The Villages®
Community Development Districts
District 3

Financial Statement Summary
As of May 31, 2026

Summary

The District has achieved 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 $1,443,957 were up 2.2% 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's revenue was 102.1% of the annual budget as of May 31st.

- The District has collected 99.5% of the budgeted maintenance assessments to date, compared with 99.7% at the same point last year. This reflects a modest year-over-year decline in collection performance.

- Investment earnings of $114,464 through May 31, 2026 were $32,277 or 39% higher than the $82,187 earned through May 31, 2025. The realized LTP gains as of May 31, 2026 were $25,876 versus $17,357 last year, up 49.1%.

- 80.6% of the portfolio is Short-term Fixed income securities. The rate of return has been decreasing due to the Federal Fund rate cuts, however fewer rate cuts are expected resulting in a more stable outlook. Short-term investments are currently earning an estimated annual rate of return of 3.13% to 4.24%. The 19.4% of the portfolio, which is Long-term, is performing at an annual rate of 19.06%. Fiscal Year 2025-26 budgeted Investment earnings are $83,000. The District Investment Income was 138% of its FY 2025-26 budget as of May 31st.

- Other income includes a one-time water utility refund in the amount of $4,400.

Expenses and Other Changes

Year-to-Date Operating Expenses of $829,628 were 12.7% higher than the prior year-to-date expenses of $652,927. 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 95-99% 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 19.2% 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 44.2% compared to last year. Other Professional Services increased by $6,423 or 116% when compared to last year due to scheduled Tunnel Inspections (B4, B7 and B8). Overall, this category is currently projected to be approximately 94 - 99% of budget at fiscal year-end.

- Utility Services include Electricity and Irrigation Water. Expenses were 17.3% higher than in the same period of 2025. A fund transfer was approved in January which added $7,000 to the Irrigation Water Budget. Irrigation Water costs were 61% of the amended budget as of May 31, 2026 (67% of the fiscal year). Electricity expense was 52% of the annual budget as of May 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 $829,628 were 12.7% higher when compared to the prior year-to-date expenses of $736,432. This is partially attributed to scheduled rejuvenator application at Villa Natchez and fence replacement at Saddlebrook in addition to higher aquatic weed control costs and costs associated with painting and repairs at the Buena Vista B pump station. Also repairs at basin D3-1 added $29.2K in expenses in May 2026. Other Maintenance expenses this fiscal year included Phosphate removal at the Glenview entry pond. This category is projected to finish the fiscal year at approximately 95% - 98% of budget.

Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals $547,657, representing a $61,683 decline from the $609,340 increase for the same period ending May 31, 2025. The Amended 2025-26 Budget uses $95,000 in Working Capital to balance the budget 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 $60,000 usage and $50,000 addition. This represents an improvement between $35,000 and $145,000.

Year-to-Date Earnings by Investment Category:

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

May 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.70%	3.71%	4.24%	3.96%	19.06%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.33%	2.91%
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 Deed Compliance Reserve balance as of this month end was $32,487.24 in the Community Standards Fund.

The Villages®
Community Development Districts
District 3

Statement of Activity
For the Eight Months Ending May 31, 2026 (67% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
$ 1,331,353	$ 1,331,353	100%	Maintenance and Other Special Assessments	$ 1,324,743	$ 1,327,934	$ (3,191)
500	500	950%	Other Income	4,750	2,323	2,427
83,000	83,000	138%	Investment Income	114,464	82,187	32,277
$ 1,414,853	$ 1,414,853	102%	**Total Revenues**	$ 1,443,957	$ 1,412,444	$ 31,513
			EXPENSES:			
15,096	15,096	61%	Personnel Services	9,282	9,706	(424)
207,892	212,957	63%	Management and Other Professional Services	134,107	165,913	(31,806)
84,670	91,670	55%	Utility Services	50,450	43,016	7,434
1,090,765	1,078,700	58%	Building, Landscape and Other Maintenance	628,776	510,946	117,830
11,475	11,475	61%	Other Expenses	7,012	6,850	161
1,409,898	1,409,898	59%	**Total Operating Expenses**	829,628	736,432	93,196
100,000	100,000	67%	Transfers out of Unrestricted Fund	66,672	66,672	-
100,000	100,000	67%	**Total Other Changes**	66,672	66,672	-
$ 1,509,898	$ 1,509,898	59%	**Total Expenses and Other Changes**	$ 896,300	$ 803,104	$ 93,196
$ (95,045)	$ (95,045)		**Change in Unreserved Net Position**	$ 547,657	$ 609,340	$ (61,683)
			Total Cash, Net of Bond Funds	$ 3,187,620	$ 3,039,499	$ 148,121
			Fund Balance			
			Unassigned	2,301,595	2,262,459	
			Committed R and R General	518,093	537,877	
			Committed R and R Cart Paths & Villa Roads	287,251	232,251	
			Total Fund Balance	$ 3,106,940	$ 3,032,588	$ 74,352