

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

June 30, 2015

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet
As of 6/30/2015
(In Whole Numbers)

	General Fund	Reserve Fund	Debt Service Fund	Total Governmental Funds	General Fixed Assets Account Group	General Long-Term Debt Account Group
Assets						
Cash In Bank	106,778	0	0	106,778	0	0
Investments	403,116	0	2,009,825	2,412,941	0	0
Investments - Reserves	0	882,224	0	882,224	0	0
Accounts Receivable	576,990	0	1,323,662	1,900,652	0	0
Allowance for Uncollectible Assessments	(462,095)	0	(1,270,944)	(1,733,039)	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	26,186,517	0
Total Assets	<u>624,789</u>	<u>882,224</u>	<u>2,062,543</u>	<u>3,569,555</u>	<u>26,186,517</u>	<u>18,775,000</u>
Liabilities						
Accounts Payable	32,024	0	0	32,024	0	0
Accrued Expenses Payable	850	0	0	850	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	6,342,626	6,342,626	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,775,000
Total Liabilities	<u>32,874</u>	<u>0</u>	<u>6,342,626</u>	<u>6,375,500</u>	<u>0</u>	<u>18,775,000</u>
Fund Equity And Other Credits						
Beginning Fund Balance	388,310	759,217	(4,053,503)	(2,905,976)	26,186,517	0
Net Change in Fund Balance	203,605	123,007	(226,580)	100,032	0	0
Total Fund Equity And Other Credits	<u>591,915</u>	<u>882,224</u>	<u>(4,280,083)</u>	<u>(2,805,944)</u>	<u>26,186,517</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>624,789</u>	<u>882,224</u>	<u>2,062,543</u>	<u>3,569,555</u>	<u>26,186,517</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 6/30/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	248	248	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	18,341	18,341	0.00%
Total Revenues	<u>1,231,672</u>	<u>1,231,672</u>	<u>1,277,598</u>	<u>45,926</u>	<u>(3.73)%</u>
Expenditures					
Legislative					
Supervisor Fees	13,000	9,750	10,000	(250)	23.07%
Financial & Administrative					
Administrative Services	8,400	6,300	6,300	0	25.00%
District Management	32,000	24,000	24,000	0	25.00%
District Engineer	10,000	7,500	8,291	(791)	17.09%
Disclosure Report	6,000	4,500	2,000	2,500	66.66%
Trustees Fees	14,300	14,300	0	14,300	100.00%
Financial Consulting Services	8,000	7,250	7,250	0	9.37%
Accounting Services	17,000	12,750	12,750	0	25.00%
Auditing Services	4,000	4,000	4,000	0	0.00%
Arbitrage Rebate Calculation	650	488	650	(162)	0.00%
Public Officials Liability	11,143	11,143	3,250	7,893	70.83%
Insurance					
Legal Advertising	750	563	450	112	39.96%
Dues, Licenses & Fees	925	925	797	128	13.87%
Legal Counsel					
District Counsel	12,000	9,000	9,513	(513)	20.72%
Foreclosure Expenses	25,000	18,750	15,413	3,337	38.34%
Law Enforcement					
Deputy	15,000	11,250	11,600	(350)	22.66%
Security Operations					
Security System Monitoring & Maintenance	10,000	7,500	3,962	3,538	60.38%
Electric Utility Services					
Utility Services	50,982	38,237	33,270	4,966	34.74%
Street Lights	68,018	51,014	50,710	304	25.44%
Garbage/Solid Waste Control Services					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2014 Through 6/30/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Garbage - Recreational Facility	5,165	3,874	4,021	(147)	22.14%
Water-Sewer Combination Services					
Utility Services	5,367	4,025	4,068	(43)	24.20%
Stormwater Control					
Dry Retention Pond Repair	15,000	11,250	0	11,250	100.00%
Other Physical Environment					
General Liability Insurance	7,397	7,397	18,810	(11,413)	(154.29)%
Property Insurance	18,330	18,330	5,100	13,230	72.17%
Entry & Walls Maintenance	10,000	7,500	36,500	(29,000)	(265.00)%
Landscape Maintenance	97,881	73,411	84,312	(10,901)	13.86%
Irrigation Repairs	25,241	18,931	23,714	(4,783)	6.04%
Landscape - Mulch	60,876	45,657	49,588	(3,931)	18.54%
Landscape - Annual Color Rotation	1,820	1,365	1,040	325	42.85%
Landscape Misc.-Fertilizer/Pesticide	23,839	17,879	13,824	4,055	42.01%
Landscape Replacement Plants, Shrubs, Trees	30,000	22,500	13,151	9,350	56.16%
Sod Replacement	6,000	4,500	2,593	1,907	56.78%
Landscape Mainrenance - Inspections	6,000	4,500	4,500	0	25.00%
Holiday Decorations	5,000	5,000	421	4,579	91.57%
Miscellaneous Expense	5,000	3,750	5,560	(1,810)	(11.20)%
Road & Street Facilities					
Gate Phone	13,000	9,750	9,573	177	26.36%
Gate Facility Maintenance	40,000	30,000	30,794	(794)	23.01%
Sidewalk Repair & Maintenance	6,000	4,500	7,662	(3,162)	(27.70)%
Street Light/Decorative Light Maintenance	15,000	11,250	309	10,941	97.93%
Street Sign Repairs & Replacement	500	375	572	(197)	(14.39)%
Parks & Recreation					
Management Contract	257,027	192,770	187,099	5,671	27.20%
Facility Maintenance & Repair	25,000	18,750	38,772	(20,022)	(55.08)%
Security System Monitoring & Maintenance	1,000	750	0	750	100.00%
Telephone, Fax, Internet	7,500	5,625	8,809	(3,184)	(17.45)%
Office Supplies	4,000	3,000	2,055	945	48.62%
Furniture Repair/Replacement-Pool/CH	15,000	11,250	0	11,250	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 6/30/2015

