

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.

The Villages®
Community Development Districts
District 2

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.



The Villages®
Community Development Districts
District 2

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) | |

*Preliminary Fund Balance - pending year-end close

| 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) |