

The Villages®

Community Development Districts

District 5

Financial Statement Summary

As of November 30, 2023

Revenues

Year-to-Date (YTD) Revenues of \$993,000 are less than the prior year-to-date (PYTD) revenues of \$1,078,000 and are at 36% of budgeted revenues of \$2,791,000.

- The District has received \$962,000 and are at 41% of the budgeted maintenance assessments to date. 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 no increase in maintenance assessments levied in FY 2024.
- Investment earnings of \$30,000 (\$73,000 realized gains and (\$43,000) unrealized losses) are less than the prior year-to-date of \$114,000. The unrealized loss of \$43K 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 not received assessment revenues through the county tax collections to date. Allocated 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 \$554,000 are less than prior year-to-date expenses. Year to date spending is at 15% of the annual budget of \$3,699,000.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees.
- Utility Services include Electricity and Irrigation Water expenses and year to date spending is at 14% of budgeted expenses of \$241,000.
- Building, Landscape and Other Maintenance Expenses totaling \$428,000 are greater than the prior year of \$400,000 and are at 14% of budgeted expenses.
- Other Expenses include insurance expense and legal advertising, and other miscellaneous expenses are at prior year levels. The annual insurance premium was paid in October.

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Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$439,000 is less than the prior year to date increase of \$565,000. Based on anticipated revenue and expenditures for the year, the District expects to meet the budget reduction in Unreserved Net Position of (\$908,000).

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:			
\$ 2,326,093	\$ 2,326,093	41%	Maintenance and Other Special Assessments	\$ 961,858	\$ 962,550	\$ (692)
2,300	2,300	54%	Other Income	1,245	1,925	(680)
<u>382,300</u>	<u>382,300</u>	8%	Investment Income	<u>30,326</u>	<u>113,545</u>	<u>(83,219)</u>
2,710,693	2,710,693	37%	Total Revenues	993,428	1,078,020	(84,591)
<u>80,000</u>	<u>80,000</u>	0%	Transfer In - Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
\$ 2,790,693	\$ 2,790,693	36%	Total Available Resources:	\$ 993,428	\$ 1,078,020	\$ (84,591)
			EXPENSES:			
16,173	16,173	7%	Personnel Services	1,077	1,095	(18)
468,876	468,876	18%	Management and Other Professional Services	83,963	79,008	4,955
241,354	241,354	14%	Utility Services	34,645	26,583	8,062
2,957,422	2,957,422	14%	Building, Landscape and Other Maintenance	428,452	400,120	28,332
<u>14,870</u>	<u>14,870</u>	40%	Other Expenses	<u>5,970</u>	<u>5,800</u>	<u>170</u>
3,698,695	3,698,695	15%	Total Operating Expenses	554,107	512,606	41,501
<u>3,698,695</u>	<u>3,698,695</u>	15%	Total Expenses and Other Changes	<u>554,107</u>	<u>512,606</u>	<u>41,501</u>
\$ (908,002)	\$ (908,002)		Change in Unreserved Net Position	\$ 439,321	\$ 565,414	\$ (126,093)
			Total Cash, Net of Bond Funds	\$ 15,875,791	\$ 16,065,795	\$ (190,005)
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	3,719,113	3,994,156	
			Restricted - Capital Project Ph I	711,922	648,922	
			Restricted - Capital Project Ph II	1,083,792	981,792	
			Committed R and R General	6,942,200	6,942,200	
			Committed R and R Cart Paths & Villa Roads	<u>3,179,875</u>	<u>3,179,875</u>	
			Total Fund Balance	\$ 15,636,901	\$ 15,746,945	\$ (110,043)