

The Villages®

Community Development Districts

District 3

Financial Statement Summary

As of May 31, 2025

Revenues and Other Available Resources

Year-to-Date (YTD) Revenues of \$1,412,000 are less than prior year-to-date (PYTD) revenues of \$1,451,000 and are at 97% of budgeted revenues of \$1,458,000.

- The District has received 99.7% 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 2025.
- Investment earnings of \$82,000 (\$65,000 realized gains and \$17,000 unrealized gains) are less than the prior year to date earnings of \$126,000 and are at 72% of the annual budgeted earnings of \$115,000. Lower earnings are partly attributable to the uncertainty of imposed tariffs from the Federal Government resulting in market volatility and Federal Fund rate decreases in the past year.
- FEMA Claim Reimbursement in the amount of \$11,000 is associated with Hurricane Milton and is budgeted for fiscal year 24-25. As of May 2025, the funds have not been received.

The District has received 99.7% of the budgeted revenues through the county tax collections. Expenses will be incurred ratably over the 12 months. *As of May 31st, 67% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$736,000 are less than prior year-to-date expenses of \$739,000. Year to date spending is 48% of the budgeted expenses of \$1,549,000.

- Management and Other Professional services include Management fees, Deed Compliance fees, Tax Collection fees and Technology Service fees. Management fees decreased 3% from prior year levels. Overall the expenditure line items are slightly higher than target budget of 67%. Engineering Services are currently under budget by approximately \$13,000 primarily due to the timing of scheduled inspections for bridges, tunnels, and other infrastructure, which are expected to occur between July and August and may increase expenditures during that period. Deed Compliance Services expenditures have decreased by 91% compared to the same period last year due to overall decreased budgeted allocation. Community Standards also has a quarterly process that reconciles budgeted amounts to actual activity and adjusts accordingly.
- Utility Services overall are more than prior year levels and at 62% of budgeted expenses of \$69,000. District 3 is serviced by Little Sumter Service Area for irrigation service. An overall eight percent (8%) rate increase became effective at the beginning of the 2024-25 fiscal year. In addition, the SECO rate increase is attributable to the rise of expenditures from prior year.
- Building, Landscape and Other Maintenance Expenses totaling \$511,000 are greater than the prior year and are at 44% of budgeted expenses of \$1,170,000. The variance from prior year is mainly due to an increase in non-recurring landscape maintenance from Hurricane Milton of \$20,000. Other Maintenance has increased by 85% from prior year based on aquatic weed maintenance in the basin. Building/Structure Maintenance has decreased from prior year by 71%, this is mainly due to one-time projects in 23-24 with the main project being pump house repairs and painting.
- Other Expenses include Casualty & Liability Insurance in the amount of \$5,700.
- A total of \$67,000 has been transferred to Committed Renewal and Replacement.

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Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$609,000 is less than the prior year of \$637,000. Unreserved Net Position is budgeted at (\$191,000) decrease.

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*	3.88%	4.37%	4.39%	4.60%	4.01%	10.14%
One Month Rate of Return	0.32%	0.36%	0.37%	0.38%	0.33%	3.26%
Prior FY 2024	4.86%	5.41%	5.44%	5.02%	4.58%	13.01%

*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 Eight Months Ending May 31, 2025 (67% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 1,331,353	\$ 1,331,353	99.7%	Maintenance and Other Special Assessments	\$ 1,327,934	\$ 1,324,224	\$ 3,710
1,000	11,917	19%	Other Income	2,323	636	1,687
<u>114,700</u>	<u>114,700</u>	72%	Investment Income	<u>82,187</u>	<u>125,915</u>	<u>(43,728)</u>
1,447,053	1,457,970	97%	Total Revenues	1,412,444	1,450,775	(38,331)
			EXPENSES:			
15,096	15,096	64%	Personnel Services	9,706	9,051	655
277,006	283,248	59%	Management and Other Professional Services	165,913	198,364	(32,451)
69,239	69,239	62%	Utility Services	43,016	31,246	11,770
1,165,577	1,170,252	44%	Building, Landscape and Other Maintenance	510,946	492,266	18,680
<u>10,752</u>	<u>10,752</u>	64%	Other Expenses	<u>6,850</u>	<u>7,894</u>	<u>(1,044)</u>
1,537,670	1,548,587	48%	Total Operating Expenses	736,432	738,822	(2,390)
<u>100,000</u>	<u>100,000</u>	67%	Transfers out of Unrestricted Fund	<u>66,672</u>	<u>66,672</u>	<u>-</u>
<u>100,000</u>	<u>100,000</u>	67%	Total Other Changes	<u>66,672</u>	<u>75,100</u>	<u>(8,428)</u>
<u>1,637,670</u>	<u>1,648,587</u>	49%	Total Expenses and Other Changes	<u>803,104</u>	<u>813,921</u>	<u>(10,817)</u>
<u>\$ (190,617)</u>	<u>\$ (190,617)</u>		Change in Unreserved Net Position	<u>\$ 609,340</u>	<u>\$ 636,853</u>	<u>\$ (27,513)</u>
			Total Cash, Net of Bond Funds	<u>\$ 3,039,499</u>	<u>\$ 2,781,759</u>	<u>\$ 257,740</u>
			Fund Balance			
			Unassigned	2,262,459	2,053,294	
			Committed R and R General	537,877	492,877	
			Committed R and R Cart Paths & Villa Roads	<u>232,251</u>	<u>177,251</u>	
			Total Fund Balance	<u>\$ 3,032,588</u>	<u>\$ 2,723,423</u>	<u>\$ 309,165</u>