

The Villages®

Community Development Districts

District 6

Financial Statement Summary **As of November 30, 2023**

Revenues

Year-to-Date (YTD) revenues of \$1,391,000 are less than prior year-to-date (PYTD) revenues of \$1,486,000 and are at 40% of budgeted revenues of \$3,485,000.

- The District has received 43% of the budgeted maintenance assessments to date. 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 November through March. There was no increase in maintenance assessments levied in FY 2023.
- Investment earnings of \$35,000 (\$77,000 realized gains and (\$42,000) unrealized loss) are less than the prior year to date earnings of \$112,000 and are at 18% of annual budgeted earnings of \$198,000. The unrealized loss of \$42K is attributed to the Long-Term Investment Portfolio. The investment portfolio is comprised of domestic equity, international equity, and fixed income asset classes. LTIP gain or loss is booked a month in arrears.

Market Conditions (PFM)

- In October both equities (S&P 500 -2.10% and -4.13% for ACWI x US) and fixed income (Agg Bond -1.58%) were down. For the US Market (using the S&P 500 index as a proxy) only utilities posted a positive performance, while all sectors were in the red.
- Treasury Yields jumped up on the higher end of the curve, creating a drag on returns for bonds. Various economic indicators (consumer confidence, inflation, unemployment, retail sales) all showed signs of cooling which is positive, but oil prices jumped up \$7 as a result of the Gaza strip conflict creating some worries for investors. Investors were generally nervous about additional geopolitical conflict during the month.
- November was the opposite as markets roared back led by the strength of Information Technology across the board and for Domestic Markets the Magnificent Seven.

The District has received 43% of the budgeted revenues through the county tax collections. Allocated expenses will be incurred ratably over the 12 months. *As of November 30th, 17% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$659,000 are greater than prior year-to-date expenses of \$592,000. Year to date spending is at 16% of budgeted expenses of \$4,193,000.

- Management and Other Professional services include Management fees and Deed Compliance fees.
- Utility Services include Electricity and Irrigation Water expenses and year to date spending is at 9% of budgeted expenses of \$305,000. Irrigation Expenditures are slightly above budget levels at 20% of budget.
- Building, Landscape and Other Maintenance Expenses are greater than the prior year to date and at 16% of the budget. The majority of this expense is the Project Wide allocation totaling \$2,564,000 for the budget year. The Project Wide allocation for the current month is \$214,000. Building Structure Maintenance has expended 1% of the budget year to date. Landscape Maintenance Non-Recurring is budgeted at \$56,000 for the year.
- Other Expenses include annual insurance expense.
- There are no Capital Projects budgeted for the year.

Change in Unreserved Net Position

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Year-to-Date increase in Unreserved Net Position of \$732,000 is less than prior year to date increase of \$894,000. Based on anticipated revenue and expenditures for the year, the District expects an increase compared to the budgeted reduction in Unreserved Net Position of (\$709,000).

Investment Earnings:

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

	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST***	LTIP***
Current Month Annualized Return*	4.88%	5.53%	5.56%	5.03%	4.93%	3.96%
One Month Rate of Return**	0.41%	0.46%	0.46%	0.42%	0.41%	-2.46%
Prior FY 2023	4.21%	4.75%	4.76%	4.28%	4.24%	-4.18%

*Current Month Annualized Return is the annual return expected based on the past months 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 Two Months Ending November 30, 2023 (17% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
REVENUES:						
\$ 3,168,731	\$ 3,168,731	42.8%	Maintenance and Other Special Assessments	\$ 1,354,905	\$ 1,372,958	\$ (18,053)
-	-	0%	Other Income	1,120	1,604	(484)
<u>197,700</u>	<u>197,700</u>	<u>18%</u>	Investment Income	<u>34,913</u>	<u>111,930</u>	<u>(77,018)</u>
3,366,431	3,366,431	41%	Total Revenues	1,390,938	1,486,492	(95,554)
<u>118,296</u>	<u>118,296</u>	<u>0%</u>	Transfer In - Debt Service	-	-	-
\$ 3,484,727	\$ 3,484,727	40%	Total Available Resources:	\$ 1,390,938	\$ 1,486,492	\$ (95,554)
EXPENSES:						
10,047	10,047	19%	Personnel Services	1,938	449	1,489
545,767	545,767	19%	Management and Other Professional Services	101,811	94,138	7,673
304,696	304,696	9%	Utility Services	27,903	47,253	(19,351)
3,323,575	3,323,575	16%	Building, Landscape and Other Maintenance	521,081	444,540	76,542
<u>9,270</u>	<u>9,270</u>	<u>64%</u>	Other Expenses	<u>5,969</u>	<u>5,656</u>	<u>313</u>
4,193,355	4,193,355	16%	Total Operating Expenses	658,702	592,036	66,666
-	-	0%	Capital Outlay - Infrastructure and FFE	-	-	-
-	-	0%	Debt Service	-	-	-
<u>-</u>	<u>-</u>	<u>0%</u>	Transfers out of Unrestricted Fund	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>0%</u>	Total Other Changes	<u>-</u>	<u>-</u>	<u>-</u>
<u>4,193,355</u>	<u>4,193,355</u>	16%	Total Expenses and Other Changes	<u>658,702</u>	<u>592,036</u>	<u>66,666</u>
<u>\$ (708,628)</u>	<u>\$ (708,628)</u>		Change in Unreserved Net Position	<u>\$ 732,236</u>	<u>\$ 894,457</u>	<u>\$ (162,220)</u>
			Total Cash, Net of Bond Funds	<u>\$ 14,418,329</u>	<u>\$ 14,284,264</u>	<u>\$ 134,065</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	3,654,160	3,437,435	
			Restricted - Capital Project Ph I	249,999	249,999	
			Restricted - Capital Project Ph II	773,128	681,128	
			Committed R and R General	9,191,753	9,191,753	
			Total Fund Balance	<u>\$ 13,869,040</u>	<u>\$ 13,560,315</u>	<u>\$ 308,725</u>