

# The Villages®

## Community Development Districts

### District 2

#### Preliminary Financial Statement Summary

As of September 30, 2022

**Note:** Routine analysis of year-end accruals is still in process and will be finalized with the audit report.

#### Revenues

Year-to-Date Revenues (YTD) of \$1,097,000 are less than prior year-to-date (PYTD) revenues of \$1,189,000 and at 88% 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 (\$108,000) (\$45,000 realized gains and (\$153,000) unrealized losses) are less than prior year-to-date and at -237% 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 September 30, 2022, 100% of the year has lapsed.*

#### Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,038,000 are greater than prior year-to-date expenses of \$975,000. Total year to date spending is at 84% of the annual budgeted expenses of \$1,229,000.

- 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 102% of budgeted expenses of \$39,000.
- Building, Landscape and Other Maintenance Expenses totaling \$683,000 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 decrease in Unreserved Net Position of \$(187,000) is less than prior year-to-date of \$(39,000).

#### 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>	0.18%	2.54%	2.65%	2.14%	-0.31%	- 3.36%
<b>Year-to-date</b>	0.04%	0.78%	0.80%	0.84%	-3.16%	-15.72%
<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 Twelve Months Ending September 30, 2022 (100% of the budget year)</b>						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			<b>REVENUES:</b>			
\$ 1,198,350	\$ 1,198,350	100%	Maintenance and Other Special Assessments	\$ 1,203,032	\$ 1,113,403	\$ 89,629
1,500	1,500	111%	Other Income	1,659	1,220	438
<u>45,500</u>	<u>45,500</u>	-237%	Investment Income	<u>(107,694)</u>	<u>74,727</u>	<u>(182,421)</u>
1,245,350	1,245,350	88%	<b>Total Revenues:</b>	1,096,996	1,189,350	(92,354)
			<b>EXPENSES:</b>			
17,251	17,251	67%	Personnel Services	11,500	13,370	(1,870)
320,170	320,395	92%	Management and Other Professional Services	295,984	294,765	1,219
39,148	39,148	102%	Utility Services	40,100	34,443	5,656
818,070	842,773	81%	Building, Landscape and Other Maintenance	683,389	621,824	61,564
<u>9,800</u>	<u>9,800</u>	73%	Other Expenses	<u>7,194</u>	<u>10,473</u>	<u>(3,279)</u>
1,204,439	1,229,367	84%	<b>Total Operating Expenses</b>	1,038,166	974,876	63,291
227,865	202,937	82%	Capital Outlay - Infrastructure and FFE	165,887	173,666	(7,779)
<u>80,000</u>	<u>80,000</u>	100%	Transfers out of Unrestricted Fund	<u>80,000</u>	<u>80,000</u>	<u>-</u>
307,865	282,937	87%	<b>Total Other Changes</b>	245,887	253,666	(7,779)
<u>1,512,304</u>	<u>1,512,304</u>	85%	<b>Total Expenses and Other Changes:</b>	<u>1,284,053</u>	<u>1,228,541</u>	<u>55,511</u>
<u>\$ (266,954)</u>	<u>\$ (266,954)</u>		<b>Change in Unreserved Net Position</b>	<u>\$ (187,057)</u>	<u>\$ (39,192)</u>	<u>\$ (147,865)</u>
			<b>Total Cash, Net of Bond Funds</b>	<u>\$ 1,889,247</u>	<u>\$ 2,031,854</u>	<u>\$ (142,607)</u>
			<b>Fund Balance</b>			
			Unassigned	681,431	868,488	
			Restricted - Capital Project, Phase I	85,140	85,140	
			Restricted - Capital Project, Phase II	2,552	2,552	
			Committed R and R General	761,782	761,782	
			Committed R and R Villa Roads	<u>321,660</u>	<u>241,660</u>	
			<b>Total Fund Balance</b>	<u>\$ 1,852,565</u>	<u>\$ 1,959,622</u>	<u>\$ (107,057)</u>