

Sterling Hill
Community Development District

Financial Statements
(Unaudited)

July 31, 2014

Prepared by
Rizzetta & Company, Inc.
District Manager

Sterling Hill Community Development District

Balance Sheet
As of 7/31/2014
(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	120,367	0	0	120,367	0	0
Investments	379,107	0	1,190,484	1,569,591	0	0
Investments - Reserves	0	790,003	0	790,003	0	0
Accounts Receivable	535,637	0	1,272,120	1,807,757	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	11,823	0	0	11,823	0	0
Amount To Be Provided-Debt Service	0	0	0	0	0	18,775,000
Fixed Assets	0	0	0	0	26,024,207	0
Total Assets	<u>661,604</u>	<u>790,003</u>	<u>1,242,849</u>	<u>2,694,456</u>	<u>26,024,207</u>	<u>18,775,000</u>
Liabilities						
Accounts Payable	18,163	0	0	18,163	0	0
Accrued Expenses Payable	1,200	0	0	1,200	0	0
Due To Other Funds	0	11,823	0	11,823	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>19,363</u>	<u>11,823</u>	<u>5,347,788</u>	<u>5,378,974</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)	26,024,207	0
Net Change in Fund Balance	348,802	115,276	(399,388)	64,691	0	0
Total Fund Equity And Other Credits	<u>642,242</u>	<u>778,180</u>	<u>(4,104,939)</u>	<u>(2,684,518)</u>	<u>26,024,207</u>	<u>0</u>
Total Liabilities And Fund Equity	<u>661,604</u>	<u>790,003</u>	<u>1,242,849</u>	<u>2,694,456</u>	<u>26,024,207</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 7/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Revenues					
Interest Earnings					
Interest Earnings	0	0	556	556	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	12,584	12,584	0.00%
Total Revenues	1,243,673	1,243,673	1,285,291	41,618	(3.35)%
Expenditures					
Legislative					
Supervisor Fees	12,000	10,000	10,800	(800)	10.00%
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	10,875	(875)	9.37%
Disclosure Report	6,000	6,000	2,000	4,000	66.66%
Trustees Fees	14,300	11,917	0	11,917	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	4,000	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	625	828	(203)	(10.45)%
Dues, Licenses & Fees	1,000	1,000	875	125	12.52%
Legal Counsel					
District Counsel	15,000	12,500	9,672	2,828	35.52%
Foreclosure Expenses	10,000	8,333	20,538	(12,205)	(105.38)%
Law Enforcement					
Deputy	45,000	37,500	30,587	6,913	32.02%
Security Operations					
Security Camera Maintenance	9,884	8,237	6,701	1,536	32.20%
Electric Utility Services					
Utility Services	52,964	44,137	42,139	1,998	20.43%
Street Lights	66,303	55,253	55,126	127	16.85%
Garbage/Solid Waste Control Services					
Garbage - Recreational Facility	4,896	4,080	4,487	(407)	8.35%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 7/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Water-Sewer Combination Services					
Utility Services	7,315	6,096	4,269	1,827	41.63%
Stormwater Control					
Dry Retention Pond Repair	25,000	20,833	0	20,833	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	16,667	6,510	10,157	67.45%
Landscape Maintenance	107,103	89,253	82,942	6,310	22.55%
Irrigation Repairs	25,000	20,833	23,211	(2,378)	7.15%
Landscape - Mulch	60,876	50,730	34,038	16,692	44.08%
Landscape	33,603	28,003	26,668	1,335	20.63%
Misc.-Fertilizer/Pesticide					
Landscape Replacement Plants, Shrubs, Trees	26,500	22,083	16,975	5,109	35.94%
Sod Replacement	10,000	8,333	2,153	6,180	78.47%
Holiday Decorations	3,000	2,800	1,654	1,146	44.86%
Miscellaneous Expense	5,000	4,167	7,728	(3,562)	(54.56)%
Road & Street Facilities					
Gate Phone	9,800	8,167	11,779	(3,613)	(20.19)%
Gate Facility Maintenance	69,962	58,302	49,364	8,937	29.44%
Sidewalk Repair & Maintenance	4,420	3,683	9,253	(5,570)	(109.34)%
Street Light/Decorative Light Maintenance	5,000	4,167	1,485	2,682	70.30%
Street Sign Repairs & Replacement	500	417	0	417	100.00%
Parks & Recreation					
Management Contract	220,992	184,160	190,992	(6,832)	13.57%
Facility Maintenance & Repair	29,700	24,750	20,534	4,216	30.86%
Telephone, Fax, Internet	7,500	6,250	6,228	22	16.96%
Office Supplies	3,000	2,500	3,114	(614)	(3.79)%
Furniture	5,000	4,167	97	4,070	98.05%
Repair/Replacement-Pool/CH					
Pool/Water Park/Fountain Maint	7,500	6,250	5,101	1,149	31.98%
Lighting Replacement	1,000	833	442	391	55.80%
Vehicle Maintenance	1,500	1,250	251	999	83.27%
Athletic/Park Court/Field Repairs	1,500	1,250	2,944	(1,694)	(96.24)%
Clubhouse Miscellaneous Expense	4,000	3,333	793	2,540	80.17%
Special Events					

