

The Villages®

Community Development Districts

District 10

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

Revenues

Year-to-Date (YTD) Revenues of \$1,569,000 are greater than prior year-to-date (PYTD) revenues of \$1,425,000 and are at 37% of budgeted revenues of \$4,220,000.

- The District has collected 38% 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 FY 2024.
- Investment income of \$8,000 (\$25,000 realized gains and (\$17,000) unrealized losses) are less than prior year-to-date and at 5% of budgeted earnings of \$165,000. The unrealized loss of \$17K 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 38% of the anticipated revenues through the county tax collections while 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 \$637,000 are greater than prior year-to-date expenses of \$574,000. Year to date spending is 16% of budgeted expenses of \$4,002,000.

- Management and Other Professional services include Management fees, Deed Compliance fees, Tax Collection fees and Technology Service fees. There was an increase in Management fees of 14% in FY 2024.
- Utility Services include Electricity and Irrigation Water expenses and year to date spending is 14% of budgeted expenses of \$264,000.
- Building, Landscape and Other Maintenance Expenses of \$490,000 are more than prior year to date expenses and at 15% of the annual budget totaling \$3,179,000. The majority of the expenses incurred is the Project Wide allocation totaling \$442,000 this month, a budgeted 11% increase over prior year.
- Other Expenses include the annual insurance premium for property and liability.

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Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$883,000 is more than the prior year to date increase of \$800,000. By year-end, based on the anticipated revenues and expenditures, the District will meet the budgeted decrease in Unreserved Net Position of (\$82,000).

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:			
\$ 4,055,068	\$ 4,055,068	38%	Maintenance and Other Special Assessments	\$ 1,560,893	\$ 1,385,654	\$ 175,239
-	-	100%	Other Income	175	251	(77)
<u>164,800</u>	<u>164,800</u>	<u>5%</u>	Investment Income	<u>8,385</u>	<u>39,101</u>	<u>(30,715)</u>
4,219,868	4,219,868	37%	Total Revenues:	1,569,453	1,425,006	144,448
			EXPENSES:			
16,173	16,173	5%	Personnel Services	861	879	(18)
534,208	534,208	19%	Management and Other Professional Services	102,167	94,561	7,605
264,396	264,396	14%	Utility Services	37,498	32,113	5,385
3,178,803	3,178,803	15%	Building, Landscape and Other Maintenance	490,179	441,688	48,491
<u>8,520</u>	<u>8,520</u>	<u>69%</u>	Other Expenses	<u>5,913</u>	<u>5,673</u>	<u>239</u>
4,002,100	4,002,100	16%	Total Operating Expenses	636,618	574,915	61,703
-	-	<u>0%</u>	Capital Outlay - Infrastructure and FFE	-	-	-
<u>300,000</u>	<u>300,000</u>	<u>17%</u>	Transfers out of Unrestricted Fund	<u>50,000</u>	<u>50,010</u>	<u>(10)</u>
300,000	300,000	17%	Total Other Changes	50,000	50,010	(10)
<u>4,302,100</u>	<u>4,302,100</u>	16%	Total Expenses and Other Changes	<u>686,618</u>	<u>624,925</u>	<u>61,693</u>
<u>\$ (82,232)</u>	<u>(82,232)</u>		Change in Unreserved Net Position	<u>\$ 882,835</u>	<u>\$ 800,081</u>	<u>\$ 82,755</u>
			Total Cash, Net of Bond Funds	<u>\$ 6,845,299</u>	<u>\$ 7,145,088</u>	<u>\$ (299,790)</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	2,208,796	2,151,250	
			Committed R and R General	3,363,831	3,683,485	
			Committed R and R Villa Roads & Roads	<u>450,000</u>	<u>233,340</u>	
			Total Fund Balance	<u>\$ 6,022,626</u>	<u>\$ 6,068,075</u>	<u>\$ (45,448)</u>