

The Villages®

Community Development Districts

District 2

Financial Statement Summary
As of May 31, 2023

Revenues

Year-to-Date Revenues (YTD) of \$1,299,000 are greater than Prior Year-to-Date (PYTD) revenues of \$1,136,000 and at 108% of the annual budgeted revenue of \$1,198,000.

- The District has received 99.9% of the budgeted maintenance assessments to date. 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 no change in maintenance assessments levied in FY 2023.
- Investment earnings of \$101,000, (\$42,000 realized gains and \$59,000 unrealized gains) are greater than Prior Year-to-Date earnings of (\$58,000). There is no investment income budgeted this year.

The District has received 99.9% of the anticipated revenues through the county tax collections while the expenses will be incurred ratably over the 12 months. *As of May 31, 2023, 67% 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 \$726,000. Total Year-to-Date spending is at 57% of the amended budget expenses of \$1,292,000.

- Management and Other Professional Services include Management Fees, Deed Compliance Services, and Tax Collector Fees. There was no change in Management Fees in FY 2023.
- Utility Services include Electricity and Irrigation Water expenses; Year-to-Date spending is 65% of budgeted expenses of \$42,000.
- Building, Landscape, and Other Maintenance Expenses totaling \$507,000 are greater than the Prior Year-to-Date of \$483,000. A large portion of Year-to-Date expenses is for Landscape Maintenance. The budget for Recurring Landscape Maintenance makes up 45% of this line item. Additional expenses include Storm Water cleaning and inspections of drainage pipes and villa sign wall painting.
- Capital Outlay totals \$195,000 Year-to-Date. Expenditures incurred were for Villa De La Ramona Mill & Overlay and El Camino Fence Replacement & Painting.
- Other Expenses include Casualty & Liability Insurance, Advertising, and Other Miscellaneous expenses.
- Funding reserves have been budgeted for the Road R&R in the amount of \$80,000.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$311,000 is greater than Prior Year-to-Date of \$216,000. Based on anticipated revenue and expenditures for the year, the District expects to meet the amended budgeted reduction in the Unreserved Net Position of (\$381,000).

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*	4.63%	5.15%	5.14%	4.69%	4.31%	-1.12%
One Month Rate of Return**	0.39%	0.43%	0.43%	0.39%	0.36%	-1.03%
Prior FY 2022	0.18%	2.54%	2.65%	2.14%	-0.81%	-3.36%

*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 Eight Months Ending May 31, 2023 (67% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 1,198,350	\$ 1,198,350	99.9%	Maintenance and Other Special Assessments	\$ 1,197,306	\$ 1,192,619	\$ 4,687
-	-	0%	Other Income	606	1,317	(711)
-	-	0%	Investment Income	100,978	(57,554)	158,531
<u>1,198,350</u>	<u>1,198,350</u>	108%	Total Revenues:	1,298,889	1,136,382	162,507
			EXPENSES:			
17,251	17,251	36%	Personnel Services	6,264	7,194	(930)
333,668	333,668	58%	Management and Other Professional Services	192,102	201,487	(9,385)
42,398	42,398	65%	Utility Services	27,677	27,833	(156)
853,413	889,733	57%	Building, Landscape and Other Maintenance	507,061	482,911	24,151
<u>8,605</u>	<u>8,605</u>	78%	Other Expenses	6,746	6,489	257
1,255,335	1,291,655	57%	Total Operating Expenses	739,850	725,913	13,938
88,739	207,792	94%	Capital Outlay - Infrastructure and FFE	195,133	140,959	54,174
<u>80,000</u>	<u>80,000</u>	67%	Transfers out of Unrestricted Fund	53,336	53,336	-
168,739	287,792	86%	Total Other Changes	248,469	194,295	54,174
<u>1,424,074</u>	<u>1,579,447</u>	63%	Total Expenses and Other Changes:	988,320	920,208	68,111
<u>\$ (225,724)</u>	<u>\$ (381,097)</u>		Change in Unreserved Net Position	<u>\$ 310,569</u>	<u>\$ 216,174</u>	<u>\$ 94,396</u>
			Total Cash, Net of Bond Funds	<u>\$ 2,442,415</u>	<u>\$ 2,313,338</u>	<u>\$ 129,077</u>
			Fund Balance			
			Unassigned	1,127,675	1,084,662	
			Restricted - Capital Project, Phase I	23,412	85,140	
			Restricted - Capital Project, Phase II	2,552	2,552	
			Committed R and R General	719,416	761,782	
			Committed R and R Villa Roads	335,623	294,996	
			Total Fund Balance	<u>\$ 2,208,678</u>	<u>\$ 2,229,132</u>	<u>\$ (20,454)</u>