

The Villages®

Community Development Districts

District 2

Financial Statement Summary **As of November 30, 2025**

Revenues

Year-to-Date Revenues (YTD) of \$418,000 are less than Prior Year-to-Date (PYTD) revenues of \$581,000 and at 31% of the annual budgeted revenue of \$1,346,000.

- The District has collected 30% 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 \$23,000 (\$9,000 realized gains and \$14,000 unrealized gains) are more than the Prior Year-to-Date loss of \$8,000. 85% of the portfolio is short-term fixed income securities which are earning less than this time last year. The Long term (15%) portion of the portfolio is performing well at an annual rate of 11.84%.

The District has received 30% of the anticipated revenues through the county tax collections while expenses will be incurred ratably over the 12 months. *As of November 30, 2025, 17% of the year has elapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$130,000 are less than Prior Year-to-Date expenses of \$145,000. Total Year-to-Date spending is 11% of the budget expenses of \$1,216,000. Target spending for the year is 17% of budget.

- Personnel Services are slightly under at 13% 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 reduction in budgeted Management Fees in FY 2025-26, which is the largest driven of the year-over-year variance, but Management Fees are in-line with budget expectations. Management fees are budgeted at 8% of expenses. Expenses in the current year's original budget decreased approximately \$300,000 from last year's original budget.
- Utility Services include Electricity and Irrigation Water expenses. Year-to-Date spending is 11% 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 22% of budget.
- Building, Landscape, and Other Maintenance Expenses totaling \$87,000 are more than the Prior Year-to-Date of \$80,000. The budget for Recurring Landscape Maintenance makes up 46% of original budget category and 15% of the Recurring Landscape Maintenance has been expended for the year, due to timing in receiving invoices.
- Other Expenses include insurance expense, legal services, and other miscellaneous expenses and are at prior year levels.
- Funding reserves have been budgeted for General R&R and Road R&R in the amount of \$40,000 and transfers of 17% or \$7,000 have occurred YTD.

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Change in Unreserved Net Position

Year-to-Date change in Unreserved Net Position of \$281,000 is less than the Prior Year-to-Date of \$429,000. Based on anticipated revenue and expenditures for the year, the District expects to meet the budget increase 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:

November 2025	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.38%	4.04%	4.07%	4.42%	4.36%	11.84%
One Month Rate of Return	0.28%	0.34%	0.34%	0.37%	0.36%	0.21%
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						

Deed Compliance Reserve Balance

The current deed compliance reserve balance as of this month end is \$2.18.

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Statement of Activity
For the Two Months Ending November 30, 2025 (17% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
REVENUES:						
\$ 1,318,185	\$ 1,318,185	30%	Maintenance and Other Special Assessments	\$ 395,356	\$ 588,587	\$ (193,231)
-	-	0%	Other Income	227	433	(205)
28,000	28,000	81%	Investment Income	22,582	(7,640)	30,222
1,346,185	1,346,185	31%	Total Revenues:	418,165	581,380	(163,215)
EXPENSES:						
15,096	15,096	13%	Personnel Services	1,959	4,306	(2,347)
206,980	219,880	12%	Management and Other Professional Services	26,703	45,453	(18,750)
77,509	77,509	11%	Utility Services	8,362	9,894	(1,532)
905,819	892,919	10%	Building, Landscape and Other Maintenance	87,497	79,787	7,710
10,975	10,975	53%	Other Expenses	5,862	5,837	25
1,216,379	1,216,379	11%	Total Operating Expenses	130,383	145,278	(14,894)
40,000	40,000	17%	Transfers out of Unrestricted Fund	6,680	6,680	-
40,000	40,000	17%	Total Other Changes	6,680	6,680	-
1,256,379	1,256,379	11%	Total Expenses and Other Changes:	137,063	151,958	(14,894)
\$ 89,806	\$ 89,806		Change in Unreserved Net Position	\$ 281,101	\$ 429,422	\$ (148,321)
Total Cash, Net of Bond Funds						
				\$ 2,740,759	\$ 2,913,271	\$ (172,512)
Fund Balance						
Unassigned				1,696,730	1,894,391	
Restricted - Capital Project, Phase I				-	-	
Restricted - Capital Project, Phase II				2,552	2,552	
Committed R and R General				669,795	649,795	
Committed R and R Villa Roads				326,868	306,868	
Total Fund Balance				\$ 2,695,945	\$ 2,853,605	\$ (157,661)

*Preliminary Fund Balance - pending year-end close