

# The Villages®

## Community Development Districts

### District 2

#### Financial Statement Summary

As of June 30, 2022

#### Revenues

Year-to-Date Revenues (YTD) of \$1,146,000 are less than prior year-to-date (PYTD) revenues of \$1,185,000 and at 92% of annual budgeted revenues of \$1,245,000.

- The District has collected 100% of the budgeted maintenance assessments in the amount of \$1,203,000. 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 8% increase in maintenance assessments levied in FY 2022.
- Investment earnings of (\$58,000) (\$37,000 realized gains and (\$95,000) unrealized losses) are less than prior year-to-date and at -127% of budgeted earnings of \$46,000.

The District has received 100% of the anticipated revenues through the county tax collections while the expenses will be incurred ratably over the 12-months. *As of June 30, 2022, 75% of the year has lapsed.*

#### Expenses and Other Changes

Year-to-Date Operating Expenses of \$740,000 are greater than prior year-to-date expenses of \$671,000. Total year to date spending is at 63% of the annual budgeted expenses of \$1,180,000.

- Management and Other Professional services include Management fees, Deed Compliance fees and Technology Service fees. There was no change in Management fees in FY 2022.
- Utility Services include Electricity and Irrigation Water expenses and year to date spending is 82% of budgeted expenses of \$39,000.
- Building, Landscape and Other Maintenance Expenses totaling \$468,000 are greater than prior year to date and compare favorably to budget. A large portion of Year-to-Date expenses is for Landscape Maintenance.
- Year-to-date capital outlay expenses are for fence replacement at El Camino Real, mill and overlay at Vera Cruz villa, and Alhambra Pump House.
- Other Expenses include annual insurance expense.

#### Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$181,000 is less than prior year-to-date of \$286,000. Based on anticipated revenue and expenditures for the year, the District expects to meet the budgeted reduction in the Unreserved Net Position of (\$267,000).

#### 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</b> | 0.16% | 1.07%   | 1.17%   | 0.96%  | 1.74%      | -0.42%  |
| <b>Year-to-date</b>  | 0.02% | 0.33%   | 0.33%   | 0.51%  | -3.92%     | -12.15% |
| <b>Prior FY 2021</b> | 0.00% | 0.07%   | 0.05%   | 0.42%  | -0.89%     | -2.88%  |

\*\*Rate listed is one month in arrears

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| <b>Statement of Activity</b>   |                       |                      |  |                     |                     |                     |
|--|-----------------------|----------------------|--|---------------------|---------------------|---------------------|
| <b>For the Nine Months Ending June 30, 2022 (75% of the budget year)</b> |                       |                      |  |                     |                     |                     |
| <b>Original Budget</b>   | <b>Amended Budget</b> | <b>Budget % used</b> |  | <b>YTD Actual</b>   | <b>PYTD Actual</b>  | <b>Variance</b>     |
|  |                       |                      | <b>REVENUES:</b>                           |                     |                     |                     |
| \$ 1,198,350   | \$ 1,198,350          | 100.4%               | Maintenance and Other Special Assessments  | \$ 1,202,668        | \$ 1,113,403        | \$ 89,265           |
| 1,500  | 1,500                 | 88%                  | Other Income                               | 1,317               | 1,145               | 171                 |
| <u>45,500</u>  | <u>45,500</u>         | -127%                | Investment Income                          | <u>(57,825)</u>     | <u>70,457</u>       | <u>(128,281)</u>    |
| 1,245,350  | 1,245,350             | 92%                  | <b>Total Revenues:</b>                     | 1,146,160           | 1,185,005           | (38,845)            |
|  |                       |                      | <b>EXPENSES:</b>                           |                     |                     |                     |
| 17,251   | 17,251                | 53%                  | Personnel Services                         | 9,132               | 10,571              | (1,440)             |
| 320,170  | 320,395               | 70%                  | Management and Other Professional Services | 223,387             | 227,251             | (3,864)             |
| 39,148   | 39,148                | 82%                  | Utility Services                           | 32,096              | 25,958              | 6,138               |
| 818,070  | 792,918               | 59%                  | Building, Landscape and Other Maintenance  | 468,440             | 400,965             | 67,475              |
| <u>9,800</u>   | <u>9,800</u>          | 68%                  | Other Expenses                             | <u>6,680</u>        | <u>6,700</u>        | <u>(20)</u>         |
| 1,204,439  | 1,179,512             | 63%                  | <b>Total Operating Expenses</b>            | 739,734             | 671,445             | 68,289              |
| 227,865  | 252,792               | 66%                  | Capital Outlay - Infrastructure and FFE    | 165,887             | 167,809             | (1,923)             |
| <u>80,000</u>  | <u>80,000</u>         | 75%                  | Transfers out of Unrestricted Fund         | <u>60,002</u>       | <u>60,002</u>       | <u>-</u>            |
| 307,865  | 332,792               | 68%                  | <b>Total Other Changes</b>                 | 225,889             | 227,811             | (1,923)             |
| <u>1,512,304</u>   | <u>1,512,304</u>      | 64%                  | <b>Total Expenses and Other Changes:</b>   | <u>965,623</u>      | <u>899,256</u>      | <u>66,366</u>       |
| <u>\$ (266,954)</u>  | <u>\$ (266,954)</u>   |                      | <b>Change in Unreserved Net Position</b>   | <u>\$ 180,538</u>   | <u>\$ 285,748</u>   | <u>\$ (105,211)</u> |
|  |                       |                      | <b>Total Cash, Net of Bond Funds</b>       | <u>\$ 2,217,071</u> | <u>\$ 2,298,897</u> | <u>\$ (81,826)</u>  |
|  |                       |                      | <b>Fund Balance</b>                        |                     |                     |                     |
|  |                       |                      | Unassigned                                 | 1,049,026           | 1,019,762           |                     |
|  |                       |                      | Restricted - Capital Project, Phase I      | 85,140              | 118,110             |                     |
|  |                       |                      | Restricted - Capital Project, Phase II     | 2,552               | 81,861              |                     |
|  |                       |                      | Committed R and R General                  | 761,782             | 761,782             |                     |
|  |                       |                      | Committed R and R Villa Roads              | <u>301,662</u>      | <u>283,050</u>      |                     |
|  |                       |                      | <b>Total Fund Balance</b>                  | <u>\$ 2,200,162</u> | <u>\$ 2,264,564</u> | <u>\$ (64,402)</u>  |