The Villages®
Community Development Districts
District 5

Financial Statement Summary
As of June 30, 2026

Summary

The District 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 $2,933,582 were down 0.4% when compared to the same period of 2025. The District did not change its Maintenance Assessment for FY 2025-26, so Revenue changes were based mostly upon changes in Investment Income. The District was at 105% of its Revenue Budget for FY 2025-26 as of June 30th.

- The District collected 100% of budgeted maintenance assessments through June 30, 2026.

- Investment earnings of $598,594 through June 30, 2026, were down 2.1% from the $611,466 in investment earnings through June 30, 2025. However, the realized LTP gains grew by $152,287 to $257,022 or 145.4% when compared to the same period in the prior year. It is also noteworthy that unrealized gains totaled $108,053 as of June 30th.

- 79% 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 21% of the portfolio, which is Long-term, currently has an annualized return rate of 15.17%. The District's Investment Income was 127% of budget as of June 30th with 25% of the fiscal year remaining.

Expenses and Other Changes

Year-to-Date Operating Expenses of $3,059,378 were up 1.3% over the prior year-to-date expenses of $3,020,375. Operating expenses are currently projected to be 95 – 99% of amended budget at fiscal year-end.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. As a category, these expenses were down $647 or 0.2%, from the prior year. Engineering Services expenses were $8,497 as of June 30, 2026, up $2,607, due to an increase in water resource management expenses. Other Professional Services helped offset this increase with a decline of $1,800 from $4,807 last year to $3,006 YTD. This decrease in Other Professional Services was due to non-annual road inspections included in the prior fiscal year financial statements. This expense category is projected to finish the fiscal year at approximately 95 – 98% of budget.

- Utility Services include Electricity and Irrigation Water expenses. Together, these expenses were running 10.0% higher than last year due to rate increases and usage. As of June 30th, water expenses stood at 46.1% of budget and electricity expenses were at 64.9% of budget (75% through the fiscal year). This expense category is projected to finish the fiscal year at approximately 80 – 88% of budget.

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- Building, Landscape and Other Maintenance expenses. This expense category totaled $2,323,676 year-to-date compared to $2,320,591 in the prior year, a 0.1% increase. Building/Structure Maintenance expenses grew by $30,603 or 21.8% due to Villa & Entry painting projects at Ezell, Heritage, Hialeah and Inglewood Villas. The FY 25/26 Budget included $162.5k in Wall and Entry Painting Projects which will be completed over the Spring/Summer months. At fiscal year-end, this expense category is currently projected at approximately 95 – 99% of budget.

- Other Expenses include casualty and liability insurance and legal advertising. The annual insurance premium was paid in October. Other miscellaneous expenses, such as postage, printing and binding costs, and operating supplies are expended on an as-needed basis. This category is projected to finish the fiscal year at approximately 80 - 90% of budget.

Change in Unreserved Net Position

The year-to-date change in Unreserved Net Position totaled ($125,796), representing a $51,186 decline over the ($74,610) change for the same period ending June 30, 2025. The Amended FY 2025-26 Budget utilizes $344k in Working Capital after transferring $1.1MM from General R&R in order to balance the budget. Based on current projections, the District usage of Working Capital will be reduced to between $320k and $200k, an improvement between $24k and $144k.

Investment Earnings

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 is ($1,611.89) 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:			
$ 2,326,093	$ 2,326,093	100.3%	Maintenance and Other Special Assessments	$ 2,334,106	$ 2,333,256	$ 851
1,100	$ 1,100	80%	Other Income	881	1,044	$ (163)
473,000	$ 473,000	127%	Investment Income	598,594	611,466	(12,872)
2,800,193	2,800,193	105%	**Total Revenues**	2,933,582	2,945,766	(12,184)
			EXPENSES:			
15,096	15,096	52%	Personnel Services	7,775	8,414	(639)
409,840	411,840	76%	Management and Other Professional Services	311,764	312,411	(647)
645,295	645,295	63%	Utility Services	409,197	372,094	37,103
3,164,687	3,162,687	73%	Building, Landscape and Other Maintenance	2,323,676	2,320,591	3,086
9,575	9,575	73%	Other Expenses	6,965	6,865	100
4,244,493	4,244,493	72%	**Total Operating Expenses**	3,059,378	3,020,375	39,003
4,244,493	4,244,493	72%	**Total Expenses and Other Changes**	3,059,378	3,020,375	39,003
$ (1,444,300)	$ (1,444,300)		**Change in Unreserved Net Position**	$ (125,796)	$ (74,610)	$ (51,186)
			Total Cash, Net of Bond Funds	$ 14,410,839	$ 15,335,175	$ (924,336)
			Fund Balance			
			Unassigned	2,985,283	3,314,570	
			Restricted - Capital Project Ph I	162,494	711,922	
			Restricted - Capital Project Ph II	1,083,792	1,083,792	
			Committed R and R General	6,942,200	6,942,200	
			Committed R and R Cart Paths & Villa Roads	3,179,875	3,179,875	
			Total Fund Balance	$ 14,353,645	$ 15,232,359	$ (878,714)