

# The Villages®

## Community Development Districts

### District 2

#### **Financial Statement Summary** **As of June 30, 2025**

##### **Revenues**

Year-to-Date Revenues (YTD) of \$1,437,000 are less than Prior Year-to-Date (PYTD) revenues of \$1,471,000 and at 104% of the annual amended budgeted revenue of \$1,376,000.

- The District has collected 100% of the budgeted maintenance assessments of \$1,318,000. 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 increase in maintenance assessments levied for FY 2025.
- Investment earnings of \$114,000 (\$75,000 realized gains and \$39,000 unrealized gains) are less than Prior Year-to-Date earnings of \$145,000. Lower earnings are attributable to the uncertainty of tariffs imposed by the Federal Government resulting in market volatility and the Federal Fund rate decreases in the past year. 85% of the portfolio is Short-term Fixed income securities which are earning approximately 1% less than this time last year. The Long term (15%) portion of the portfolio has regained most of the early losses and is performing well at an annual rate of 12%.
- Other income includes a budget resolution approved in March to increase the budget for anticipated FEMA reimbursement related to hurricane clean up. No FEMA reimbursements have been received to date.

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, 2025, 75% of the year has lapsed.*

##### **Expenses and Other Changes**

Year-to-Date Operating Expenses of \$959,000 are more than Prior Year-to-Date expenses of \$647,000. Total Year-to-Date spending is 58% of the amended budget expenses of \$1,660,000.

- Personnel Services are at 66% of the budget. An additional Town Hall meeting was held in October, increasing cost but was offset by lower quorum attendance allowing expenses to stay within budget.
- Management and Other Professional Services include Management Fees, Deed Compliance Services, and Tax Collector Fees. There was a 3% decrease in Management Fees in FY 24-25 due to the change in the budget methodology moving to a percentage of operating expenses. Legal services expenses are at 66% of the amended budget and Year-to-Date spending includes SECO light pole review and deed compliance legal cases. A \$10,000 budget transfer was processed in April to increase the legal services budget.
- Utility Services include Electricity and Irrigation Water expenses. Year-to-Date spending is 85% of the amended budgeted expenses of \$63,000, a 96% increase in utility expenses from prior year. The increase is primarily due to the SECO pole rental rate increases.
- Building, Landscape, and Other Maintenance Expenses totaling \$676,000 are more than the Prior Year-to-Date of \$377,000. The budget for Recurring Landscape Maintenance makes up 37% of this line item and 63% of the Recurring Landscape Maintenance has been expended for the year. The increase from last year is partly due to contract increases. Other Maintenance expenses are at 62% of the amended budget due to Basin Depression Repair, approximately \$150,000. A budget resolution was completed in March to account for debris hauling and

\*Current Month Annualized Return is an annualized return based on the past 30 day performance  
All investment earnings are now recognized within the current month.

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Statement of Activity						
For the Nine Months Ending June 30, 2025 (75% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			<b>REVENUES:</b>			
\$ 1,318,185	\$ 1,318,185	100%	Maintenance and Other Special Assessments	\$ 1,322,271	\$ 1,326,556	\$ (4,284)
-	25,657	4%	Other Income	973	433	540
<u>31,700</u>	<u>31,700</u>	<u>359%</u>	Investment Income	<u>113,932</u>	<u>144,980</u>	<u>(31,048)</u>
1,349,885	1,375,542	104%	<b>Total Revenues:</b>	1,437,177	1,471,969	(34,792)
			<b>EXPENSES:</b>			
15,096	15,096	66%	Personnel Services	9,922	8,190	1,732
287,243	300,495	71%	Management and Other Professional Services	212,204	226,206	(14,002)
61,420	63,420	85%	Utility Services	54,009	27,612	26,397
1,105,362	1,270,767	53%	Building, Landscape and Other Maintenance	675,884	377,406	298,478
<u>10,652</u>	<u>10,652</u>	<u>65%</u>	Other Expenses	<u>6,977</u>	<u>7,257</u>	<u>(280)</u>
1,479,773	1,660,430	58%	<b>Total Operating Expenses</b>	958,995	646,671	312,324
<u>40,000</u>	<u>40,000</u>	<u>75%</u>	Transfers out of Unrestricted Fund	<u>30,004</u>	<u>30,001</u>	<u>3</u>
40,000	40,000	75%	<b>Total Other Changes</b>	30,004	30,001	3
<u>1,519,773</u>	<u>1,700,430</u>	<u>58%</u>	<b>Total Expenses and Other Changes:</b>	<u>988,999</u>	<u>676,672</u>	<u>312,327</u>
<u>\$ (169,888)</u>	<u>\$ (324,888)</u>		<b>Change in Unreserved Net Position</b>	<u>\$ 448,178</u>	<u>\$ 795,297</u>	<u>\$ (347,119)</u>
			<b>Total Cash, Net of Bond Funds</b>	<u>\$ 2,951,223</u>	<u>\$ 2,667,032</u>	<u>\$ 284,191</u>
			<b>Fund Balance</b>			
			Unassigned	1,913,147	1,706,032	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	2,552	2,552	
			Committed R and R General	661,457	646,455	
			Committed R and R Villa Roads	<u>318,530</u>	<u>293,529</u>	
			<b>Total Fund Balance</b>	<u>\$ 2,895,685</u>	<u>\$ 2,648,567</u>	<u>\$ 247,118</u>
			<b>% Homes Closed</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>