

The Villages®

Community Development Districts

District 2

Financial Statement Summary As of August 31, 2023

Revenues

Year-to-Date Revenues (YTD) of \$1,344,000 are greater than Prior Year-to-Date (PYTD) revenues of \$1,145,000 and at 112% of the annual budgeted revenue of \$1,198,000.

- The District has received 101% of the budgeted maintenance assessments to date. Sumter County collects the annual tax bill's maintenance assessments and remits them to the District, net a 2% collection fee. The majority of assessments are collected from November through March. There was no change in maintenance assessments levied in FY 2023.
- Investment earnings of \$133,000, (\$56,000 realized gains and \$77,000 unrealized gains) are greater than Prior Year-to-Date earnings of (\$59,000). There is no investment income budgeted this year.

The District has received 101% of the anticipated revenues through the county tax collections while the expenses will be incurred ratably over the 12 months. *As of August 31, 2023, 92% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$930,000 are less than Prior Year-to-Date expenses of \$946,000. Total Year-to-Date spending is at 72% of the amended budget expenses of \$1,292,000.

- Management and Other Professional Services include Management Fees, Deed Compliance Services, and Tax Collector Fees. There was no change in Management Fees in FY 2023.
- Utility Services include Electricity and Irrigation Water expenses; Year-to-Date spending is 86% of budgeted expenses of \$42,000.
- Building, Landscape, and Other Maintenance Expenses totaling \$606,000 are less than the Prior Year-to-Date of \$616,000. A large portion of Year-to-Date expenses is for Landscape Maintenance. The budget for Recurring Landscape Maintenance makes up 45% of this line item. Additional expenses include Storm Water Cleaning, Inspections of Drainage Pipes, and Villa Sign Wall Painting.
- Capital Outlay totals \$195,000 Year-to-Date. Expenditures incurred were for Villa De La Ramona Mill & Overlay and El Camino Fence Replacement & Painting.
- Other Expenses include Casualty & Liability Insurance, Advertising, and Other Miscellaneous expenses.
- Funding reserves have been budgeted for the Road R&R in the amount of \$80,000.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$146,000 is greater than Prior Year-to-Date of (\$40,000). Based on anticipated revenue and expenditures for the year, the District expects to meet the amended budgeted reduction in the Unreserved Net Position of (\$381,000).

Investment Earnings:

The following table outlines the Current Month Annualized Return and One Month Rate of Return earnings by investment category:

	CFB	FL CLASS	FL FIT	FLTRUST***	LTIP***
Current Month Annualized Return*	4.88%	5.43%	5.00%	4.77%	5.15%
One Month Rate of Return**	0.41%	0.45%	0.42%	0.40%	2.14%
Prior FY 2022	0.18%	2.54%	2.14%	-0.81%	-3.36%

*Current Month Annualized Return is the annual return expected based on the past month's return.

**One Month Rate of Return is the actual rate of return over the prior month.

***Rate listed is one month in arrears.

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Statement of Activity						
For the Eleven Months Ending August 31, 2023 (92% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 1,198,350	\$ 1,198,350	101%	Maintenance and Other Special Assessments	\$ 1,209,503	\$ 1,203,032	\$ 6,471
-	-	0%	Other Income	836	1,603	(767)
-	-	0%	Investment Income	133,430	(59,461)	192,891
<u>1,198,350</u>	<u>1,198,350</u>	112%	Total Revenues:	1,343,769	1,145,174	198,595
			EXPENSES:			
17,251	17,251	68%	Personnel Services	11,647	10,854	793
333,668	333,718	81%	Management and Other Professional Services	268,998	274,874	(5,876)
42,398	42,398	86%	Utility Services	36,387	36,995	(609)
853,413	889,733	68%	Building, Landscape and Other Maintenance	605,510	616,468	(10,958)
<u>8,605</u>	<u>8,555</u>	<u>83%</u>	Other Expenses	<u>7,067</u>	<u>6,919</u>	<u>148</u>
1,255,335	1,291,655	72%	Total Operating Expenses	929,609	946,110	(16,501)
88,739	207,792	94%	Capital Outlay - Infrastructure and FFE	195,133	165,887	29,247
<u>80,000</u>	<u>80,000</u>	<u>92%</u>	Transfers out of Unrestricted Fund	<u>73,334</u>	<u>73,334</u>	<u>-</u>
168,739	287,792	93%	Total Other Changes	268,467	239,221	29,247
<u>1,424,074</u>	<u>1,579,447</u>	<u>76%</u>	Total Expenses and Other Changes:	<u>1,198,077</u>	<u>1,185,331</u>	<u>12,746</u>
<u>\$ (225,724)</u>	<u>\$ (381,097)</u>		Change in Unreserved Net Position	<u>\$ 145,693</u>	<u>\$ (40,157)</u>	<u>\$ 185,849</u>
			Total Cash, Net of Bond Funds	<u>\$ 2,084,224</u>	<u>\$ 2,065,099</u>	<u>\$ 19,125</u>
			Fund Balance			
			Unassigned	962,798	828,331	
			Restricted - Capital Project, Phase I	23,412	85,140	
			Restricted - Capital Project, Phase II	2,552	2,552	
			Committed R and R General	719,416	761,782	
			Committed R and R Villa Roads	<u>355,621</u>	<u>314,994</u>	
			Total Fund Balance	<u>\$ 2,063,799</u>	<u>\$ 1,992,799</u>	<u>\$ 71,000</u>