

The Villages®
Community Development Districts
District 8

Financial Statement Summary

As of March 31, 2026

Summary

The District is projected to achieve its budgeted revenues for FY 2025-26, while expenditures are trending below plan. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-date revenues total \$2,988,836 below prior-year results of \$3,011,761, a 2.8% decrease. 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 surpass its FY 2025-26 revenue budget.

- The District collected 97.4% of the budgeted maintenance assessments to date, compared with 97.9% at the same point last year. This reflects a modest year-over-year decline in collection performance. Payments were due March 31, 2026.
- Investment earnings of \$218,768 through March 31, 2026 were lower than the \$226,504 earned through March 31, 2025. Moreover, Investment Income declined from \$338,976 as of February 28, 2026. In March, Geopolitical Events affected the financial markets and the LTIP reflected a negative One Month Rate of Return. This market disruption is expected to be transitory. Notably, as of March 31, 2026, the realized LTP gains grew by \$32,488 to \$81,116.
- 83.5% 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 16.5% of the portfolio, which is Long-term, had an annualized rate of return of 13.31%. Fiscal Year 2025-26 budgeted Investment Earnings are \$170,000. The District remains on track to exceed those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,572,503 were up \$4,141 or 0.3% from the prior year-to-date expenses of \$1,568,362. Fiscal year 2025-26 expenses are projected to be 97 – 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 \$8,039 from last year or 3.7%. The largest contributor to the increase was Deed Violation Implementation Cost related to a deed compliance case. All costs should be final. Management Fees were down \$11,698 during the first six months of FY 2025-26. They are based on a flat rate allocation schedule implemented in FY 2025/26. As a group, these expenses are currently projected to be approximately 96 – 99% of budget at fiscal year-end.
- Utility Services include Electricity and Irrigation Water expenses. This expenses category is running higher than last year due to rate increases. However, Utility Services expenses were at 42% of budget for the first half of the fiscal year. Barring any anomalies, the category is currently projected to utilize between 85 – 90% of budget at year-end.
- Building, Landscape, and Other Maintenance expenses decreased by 2% compared to the same period last year. This variance is primarily due to non-recurring costs associated with Hurricane Milton tree trimming and debris removal incurred in the prior year. Despite this slight decrease, current projections indicate the category remains on track, with 97–99% of the budget expected to be utilized by fiscal year-end

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- Other Expenses - including casualty and liability insurance and legal advertising, totaled \$6,469 through March, reflecting a nominal \$105 decrease from the prior year. Following the annual insurance premium payment in October, remaining costs such as postage and supplies are managed on an as-needed basis. The category is projected to conclude the fiscal year at 85–95% of the budget.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$1,166,329 is a \$27,066 decline over the \$1,193,395 increase for the same period ending March 31, 2025. The Amended 2025-26 Budget uses \$870,000 of Working Capital to meet the fiscal year budget. Based on the projected year-end results, Working Capital usage will be reduced to between \$820,000 and \$670,000. This represents an improvement between \$50k and \$200k.

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 \$14,493.00 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:			
\$ 2,844,240	\$ 2,844,240	97%	Maintenance and Other Special Assessments	\$ 2,769,683	\$ 2,784,817	\$ (15,134)
-	-	0%	Other Income	385	440	(55)
<u>170,000</u>	<u>170,000</u>	<u>129%</u>	Investment Income	<u>218,768</u>	<u>226,504</u>	<u>(7,736)</u>
3,014,240	3,014,240	99%	Total Revenues:	2,988,836	3,011,761	(22,925)
-	-	0%	Transfer In - Debt Service	-	-	-
3,014,240	3,014,240	99%	Total Available Resources:	2,988,836	3,011,761	(22,925)
			EXPENSES:			
15,096	15,096	34%	Personnel Services	5,192	4,108	1,083
349,474	373,273	60%	Management and Other Professional Services	225,432	217,392	8,039
574,385	566,375	42%	Utility Services	238,805	220,856	17,950
2,405,243	2,405,243	46%	Building, Landscape and Other Maintenance	1,096,605	1,119,432	(22,827)
<u>9,875</u>	<u>9,875</u>	<u>66%</u>	Other Expenses	<u>6,469</u>	<u>6,574</u>	<u>(105)</u>
3,354,073	3,369,862	47%	Total Operating Expenses	1,572,503	1,568,362	4,141
<u>530,000</u>	<u>530,000</u>	<u>47%</u>	Transfers out of Unrestricted Fund	<u>250,004</u>	<u>250,004</u>	-
<u>530,000</u>	<u>530,000</u>	<u>47%</u>	Total Other Changes	<u>250,004</u>	<u>250,004</u>	-
<u>3,884,073</u>	<u>3,899,862</u>	<u>47%</u>	Total Expenses and Other Changes:	<u>1,822,507</u>	<u>1,818,366</u>	<u>4,141</u>
<u>\$ (869,833)</u>	<u>\$ (885,622)</u>		Change in Unreserved Net Position	<u>\$ 1,166,329</u>	<u>\$ 1,193,395</u>	<u>\$ (27,066)</u>
			Total Cash, Net of Bond Funds	<u>\$ 14,192,568</u>	<u>\$ 14,008,692</u>	<u>\$ 183,876</u>
			Fund Balance			
			Unassigned	4,897,031	5,240,718	
			Restricted - Capital Project, Phase I	1,149,211	1,149,211	
			Restricted - Capital Project, Phase II	234,000	234,000	
			Restricted - Capital Project, Phase III	218,000	218,000	
			Committed R and R General	2,571,673	2,321,673	
			Committed R and R Villa Roads	<u>5,039,400</u>	<u>4,789,400</u>	
			Total Fund Balance	<u>\$ 14,109,316</u>	<u>\$ 13,953,002</u>	<u>\$ 156,313</u>