

The Villages®

Community Development Districts

District 10

Financial Statement Summary

As of January 31, 2026

Summary

The District is projected to achieve its budgeted revenues for FY 2025-26, while expenses 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 \$4,278,783 are up 8.2% when compared to the same period of 2025. The District did increase its Maintenance Assessment for FY 2025-26 by 7.5%. The District is on pace to meet its Revenue Budget for FY 2025-26.

- The District collected 95.0% of the budgeted maintenance assessments to date, compared with 97.5%. This reflects a modest year-over-year decline in collection performance. Payments are due by March 31, 2026.
- Investment earnings of \$136,321 through January 31, 2026 were substantially higher than the \$85,995 earned through January 31, 2025. 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 January 31, 2026, the realized LTP gains grew by \$8,554 to \$34,228.
- 85% 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 3.13% to 4.26%. The 15% of the portfolio, which is Long-term, is performing well at an annual rate of 14.68%. Fiscal Year 2025-26 budgeted Investment earnings are \$187,000. The District is on pace to well exceed those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,511,501 are higher than the prior year-to-date expenses of \$1,445,848. However, there has been no significant event that would alter the District's ability to operate within the approved FY 2025-26 budget. Fiscal year 2025-26 expenses are projected to be approximately 95 – 99% of budget.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. As a category, these expenses were up \$3,275 from last year or 1.7%. The biggest contributor to the increase was Tax Collector Fees, which were a function of the higher maintenance assessment. Other Professional Service and Legal Services were lower during the first four months of FY 2025-26 due to uneven billing. The current projection for this expense category is approximately 96 – 98% of budget will be used by fiscal year-end.
- Utility Services include Electricity and Irrigation Water expenses. This expenses category is running higher than last year due to rate and usage increases. Barring any anomalies, the category is projected to be approximately 93 – 97% of budget.
- Building, Landscape and Other Maintenance expenses. The category of expenses was up by 4.4% during the first four months of FY 2025-26 primarily due to plant replacements as part of Non-Recurring Landscape Maintenance. The fiscal year end projection for this expense category is approximately 96 – 99% of the 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 at approximately 85 - 95% of budget at fiscal year-end.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position totals \$2,667,283, representing a \$257,740 improvement over the \$2,409,543 increase for the same period ending January 31, 2025. The Amended 2025-26 Budget uses \$347,000 of Working Capital and \$116,600 in General R&R to meet the fiscal year budget. Based on the current projections, the District's required Working Capital usage will be reduced to between \$98,000 and \$300,000. This represents an improvement between \$47k and \$249k. If the high end of the range is achieved, no transfer from General R&R will be required.

Investment Earnings

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

January 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.81%	3.81%	4.26%	3.77%	14.68%
One Month Rate of Return	0.26%	0.32%	0.32%	0.36%	0.31%	1.96%
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 \$2,424.02 in the Community Standards Fund.

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Statement of Activity						
For the Four Months Ending January 31, 2026 (33% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 4,359,199	\$ 4,359,199	95.0%	Maintenance and Other Special Assessments	\$ 4,142,032	\$ 3,869,270	\$ 272,761
-	-	100%	Other Income	431	126	305
<u>187,000</u>	<u>187,000</u>	<u>73%</u>	Investment Income	<u>136,321</u>	<u>85,995</u>	<u>50,326</u>
4,546,199	4,546,199	94%	Total Revenues:	4,278,783	3,955,391	323,393
			EXPENSES:			
15,096	15,096	20%	Personnel Services	3,035	2,386	649
449,416	449,416	43%	Management and Other Professional Services	194,086	190,811	3,275
766,934	766,934	28%	Utility Services	211,477	195,556	15,921
3,427,920	3,469,261	32%	Building, Landscape and Other Maintenance	1,096,869	1,050,690	46,179
<u>9,375</u>	<u>9,375</u>	<u>64%</u>	Other Expenses	<u>6,033</u>	<u>6,405</u>	<u>(372)</u>
4,668,741	4,710,082	32%	Total Operating Expenses	1,511,501	1,445,848	65,653
-	-	0%	Capital Outlay - Infrastructure and FFE	-	-	-
<u>300,000</u>	<u>300,000</u>	<u>33%</u>	Transfers out of Unrestricted Fund	<u>100,000</u>	<u>100,000</u>	<u>-</u>
300,000	300,000	33%	Total Other Changes	100,000	100,000	-
<u>4,968,741</u>	<u>5,010,082</u>	<u>32%</u>	Total Expenses and Other Changes	<u>1,611,501</u>	<u>1,545,848</u>	<u>65,653</u>
<u>\$ (422,542)</u>	<u>(463,883)</u>		Change in Unreserved Net Position	<u>\$ 2,667,283</u>	<u>\$ 2,409,543</u>	<u>\$ 257,740</u>
			Total Cash, Net of Bond Funds	<u>\$ 8,642,131</u>	<u>\$ 8,437,556</u>	<u>\$ 204,575</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	4,297,053	4,167,209	
			Committed R and R General	3,203,933	3,363,831	
			Committed R and R Villa Roads & Roads	<u>1,100,000</u>	<u>800,000</u>	
			Total Fund Balance	<u>\$ 8,600,986</u>	<u>\$ 8,331,040</u>	<u>\$ 269,946</u>