

The Villages®

Community Development Districts

District 10

Financial Statement Summary

As of August 31, 2026

Summary

As of August 31, 2026, the District had achieved 103% of its budgeted revenue for FY 2025-26, while expenses continued to trend below budget. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-Date (YTD) Revenues of \$4,696,783 were up 6.3% when compared to the same period of 2025. The District increased its Maintenance Assessment for FY 2025-26 by 7.5%.

- The District collected 100.2% of the budgeted maintenance assessments to date.
- Investment Income totaled \$328,026 through August 31, 2026, a decline of \$28,490 or 8.0% compared to the \$356,516 reported through August 31, 2025. Unrealized gains fell by \$72,962 from \$142,488 last year to \$69,525 this year. However, Realized LTP gains totaled \$92,135, up \$50,789 or 122.8% from the prior year.
- 80% of the portfolio was Short-term Fixed income securities where rates have stabilized over the last few months and forecast to remain stable for the near future. Short-term investments are currently earning an estimated annual rate of return of 3.18% to 4.36%. The 20% of the portfolio, which is Long-term, is performing at an annualized rate of 13.19%. As of August 31, 2026, the District's Investment Income stood at 175% of the fiscal year budget.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$4,108,517 were 2.4% higher than the prior year-to-date expenses of \$4,012,475. However, there has been no significant event that would alter the District's ability to operate within the approved FY 2025-26 budget. As of August 31, 2026, 87% of the budget for operating expenses has been utilized while 92% of the fiscal year has passed. Fiscal year 2025-26 operating expenses are projected to be approximately 95 – 97% of budget.

- Management and Other Professional services include Management fees, Deed Compliance, Technology Service and Tax Collection fees. As a category, these expenses were down a nominal \$444 when compared with last year. While Tax Collector Fees increased 7.5%, a function of the higher maintenance assessment, they were offset by lower Legal Services, Deed Compliance and Other Professional Services. FY 2024-25 also included \$2,484 for road inspections that will not be repeated in the current year. The current projection for this expense category is that approximately 98 – 99% of budget will be used by fiscal year-end as a charge will be necessary to reverse the negative Deed Compliance Reserve balance noted on page 2.
- Utility Services expenses were down by 0.1% compared to last year as the August 2026 electric bill was not paid during the month. If we accrue the \$48k payment, Electricity expenses were up by \$43k or 8% due to usage and rate increases. However, just 79% of the allocated budget has been utilized when including the accrued payment. The Irrigation-Water expense year to date was 82% of the budget, while 92% of the fiscal year has passed. Assuming normal operating conditions and barring any anomalies, the category is projected to finish the fiscal year between 84% and 88% of budget.

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- Building, Landscape and Other Maintenance expenses. This category of expenses was up by 3.3% or \$101,458. This was primarily due to increases in Building/Structure Maintenance that included \$47k for painting at Alden Bungalows and \$52k for Villa Lighting Conversion expenses at Leyton, Perry, Pensacola and Pineland Villas. Additional costs in August included Labelle trim board repairs and an asphalt repair on Wren Street. Through 92% of the fiscal year, 90% of the budget has been utilized. Currently, the fiscal year end projection for this expense category is approximately 97 – 99% of the budget.
- Other Expenses includes 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. As no Maintenance Assessment change is planned for FY 26-27, this category is projected to be at approximately 70 - 80% of budget at fiscal year-end.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position totaled \$313,266, representing a \$181,176 improvement over the \$132,090 increase for the same period ending August 31, 2025. The Amended 2025-26 Budget uses \$347k of Working Capital and \$117k in General R&R to meet the fiscal year budget. Based on the current projections, the District's required Working Capital usage will be reduced to between \$147,000 and \$297,000. This represents an improvement between \$50k and \$200k above what was budgeted.

Investment Earnings

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

August 2026	Seacoast	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.18%	3.78%	3.76%	4.25%	4.36%	13.19%
One Month Rate of Return	0.27%	0.31%	0.31%	0.35%	0.36%	1.74%
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 (\$15,435.58) in the Community Standards Fund.

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Statement of Activity						
For the Eleven Months Ending August 31, 2026 (92% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 4,359,199	\$ 4,359,199	100.2%	Maintenance and Other Special Assessments	\$ 4,368,312	\$ 4,062,846	\$ 305,466
-	-	100%	Other Income	446	204	242
<u>187,000</u>	<u>187,000</u>	<u>175%</u>	Investment Income	<u>328,026</u>	<u>356,516</u>	<u>(28,490)</u>
4,546,199	4,546,199	103%	Total Revenues:	4,696,783	4,419,565	277,218
			EXPENSES:			
15,096	15,096	67%	Personnel Services	10,144	9,706	437
449,416	451,516	90%	Management and Other Professional Services	404,148	404,592	(444)
766,934	736,934	73%	Utility Services	535,429	540,239	(4,810)
3,427,920	3,497,161	90%	Building, Landscape and Other Maintenance	3,151,921	3,050,463	101,458
<u>9,375</u>	<u>9,375</u>	<u>73%</u>	Other Expenses	<u>6,875</u>	<u>7,474</u>	<u>(599)</u>
4,668,741	4,710,082	87%	Total Operating Expenses	4,108,517	4,012,475	96,042
<u>300,000</u>	<u>300,000</u>	<u>92%</u>	Transfers out of Unrestricted Fund	<u>275,000</u>	<u>275,000</u>	<u>-</u>
300,000	300,000	92%	Total Other Changes	275,000	275,000	-
<u>4,968,741</u>	<u>5,010,082</u>	<u>87%</u>	Total Expenses and Other Changes	<u>4,383,517</u>	<u>4,287,475</u>	<u>96,042</u>
<u>\$ (422,542)</u>	<u>(463,883)</u>		Change in Unreserved Net Position	<u>\$ 313,266</u>	<u>\$ 132,090</u>	<u>\$ 181,176</u>
			Total Cash, Net of Bond Funds	<u>\$ 6,548,623</u>	<u>\$ 6,329,898</u>	<u>\$ 218,725</u>
			Fund Balance			
			Unassigned	1,943,037	1,889,756	
			Committed R and R General	3,203,933	3,363,831	
			Committed R and R Villa Roads & Roads	1,275,000	975,000	
			Total Fund Balance	<u>\$ 6,421,970</u>	<u>\$ 6,228,587</u>	<u>\$ 193,383</u>