Sterling Hill Community Development District

Statement of Revenues and Expenditures

001 - General Fund

From 10/1/2013 Through 7/31/2014

(In Whole Numbers)

	Annual Budget	YTD Budget	YTD Actual	YTD Variance	Percent Annual Budget Remaining
Special Events	1,000	833	0	833	100.00%
Contingency					
Capital Outlay	66,000	55,000	15,097	39,903	77.12%
Total Expenditures	<u>1,118,631</u>	<u>941,386</u>	<u>811,447</u>	<u>129,940</u>	<u>27.46%</u>
Excess Of Revenues Over (Under) Expenditures	125,042	302,287	473,844	171,557	(278.94)%
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/(Under) Expend/Other Uses	0	177,245	348,802	171,557	0.00%
Fund Balance, Beginning of Period	0	0	293,440	293,440	0.00%
Fund Balance, End of Period	<u>0</u>	<u>177,245</u>	<u>642,242</u>	<u>464,997</u>	<u>0.00%</u>

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Reserve Fund - 005

From 10/1/2013 Through 7/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	2,057	2,057	0.00%
Total Revenues	0	2,057	2,057	0.00%
Expenditures				
Contingency				
Road Reserve	95,382	6,123	89,259	93.58%
Asset Replacement Reserve	29,660	5,700	23,960	80.78%
Total Expenditures	125,042	11,823	113,219	90.54%
Excess Of Revenues Over (Under) Expenditures	(125,042)	(9,766)	115,276	(92.19)%
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/(Under) Expend/Other Uses	0	115,276	115,276	0.00%
Fund Balance, Beginning of Period	0	662,903	662,903	0.00%
Fund Balance, End of Period	0	778,180	778,180	0.00%

Sterling Hill Community Development District

Statement of Revenues and Expenditures

Debt Service Fund--Series 2003 - 200

From 10/1/2013 Through 7/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	171	171	0.00%
Special Assessments				
Tax Roll	918,415	798,578	(119,836)	(13.04)%
Total Revenues	<u>918,415</u>	<u>798,750</u>	<u>(119,665)</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	(373,758)	(373,758)	0.00%
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	0	(373,758)	(373,758)	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>(3,108,766)</u>	<u>(3,108,766)</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 7/31/2014

(In Whole Numbers)

	Annual Budget	Current Period Actual	Budget To Actual Variance	Budget Percent Remaining
Revenues				
Interest Earnings				
Interest Earnings	0	13	13	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	256,736	256,736	0.00%
Total Revenues	<u>4,971</u>	<u>277,531</u>	<u>272,560</u>	<u>5,483.32%</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	(25,629)	(25,629)	0.00%
Exc. of Rev/Other Sources Over/(Under) Expend/Other Uses	0	(25,629)	(25,629)	0.00%
Fund Balance, Beginning of Period	0	(970,543)	(970,543)	0.00%
Fund Balance, End of Period	<u>0</u>	<u>(996,173)</u>	<u>(996,173)</u>	<u>0.00%</u>

