

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

May 31, 2014

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet
As of 5/31/2014
(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	137,715	0	0	137,715	0	0
Investments	478,953	0	1,007,457	1,486,411	0	0
Investments - Reserves	0	789,541	0	789,541	0	0
Accounts Receivable	581,238	0	1,298,478	1,879,716	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	6,123	0	0	6,123	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,775,000
Fixed Assets	0	0	0	0	26,018,507	0
Total Assets	<u>818,699</u>	<u>789,541</u>	<u>1,086,181</u>	<u>2,694,420</u>	<u>26,018,507</u>	<u>18,775,000</u>
Liabilities						
Accounts Payable	25,425	0	0	25,425	0	0
Accrued Expenses Payable	400	0	0	400	0	0
Due To Other Funds	0	6,123	0	6,123	0	0
Due To Others	0	0	0	0	0	0
Debt Service Obligations - Current	0	0	5,347,788	5,347,788	0	0
Revenue Bonds Payable-Long-term	0	0	0	0	0	18,775,000
Total Liabilities	<u>25,825</u>	<u>6,123</u>	<u>5,347,788</u>	<u>5,379,735</u>	<u>0</u>	<u>18,775,000</u>
Fund Equity And Other Credits						
Beginning Fund Balance	293,440	662,903	(3,705,551)	(2,749,208)	26,018,507	0
Net Change in Fund Balance	499,434	120,514	(556,055)	63,893	0	0
Total Fund Equity And Other Credits	<u>792,874</u>	<u>783,418</u>	<u>(4,261,607)</u>	<u>(2,685,315)</u>	<u>26,018,507</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>818,699</u>	<u>789,541</u>	<u>1,086,181</u>	<u>2,694,420</u>	<u>26,018,507</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 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	402	402	0.00%
Special Assessments					
Tax Roll	1,116,078	1,116,078	1,144,620	28,542	(2.55)%
Off Roll	127,595	127,595	127,530	(65)	0.05%
Other Miscellaneous Revenues					
Miscellaneous	0	0	11,032	11,032	0.00%
Total Revenues	<u>1,243,673</u>	<u>1,243,673</u>	<u>1,283,585</u>	<u>39,912</u>	<u>(3.21)%</u>
Expenditures					
Legislative					
Supervisor Fees	12,000	8,000	8,800	(800)	26.66%
Financial & Administrative					
Administrative Services	8,400	5,600	5,600	0	33.33%
District Management	32,000	21,333	21,333	0	33.33%
District Engineer	12,000	8,000	7,538	463	37.18%
Disclosure Report	6,000	6,000	2,000	4,000	66.66%
Trustees Fees	14,300	9,533	0	9,533	100.00%
Financial Consulting Services	8,000	7,000	7,000	0	12.50%
Accounting Services	17,000	11,333	11,333	0	33.33%
Auditing Services	5,000	5,000	4,000	1,000	20.00%
Arbitrage Rebate Calculation	650	650	650	0	0.00%
Public Officials Liability Insurance	11,143	11,143	10,130	1,013	9.09%
Legal Advertising	750	500	295	205	60.66%
Dues, Licenses & Fees	1,000	175	221	(46)	77.90%
Legal Counsel					
District Counsel	15,000	10,000	8,071	1,929	46.19%
Foreclosure Expenses	10,000	6,667	19,991	(13,325)	(99.91)%
Law Enforcement					
Deputy	45,000	30,000	28,507	1,493	36.65%
Security Operations					
Security Camera Maintenance	9,884	6,589	4,554	2,035	53.92%
Electric Utility Services					
Utility Services	52,964	35,309	33,402	1,907	36.93%
Street Lights	66,303	44,202	43,928	274	33.74%
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	4,896	3,264	3,429	(165)	29.96%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Water-Sewer Combination Services					
Utility Services	7,315	4,877	3,383	1,493	53.74%
Stormwater Control					
Dry Retention Pond Repair	25,000	16,667	0	16,667	100.00%
Other Physical Environment					
General Liability Insurance	8,490	8,490	6,421	2,069	24.37%
Property Insurance	16,080	16,080	16,663	(583)	(3.62)%
Entry & Walls Maintenance	20,000	13,333	6,510	6,823	67.45%
Landscape Maintenance	107,103	71,402	66,654	4,748	37.76%
Irrigation Repairs	25,000	16,667	15,373	1,294	38.51%
Landscape - Mulch	60,876	40,584	30,888	9,696	49.26%
Landscape	33,603	22,402	18,051	4,351	46.28%
