The Villages®
Community Development Districts
District 1

Financial Statement Summary
As of July 31, 2026

Summary

The District has achieved its budgeted revenue for FY 2025-26 as of July 31st, while expenses continue to trend below budget. This performance positions the District for a stronger year-end working capital outcome. As of July 31st, 83% of the fiscal year has elapsed.

Revenues

Year-to-Date Revenues of $1,496,660 were up 0.2%, 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 collected 100% of the budgeted maintenance assessments as of July 31, 2026.

- Investment earnings of $120,034 through July 31, 2026 were 1.5% higher than the $118,203 earned through July 31, 2025. The Realized LTP gains had grown by $8,682 to $26,909 or 47.6%, as of July 31st.

- 80% of the portfolio is Short-term Fixed income securities where rates have stabilized over the past few months and are expected to remain stable for the near future. Short-term Investments are currently earning an estimated annual rate of return of 3.15% to 4.27%. The 20% of the portfolio, which is Long-term, is performing at an annualized rate of 13.45%. Fiscal Year 2025-26 budgeted Investment earnings are $102,000. The current Investment Income is 118% of the budget with 17% of the fiscal year remaining.

Expenses and Other Changes

Year-to-Date Operating Expenses of $847,283 were a nominal $204 higher than the prior year-to-date expenses of $847,079. There has been no significant expense that would alter the District's ability to operate within the approved FY 2025-26 budget. 83% through the fiscal year, Operating Expenses are currently at 66% of budget. As such, Operating Expenses are projected to be 82 - 92% of the amended budget & Capital Projects are projected to be 85 - 95% of budget.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees (75% of Budget). This category was down by 13.9% when compared to the same period ending July 31, 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 $4,735 or 58%. Other Professional Services increased by 20.5% or $3,426 due to the Tunnel M2 inspection and Environmental Services Fees. Overall, this category is currently projected to be approximately 90 - 95% of budget at fiscal year-end.

- Utility Services, which includes Electricity and Irrigation Water expenses, were 1.1% higher than the same period of 2025. This was attributed to lower water usage due to imposed water restrictions. Water expenses are at 59% of budget, while Electricity utilized 80% of its budget. Combined, they are 72% of the budget while 83% 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 Other Maintenance expenses totaled $590,592, up 4.4% when compared to the $565,554 recorded during the same period last year. Water restrictions have had a substantial impact. The largest percentage increase was Irrigation Repair which was up from $4,901 to $13,279. Non-recurring Landscape Maintenance has been deferred due to the water restrictions. While this expense category is currently at 64% of the amended budget, it is projected to finish the fiscal year between 80% and 90% of the total budget.

- For Capital expenses, 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 $159,396 billed to date. The other capital project is a new fence at the Richard L. Murray Wildlife Preserve, budgeted for $94,456, that was completed in August and will be reflected on future financial statements. The fence is funded with General R&R. Overall, we are anticipating 85% – 95% of this budget will be utilized this fiscal year.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position totaled $448,313, representing a $150,948 decline from the $599,261 increase for the same period ending July 31, 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 above what was budgeted 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:

July 2026	Seacoast	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.15%	3.73%	3.74%	4.25%	4.27%	13.54%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.36%	-0.96%
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 $11,745.64 in the Community Standards Fund.

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Statement of Activity						
For the Ten Months Ending July 31, 2026 (83% 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	522	951	(429)
102,000	102,000	118%	Investment Income	120,034	118,203	1,832
1,471,664	1,471,664	102%	**Total Revenues**	1,496,660	1,494,402	2,258
			EXPENSES:			
15,096	15,096	64%	Personnel Services	9,713	9,891	(178)
197,835	203,121	75%	Management and Other Professional Services	152,883	177,501	(24,618)
123,685	121,579	72%	Utility Services	87,184	86,192	991
931,524	928,419	64%	Building, Landscape and Other Maintenance	590,592	565,554	25,038
11,175	11,100	62%	Other Expenses	6,912	7,941	(1,029)
1,279,315	1,279,315	66%	**Total Operating Expenses**	847,283	847,079	204
94,456	284,281	56%	Capital Outlay - Infrastructure and FFE	159,396	6,394	153,002
50,000	50,000	83%	Transfers out of Unrestricted Fund	41,668	41,668	-
144,456	334,281	60%	**Total Other Changes**	201,064	48,062	153,002
1,423,771	1,613,596	65%	**Total Expenses and Other Changes**	1,048,347	895,141	153,206
$ 47,893	$ (141,932)		**Change in Unreserved Net Position**	$ 448,313	$ 599,261	$ (150,948)
			Total Cash, Net of Bond Funds	$ 3,118,185	$ 2,922,686	$ 195,499
			Fund Balance			
			Unassigned	1,956,431	1,794,821	
			Committed R and R General	584,844	541,238	
			Committed R and R Villa Roads	561,534	561,534	
			Total Fund Balance	$ 3,102,809	$ 2,897,593	$ 205,216