
The Villages®

Community Development Districts

District 7

Financial Statement Summary

As of December 31, 2025

Summary

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

Revenues

Year-to-date revenues of \$2,381,196 are up 18.9% when compared to the same period of 2024. The District increased its Maintenance Assessment for FY 2025-26 by 20%. The District is on track to meet its Revenue Budget for FY 2025-26.

- The District collected 89.6% of the budgeted maintenance assessments through December 31, 2025. Last fiscal year, same period collections were 90.5%. This reflects a modest year-over-year decline in collection performance.
- Investment earnings of \$62,091 through December 31, 2025 were substantially higher than the \$11,504 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 \$7,813 to \$31,885.
- 77.5% 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 22.5% 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 \$212,000. The District is on track to meet those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-date Operating Expenses of \$736,411 were less than the prior year-to-date expenses of \$757,791. There has been no significant expense that would alter the District's ability to operate within the approved FY 2025-26 budget. Operating expenses are projected to be approximately 97 – 99% of 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 up \$17,586 from last year or 16.8%. The biggest contributors were Legal Services, which went from \$1,388 to \$16,033 and Tax Collector fees which grew by 18.8% from the increased Maintenance Assessment. Deed Compliance Services costs were minor at \$104 year to date. The quarterly true-up for community standard expenses will be completed in January. As a group and at fiscal year-end, these expenses are projected to be between 98 – 99% of budget.
- Utility Services include Electricity and Irrigation Water expenses. This expenses category is running higher than last year from anticipated rate increases and dry conditions. Barring any anomalies, this category is expected to be at 95 – 99% of budget.
- Building, Landscape and Other Maintenance expenses. The category of expenses was down by 9.0% during the first quarter of FY 2025-26. This was attributed to a December 2024 one time charge for Villa painting and a timing difference in a recurring Landscape bill in December of 2025. Based on current spending patterns, this category is projected to finish the fiscal year at approximately 98 – 100% of the budget.



- 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 be at approximately 95 - 97% of budget at fiscal year-end.

Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals \$1,707,379, representing a \$450,045 improvement over the \$1,257,334 increase for the same period ending December 31, 2024. The Amended 2025-26 Budget uses \$167,541 of Working Capital and uses an additional \$32,105 of General R&R to achieve a balanced budget. Based on the projected year-end results, Working Capital usage will be reduced to between \$113,500 and \$165,000, an improvement between \$2k and \$54k. Any budget savings above \$32k would eliminate the need to use General R&R.

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**
Current Month Annualized Return*	3.21%	3.89%	3.92%	4.38%	3.89%	15.17%
One Month Rate of Return	0.27%	0.32%	0.33%	0.37%	0.32%	0.33%
Prior FY 2024-25	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 \$6,908.00 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
			REVENUES:			
\$ 2,656,213	\$ 2,656,213	89.6%	Maintenance and Other Special Assessments	\$ 2,381,196	\$ 2,003,002	\$ 378,193
1,000	1,000	50%	Other Income	502	618	(116)
<u>212,000</u>	<u>212,000</u>	29%	Investment Income	62,091	11,504	50,587
2,869,213	2,869,213	85%	Total Revenues	2,443,789	2,015,125	428,664
<u>-</u>	<u>-</u>	0%	Transfer In - Debt Service	-	-	-
\$ 2,869,213	\$ 2,869,213	85%	Total Available Resources:	\$ 2,443,789	\$ 2,015,125	\$ 428,664
			EXPENSES:			
15,096	15,096	20%	Personnel Services	3,035	2,817	219
348,437	348,437	35%	Management and Other Professional Services	122,540	104,954	17,586
509,219	509,219	21%	Utility Services	105,486	95,448	10,038
2,186,432	2,186,432	23%	Building, Landscape and Other Maintenance	499,436	548,681	(49,245)
<u>9,675</u>	<u>9,675</u>	61%	Other Expenses	5,913	5,891	22
3,068,859	3,068,859	24%	Total Operating Expenses	736,410	757,791	(21,380)
<u>-</u>	<u>-</u>	0%	Capital Outlay - Infrastructure and FFE	-	-	-
<u>-</u>	<u>-</u>	0%	Transfers out of Unrestricted Fund	-	-	-
<u>-</u>	<u>-</u>	0%	Total Other Changes	-	-	-
3,068,859	3,068,859	24%	Total Expenses and Other Changes	736,410	757,791	(21,380)
<u>\$ (199,646)</u>	<u>\$ (199,646)</u>		Change in Unreserved Net Position	<u>\$ 1,707,379</u>	<u>\$ 1,257,334</u>	<u>\$ 450,045</u>
			Total Cash, Net of Bond Funds	<u>\$ 5,900,794</u>	<u>\$ 6,486,052</u>	<u>\$ (585,259)</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	2,529,170	2,458,950	
			Restricted - Capital Project Ph I	1,147,061	1,695,093	
			Committed R and R General	1,299,887	1,337,606	
			Committed R and R Villa Roads	866,084	900,000	
			Total Fund Balance	<u>\$ 5,842,202</u>	<u>\$ 6,391,649</u>	<u>\$ (549,447)</u>