

# The Villages®

## Community Development Districts

### District 5

#### **Financial Statement Summary**

**As of December 31, 2025**

#### **Summary**

The District is projected to achieve its budgeted revenues for FY 2025-26, while expenditures continue to trend below budget. This performance positions the District for a stronger year-end working capital outcome.

#### **Revenues**

Year-to-Date (YTD) Revenues of \$2,227,334 are up slightly when compared to the same period of 2024. The District did not increase its Maintenance Assessment for FY 2025-26, so Revenue changes are based on collections and changes in Investment Income. The District is on track to meet or surpass its FY 2025-26 revenue budget.

- The District collected 87.7% of budgeted maintenance assessments to date, compared with 88.7% at the same point last year. This reflects a modest year-over-year decline in collection performance.
- Investment earnings of \$187,010 through December 31, 2025 were substantially higher than the \$36,243 earned through December 31, 2024. In late 2024 and into early 2025, market volatility negatively impacted the District's investments in the form of unrealized losses, particularly the long-term portion of the investment portfolio. However, as of December 31, 2025, realized LTP gains grew by \$17,994 to \$83,199.
- 78% of the portfolio is Short-term Fixed income securities where the rate of return has been decreasing due to the Federal Fund rate cuts. However, they are currently earning an estimated annual rate of return of 3.21% to 4.38%. The 22% of the portfolio, which is Long-term, is performing well at an annual rate of 15.17%. Fiscal Year 2025-26 budgeted Investment earnings are \$473,000. The District is on pace to exceed those investment earnings in FY 2025-26.

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

Year-to-Date Operating Expenses of \$913,153 are less than the prior year-to-date expenses of \$929,507. Operating expenses are projected to be 96 – 99% of amended budget at fiscal year end.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. As a category, these expenses are down \$4,944 from last year or 3.8%. There was no change in Management Fees for Fiscal Year 2025-26. Deed Compliance Services allocation declined by \$1,062. The quarterly true-up for community standard expenses will be completed in January. The biggest decline from last year was for Other Professional Services. The Maxicom System Management contract is for \$3,680 annually and is billed irregularly. This category is projected to finish the fiscal year at approximately 92 – 98% of budget.
- Utility Services include Electricity and Irrigation Water expenses. This category is running higher than last year due to rate increases and anomalies with a stuck open valve at Bellamy Villas Entry, and a break in the mainline at Sullivan Villas St Charles which has since been repaired. Barring any other anomalies, the category is projected at 94 – 98% of budget.
- Building, Landscape and Other Maintenance expenses. A timing issue with a recurring landscape maintenance payment resulted in this category looking like expenses were down, when adjusted for this, expenses were almost flat with last year. There are 20 wall painting projects in this year's budget, none of which have commenced. The fiscal year end projection for this category is 95 – 99% budget utilization.

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- Other Expenses. This includes casualty and liability insurance and legal advertising. The annual insurance premium was paid in October. Other miscellaneous expenses, such as postage, printing and binding costs, and operating supplies are expended on an as-needed basis. This category is projected to finish the fiscal year at approximately 85 - 95% of budget.

#### Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals \$1,314,180, representing a \$142,370 improvement over the \$1,171,810 increase for the same period ending December 31, 2024. The Amended FY 2025-26 Budget uses \$344,300 to Working Capital after transferring in \$1.1MM from General R&R. Based on current projections, the District usage of Working Capital will be reduced to between \$340,000 and \$220,000, an improvement between \$4k and \$124k. The budget still requires using \$1.1MM in General R&R during the fiscal year.

#### Investment Earnings

The following table outlines the current month and year-to-date earnings by investment category:

December 2025	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
<b>Current Month Annualized Return*</b>	3.21%	3.89%	3.92%	4.38%	3.89%	15.17%
<b>One Month Rate of Return</b>	0.27%	0.32%	0.33%	0.37%	0.32%	0.33%
<b>Prior FY 2024-25</b>	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 \$1,037.61 in the Community Standards Fund.

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Statement of Activity						
For the Three Months Ending December 31, 2025 (25% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
<b>REVENUES:</b>						
\$ 2,326,093	\$ 2,326,093	87.7%	Maintenance and Other Special Assessments	\$ 2,039,498	\$ 2,064,038	\$ (24,539)
1,100	\$ 1,100	75%	Other Income	825	1,037	-
473,000	\$ 473,000	40%	Investment Income	187,010	36,243	150,767
2,800,193	2,800,193	80%	<b>Total Revenues</b>	2,227,334	2,101,317	126,228
-	-	0%	Transfer In - Debt Service	-	-	-
\$ 2,800,193	\$ 2,800,193	80%	<b>Total Available Resources:</b>	\$ 2,227,334	\$ 2,101,317	\$ 126,016
<b>EXPENSES:</b>						
15,096	15,096	14%	Personnel Services	2,174	3,032	(858)
409,840	409,840	30%	Management and Other Professional Services	123,724	128,668	(4,944)
645,295	645,295	16%	Utility Services	105,169	94,595	10,574
3,164,687	3,164,687	21%	Building, Landscape and Other Maintenance	676,077	697,231	(21,154)
9,575	9,575	63%	Other Expenses	6,010	5,982	28
4,244,493	4,244,493	22%	<b>Total Operating Expenses</b>	913,153	929,507	(16,354)
4,244,493	4,244,493	22%	<b>Total Expenses and Other Changes</b>	913,153	929,507	(16,354)
\$ (1,444,300)	\$ (1,444,300)		<b>Change in Unreserved Net Position</b>	\$ 1,314,180	\$ 1,171,810	\$ 142,370
<b>Total Cash, Net of Bond Funds</b>						
				\$ 15,844,697	\$ 16,512,109	\$ (667,412)
*Preliminary Fund Balance - pending year-end close						
<b>Fund Balance</b>						
			Unassigned	4,425,260	4,560,990	
			Restricted - Capital Project Ph I	162,494	711,922	
			Restricted - Capital Project Ph II	1,083,792	1,083,792	
			Committed R and R General	6,942,200	6,942,200	
			Committed R and R Cart Paths & Villa Roads	3,179,875	3,179,875	
			<b>Total Fund Balance</b>	\$ 15,793,621	\$ 16,478,779	\$ (685,158)