248,144</u>	<u>1,050,451</u>	<u>871,969</u>	<u>178,482</u>	<u>30.14%</u>
Excess Of Revenues Over (Under) Expenditures	0	197,693	395,429	197,737	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	197,693	395,429	197,737	0.00%
Fund Balance, Beginning of Period	0	0	838,416	838,416	0.00%
Fund Balance, End of Period	<u>0</u>	<u>197,693</u>	<u>1,233,845</u>	<u>1,036,153</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 7/31/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	491	(491)	0.00%
Special Assessments				
Tax Roll	918,415	854,823	63,592	6.92%
Debt Service Prepayments	0	52,510	(52,510)	0.00%
Total Revenues	<u>918,415</u>	<u>907,824</u>	<u>(10,590)</u>	<u>(1.15)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	11,044	11,044	0.00%
Legal Counsel				
Bond Counsel	0	2,416	2,416	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>1,160,495</u>	<u>(242,080)</u>	<u>(26.36)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(252,671)	252,671	0.00%
Other Financing Sources (Uses)				
SPE Costs	0	(413)	413	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(253,084)	253,084	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>(2,731,447)</u>	<u>(2,731,447)</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 7/31/2013

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	19	(19)	0.00%
Special Assessments				
Tax Roll	0	4,971	(4,971)	0.00%
Off Roll	0	142,702	(142,702)	0.00%
Total Revenues	0	147,692	147,692	0.00%
Expenditures				
Financial & Administrative				
Trustees Fees	0	7,797	7,797	0.00%
Legal Counsel				
Trustee Counsel	0	5,147	5,147	0.00%
Debt Service				
Interest	0	215,796	215,796	0.00%
Principal	0	65,000	65,000	0.00%
Total Expenditures	0	293,740	(293,740)	0.00%
Excess Of Revenues Over (Under) Expenditures	0	(146,048)	146,048	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(146,048)	146,048	0.00%
Fund Balance, Beginning of Period	0	(903,769)	(903,769)	0.00%
Fund Balance, End of Period	0	(1,049,817)	(1,049,817)	0.00%

Sterling Hill CDD
Investment Summary
July 31, 2013

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>July 31, 2013</u>
State Board of Administration	Local Government Investment Pool	\$ 5,702
State Board of Administration	Local Government Investment Pool B	1,533
SunTrust	Business Money Market	141,798
The Bank of Tampa	Business Money Market	122,457
	Total General Fund Investments	\$ 271,490
The Bank of Tampa ICS Road Reserve		
Bank of China	Business Money Market	\$ 245,073
Mutual of Omaha Bank	Business Money Market	172,370
Happy State Bank	Business Money Market	162,179
The Bank of Tampa ICS Asset Replacement Reserve		
Happy State Bank	Business Money Market	82,894
	Total General Fund Investments - Reserves	\$ 662,516
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	65,010
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	269,146
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	87,070
	Total Debt Service Fund Investments	\$ 1,410,728

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 7/1/2013 Through 7/31/2013

<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>42,229.93</u>
		Total 001 - General Fund	427,560.19

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 7/1/2013 Through 7/31/2013

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 7/1/2013 Through 7/31/2013

<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	164,502.00
10/1/2009	Hernando Developers LLC/DEVCO	ORA-SH-09.10	<u>178,066.64</u>
		Total 201 - Debt Service Fund--Series 2006	342,568.64
			<u>1,674,839.53</u>
Report Balance			<u><u>1,674,839.53</u></u>

