

The Villages®

Community Development Districts

District 4

Financial Statement Summary

As of May 31, 2025

Revenues and Other Available Resources

Year-to-Date (YTD) Revenues of \$4,087,000 are less than prior year-to-date (PYTD) revenues of \$4,113,000 and are 95% of amended budgeted revenues of \$4,300,000.

- The District has collected \$3,896,000 in maintenance assessments to date. Marion County collects the maintenance assessments on the annual tax bill and remits it to the District net a 2% collection fee. The majority of assessments are collected from November through March. There was no increase in maintenance assessments levied in FY 2025.
- Other income includes the Marion County Hwy 42 Agreement revenue; \$61,000 has been collected to date.
- Investment earnings of \$129,000 (\$110,000 realized gains and \$19,000 unrealized gains) are less than prior year to date earnings of \$165,000 and are at 55% of annual budgeted earnings of \$233,000. Lower earnings are attributable to the uncertainty of imposed tariffs from the Federal Government resulting in market volatility and the Federal Fund rate decreases in the past year. Markets continue to stay volatile.

The District has received 99% of assessment revenues through the county tax collections while the expenses will be incurred ratably over the 12-months. *As of May 31, 2025, 67% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$2,129,000 are greater than prior year-to-date expenses of \$1,634,000. Year to date spending is 63% of the amended budget of \$3,355,000.

- Management and Other Professional services include Management fees, Deed Compliance, and Tax Collector fees.
 - Management fees are consistent with the prior year.
 - Legal Services are at 65% of budget. Additional legal issues reviewed include the Towing rule and road closure issues, and \$7,800 budget transfer was processed in May.
 - Deed Compliance services are running lower than prior year. Expenditures have decreased due to an overall decrease in the budget. A true up of actual expenses are being booked quarterly.
- Utility Services include Electricity and Irrigation Water expenses, and year-to-date spending is at 81% of budgeted expenses of \$457,000. Actual Electricity expense is \$342,000 and Irrigation water is \$27,000 year to date. District 4 is serviced by Little Sumter Service Area. An overall eight percent (8%) increase in rates came into effect on October 1, 2024. In addition, the SECO pole rental increase is attributable to the increase in electricity costs.
- Building, Landscape and Other Maintenance Expenses totaling \$1,415,000 are greater than the prior year to date expenses of \$1,114,000 and compare favorably to the amended budget of \$2,353,000.

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- Recurring Landscape Maintenance makes up 48% of the amended budget, or \$1,120,000. The District spent a total of \$729,000 or 65% of the budget, which is on target for the year.
- Building/Structure Maintenance makes up 27% of the amended budget, or \$631,000. To date, the District has spent \$395,000, or 63% of the budget. Spending includes pipe inspection, restriping, tunnel maintenance and fence painting.
- Other Maintenance makes up 13% of the amended budget, or \$301,000. The District has spent a total of \$158,000 or 52% of the budget to date. This includes routine aquatic weed control, pressure washing, light sweeps, and lake maintenance, all a part of monthly routine maintenance.
- CR 42 Expenses make up 5% of the amended budget, or \$122,000, and we have spent \$66,000, or 54% of the budget to date.
- Non-Recurring Landscape Maintenance, such as Plant Replacement, Tree Trimming, and Sod Replacement makes up 6% of the amended budget, or \$130,000. The District has spent a total of \$52,000 or 40% of the budget to date.
- Irrigation Repair makes up 2% of the amended budget, or \$50,000. The District has spent a total of \$15,000 or 31% of the budget to date.
- Other Expenses include annual insurance expense.
- Budgeted Capital Expenditures include Mill and Overlay for Units 54, a Roof Replacement projects for MC 24-Well Site and MC 19. The District has spent 11% on Year-to-Date Capital Outlay expenses.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$1,284,000 is less than the prior year to date increase of \$1,784,000. By year-end, based on the anticipated revenues and expenditures, the District will meet the amended budget reduction in unreserved net position of (\$880,000).

Investment Earnings

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

	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP
Current Month Annualized Return*	3.88%	4.37%	4.39%	4.60%	4.01%	10.14%
One Month Rate of Return	0.32%	0.36%	0.37%	0.38%	0.33%	3.26%
Prior FY 2024	4.86%	5.41%	5.44%	5.02%	4.58%	13.01%

*Current Month Annualized Return is an annualized return based on the past 30 day performance
All investment earnings are now recognized within the current month.

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Statement of Activity						
For the Eight Months Ending May 31, 2025 (67% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
\$ 3,926,553	\$ 3,926,553	99%	Maintenance and Other Special Assessments	\$ 3,895,513	\$ 3,901,553	\$ (6,039)
94,844	125,062	50%	Other Income	62,695	46,845	15,851
<u>233,000</u>	<u>233,000</u>	<u>55%</u>	Investment Income	<u>128,902</u>	<u>165,024</u>	<u>(36,122)</u>
4,254,397	4,284,615	95%	Total Revenues:	4,087,111	4,113,422	(26,311)
<u>15,024</u>	<u>15,024</u>	<u>0%</u>	Transfer In - Debt Service	<u>-</u>	<u>-</u>	<u>-</u>
4,269,421	4,299,639	95%	Total Available Resources:	4,087,111	4,113,422	(26,311)
			EXPENSES:			
16,173	16,173	59%	Personnel Services	9,491	10,558	(1,067)
473,113	517,971	63%	Management and Other Professional Services	328,584	351,495	(22,912)
456,902	456,902	81%	Utility Services	368,761	151,054	217,708
2,368,064	2,353,424	60%	Building, Landscape and Other Maintenance	1,414,874	1,113,580	301,294
<u>10,752</u>	<u>10,752</u>	<u>65%</u>	Other Expenses	<u>7,024</u>	<u>6,827</u>	<u>197</u>
3,325,004	3,355,222	63%	Total Operating Expenses	2,128,734	1,633,515	495,219
876,550	974,540	11%	Capital Outlay - Infrastructure and FFE	108,066	229,060	(120,994)
<u>850,000</u>	<u>850,000</u>	<u>67%</u>	Transfers out of Unrestricted Fund	<u>566,672</u>	<u>466,668</u>	<u>100,004</u>
<u>1,726,550</u>	<u>1,824,540</u>	<u>37%</u>	Total Other Changes	<u>674,738</u>	<u>695,728</u>	<u>(20,990)</u>
<u>5,051,554</u>	<u>5,179,762</u>	<u>54%</u>	Total Expenses and Other Changes:	<u>2,803,472</u>	<u>2,329,243</u>	<u>474,229</u>
<u>\$ (782,133)</u>	<u>\$ (880,123)</u>		Change in Unreserved Net Position	<u>\$ 1,283,639</u>	<u>\$ 1,784,179</u>	<u>\$ (500,540)</u>
			Total Cash, Net of Bond Funds	<u>\$ 4,571,459</u>	<u>\$ 4,265,054</u>	<u>\$ 306,404</u>
			Fund Balance			
			Unassigned	2,795,245	2,520,455	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	34,000	
			Committed R and R General	33,336	36,058	
			Committed R and R Villa Roads	1,348,485	1,185,396	
			Committed R and R Ph III	<u>337,816</u>	<u>373,270</u>	
			Total Fund Balance	<u>\$ 4,514,882</u>	<u>\$ 4,149,179</u>	<u>\$ 365,703</u>