

The Villages®

Community Development Districts

District 5

Financial Statement Summary

As of February 28, 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 \$2,610,851 are up 5.2% 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 94.7% of budgeted maintenance assessments through February 28, 2026, compared to 95.6% during the same period in the prior fiscal year, reflecting a slight decrease in collection pace. All payments are due by March 31.
- Investment earnings of \$407,488 through February 28, 2026 were substantially higher than the \$256,541 earned through February 28, 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 February 28, 2026, the realized LTP gains grew by \$39,379 or 53.4% to \$113,127.
- 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 4.29%. The 22% of the portfolio, which is Long-term, is performing well at an annual rate of 15.71%. 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 \$1,601,221 are up 1.0% over the prior year-to-date expenses of \$1,585,620. 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 \$7,186, or 3.8%, from the prior year. This decrease is attributable to the annual Auditing Services not being posted as of February 28 for Fiscal Year 2025-26, whereas in the prior fiscal year the expense had been recorded by this time. Also declining from last year was 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 totaled \$1,200,064 for the first five months of this year compared to \$1,196,548 last year, a 0.3% increase. 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 \$1,009,630, representing a \$114,466 improvement over the \$895,164 increase for the same period ending February 28, 2025. The Amended FY 2025-26 Budget utilizes \$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.

Investment Earnings

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

February 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.75%	3.77%	4.29%	3.88%	15.71%
One Month Rate of Return	0.26%	0.31%	0.31%	0.36%	0.32%	1.35%
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 (\$786.39) in the Community Standards Fund.

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Statement of Activity						
For the Five Months Ending February 28, 2026 (42% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 2,326,093	\$ 2,326,093	94.7%	Maintenance and Other Special Assessments	\$ 2,202,508	\$ 2,223,206	\$ (20,697)
1,100	\$ 1,100	78%	Other Income	855	1,037	-
<u>473,000</u>	<u>\$ 473,000</u>	<u>86%</u>	Investment Income	<u>407,488</u>	<u>256,541</u>	<u>150,947</u>
2,800,193	2,800,193	93%	Total Revenues	2,610,851	2,480,783	130,249
<u>-</u>	<u>-</u>	<u>0%</u>	Transfer In - Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
\$ 2,800,193	\$ 2,800,193	93%	Total Available Resources:	\$ 2,610,851	\$ 2,480,783	\$ 130,068
			EXPENSES:			
15,096	15,096	26%	Personnel Services	3,897	4,108	(212)
409,840	409,840	45%	Management and Other Professional Services	184,180	191,366	(7,186)
645,295	645,295	32%	Utility Services	206,768	187,296	19,473
3,164,687	3,164,687	38%	Building, Landscape and Other Maintenance	1,200,064	1,196,548	3,516
<u>9,575</u>	<u>9,575</u>	<u>66%</u>	Other Expenses	<u>6,313</u>	<u>6,301</u>	<u>11</u>
4,244,493	4,244,493	38%	Total Operating Expenses	1,601,221	1,585,620	15,601
<u>4,244,493</u>	<u>4,244,493</u>	<u>38%</u>	Total Expenses and Other Changes	<u>1,601,221</u>	<u>1,585,620</u>	<u>15,601</u>
<u>\$ (1,444,300)</u>	<u>\$ (1,444,300)</u>		Change in Unreserved Net Position	<u>\$ 1,009,630</u>	<u>\$ 895,164</u>	<u>\$ 114,466</u>
			Total Cash, Net of Bond Funds	<u>\$ 15,571,391</u>	<u>\$ 16,354,511</u>	<u>\$ (783,120)</u>
			Fund Balance			
			Unassigned	4,120,709	4,284,344	
			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>\$ 15,489,070</u>	<u>\$ 16,202,132</u>	<u>\$ (713,062)</u>