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Lighting Replacement	1,000	750	3,710	(2,960)	(271.01)%
Vehicle Maintenance	1,000	750	2,778	(2,028)	(177.75)%
Pool Service Contract - Supplies & Repairs	7,500	5,625	3,792	1,833	49.44%
Supply Storage	10,000	7,500	48	7,452	99.52%
Playground Equipment & Maintenance	1,000	750	12	738	98.80%
Athletic/Park Court/Field Repairs	1,000	750	2,782	(2,032)	(178.19)%
Miscellaneous Expense	2,500	1,875	5,415	(3,540)	(116.61)%
Fitness Equipment Maintenance & Repairs	1,000	750	3,130	(2,380)	(212.95)%
Special Events					
Special Events	1,000	750	986	(236)	1.40%
Contingency					
Capital Outlay	158,020	118,515	176,601	(58,086)	(11.75)%
Total Expenditures	<u>1,198,131</u>	<u>915,122</u>	<u>956,305</u>	<u>(41,183)</u>	<u>20.18%</u>
Excess Of Revenues Over (Under) Expenditures	<u>33,541</u>	<u>316,550</u>	<u>321,292</u>	<u>4,742</u>	<u>(857.90)%</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)	(29,159)	0	0.00%
Transfer of Road Reserve	(95,382)	(95,382)	(95,382)	0	0.00%
SPE Costs	0	0	(6,100)	(6,100)	0.00%
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>(117,688)</u>	<u>(84,147)</u>	<u>(250.88)%</u>
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	<u>0</u>	<u>283,009</u>	<u>203,605</u>	<u>(79,405)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	0	388,310	388,310	0.00%
Fund Balance, End of Period	<u>0</u>	<u>283,009</u>	<u>591,915</u>	<u>308,905</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2014 Through 6/30/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	1,759	1,759	0.00%
Total Revenues	0	1,759	1,759	0.00%
Expenditures				
Contingency				
Road Reserve	95,382	0	95,382	100.00%
Asset Replacement Reserve	29,159	3,293	25,866	88.70%
Total Expenditures	124,541	3,293	121,248	97.36%
Excess Revenues Over (Under) Expenditures	(124,541)	(1,534)	123,007	(98.76)%
Other Financing Sources (Uses)				
Transfer of Asset Repl. Reserve	29,159	29,159	0	0.00%
Transfer of Road Reserve	95,382	95,382	0	0.00%
Total Other Financing Sources (Uses)	124,541	124,541	0	0.00%
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	0	123,007	123,007	0.00%
Fund Balance, Beginning of Period	0	759,217	759,217	0.00%
Fund Balance, End of Period	0	882,224	882,224	0.00%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2014 Through 6/30/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	131	131	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)%
Total Revenues	<u>918,415</u>	<u>915,199</u>	<u>(3,216)</u>	<u>(0.35)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	11,090	(11,090)	0.00%
Legal Counsel				
Bond Counsel	0	4,530	(4,530)	0.00%
Debt Service				
Interest	658,415	888,072	(229,657)	(34.88)%
Principal	260,000	260,000	0	0.00%
Other Physical Environment				
Property Insurance	0	286	(286)	0.00%
Total Expenditures	<u>918,415</u>	<u>1,163,978</u>	<u>(245,563)</u>	<u>(26.74)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>(248,779)</u>	<u>(248,779)</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>(248,779)</u>	<u>(248,779)</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(3,166,773)	(3,166,773)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(3,415,552)</u>	<u>(3,415,552)</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 6/30/2015

