

# The Villages®

## Community Development Districts

### District 7

#### Financial Statement Summary

As of November 30, 2023

#### Revenues

Year-to-Date (YTD) Revenues of \$876,000 are slightly greater than prior year-to-date (PYTD) revenues of \$837,000. Annual budgeted revenue is \$2,681,000.

- The District has collected 39% of the budgeted maintenance assessments. 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 an increase of 15% in maintenance assessments levied in FY2024.
- Investment earnings of \$8,000 (\$23,000 realized gains and (\$15,000) unrealized losses) are less than prior year-to-date and are at 4% of budgeted earnings of \$217,000. The unrealized loss of \$15K 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 39% of the anticipated revenues through the county tax collections. The expenses will be incurred ratably over the 12-months. *As of November 30, 17% of the year has lapsed.*

#### Expenses and Other Changes

Year-to-Date Operating Expenses of \$419,000 are greater than prior year-to-date expenses of \$381,000. Year to date spending is at 16% of budgeted expenses of \$2,701,000.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees.
- Utility Services include Electricity and Irrigation Water expenses and year to date spending is slightly less than the prior year and at 14% of budgeted expenses of \$156,000.
- Building, Landscape and Other Maintenance Expenses of \$315,000 are greater than prior year to date expenses and are at 15% of the annual budget of \$2,098,000. The majority of the expenses incurred is the Project Wide allocation totaling \$272,000 this month.
- Other Expenses include insurance expense, legal advertising, and other miscellaneous expenses. The annual insurance premium for property and liability has been paid.
- Currently there are no Budgeted Capital projects planned for this fiscal year. Mill & Overlay FY2023 Capital carryforward projects were completed in November 2023. A carryforward resolution will be completed in the upcoming months.

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**Change in Unreserved Net Position**

Year-to-Date increase in Unreserved Net Position of \$155,000 is less than the prior year to date increase of \$447,000. Based on anticipated revenue and expenditures for the year, the District expects to meet the budgeted reduction in the Unreserved Net Position of (\$20,000).

**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***
<b>Current Month Annualized Return*</b>	4.88%	5.53%	5.56%	5.03%	4.93%	3.96%
<b>One Month Rate of Return**</b>	0.41%	0.46%	0.46%	0.42%	0.41%	-2.46%
<b>Prior FY 2023</b>	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
			<b>REVENUES:</b>			
\$ 2,213,510	\$ 2,213,510	39%	Maintenance and Other Special Assessments	\$ 867,400	\$ 790,146	\$ 77,253
2,500	2,500	29%	Other Income	732	1,107	(374)
<u>217,000</u>	<u>217,000</u>	4%	Investment Income	8,044	45,612	(37,568)
2,433,010	2,433,010	36%	<b>Total Revenues</b>	876,176	836,865	39,311
<u>247,961</u>	<u>247,961</u>	0%	Transfer In - Debt Service	-	-	-
\$ 2,680,971	\$ 2,680,971	33%	<b>Total Available Resources:</b>	\$ 876,176	\$ 836,865	\$ 39,311
			<b>EXPENSES:</b>			
16,173	16,173	7%	Personnel Services	1,077	1,095	(18)
422,691	422,691	18%	Management and Other Professional Services	74,767	70,335	4,432
155,593	155,593	14%	Utility Services	22,546	23,148	(602)
2,098,195	2,098,195	15%	Building, Landscape and Other Maintenance	315,404	280,972	34,432
<u>8,470</u>	<u>8,470</u>	70%	Other Expenses	5,911	5,655	257
2,701,122	2,701,122	16%	<b>Total Operating Expenses</b>	419,704	381,204	38,500
-	-	0%	Capital Outlay - Infrastructure and FFE	301,451	-	301,451
<u>-</u>	<u>-</u>	0%	Transfers out of Unrestricted Fund	-	8,340	(8,340)
<u>-</u>	<u>-</u>	0%	<b>Total Other Changes</b>	301,451	8,340	293,111
<u>2,701,122</u>	<u>2,701,122</u>	27%	<b>Total Expenses and Other Changes</b>	721,156	389,544	331,612
\$ (20,151)	\$ (20,151)		<b>Change in Unreserved Net Position</b>	\$ 155,020	\$ 447,321	\$ (292,301)
			<b>Total Cash, Net of Bond Funds</b>	\$ 5,859,012	\$ 6,454,099	\$ (595,087)
			*Preliminary Fund Balance - pending year-end close			
			<b>Fund Balance</b>			
			Unassigned	1,235,100	1,670,289	
			Restricted - Capital Project Ph I	1,996,544	1,914,809	
			Committed R and R General	1,337,606	1,316,776	
			Committed R and R Villa Roads	900,000	879,170	
			<b>Total Fund Balance</b>	\$ 5,469,251	\$ 5,781,045	\$ (311,794)