

The Villages®

Community Development Districts

District 9

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

Revenues

Year-to-Date (YTD) Revenues of \$1,100,000 are less than Prior Year-to-Date (PYTD) revenues of \$1,254,000 and are at 36% of budgeted revenues of \$3,037,000.

- The District has collected 40% of the budgeted maintenance assessments of 2,607,000. 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 a 5% decrease in maintenance assessments levied in FY 2024.
- Investment earnings of \$50,000 (\$102,000 realized gains and (\$52,000) unrealized losses) are less than the Prior Year-to-Date of \$135,000. Annual budgeted earnings are \$430,000. The unrealized loss of \$52K 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 40% of the anticipated revenues through the county tax collections while the expenses will be incurred ratably over the 12 months. *As of November 30, 2023, 17% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$520,000 are greater than Prior Year-to-Date expenses of \$320,000. Year-to-Date spending is 16% of budgeted expenses of \$3,254,000.

- Management and Other Professional services include Management fees, Deed Compliance services, and Tax Collector fees and are at 19% of budget.
- Utility Services include Electricity and Irrigation Water expenses. Year-to-Date spending of \$30,000 is more than the Prior Year of \$25,000 and at 15% of the budget of \$202,000.
- Building, Landscape, and Other Maintenance Expenses totaling \$402,000 are at 16% of the budget. A large portion of the expense incurred is the Project Wide allocation of \$350,000, a budgeted 10% increase over the Prior Year.
- Other Expenses include Casualty & Liability Insurance, Advertising, and Other Miscellaneous expenses. The annual premium for property and liability insurance was paid in full.

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Change in Unreserved Net Position

Year-to-Date change in Unreserved Net Position of \$581,000 is less than the Prior Year-to-Date of \$934,000. By Year-End, based on the anticipated revenues and expenditures, the District expects to meet the amended budgeted decrease in Unreserved Net Position of (\$217,000).

Investment Earnings:

The following table outlines the Current Month Annualized Return and One Month Rate of Return 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:			
\$ 2,607,419	\$ 2,607,419	40%	Maintenance and Other Special Assessments	\$ 1,049,776	\$ 1,118,503	\$ (68,727)
-	-	0%	Other Income	500	711	(211)
<u>429,500</u>	<u>429,500</u>	<u>12%</u>	Investment Income	<u>50,028</u>	<u>134,780</u>	<u>(84,753)</u>
3,036,919	3,036,919	36%	Total Revenues:	1,100,304	1,253,995	(153,691)
			EXPENSES:			
16,173	16,173	7%	Personnel Services	1,077	1,095	(18)
432,422	432,422	19%	Management and Other Professional Services	80,048	71,976	8,072
201,951	201,951	15%	Utility Services	30,413	24,784	5,629
2,594,617	2,594,617	16%	Building, Landscape and Other Maintenance	402,326	216,523	185,802
<u>8,945</u>	<u>8,945</u>	<u>66%</u>	Other Expenses	<u>5,916</u>	<u>5,658</u>	<u>258</u>
3,254,108	3,254,108	16%	Total Operating Expenses	519,779	320,036	199,743
-	-	0%	Capital Outlay - Infrastructure and FFE	-	-	-
<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>3,254,108</u>	<u>3,254,108</u>	<u>16%</u>	Total Expenses and Other Changes:	<u>519,779</u>	<u>320,036</u>	<u>199,743</u>
<u>\$ (217,189)</u>	<u>\$ (217,189)</u>		Change in Unreserved Net Position	<u>\$ 580,525</u>	<u>\$ 933,959</u>	<u>\$ (353,434)</u>
			Total Cash, Net of Bond Funds	<u>\$ 18,906,091</u>	<u>\$ 18,631,528</u>	<u>\$ 274,562</u>
			Fund Balance			
			Unassigned	1,723,678	1,136,973	
			Committed R and R General	12,892,250	13,000,000	
			Committed R and R Villa Roads	2,525,864	2,682,077	
			Committed Working Capital	<u>1,269,372</u>	<u>1,269,372</u>	
			Total Fund Balance	<u>\$ 18,411,164</u>	<u>\$ 18,088,422</u>	<u>\$ 322,742</u>