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	58	58	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Debt Service Prepayments	0	313,499	313,499	0.00%
Total Revenues	<u>4,971</u>	<u>318,528</u>	<u>313,557</u>	<u>6,308.09%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	3,957	(3,957)	0.00%
Legal Counsel				
Bond Counsel	0	1,576	(1,576)	0.00%
Debt Service				
Interest	4,971	215,796	(210,825)	(4,241.34)%
Principal	0	75,000	(75,000)	0.00%
Total Expenditures	<u>4,971</u>	<u>296,329</u>	<u>(291,358)</u>	<u>(5,861.49)%</u>
Excess Revenues Over (Under) Expenditures	<u>0</u>	<u>22,199</u>	<u>22,199</u>	<u>0.00%</u>
Excess of Rev./Other Sources Over/(Under) Expend./Other Uses	<u>0</u>	<u>22,199</u>	<u>22,199</u>	<u>0.00%</u>
Fund Balance, Beginning of Period	0	(886,730)	(886,730)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(864,531)</u>	<u>(864,531)</u>	<u>0.00%</u>

Sterling Hill CDD
Investment Summary
June 30, 2015

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>June 30, 2015</u>
State Board of Administration	Local Government Investment Pool	\$ 1
SunTrust	Business Money Market	249,921
The Bank of Tampa	Business Money Market	153,194
	Total General Fund Investments	\$ 403,116
The Bank of Tampa ICS Road Reserve		
BB&T	Business Money Market	\$ 245,040
Bank of China, New York, N.Y.	Business Money Market	245,040
Bank of the Ozarks	Business Money Market	147,082
Mutual of Omaha Bank	Business Money Market	65,144
Western Alliance Bank	Business Money Market	26
	Sub Total	702,332
The Bank of Tampa ICS Asset Replacement Reserve		
Mutual of Omaha Bank	Business Money Market	179,889
Western Alliance Bank	Business Money Market	3
	Sub Total	179,892
	Total Reserve Fund Investments	\$ 882,224
US Bank Series 2003 Reserve A	US Bank Money Market Account Managed	\$ 363,859
US Bank Series 2003 Reserve B	US Bank Money Market Account Managed	20,668
US Bank Series 2003 Prepayment B	US Bank Money Market Account Managed	504,121
US Bank Series 2003 Revenue	US Bank Money Market Account Managed	395,458
US Bank Series 2003 Prepayment A	US Bank Money Market Account Managed	7,309
US Bank Series 2006 Prepayment B	US Bank Money Market Account Managed	11
US Bank Series 2006 Reserve A	US Bank Money Market Account Managed	94
US Bank Series 2006 Revenue	US Bank Money Market Account Managed	718,305
	Total Debt Service Fund Investments	\$ 2,009,825

Sterling Hill Community Development District

Summary A/R Ledger

001 - General Fund

From 6/1/2015 Through 6/30/2015

<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	73,602.44
11/19/2014	Sterling Hills 2, Inc.	655-15-03	5,341.29
11/20/2014	Sterling Hills, Inc.	655-15-01	35,950.84
		Total 001 - General Fund	576,989.97

Sterling Hill Community Development District

Summary A/R Ledger

200 - Debt Service Fund--Series 2003

From 6/1/2015 Through 6/30/2015

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
10/1/2013	Hernando County Tax Collector	FY13-14	51,193.47
10/1/2014	Hernando County Tax Collector	FY14-15	52,071.10
		Total 200 - Debt Service Fund--Series 2003	1,006,802.20