Misc.-Fertilizer/Pesticide					
Landscape Replacement Plants, Shrubs, Trees	26,500	17,667	15,920	1,747	39.92%
Sod Replacement	10,000	6,667	2,153	4,514	78.47%
Holiday Decorations	3,000	2,600	1,654	946	44.86%
Miscellaneous Expense	5,000	3,333	3,725	(391)	25.50%
Road & Street Facilities					
Gate Phone	9,800	6,533	9,466	(2,932)	3.41%
Gate Facility Maintenance	69,962	46,641	44,462	2,179	36.44%
Sidewalk Repair & Maintenance	4,420	2,947	3,100	(153)	29.86%
Street Light/Decorative Light Maintenance	5,000	3,333	1,485	1,848	70.30%
Street Sign Repairs & Replacement	500	333	0	333	100.00%
Parks & Recreation					
Management Contract	220,992	147,328	150,256	(2,928)	32.00%
Facility Maintenance & Repair	29,700	19,800	15,224	4,576	48.73%
Telephone, Fax, Internet	7,500	5,000	4,879	121	34.94%
Office Supplies	3,000	2,000	1,667	333	44.42%
Furniture	5,000	3,333	65	3,268	98.70%
Repair/Replacement-Pool/CH					
Pool/Water Park/Fountain Maint	7,500	5,000	4,168	833	44.43%
Lighting Replacement	1,000	667	0	667	100.00%
Vehicle Maintenance	1,500	1,000	251	749	83.27%
Athletic/Park Court/Field Repairs	1,500	1,000	419	581	72.05%
Clubhouse Miscellaneous Expense	4,000	2,667	693	1,973	82.67%
Special Events					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Special Events	1,000	667	0	667	100.00%
Contingency					
Capital Outlay	66,000	44,000	14,798	29,202	77.57%
Total Expenditures	<u>1,118,631</u>	<u>763,317</u>	<u>659,108</u>	<u>104,208</u>	<u>41.08%</u>
Excess Of Revenues Over (Under) Expenditures	125,042	480,356	624,476	144,120	(399.41)%
Other Financing Sources (Uses)					
Transfer of Asset Repl. Reserve	(95,382)	(95,382)	(95,382)	0	0.00%
Transfer of Road Reserve	(29,660)	(29,660)	(29,660)	0	0.00%
Total Other Financing Sources (Uses)	<u>(125,042)</u>	<u>(125,042)</u>	<u>(125,042)</u>	<u>0</u>	<u>0.00%</u>
Exc. of Rev/Other Sources Over Expend/Other Uses	0	355,314	499,434	144,120	0.00%
Fund Balance, Beginning of Period	0	0	293,440	293,440	0.00%
Fund Balance, End of Period	<u>0</u>	<u>355,314</u>	<u>792,874</u>	<u>437,560</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	1,595	1,595	0.00%
Total Revenues	0	1,595	1,595	0.00%
Expenditures				
Contingency				
Road Reserve	95,382	6,123	89,259	93.58%
Asset Replacement Reserve	29,660	0	29,660	100.00%
Total Expenditures	125,042	6,123	118,919	95.10%
Excess Of Revenues Over (Under) Expenditures	(125,042)	(4,528)	120,514	(96.37)%
Other Financing Sources (Uses)				
Transfer of Asset Repl. Reserve	95,382	95,382	0	0.00%
Transfer of Road Reserve	29,660	29,660	0	0.00%
Total Other Financing Sources (Uses)	125,042	125,042	0	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	120,514	120,514	0.00%
Fund Balance, Beginning of Period	0	662,903	662,903	0.00%
Fund Balance, End of Period	0	783,418	783,418	0.00%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	157	157	0.00%
Special Assessments				
Tax Roll	918,415	798,578	(119,836)	(13.04)%
Total Revenues	<u>918,415</u>	<u>798,735</u>	<u>(119,680)</u>	<u>(13.03)%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	12,006	(12,006)	0.00%
Legal Counsel				
Bond Counsel	0	12,167	(12,167)	0.00%
Debt Service				
Interest	673,415	903,005	(229,590)	(34.09)%
Principal	245,000	245,000	0	0.00%
Other Physical Environment				
General Liability Insurance	0	330	(330)	0.00%
Total Expenditures	<u>918,415</u>	<u>1,172,508</u>	<u>(254,093)</u>	<u>(27.67)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(373,773)	(373,773)	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(373,773)	(373,773)	0.00%
Fund Balance, Beginning of Period	0	(2,735,008)	(2,735,008)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(3,108,781)</u>	<u>(3,108,781)</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2006 - 201

