

The Villages®
Community Development Districts
District 8

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 below plan. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-date revenues total \$2,750,007 exceeded prior-year results of \$2,691,128. 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 91% of the budgeted maintenance assessments to date, compared with 92.5% at the same point last year. This reflects a modest year-over-year decline in collection performance.
- Investment earnings of \$161,970 through December 31, 2025 were substantially higher than the \$57,768 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 \$15,984 to \$58,426.
- 83.5% 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 16.5% 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 \$170,000. The District is on pace to exceed those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$772,623 were less than the prior year-to-date expenses of \$781,560. There have been no significant expenditures 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 the 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 \$13,907 from last year or 10.5%. The biggest contributor to the decline in expenses was Management Fees (down by \$5,854) as the allocation methodology was changed to a flat 8%. Tax Collector Fees, which are a function of collections, are also down. Other Professional Service and Legal Services were down significantly during the first quarter. The quarterly true-up for community standard expenses will be completed in January. This category is projected to finish the fiscal year-end at approximately 97 – 99% of budget.
- Utility Services include Electricity and Irrigation Water expenses. This expenses category is running higher than last year due to rate increases. Barring any anomalies, this category is projected to finish the fiscal year at approximately 95 – 99% of the amended budget.
- Building, Landscape and Other Maintenance expenses. The category of expenses was down by 0.6% during the first quarter of FY 2025-26 primarily as Tree trimming costs in 2024 were not repeated in 2025. This category is projected to finish the fiscal year at approximately 97 – 99% of budget.

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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 be at 80 - 95% of budget at fiscal year-end.

Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals \$1,639,805, representing a \$40,304 improvement over the \$1,599,501 increase for the same period ending December 31, 2024. The Amended 2025-26 Budget requires \$869,833 of Working Capital in order to meet the fiscal year budget. Based on current projections, the District's Working Capital usage will be reduced to between \$819,833 and \$663,827. This represents an improvement to Working Capital between \$50k and \$210k.

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 \$14,750.50 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:			
\$ 2,844,240	\$ 2,844,240	91%	Maintenance and Other Special Assessments	\$ 2,587,659	\$ 2,632,924	\$ (45,264)
-	-	0%	Other Income	377	436	(59)
<u>170,000</u>	<u>170,000</u>	<u>95%</u>	Investment Income	<u>161,970</u>	<u>57,768</u>	<u>104,202</u>
3,014,240	3,014,240	91%	Total Revenues:	2,750,007	2,691,128	58,879
-	-	0%	Transfer In - Debt Service	-	-	-
3,014,240	3,014,240	91%	Total Available Resources:	2,750,007	2,691,128	58,879
			EXPENSES:			
15,096	15,096	13%	Personnel Services	1,959	1,955	3
349,474	349,474	34%	Management and Other Professional Services	118,684	132,590	(13,907)
574,385	574,385	20%	Utility Services	116,681	108,171	8,510
2,405,243	2,405,243	22%	Building, Landscape and Other Maintenance	529,364	532,716	(3,352)
<u>9,875</u>	<u>9,875</u>	<u>60%</u>	Other Expenses	<u>5,935</u>	<u>6,126</u>	<u>(192)</u>
3,354,073	3,354,073	23%	Total Operating Expenses	772,623	781,560	(8,937)
<u>530,000</u>	<u>530,000</u>	<u>24%</u>	Transfers out of Unrestricted Fund	<u>125,006</u>	<u>125,006</u>	<u>-</u>
<u>530,000</u>	<u>530,000</u>	<u>24%</u>	Total Other Changes	<u>125,006</u>	<u>125,006</u>	<u>-</u>
3,884,073	3,884,073	23%	Total Expenses and Other Changes:	897,629	906,566	(8,937)
<u>\$ (869,833)</u>	<u>\$ (869,833)</u>		Change in Unreserved Net Position	<u>\$ 1,852,378</u>	<u>\$ 1,784,562</u>	<u>\$ 67,816</u>
			Total Cash, Net of Bond Funds	<u>\$ 14,707,962</u>	<u>\$ 14,465,543</u>	<u>\$ 242,419</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	5,583,081	5,831,886	
			Restricted - Capital Project, Phase I	1,149,211	1,149,211	
			Restricted - Capital Project, Phase II	234,000	234,000	
			Restricted - Capital Project, Phase III	218,000	218,000	
			Committed R and R General	2,509,174	2,259,174	
			Committed R and R Villa Roads	<u>4,976,901</u>	<u>4,726,901</u>	
			Total Fund Balance	<u>\$ 14,670,367</u>	<u>\$ 14,419,172</u>	<u>\$ 251,195</u>