Sterling Hill Community Development District

Summary A/R Ledger

201 - Debt Service Fund--Series 2006

From 6/1/2015 Through 6/30/2015

<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	324.11
		Total 201 - Debt Service Fund--Series 2006	316,859.79
			<hr/>
Report Balance			1,900,651.96
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Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 6/1/2015 Through 6/30/2015

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	6/8/2015	3555	North & South Clubhouse Vinyl Scrubbing/Carpet Maint 06/15	160.00
AT&T	6/13/2015	35268427540011...	Glenburne Gate 06/13/15 - 07/12/15	102.15
AT&T	6/13/2015	3528480701985	Brackenwood Gate 06/13/15 - 07/12/15	83.08
AT&T	6/16/2015	ATT 352 688-5907 001 11987 06/15	Edgmere Gate Phone 06/15	88.02
Blake A Vanderford	6/27/2015	BV 062715	Off Duty Deputy 06/27/15	125.00
D & J Fence Ent., Inc.	6/29/2015	062915	Add Pipe/Ties& Clamps Bottom Bsktball Court/Playground Gate	2,150.00
DCSI Inc.	6/15/2015	17467	CCTV Gate Warranty 06/15	406.89
DCSI Inc.	6/19/2015	17504	Installk Stable Wireless Internet Connection 06/15	2,497.00
DCSI Inc.	6/25/2015	17545	HID Prox II 1326 Access Cards 06/15	184.50
Edward Brandhuber	6/26/2015	EB 062615	Off Duty Deputy 06/26/15	125.00
Florida Department of Revenue	6/30/2015	37-8015579013-3 06/15	Sales & Use Tax 06/15	478.57
Hernando County Clerk of the Court	6/16/2015	69640	Postage Due Transaction # 69640 06/15	0.49
Hernando County Sheriff's Office	6/19/2015	HCSO 061915	Vehicle Usage 06/19/15	10.00
Hernando County Sheriff's Office	6/20/2015	HCSO 062015	Vehicle Usage 06/20/15	10.00
Hernando County Sheriff's Office	6/26/2015	HCSO 062615	Vehicle Usage 06/26/15	10.00
Hernando County Sheriff's Office	6/27/2015	HCSO 062715	Vehicle Usage 06/27/15	10.00
Hernando County Utilities	6/24/2015	SS00001-00 06/15	North Clubhouse Water Bill 06/15	454.02
Hernando County Utilities	6/24/2015	SS00013 - 00 06/15	South Clubhouse Water Bill 06/15	201.38
John M. Cameron IV	6/19/2015	JC 061915	Off Duty Deputy 06/19/15	125.00
Outsmart Pest Management, Inc.	6/22/2015	10605	North Clubhouse Pest Control Treatment 06/15	45.00
Outsmart Pest Management, Inc.	6/22/2015	10606	South Clubhouse Pest Control Treatment 06/15	45.00
Shawn Duval	6/19/2015	SD 061915	Off Duty Deputy 06/19/15	125.00
Southern Automated Access Services	6/26/2015	1648	Tele Entry Repair - Arborglades 06/15	75.00
Southern Automated Access Services	6/29/2015	1650	Tele Entry Repair - Edgmere 06/15	75.00
Straley & Robin	6/22/2015	12261	General/ Monthly Legal Services Through 06/15	1,315.36
Straley & Robin	6/22/2015	12262	Mahfuz One Family Trust/Foreclosure 06/15	127.00
ValleyCrest Landscape Maintenance	6/23/2015	4803682	Landscape Maintenance Fert/Irrig/Pest Control 06/15	12,440.87
ValleyCrest Landscape Maintenance	6/30/2015	4807526	Irrigation Maintenance Balance April 2015	745.00
Withlacoochee River Electric Cooperative, Inc.	6/23/2015	Electric Summary Billing 06/15	Withlacoochee Electric Summary Billing 06/15	9,809.61

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 6/1/2015 Through 6/30/2015

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
			Total 001 - General Fund	32,023.94
			Fund	
Report Balance				32,023.94

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
June 30, 2015

Balance Sheet

1. Trust statement activity has been recorded through 06/30/15.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$882,224 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 \$124,541.
4. Debt Service Obligations - Current, represents a scheduled Series 2003 Debt Service payment that was not made May 2015 and scheduled Series 2006 Debt Service payments that were not made May 2010 – May 2015.
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.