

The Villages®

Community Development Districts

District 2

Financial Statement Summary

As of August 31, 2019

Revenues

Year-to-Date Revenues (YTD) of \$1,301,000 compares favorably to prior year-to-date (PYTD) revenues of \$1,072,000 and at 111% of annual budgeted revenues of \$1,174,000.

- The District has collected in excess of 100% of the budgeted maintenance assessments in the amount of \$1,113,000. Sumter County collects the maintenance assessments on the annual tax bill and remits it to the District, net a 2% collection fee. The majority of assessments are collected from December through March. There was a 12% increase in maintenance assessments levied in FY 2019.
- Other income includes the Sumter County Road Agreement revenue totaling \$35,000. The new agreement with Sumter County went into effect June 1, discontinuing these revenues, offset by a reduction in electricity.
- Investment earnings of \$68,000 (\$28,000 realized and \$40,000 unrealized gains) compare favorably to the annual budget of \$12,000 and prior year of \$37,000.
- A total \$82,000 of excess funds in the Phase II Debt Service Fund was transferred to the General Fund, restricted for Capital Projects.

The District has received 100 % of the anticipated revenues through the county tax collections while the expenses will continue to be incurred ratably over the 12-months. *As of August 31, 91.67% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,042,000 are lower than prior year-to-date expenses of \$1,087,000. Current total year to date spending is at 92% of budget.

- Management and Other Professional services include unbudgeted expenses for administrative services to assist with FEMA matters related to Hurricane Irma. A budgeted increase over prior year for certain environmental support services has been incurred to date. Engineering services have been incurred in excess of the budget; a budget transfer will be processed later this year.
- Building, Landscape and Other Maintenance Expenses are below prior year levels. Expenses to repair the Alhambra Pump station, the water retention area at Lago De Leon and underground lighting on Cazaras Avenue exceed budget levels. A budget transfer will be processed later this year.
- Other Expenses include insurance expense, legal services and other miscellaneous expenses.
- Capital Outlay includes expenses for the Mill and Overlay for the Del Canto, Escondido and De Leon Villas. The Board approved a contract increase in October 2018. A Budget Resolution will be processed later this fiscal year.

Change in Unrestricted Net Position

Year-to-Date Change in Net Position of (\$143,000) is less than prior year to date change of (\$64,000). Based on the anticipated expenditures through year end, the District expects to meet the budget reduction in Unrestricted Net Position of (\$300,000).

Investment Earnings:

The following table outlines the current month and year to date earnings by investment category:

* 1 month in arrears	CFB	FLCLASS	FL PALM	FL-FIT	FLGIT *	LTIP *
Current Month	1.64%	2.47%	2.33%	2.42%	9.32%	2.30%
Year-to-date	1.81%	2.51%	2.46%	2.65%	5.05%	16.52%
Prior FY 2018	1.38%	2.20%	2.14%	2.48%	3.88%	6.48%

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Statement of Activity					
For the Eleven Months Ending August 31, 2019 (91.67% of the budget year)					
Original Budget	Budget % used		YTD Actual	PYTD Actual	Variance
		REVENUES:			
\$ 1,109,583	100%	Maintenance and Other Special Assessments	\$ 1,113,313	\$ 994,053	\$ 119,260
53,205	71%	Other Income	37,520	40,596	(3,076)
<u>11,600</u>	<u>590%</u>	Investment Income	<u>68,393</u>	<u>37,055</u>	<u>31,338</u>
1,174,388	104%	Total Revenues:	1,219,226	1,071,704	147,522
<u>-</u>	<u>0%</u>	Transfer In - Debt Service	<u>81,861</u>	<u>-</u>	<u>81,861</u>
1,174,388	111%	Total Available Resources:	1,301,087	1,071,704	229,383
		EXPENSES:			
19,425	57%	Personnel Services	11,030	10,354	676
281,580	102%	Management and Other Professional Services	288,329	250,667	37,662
165,130	66%	Utility Services	109,073	128,149	(19,076)
654,717	96%	Building, Landscape and Other Maintenance	627,961	691,606	(63,645)
<u>10,420</u>	<u>59%</u>	Other Expenses	<u>6,097</u>	<u>6,395</u>	<u>(298)</u>
1,131,272	92%	Total Operating Expenses	1,042,490	1,087,171	(44,681)
342,925	117%	Capital Outlay - Infrastructure and FFE	401,739	2,890	398,849
-	0%	Debt Service	20	20	-
<u>-</u>	<u>0%</u>	Transfers out of Unrestricted Fund	<u>-</u>	<u>45,834</u>	<u>(45,834)</u>
342,925	117%	Total Other Changes	401,759	48,744	353,015
<u>1,474,197</u>	<u>98%</u>	Total Expenses and Other Changes:	<u>1,444,249</u>	<u>1,135,915</u>	<u>308,334</u>
<u>\$ (299,809)</u>		Change in Unreserved Net Position	<u>\$ (143,162)</u>	<u>\$ (64,211)</u>	<u>\$ (78,951)</u>
		Total Cash, Net of Bond Funds	<u>\$ 1,844,862</u>	<u>\$ 2,293,453</u>	<u>\$ (448,591)</u>
		Fund Balance			
		Unassigned	304,663	536,360	
		Restricted - Capital Project, Phase I	432,513	432,513	
		Restricted - Capital Project, Phase II	81,861	-	
		Committed R and R General	761,782	1,025,742	
		Committed R and R Villa Roads	<u>230,384</u>	<u>226,217</u>	
		Total Fund Balance	<u>\$ 1,811,203</u>	<u>\$ 2,220,832</u>	<u>\$ (409,629)</u>
		Number of Homes Closed	3,668	3,668	
		% Homes Closed	100%	100%	