From 10/1/2013 Through 5/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	10	10	0.00%
Special Assessments				
Tax Roll	4,971	4,971	0	0.00%
Off Roll	0	15,811	15,811	0.00%
Debt Service Prepayments	0	100,086	100,086	0.00%
Total Revenues	<u>4,971</u>	<u>120,878</u>	<u>115,907</u>	<u>2,331.79%</u>
Expenditures				
Financial & Administrative				
Trustees Fees	0	12,381	(12,381)	0.00%
Legal Counsel				
Bond Counsel	0	4,983	(4,983)	0.00%
Debt Service				
Interest	4,971	215,796	(210,825)	(4,241.34)%
Principal	0	70,000	(70,000)	0.00%
Total Expenditures	<u>4,971</u>	<u>303,160</u>	<u>(298,190)</u>	<u>(5,998.92)%</u>
Excess Of Revenues Over (Under) Expenditures	0	(182,283)	(182,283)	0.00%
Exc. of Rev/Other Sources Over Expend/Other Uses	0	(182,283)	(182,283)	0.00%
Fund Balance, Beginning of Period	0	(970,543)	(970,543)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(1,152,826)</u>	<u>(1,152,826)</u>	<u>0.00%</u>

Sterling Hill CDD
Investment Summary
May 31, 2014

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>May 31, 2014</u>
State Board of Administration	Local Government Investment Pool	\$ 6,460
State Board of Administration	Local Government Investment Pool B	873
SunTrust	Business Money Market	248,848
The Bank of Tampa	Business Money Market	222,772
	Total General Fund Investments	\$ 478,953
The Bank of Tampa ICS Road Reserve		
Bank of China, New York, NY	Business Money Market	\$ 245,073
Morton Community Bank	Business Money Market	245,053
Happy State Bank	Business Money Market	66,512
Bank of the Ozarks	Business Money Market	54,312
Western Alliance Bank	Business Money Market	35
The Bank of Tampa ICS Asset Replacement Reserve		
Happy State Bank	Business Money Market	178,544
Morton Community Bank	Business Money Market	6
Western Alliance Bank	Business Money Market	6
	Total Reserve Fund Investments	\$ 789,541
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	43,444
US Bank Series 2003 Prepayment B	US Bank Managed Money Market Account	403,261
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	57,419
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	139,370
	Total Debt Service Fund Investments	\$ 1,007,457

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

001 - General Fund

From 5/1/2014 Through 5/31/2014

<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	109,250.41
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
11/18/2013	Sterling Hills, Inc.	655-14-01	81,379.29
		Total 001 - General Fund	581,238.01

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

200 - Debt Service Fund--Series 2003

From 5/1/2014 Through 5/31/2014

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	78,236.62
		Total 200 - Debt Service Fund--Series 2003	981,774.25

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

201 - Debt Service Fund--Series 2006

From 5/1/2014 Through 5/31/2014

<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	486.97
		Total 201 - Debt Service Fund--Series 2006	316,704.01
Report Balance			1,879,716.27

