The Villages®
Community Development Districts
District 1

Financial Statement Summary
As of June 30, 2026

Summary

The District has achieved its budgeted revenue for FY 2025-26 as of June 30th, 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 $1,498,155 were up 0.7%, 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 collected 100.5% of the budgeted maintenance assessments as of June 30, 2026.

- Investment earnings of $121,829 through June 30, 2026 were 8.8% higher than the $112,022 earned through June 30, 2025. The Realized LTP gains had grown by $8,232 to $25,947 or 46.5%, as of June 30th.

- 80% 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 20% of the portfolio, which is Long-term, is performing at an annualized rate of 15.17%. Fiscal Year 2025-26 budgeted Investment earnings are $102,000. The current Investment Income is 119% of the budget with 25% of the fiscal year remaining.

Expenses and Other Changes

Year-to-Date Operating Expenses of $766,392 were 3.1% lower than the prior year-to-date expenses of $790,653. 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 90 - 95% of the amended budget & Capital Projects are projected to be 98 - 100% of budget.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. This category was down by 13.4% when compared to the same period ending June 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 $3,905 or 55.7%. Other Professional Services increased by 21.2% or $3,532 due to the Tunnel M2 inspection and Environmental Services Fees. 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 2.9% lower than the same period of 2025. This was attributed to lower water usage due to imposed water restrictions. Water expenses are at 54% of budget, while Electricity utilized 72% of its budget. We are 75% through the fiscal year. This expense category is currently projected to be approximately 85% and 95% of budget at fiscal year-end.

- Building, Landscape, and Maintenance expenses totaled $530,738, up 0.2% when compared to the $529,706 recorded during the same period last year. Non-recurring Landscape Maintenance has been deferred due to the water restrictions. While this expense category is currently at 57% of the amended budget, it is projected to finish the fiscal year between 85% 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 $151,271 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 95% – 100% of this budget will be utilized this fiscal year.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position totaled $542,990, representing a $110,682 decline from the $653,672 increase for the same period ending June 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 $192,000 to $342,000 in Working Capital. This represents an improvement of $50k to $200K 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:

June 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.71%	3.72%	4.25%	4.13%	15.17%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.34%	0.03%
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 $8,045.64 in the Community Standards Fund.

The Villages®
Community Development Districts
District 1

Statement of Activity						
For the Nine Months Ending June 30, 2026 (75% of the budget year)						
Original Budget	**Amended Budget**	**Budget % used**		**YTD Actual**	**PYTD Actual**	**Variance**
			REVENUES:			
$ 1,369,664	$ 1,369,664	100.5%	Maintenance and Other Special Assessments	$ 1,376,103	$ 1,375,248	$ 855
-	-	0%	Other Income	222	951	(729)
102,000	102,000	119%	Investment Income	121,829	112,022	9,808
1,471,664	1,471,664	102%	**Total Revenues**	1,498,155	1,488,221	9,934
			EXPENSES:			
15,096	15,096	59%	Personnel Services	8,852	8,814	37
197,835	195,265	73%	Management and Other Professional Services	142,631	164,678	(22,047)
123,685	123,685	63%	Utility Services	77,362	79,694	(2,332)
931,524	934,169	57%	Building, Landscape and Other Maintenance	530,738	529,706	1,033
11,175	11,100	61%	Other Expenses	6,810	7,761	(952)
1,279,315	1,279,315	60%	**Total Operating Expenses**	766,392	790,653	(24,261)
94,456	284,281	53%	Capital Outlay - Infrastructure and FFE	151,271	6,394	144,877
50,000	50,000	75%	Transfers out of Unrestricted Fund	37,502	37,502	-
144,456	334,281	56%	**Total Other Changes**	188,773	43,896	144,877
1,423,771	1,613,596	59%	**Total Expenses and Other Changes**	955,165	834,549	120,616
$ 47,893	$ (141,932)		**Change in Unreserved Net Position**	$ 542,990	$ 653,672	$ (110,682)
			Total Cash, Net of Bond Funds	$ 3,214,739	$ 3,012,539	$ 202,200
			Fund Balance			
			Unassigned	2,051,108	1,849,232	
			Committed R and R General	580,678	537,072	
			Committed R and R Villa Roads	561,534	561,534	
			Total Fund Balance	$ 3,193,320	$ 2,947,838	$ 245,482