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# The Villages®

## Community Development Districts

### District 3

#### **Financial Statement Summary**

**As of March 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 \$1,328,451 were down 0.5% 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 track to meet or exceed its Revenue Budget for FY 2025-26.

- The District has collected 96.0% of the budgeted maintenance assessments to date, compared with 96.8% at the same point last year. This reflects a modest year-over-year decline in collection performance. Payments were due in full March 31, 2026.
- Investment earnings of \$45,355 through March 31, 2026 were \$1,300 or 3% higher than the \$44,055 earned through March 31, 2025. Geopolitical Events negatively impacted financial markets in March and LTIP reported a negative One Month Rate of Return and the Districts Investment Income dropped from \$78,731 as of February 28, 2026. Despite this, the realized LTP gains as of March 31, 2026 were \$20,621 versus \$13,458 last year, up 53.2%.
- 83% of the portfolio is Short-term Fixed income securities where the rate of return has been decreasing due to the Federal Fund rate cut. Short-term investments are currently earning an estimated annual rate of return of 3.13% to 4.29%. The 17% of the portfolio, which is Long-term, is performing at an annual rate of 13.31%. We believe the market disruption to be transitory. The Fiscal Year 2025-26 budgeted Investment earnings are \$83,000. The District is on pace to exceed those investment earnings in FY 2025-26.

#### **Expenses and Other Changes**

Year-to-Date Operating Expenses of \$492,320 are 3.8% lower than the prior year-to-date expenses of \$511,733. 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 currently projected to be approximately 93-97% of the amended budget at fiscal year-end. Additionally, no Capital Projects are scheduled for FY 2025-26.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. Management fees decreased 35.1% from the prior year and are a result of budget methodology moving to a percentage of operating expenses. In addition, the District's Legal Services expenses decreased 49.7% compared to last year. Auditing Services costs increased from prior year and were based on the contracted price with Purvis Gray. Overall, this category is currently projected to be approximately 90 - 96% of budget at fiscal year-end.

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- Utility Services include Electricity and Irrigation Water. Expenses were 23.8% higher than in the same period of 2025. The Weaton CT over billing refund has been issued, but in general, water usage is running a little higher than last year due to lack of rain and higher rates. A fund transfer was approved in January which added \$7,000 to the Irrigation Water Budget. Irrigation Water Costs were 48.5% of the amended budget as of March 31, 2026. This category is currently projected to finish the fiscal year at approximately 85 – 95% of the amended budget.
- Building, Landscape and Other Maintenance Expenses of \$339,183 were up 0.9% when compared to the prior year-to-date expenses of \$336,150. This is partially attributed to higher aquatic weed control costs and additional plant replacement costs. They were offset by timing differences in the recurring landscape contract payments. This category is projected to finish the fiscal year at approximately 92% - 96% of budget.

#### **Change in Unreserved Net Position**

The year-to-date increase in Unreserved Net Position totals \$786,123, representing a \$12,964 improvement over the \$773,159 increase for the same period ending March 31, 2025. The Amended 2025-26 Budget uses \$95,000 in Working Capital after transferring \$45K to General R&R, \$50k to Roads and \$5k to Cart Paths. Based on the current projections, the District's Working Capital requirement will fall somewhere between using \$90,000 to adding \$5,000. This represents an improvement between \$5,000 and \$100,000.

#### **Year-to-Date Earnings by Investment Category:**

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

March 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.72%	3.73%	4.29%	3.82%	13.31%
One Month Rate of Return	0.26%	0.31%	0.31%	0.36%	0.32%	-4.60%
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 \$32,950.74 in the Community Standards Fund.

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**Statement of Activity**  
**For the Six Months Ending March 31, 2026 (50% of the budget year)**

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
<b>REVENUES:</b>						
\$ 1,331,353	\$ 1,331,353	96%	Maintenance and Other Special Assessments	\$ 1,278,353	\$ 1,288,523	\$ (10,170)
500	500	949%	Other Income	4,744	2,323	2,421
<u>83,000</u>	<u>83,000</u>	55%	Investment Income	45,355	44,055	1,300
<u>\$ 1,414,853</u>	<u>\$ 1,414,853</u>	94%	<b>Total Revenues</b>	<u>\$ 1,328,451</u>	<u>\$ 1,334,901</u>	<u>\$ (6,449)</u>
<b>EXPENSES:</b>						
15,096	15,096	42%	Personnel Services	6,268	6,907	(639)
207,892	212,957	48%	Management and Other Professional Services	101,334	130,558	(29,224)
84,670	91,670	43%	Utility Services	39,030	31,528	7,501
1,090,765	1,078,700	31%	Building, Landscape and Other Maintenance	339,183	336,150	3,033
<u>11,475</u>	<u>11,475</u>	57%	Other Expenses	6,505	6,589	(84)
<u>1,409,898</u>	<u>1,409,898</u>	35%	<b>Total Operating Expenses</b>	<u>492,320</u>	<u>511,733</u>	<u>(19,413)</u>
-	-	0%	Capital Outlay - Infrastructure and FFE	-	-	-
-	-	0%	Debt Service	-	-	-
<u>100,000</u>	<u>100,000</u>	50%	Transfers out of Unrestricted Fund	50,008	50,008	-
<u>100,000</u>	<u>100,000</u>	50%	<b>Total Other Changes</b>	<u>50,008</u>	<u>50,008</u>	-
<u>\$ 1,509,898</u>	<u>\$ 1,509,898</u>	36%	<b>Total Expenses and Other Changes</b>	<u>\$ 542,328</u>	<u>\$ 561,741</u>	<u>\$ (19,413)</u>
<u>\$ (95,045)</u>	<u>\$ (95,045)</u>		<b>Change in Unreserved Net Position</b>	<u>\$ 786,123</u>	<u>\$ 773,159</u>	<u>\$ 12,964</u>
<b>Total Cash, Net of Bond Funds</b>						
				<u>\$ 3,348,522</u>	<u>\$ 3,234,877</u>	<u>\$ 113,645</u>
<b>Fund Balance</b>						
			Unassigned	5,888,583	5,661,369	
			Committed R and R General	510,593	530,377	
			Committed R and R Cart Paths & Villa Roads	278,087	223,087	
			<b>Total Fund Balance</b>	<u>\$ 6,677,263</u>	<u>\$ 6,414,833</u>	<u>\$ 262,430</u>