

The Villages®

Community Development Districts

District 5

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 \$2,445,321 are up 5.5% when compared to the same period of 2025. 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 pace to meet or exceed its Revenue Budget for FY 2025-26.

- The District collected 92.6% of the budgeted maintenance assessments through January 31, 2026. In the same period last fiscal year, collections were 92.3%. The collection pace was up slightly in FY 2025-26. All payments are due by March 31.
- Investment earnings of \$291,647 through January 31, 2026 were substantially higher than the \$169,294 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 \$18,898 or 27.2% to \$88,421.
- 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 3.13% to 4.26%. The 22% 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 \$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 \$1,281,540 are up 3.4% over the prior year-to-date expenses of \$1,239,304. Operating expenses are currently 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 \$2,548 from last year or 1.6%. There was no change in Management Fees for Fiscal Year 2025-26. Deed Compliance Services allocation declined by \$187. The biggest decline from last year was for Other Professional Services. The prior fiscal year included \$3,100 for non-recurring road inspections. This expense category is projected to finish the fiscal year at approximately 95 – 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 from 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 further anomalies, the category is projected to finish the fiscal year at approximately 95 – 98% of budget.
- Building, Landscape and Other Maintenance expenses. This expense category reported a \$29,531 increase in expenses when compared to the same period of 2025. This was solely a scheduling issue, as Villa and Walls pressure washing took place in February last year versus January this year. At fiscal year-end, this expense category is currently projected at approximately 95 – 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 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 \$1,163,780, representing an \$86,170 improvement over the \$1,077,611 increase for the same period ending January 31, 2025. The Amended FY 2025-26 Budget requires \$344,300 in 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:

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 (\$636.39) 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:			
\$ 2,326,093	\$ 2,326,093	92.6%	Maintenance and Other Special Assessments	\$ 2,152,819	\$ 2,146,584	\$ 6,235
1,100	\$ 1,100	78%	Other Income	855	1,037	-
<u>473,000</u>	<u>\$ 473,000</u>	<u>62%</u>	Investment Income	<u>291,647</u>	<u>169,294</u>	<u>122,353</u>
2,800,193	2,800,193	87%	Total Revenues	2,445,321	2,316,915	128,588
<u>-</u>	<u>-</u>	<u>0%</u>	Transfer In - Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,800,193</u>	<u>\$ 2,800,193</u>	<u>87%</u>	Total Available Resources:	<u>\$ 2,445,321</u>	<u>\$ 2,316,915</u>	<u>\$ 128,406</u>
			EXPENSES:			
15,096	15,096	20%	Personnel Services	3,035	4,108	(1,073)
409,840	409,840	38%	Management and Other Professional Services	154,659	157,207	(2,548)
645,295	645,295	25%	Utility Services	159,024	142,693	16,330
3,164,687	3,164,687	30%	Building, Landscape and Other Maintenance	958,670	929,139	29,531
<u>9,575</u>	<u>9,575</u>	<u>64%</u>	Other Expenses	<u>6,153</u>	<u>6,157</u>	<u>(4)</u>
4,244,493	4,244,493	30%	Total Operating Expenses	1,281,540	1,239,304	42,236
<u>4,244,493</u>	<u>4,244,493</u>	<u>30%</u>	Total Expenses and Other Changes	<u>1,281,540</u>	<u>1,239,304</u>	<u>42,236</u>
<u>\$ (1,444,300)</u>	<u>\$ (1,444,300)</u>		Change in Unreserved Net Position	<u>\$ 1,163,780</u>	<u>\$ 1,077,611</u>	<u>\$ 86,170</u>
			Total Cash, Net of Bond Funds	<u>\$ 15,679,366</u>	<u>\$ 16,413,975</u>	<u>\$ (734,609)</u>
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	4,274,860	4,466,791	
			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	<u>3,179,875</u>	<u>3,179,875</u>	
			Total Fund Balance	<u>\$ 15,643,221</u>	<u>\$ 16,384,579</u>	<u>\$ (741,358)</u>