Sterling Hill CDD
Investment Summary
July 31, 2014

<u>Account</u>	<u>Investment</u>	<u>Balance as of</u> <u>July 31, 2014</u>
State Board of Administration	Local Government Investment Pool	\$ 6,802
State Board of Administration	Local Government Investment Pool B	554
SunTrust	Business Money Market	148,865
The Bank of Tampa	Business Money Market	222,886
	Total General Fund Investments	\$ 379,107
The Bank of Tampa ICS Road Reserve		
Bank of China	Business Money Market	\$ 245,073
Western Alliance Bank	Business Money Market	245,073
Happy State Bank	Business Money Market	66,394
BB&T	Business Money Market	54,803
The Bank of Tampa ICS Asset Replacement Reserve		
Happy State Bank	Business Money Market	178,626
BB&T	Business Money Market	34
	Total Reserve Fund Investments	\$ 790,003
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	403,262
US Bank Series 2003 Revenue	US Bank Managed Money Market Account	83,628
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	296,187
	Total Debt Service Fund Investments	\$ 1,190,484

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

001 - General Fund

From 7/1/2014 Through 7/31/2014

<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	72,670.86
11/18/2013	Sterling Hills 2, Inc.	655-14-03	5,278.05
11/18/2013	Sterling Hills, Inc.	655-14-01	<u>72,358.25</u>
		Total 001 - General Fund	535,637.42

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

200 - Debt Service Fund--Series 2003

From 7/1/2014 Through 7/31/2014

<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	52,041.20
		Total 200 - Debt Service Fund--Series 2003	955,578.83

Sterling Hill Community Development District

Summary A/R Ledger - AR External 1

201 - Debt Service Fund--Series 2006

From 7/1/2014 Through 7/31/2014

<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	<u>323.92</u>
		Total 201 - Debt Service Fund--Series 2006	<u>316,540.96</u>
Report Balance			<u><u>1,807,757.21</u></u>

Sterling Hill Community Development District

Summary A/P Ledger

001 - General Fund

From 7/1/2014 Through 7/31/2014

Vendor Name	Invoice Date	Invoice Number	Invoice Description	Current Balance
Bright House Networks	7/25/2014	8234 15 024 0013148 08/14	South Clubhouse Cable 08/14	151.13
DCSI Inc.	7/30/2014	15231	Replaced Camera @ South Side 07/14	984.00
DCSI Inc.	7/30/2014	15232	Remote for DVT @ North & South Not Working 07/14	114.99
DCSI Inc.	7/30/2014	15233	DVR Video Output Not Working 07/14	85.00
Florida Department of Revenue	7/30/2014	37-8015579013-3 07/14	Sales & Use Tax 07/14	46.78
McCullough Water Services	7/31/2014	18006 07/14	Water Rental and Delivery 07/14	22.91
McCullough Water Services	7/31/2014	18007 07/14	Water Rental and Delivery 07/14	31.92
Outsmart Pest Management, Inc.	7/30/2014	8385	North Clubhouse Pest Control Treatment 07/14	45.00
Outsmart Pest Management, Inc.	7/30/2014	8386	South Clubhouse Pest Control Treatment 07/14	45.00
Progressive Waste Solutions of FL, Inc.	7/25/2014	2740017	Waste Disposal Services North Clubhouse 08/14	169.23
Southern Automated Access Services	7/29/2014	1186	Installed New Circuit Board @ Arborglades 07/14	1,380.00
Stantec Consulting Services Inc	7/18/2014	811575	Engineering Services 07/14	1,270.50
Straley & Robin	7/17/2014	11057	General/ Monthly Legal Services Through 07/14	437.50
Times Publishing Company	7/24/2014	I1004176341-0723	Acct # 1000424298 Legal Advertising 07/14	72.87
ValleyCrest Landscape Maintenance	7/31/2014	4561311	Install (70) Yards of Cert. Playground Mulch 07/14	3,150.00
Withlacoochee River Electric Cooperative, Inc.	7/24/2014	Electric Summary Billing 07/14	Withlacoochee Electric Summary Billing 07/14	10,156.02
			Total 001 - General Fund	18,162.85
Report Balance				18,162.85

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

Balance Sheet

1. Trust statement activity has been recorded through 7/31/14.
2. See EMMA (Electronic Municipal Market Access) at <http://www.emma.msrb.org> for Municipal Disclosures and Market Data.
3. \$778,180 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.