

The Villages® Community Development Districts District 2

Financial Statement Summary As of October 31, 2025

Revenues

Year-to-Date Revenues (YTD) of \$13,000 are more than Prior Year-to-Date (PYTD) revenues of \$(360) and at 1% of the annual budgeted revenue of \$1,346,000.

- The District has collected 0% of the budgeted maintenance assessments. Sumter County collects the annual tax bill's maintenance assessments and remits them to the District, net of a 2% collection fee. The majority of assessments are collected from November through March. There was no increase in maintenance assessments levied for FY 2025-26.
- Investment earnings of \$13,000 (\$4,000 realized gains and \$9,000 unrealized gains) are more than Prior Year-to-Date earnings of \$(360). 85% of the portfolio is Short-term Fixed income securities which are earning, on average, approximately .5% less than this time last year. The Long term (15%) portion of the is performing well at an annual rate of 15.18%. The variance compared to prior year earnings is partly due to timing. The earnings for FLGIT and LTIP were delayed in October 2024.

The District has received 0% of the anticipated revenues through the county tax collections while expenses will be incurred ratably over the 12 months. *As of October 31, 2025, 8% of the year has elapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$21,000 are less than Prior Year-to-Date expenses of \$27,000. Total Year-to-Date spending is 2% of the budget expenses of \$1,216,000. Target spending for the year is 8% of budget.

- Personnel Services are slightly under at 6% of budget. Personnel Services include Board member salaries to preside at board meetings.
- Management and Other Professional Services include Management Fees, Deed Compliance Services, and Tax Collector Fees. There was a 42% decrease in budgeted Management Fees in FY 2025-26. Management fees are budgeted at 8% of expenses. Expenses decreased approximately \$300,000 from last year's original budget.
- Utility Services include Electricity and Irrigation Water expenses. Year-to-Date spending is 8% of the amended budgeted expense of \$78,000. Irrigation services are provided by Little Sumter Service Area. Little Sumter Service Area rates increased 5% in Fiscal year 2025-26. Irrigation is running at 10% of budget.
- Building, Landscape, and Other Maintenance Expenses totaling \$352 are less than the Prior Year-to-Date of \$502. The budget for Recurring Landscape Maintenance makes up 46% of this line item and 0% of the Recurring Landscape Maintenance has been expended for the year, due to timing in receiving invoices.
- Other Expenses include insurance expense and legal services, and other miscellaneous expenses are at prior year levels. The annual insurance premium was paid in October.
- Funding reserves have been budgeted for General R&R and Road R&R in the amount of \$40,000 and transfers of 8% or \$3,348 have occurred YTD.

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Change in Unreserved Net Position

Year-to-Date change in Unreserved Net Position of (\$12,000) is less than the Prior Year-to-Date of (\$30,000). Based on anticipated revenue and expenditures for the year, the District expects to meet the budget reduction in Unreserved Net Position of (\$90,000).

Investment Earnings:

The following table outlines the Current Month Annualized Return and One Month Rate of Return earnings by investment category:

October 2025	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.61%	4.23%	4.25%	4.48%	4.05%	15.18%
One Month Rate of Return	0.30%	0.35%	0.35%	0.37%	0.34%	1.28%
Prior FY 2024	3.95%	4.49%	4.76%	4.61%	4.56%	11.59%

*Current Month Annualized Return is an annualized return based on the past 30 day performance

**LTIP Annualized Return represents the actual return achieved over the previous 12 months



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Statement of Activity
For the One Month Ending October 31, 2025 (8% of the budget year)

Original Budget	Amended Budget	Budget % used			YTD Actual	PYTD Actual	Variance
REVENUES:							
\$ 1,318,185	\$ 1,318,185	0%	Maintenance and Other Special Assessments	\$ -	\$ -	\$ -	\$ -
-	-	0%	Other Income	-	-	-	-
28,000	28,000	45%	Investment Income	12,557	(360)	12,917	
1,346,185	1,346,185	0%	Total Revenues:	12,557	(360)	12,917	
EXPENSES:							
15,096	15,096	6%	Personnel Services	861	1,077	(215)	
206,980	219,880	4%	Management and Other Professional Services	7,853	14,460	(6,607)	
77,509	77,509	8%	Utility Services	6,093	4,812	1,281	
905,819	892,919	0%	Building, Landscape and Other Maintenance	352	502	(150)	
10,975	10,975	52%	Other Expenses	5,723	5,723	-	
1,216,379	1,216,379	2%	Total Operating Expenses	20,882	26,573	(5,691)	
40,000	40,000	8%	Transfers out of Unrestricted Fund	3,348	3,348	-	
40,000	40,000	8%	Total Other Changes	3,348	3,348	-	
1,256,379	1,256,379	2%	Total Expenses and Other Changes:	24,230	29,921	(5,691)	
\$ 89,806	\$ 89,806		Change in Unreserved Net Position	\$ (11,673)	\$ (30,282)	\$ 18,609	
Total Cash, Net of Bond Funds				\$ 2,404,152	\$ 2,415,831	\$ (11,679)	

*Preliminary Fund Balance - pending year-end close

Fund Balance		
Unassigned	1,403,925	1,434,687
Restricted - Capital Project, Phase I	-	-
Restricted - Capital Project, Phase II	2,552	2,552
Committed R and R General	668,129	648,129
Committed R and R Villa Roads	325,202	305,202
Total Fund Balance	\$ 2,399,807	\$ 2,390,569
		\$ 9,238