

The Villages®

Community Development Districts

District 1

Financial Statement Summary

As of April 30, 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 \$1,343,535 were down 1.1%, when compared to the same period of 2025. The District did not increase its Maintenance Assessment for FY 2025-26, so Revenue changes were 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 98.0% of the budgeted maintenance assessments as of April 30, 2026, compared with 99.0% at the same point last year. This reflects a modest decline in year-over-year collection performance.
- Investment earnings of \$91,848 through April 30, 2026 were 55.2% higher than the \$59,198 earned through April 30, 2025 and well above the \$48,122 earned through March 31, 2026. Geopolitical Events negatively impacted the financial markets in March. The financial markets recovered this past month, and as of April 30th, the Realized LTP gains had grown by \$6,514 to \$20,868 or 45.4%.
- 81.6% 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 4.25%. The 18.4% of the portfolio, which is Long-term, is performing at an annualized rate of 19.47%. Fiscal Year 2025-26 budgeted Investment earnings are \$102,000. The current Investment Income is at 90% of the budget with 42% of the fiscal year remaining.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$565,971 were 5.3% lower than the prior year-to-date expenses of \$597,839. 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 projected to be 93 - 97% of the amended budget & Capital Projects are projected to be 98 - 100% of budget.

- Management and Other Professional services include Management fees, Deed Compliance, Tax Collection, Technology Service and Tax Collection fees. This category was down by 13.6% when compared to the same period ending April 30, 2025. Management fees decreased 25.3% from the prior year and were a result of budget methodology moving to a percentage of operating expenses. In addition, the District's Legal Services expenses decreased by \$1,946 or 41.1%. Other Professional Services increased by 17.4% or \$1,120 due to Tunnel M2 and Stormwater Inspections. Overall, this category is currently projected to be approximately 94 - 98% of budget at fiscal year-end.
- Utility Services, which includes Electricity and Irrigation Water expenses, were 1.4% lower than the same period of 2025. This was attributed to lower water usage due to imposed water restrictions. Water expenses are at 41% of budget, while Electricity utilized 55% of its budget. We are 58.3% through the fiscal year. This expense category is currently projected to be approximately 85% and 95% of budget at fiscal year-end.

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- Building, Landscape, and Maintenance expenses totaled \$375,649, down 3.1% when compared to the \$387,574 recorded during the same period last year. During April, Storm Pipe Inspections and Cleanings for Villa Del La Vista West were completed and totaled \$23,488. While this expense category is currently at 40% of the amended budget, it is projected to finish the fiscal year between 90% and 95% of the total budget.
- The remaining project costs of \$189,825 for the San Marino Weir project were carried forward by Resolution 2026-04. This project is now complete with \$125,360 billed to date. We are awaiting the final invoice, which will be reflected in future financial statements. The other capital project is a new fence at the Richard L. Murray Wildlife Preserve, budgeted for \$94,456, with a July 2026 estimated completion date. The fence is funded with General R&R. Overall, we are anticipating 98% – 100% of this budget will be utilized this fiscal year.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position totaled \$713,350, representing a \$73,014 decline from the \$786,365 increase for the same period ending April 30, 2025. The Amended 2025-26 Budget uses \$284,000 in General R&R in fiscal 2025-26 for capital projects while adding \$142,000 to Working Capital. Based on current projections, the District is expected to add approximately \$160,000 to \$220,000 in Working Capital. This represents an improvement of \$18k to \$78K to Working Capital at end of the fiscal year.

Year-to-Date Earnings by Investment Category:

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

April 2026	CFB	FLCLASS	FL PALM	FL-FIT	FL TRUST	LTIP**
Current Month Annualized Return*	3.13%	3.73%	3.74%	4.25%	4.01%	19.47%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.33%	5.98%
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 was \$9,233.64 in the Community Standards Fund.

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Statement of Activity						
For the Seven Months Ending April 30, 2026 (58% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 1,369,664	\$ 1,369,664	98.0%	Maintenance and Other Special Assessments	\$ 1,341,786	\$ 1,355,519	\$ (13,733)
-	-	0%	Other Income	218	940	(722)
<u>102,000</u>	<u>102,000</u>	90%	Investment Income	<u>91,848</u>	<u>59,198</u>	<u>32,650</u>
1,471,664	1,471,664	97%	Total Revenues	1,433,852	1,415,657	18,194
			EXPENSES:			
15,096	15,096	47%	Personnel Services	7,129	6,877	253
197,835	195,265	59%	Management and Other Professional Services	115,878	134,158	(18,279)
123,685	123,685	49%	Utility Services	60,833	61,705	(873)
931,524	934,169	40%	Building, Landscape and Other Maintenance	375,649	387,574	(11,925)
<u>11,175</u>	<u>11,100</u>	<u>58%</u>	Other Expenses	<u>6,481</u>	<u>7,525</u>	<u>(1,043)</u>
1,279,315	1,279,315	44%	Total Operating Expenses	565,971	597,839	(31,868)
94,456	284,281	44%	Capital Outlay - Infrastructure and FFE	125,360	2,284	123,076
<u>50,000</u>	<u>50,000</u>	<u>58%</u>	Transfers out of Unrestricted Fund	<u>29,170</u>	<u>29,170</u>	<u>-</u>
144,456	334,281	46%	Total Other Changes	154,530	31,454	123,076
<u>1,423,771</u>	<u>1,613,596</u>	<u>45%</u>	Total Expenses and Other Changes	<u>720,501</u>	<u>629,293</u>	<u>91,209</u>
<u>\$ 47,893</u>	<u>\$ (141,932)</u>		Change in Unreserved Net Position	<u>\$ 713,350</u>	<u>\$ 786,365</u>	<u>\$ (73,014)</u>
			Total Cash, Net of Bond Funds	<u>\$ 3,401,786</u>	<u>\$ 3,125,399</u>	<u>\$ 276,387</u>
			Fund Balance			
			Unassigned	2,221,469	1,981,925	
			Committed R and R General	572,346	528,740	
			Committed R and R Villa Roads	<u>561,534</u>	<u>561,534</u>	
			Total Fund Balance	<u>\$ 3,355,349</u>	<u>\$ 3,072,199</u>	<u>\$ 283,150</u>