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 5/1/2014 Through 5/31/2014

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Apex Floor & Furniture Care	5/12/2014	3249	North & South Clubhouse Vinyl Scrubbing/Carpet Maint 05/14	160.00
Billy The Sunshine Plumber	5/23/2014	39198	Raise Existing Backflow -Rebuild Unit 05/14	364.00
Dustin Adkins	5/31/2014	DA 053114	Off Duty Deputy 05/31/14	120.00
E.C. Electrical Contractors, Inc.	5/15/2014	221447	Electrical & Lighting- Replaced Photo Cell at Panel 05/14	125.00
Edward Brandhuber	5/30/2014	EB 053014	Off Duty Deputy 05/30/14	120.00
Florida Department of Revenue	5/31/2014	Sales Tax 05/14	Sales & Use Tax 05/14	72.45
Hernando County Sheriff's Office	5/30/2014	HC 053014	Vehicle Usage 05/30/14	10.00
Hernando County Sheriff's Office	5/31/2014	HC 053114	Vehicle Usage 05/31/14	10.00
Hernando County Utilities	5/23/2014	SS00001-00 05/14	North Clubhouse Water Bill 05/14	256.40
Hernando County Utilities	5/23/2014	SS00013 - 00 05/14	South Clubhouse Water Bill 05/14	124.82
McCullough Water Services	5/31/2014	18006 05/14	Water Rental and Delivery 05/14	33.40
McCullough Water Services	5/31/2014	18007 05/14	Water Rental and Delivery 05/14	18.92
Murphy's Landscaping and Sod, LLC	5/13/2014	1631	Mowing 150 Vacant Lots 05/14	1,950.00
Stantec Consulting Services Inc	5/30/2014	795495	Engineering Services 05/14	3,779.75
Straley & Robin	4/17/2014	10776	General/ Monthly Legal Services Through 04/14	2,245.10
Straley & Robin	4/17/2014	10777	Mahfuz One Family Trust Foreclosure Legal Services 04/14	1,010.60
Straley & Robin	4/17/2014	10778	Pasco Sawgrass Creek, LLC Foreclosure 04/14	510.00
Straley & Robin	5/20/2014	10864	General/ Monthly Legal Services Through 05/14	1,071.25
Straley & Robin	5/20/2014	10865	Grant Homes Foreclosure Legal Services 05/14	634.00
Straley & Robin	5/20/2014	10866	Mahfuz One Family Trust/Foreclosure 05/14	182.00
Suncoast Pool Service	4/30/2014	1868	North Pool Chemical Supplies 04/14	379.75
Suncoast Pool Service	4/30/2014	1869	South Pool Chemical Service 04/14	235.75
Times Publishing Company	5/29/2014	I1004144816-0528	Acct # 1000424298 Legal Advertising 05/14	45.89
ValleyCrest Landscape Maintenance	5/1/2014	4496412	Install Indian Hawthrone/ Remove @ Arbor Glades 05/14	30.00
ValleyCrest Landscape Maintenance	5/1/2014	4496413	Install -Flax Lily @ Brackenwood Corner RS 05/14	64.00
ValleyCrest Landscape Maintenance	5/1/2014	4496414	Install - Flax Lily @ Amersham Isles S 05/14	48.00
ValleyCrest Landscape Maintenance	5/1/2014	4496415	Install - Flax Lily @ Dunwoody Corner N 05/14	48.00

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 5/1/2014 Through 5/31/2014

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
ValleyCrest Landscape Maintenance	5/1/2014	4496417	Install Pine Bark Mulch 05/14	450.00
ValleyCrest Landscape Maintenance	5/22/2014	4512387	Remove Dead Sable Palms & Install Clear Trunk 05/14	590.00
ValleyCrest Landscape Maintenance	5/28/2014	4514821	Irrigation Repairs-Replace Broken Valve SW 05/14	480.00
Withlacoochee River Electric Cooperative, Inc.	5/22/2014	Electric Summary Billing 05/14	Withlacoochee Electric Summary Billing 05/14	10,255.61
			Total 001 - General Fund	25,424.69
Report Balance				25,424.69

Sterling Hill Community Development District
Notes to Unaudited Financial Statements
May 31, 2014

Balance Sheet

1. Trust statement activity has been recorded through 5/31/14.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$783,418 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 \$125,042.
4. Debt Service Obligations - Current, represents a scheduled Series 2003 Debt Service payment that was not made Nov 2010 and scheduled Series 2006 Debt Service payments that were not made May 2010 – May 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 FY13-14 Assessment Resolution adopted by the Board of Supervisors, (b) pursuant to Florida Statutes, Chapter 197 for assessments levied via the county tax roll.
7. Payment for Invoice #FY13-14 totaling \$22,990.06 was received in May 2014.