

The Villages®

Community Development Districts

District 5

Financial Statement Summary

As of March 31, 2026

Summary

The District is still 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 \$2,452,494 are down 1.3% 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, which declined significantly in March due to market volatility. The District should still meet or exceed its Revenue Budget for FY 2025-26.

- The District collected 96.1% of budgeted maintenance assessments through February 28, 2026, compared to 96.8% during the same period in the prior fiscal year, reflecting a slight decrease in collection pace. All payments were due by March 31.
- Investment earnings of \$217,005 through March 31, 2026, were down sharply from \$407,488 through February 28, 2026. They were also down \$14,042 from March 31, 2025. Geopolitical events in March negatively impacted financial markets. The LTIP One Month Rate of Return was negative. Despite this, as of March 31, 2026, the realized LTP gains grew by \$40,983 or 52.8% to \$118,499.
- 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. Short-term investments are currently earning an estimated annual rate of return of 3.13% to 4.29%. The 22% of the portfolio, which is Long-term, currently has an annualized return rate of 13.31%. We believe the market disruption to be transitory, and the District is currently projected to meet its investment earnings budget for FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,926,365 are up 0.9% over the prior year-to-date expenses of \$1,908,631. Operating expenses are currently projected to be 95 – 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 were up \$674 or 0.3%, from the prior year. Auditing Services expenses were \$7,875 as of March 31, 2026, up \$2,982 from \$4,894 last year due to timing of invoices. Other Professional Services helped offset this increase with a decline of \$2,624 from \$4,398 last year to \$1,774 for the first six months of 2026. 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. However, Utility Expenses were at 40% of budget halfway through the fiscal year. The category is projected to finish the fiscal year at approximately 80 – 90% of budget.

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- Building, Landscape and Other Maintenance expenses. This expense category totaled \$1,432,001 for the first six months of this year compared to \$1,438,016 last year, a 0.4% decrease. Other Maintenance expenses grew by \$13,584 or 67.8% due to Villa pressure washing in January 2026. At fiscal year-end, this expense category is currently projected at approximately 95 – 99% of budget.
- 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 \$526,129, representing a \$49,767 decline from the \$575,896 increase for the same period ending March 31, 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:

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 (\$786.39) 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
			REVENUES:			
\$ 2,326,093	\$ 2,326,093	96.1%	Maintenance and Other Special Assessments	\$ 2,234,613	\$ 2,252,440	\$ (17,827)
1,100	\$ 1,100	80%	Other Income	877	1,040	-
473,000	\$ 473,000	46%	Investment Income	217,005	231,047	(14,042)
2,800,193	2,800,193	88%	Total Revenues	2,452,494	2,484,527	(31,869)
-	-	0%	Transfer In - Debt Service	-	-	-
\$ 2,800,193	\$ 2,800,193	88%	Total Available Resources:	\$ 2,452,494	\$ 2,484,527	\$ (32,033)
			EXPENSES:			
15,096	15,096	33%	Personnel Services	4,976	4,970	7
409,840	409,840	55%	Management and Other Professional Services	223,872	223,198	674
645,295	645,295	40%	Utility Services	259,104	235,981	23,123
3,164,687	3,164,687	45%	Building, Landscape and Other Maintenance	1,432,001	1,438,016	(6,015)
9,575	9,575	67%	Other Expenses	6,412	6,467	(55)
4,244,493	4,244,493	45%	Total Operating Expenses	1,926,365	1,908,631	17,734
4,244,493	4,244,493	45%	Total Expenses and Other Changes	1,926,365	1,908,631	17,734
\$ (1,444,300)	\$ (1,444,300)		Change in Unreserved Net Position	\$ 526,129	\$ 575,896	\$ (49,767)
			Total Cash, Net of Bond Funds	\$ 15,055,261	\$ 15,926,659	\$ (871,398)
			Fund Balance			
			Unassigned	3,637,208	3,965,076	
			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	3,179,875	3,179,875	
			Total Fund Balance	\$ 15,005,569	\$ 15,882,864	\$ (877,295)