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 7/1/2013 Through 7/31/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
AT&T	7/13/2013	ATT 352 684-4763 001 1984 08/13	Gate Phones 08/13	943.79
Cari Smith	7/24/2013	CS 072413	Off Duty Deputy 07/24/13	92.00
Clifford Faulkingham	7/29/2013	CF 072913	Off Duty Deputy 07/29/13	92.00
Daniel Nocera	7/25/2013	DN 072513	Off Duty Deputy 07/25/13	92.00
Douglas Campbell	7/27/2013	DC 072713	Off Duty Deputy 07/27/13	103.50
Florida Department of Revenue	7/31/2013	Sales Tax 07/13	Sales & Use Tax 07/13	35.22
Hernando County Utilities	7/24/2013	SS00001-00 07/13	North Clubhouse Water 07/13	215.98
Hernando County Utilities	7/24/2013	SS00013 - 00 07/13	South Clubhouse Water Bill 07/13	487.28
Jay Edward Weber	7/23/2013	JW 072313	Off Duty Deputy 07/23/13	92.00
John M. Cameron IV	7/26/2013	JC 072613	Off Duty Deputy 07/26/13	103.50
Kenneth Hayden	7/31/2013	KH 073113	Off Duty Deputy 07/31/13	92.00
Lance Origon	7/28/2013	LO 072813	Off Duty Deputy 07/28/13	92.00
McCullough Water Services	7/31/2013	18006 07/13	Water Rental and Delivery 07/13	46.40
McCullough Water Services	7/31/2013	18007 07/13	Water Rental and Delivery 07/13	22.91
Outsmart Pest Management, Inc.	7/28/2013	6134	North Clubhouse Pest Control Treatment 07/13	45.00
Outsmart Pest Management, Inc.	7/28/2013	6135	South Clubhouse Pest Control Treatment 07/13	45.00
Ramona C Fuhs	7/30/2013	RF 073013	Off Duty Deputy 07/30/13	92.00
Southern Automated Access Services	7/16/2013	713	Covey Run Gate Repair 07/13	278.00
Stantec Consulting Services Inc	7/19/2013	707227	Engineering Services 07/13	231.00
Steven George	1/1/2012	SG010112	Off Duty Deputy 01/01/12	92.00
Straley & Robin	7/23/2013	9860	General/ Monthly Legal Services Through 07/15/13	942.00
Straley & Robin	7/23/2013	9861	Brown Investment Group, LLC/Foreclosure 07/13	638.00
Straley & Robin	7/23/2013	9862	Mahfuz One Family Trust Foreclosure Legal Services 07/13	30.00
Straley & Robin	7/23/2013	9863	SH Burns Land Trust Foreclosure Legal Services 07/13	180.00
Straley & Robin	7/23/2013	9864	Pasco Sawgrass Creek, LLC Foreclosure 07/13	1,876.00
Suncoast Pool Service	4/30/2013	1344	North Pool Chemical Supplies 04/13	307.25
Suncoast Pool Service	4/30/2013	1345	South Pool Chemical Service 04/13	204.63
Suncoast Pool Service	5/31/2013	1354	South Pool Chemical Service 05/13	203.50
Suncoast Pool Service	5/31/2013	1355	North Pool Chemical Supplies 05/13	366.50
Times Publishing Company	7/24/2013	I1003989360-0724	Acct # 1000424298 Legal Advertising 07/13	274.60
Timothy Istvan	7/27/2013	TI 072713	Off Duty Deputy 07/27/13	103.50
ValleyCrest Landscape Maintenance	6/26/2013	4276606	Irrigation Maintenance 06/13	1,144.00
ValleyCrest Landscape Maintenance	6/26/2013	4276607	Irrigation Maintenance 06/13	230.00

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 7/1/2013 Through 7/31/2013

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
ValleyCrest Landscape Maintenance	6/26/2013	4276608	Irrigation Maintenance 06/13	3,312.00
ValleyCrest Landscape Maintenance	6/27/2013	4277196	Irrigation Maintenance 06/13	2,178.50
ValleyCrest Landscape Maintenance	6/27/2013	4277197	Irrigation Maintenance 06/13	3,322.00
ValleyCrest Landscape Maintenance	7/10/2013	4290039	Irrigation Maintenance 07/13	300.00
ValleyCrest Landscape Maintenance	7/15/2013	4291555	Irrigation Repairs Controller 4 Zones 1 - 19 07/13	5,088.00
ValleyCrest Landscape Maintenance	7/25/2013	4296514	Irrigation Repairs Mainline Leak 07/13	940.00
ValleyCrest Landscape Maintenance	7/25/2013	4296517	Irrigation Repairs Controller 1 Zones 1 - 26 07/13	1,279.00
ValleyCrest Landscape Maintenance	7/25/2013	4296518	Irrigation Repairs Controller 2 Zones 1 - 26 07/13	1,124.00
ValleyCrest Landscape Maintenance	7/25/2013	4296525	Install Annuals 07/13	390.00
ValleyCrest Landscape Maintenance	7/29/2013	4297997	Landscape Maintenance Contract 07/13	9,928.83
William Martinez	7/26/2013	WM 072613	Off Duty Deputy 07/26/13	103.50
Withlacoochee River Electric Cooperative, Inc.	7/24/2013	Electric Summary Billing 07/13	Withlacoochee Electric Summary Billing 07/13	10,211.12
			Total 001 - General Fund	47,970.51
Report Balance				47,970.51

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

Balance Sheet

1. Trust statement activity has been recorded through 07/31/13.
2. \$662,516 is reserved for future Capital Expenditures as appropriated from the General Fund Budget. Current YTD funding is \$140,461.
3. Debt Service Obligations-Current, represents a scheduled Series 2003 Debt Service payment that was not made in November 2010 and Series 2006 Debt Service payments that were not made May & November 2010, May & November 2011, May & November 2012, and May 2013.
4. The District utilized funds from the Debt Service Reserve Fund for the May & November 2009, and May 2010 Series 2006 Bond payments and the November 2012 Series 2003 Bond payment.
5. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.

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.