The Villages®
Community Development Districts
District 3

Financial Statement Summary
As of June 30, 2026

Summary

The District has achieved its revenue budget 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 $1,459,988 were up $6,734 or 0.5% 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 103% of the annual budget as of June 30th.

- The District has collected 100% of the budgeted maintenance assessments to date.

- Investment earnings of $119,569 through June 30, 2026 were $4,215 or 3.7% higher than the $115,354 earned through June 30, 2025. The realized LTP gain as of June 30, 2026 was $26,888 versus $18,153 last year, up 48%.

- 78% of the portfolio is Short-term Fixed income securities. The rate of return has been decreasing, compared to prior year due to the Federal Fund rate cuts. Rates, however are expected to have a more stable outlook resulting in higher returns than originally expected. Short-term investments are currently earning an estimated annual rate of return of 3.13% to 4.25%. The 22% of the portfolio, which is Long-term, is performing at an annual rate of 15.17%. Fiscal Year 2025-26 budgeted Investment earnings are $83,000. The District Investment Income was 144% of its FY 2025-26 budget as of June 30th.

- 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 $931,653 were 14.0% higher than the prior year-to-date expenses of $817,141. However, just 66% of the Expense Allocations had been utilized as of June 30, 2026 while 75% of the fiscal year had passed. 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 92-96% 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 $42,368 or 35.1% 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 $2,232 or 39.6% and Deed Compliance Services fee dropped by $1,843 or 55.9% when compared to last year. Other Professional Services increased by $8,803 or 126% 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 17.4% higher than in the same period of 2025. A fund transfer was approved in January which added $7,000 to the Irrigation Water Budget. This was prior to implementation of water restrictions. Irrigation Water costs were 67% of the amended budget as of June 30, 2026 (75% of the fiscal year). Electricity expense was 60% of the annual budget as of June 30, 2026. This category is currently projected to finish the fiscal year at approximately 85 – 90% of the amended budget.

- Building, Landscape and Other Maintenance Expenses of $707,068 were 24.7% higher when compared to the prior year-to-date expenses of $566,835. This is partially attributed to scheduled rejuvenator application at Villa Natchez, fence replacement at Saddlebrook, MMP concrete repairs in June, 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. These were all budgeted expenses. As of June 30th, this expense category was at 66% of budget while 75% of the fiscal year has passed. This category is projected to finish the fiscal year at approximately 92% - 95% of budget.

Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals $453,330, representing a $107,779 decline from the $561,109 increase for the same period ending June 30, 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 a $30,000 usage and $20,000 addition. This represents an improvement between $65,000 and $115,000.

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 $32,001.24 in the Community Standards Fund.

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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:			
$ 1,331,353	$ 1,331,353	100%	Maintenance and Other Special Assessments	$ 1,335,669	$ 1,335,569	$ 99
500	500	950%	Other Income	4,750	2,330	2,420
83,000	83,000	144%	Investment Income	119,569	115,354	4,215
$ 1,414,853	$ 1,414,853	103%	**Total Revenues**	$ 1,459,988	$ 1,453,254	$ 6,734
			EXPENSES:			
15,096	15,096	69%	Personnel Services	10,359	10,567	(208)
207,892	212,957	70%	Management and Other Professional Services	149,598	183,872	(34,273)
84,670	91,670	63%	Utility Services	57,378	48,860	8,518
1,090,765	1,078,700	66%	Building, Landscape and Other Maintenance	707,068	566,835	140,233
11,475	11,475	63%	Other Expenses	7,251	7,007	244
1,409,898	1,409,898	66%	**Total Operating Expenses**	931,653	817,141	114,513
100,000	100,000	75%	Transfers out of Unrestricted Fund	75,004	75,004	-
100,000	100,000	75%	**Total Other Changes**	75,004	75,004	-
$ 1,509,898	$ 1,509,898	67%	**Total Expenses and Other Changes**	$ 1,006,657	$ 892,145	$ 114,513
$ (95,045)	$ (95,045)		**Change in Unreserved Net Position**	$ 453,330	$ 561,109	$ (107,779)
			Total Cash, Net of Bond Funds	$ 3,030,207	$ 3,042,477	$ (12,270)
			Fund Balance			
			Unassigned	2,207,268	2,214,229	
			Committed R and R General	521,843	541,627	
			Committed R and R Cart Paths & Villa Roads	291,833	236,833	
			Total Fund Balance	$ 3,020,945	$ 2,992,689	$ 28,256