The Villages®
Community Development Districts
District 4

Financial Statement Summary
As of July 31, 2025

Revenues and Other Available Resources

Year-to-Date (YTD) Revenues of $4,213,000 are less than Prior Year-to-Date (PYTD) revenues of $4,233,000 and are 98% of amended budgeted revenues of $4,300,000.

- The District has collected $3,947,000 in maintenance assessments to date. Marion County collects the maintenance assessments on the annual tax bill and remits it to the District net of 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; $82,000 has been collected to date. In addition, a budget resolution was approved in March to increase the Other income budget for anticipated FEMA reimbursement related to hurricane clean up. No FEMA reimbursements have been received to date.
- Investment earnings of $178,000 ($133,000 realized gains and $45,000 unrealized gains) are less than prior year to date earnings of $221,000 and are at 76% of annual budgeted earnings of $233,000. Lower earnings, compared to prior year, 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. 85% of the portfolio is Short-term Fixed income securities which are earning approximately 1% less than this time last year. The Long term (15%) portion of the portfolio has regained most of the early losses and is performing well at an annual rate of 10.5%. The current rate of investment earnings projects to end the fiscal year around $210,000 compared to budget earnings of $233,000.
- The transfer debt service analysis for excess interest earnings is scheduled for later in the fiscal year. Any transfers would be restricted for capital outlay projects.

The District has received 101% of assessment revenues through the county tax collections while the expenses will be incurred ratably over the 12-months. *As of July 31, 2025, 83% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of $2,470,000 are greater than Prior Year-to-Date expenses of $1,980,000. Year to date spending is 69% of the amended budget of $3,555,000.

- 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 81% of budget. Additional legal issues reviewed include the Towing rule and road closure issues, and a $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 is being recorded quarterly.
- Utility Services include Electricity and Irrigation Water expenses, and year-to-date spending is at 93% of budgeted expenses of $457,000. Actual Electricity expense is $386,000 and Irrigation

water is $39,000 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 increase in electricity costs is attributable to the SECO pole rental rate increase.

- Building, Landscape and Other Maintenance Expenses totaling $1,627,000 are greater than the prior year-to-date expenses of $1,350,000 and compare favorably to the amended budget of $2,554,000. Overall the expenditures are running below budget, however expenditures are expected to catch up towards the end of the year.
    - Recurring Landscape Maintenance makes up 44% of the amended budget, or $1,120,000. The District spent a total of $814,000 or 73% of the budget, which is on target for the year.
    - Building/Structure Maintenance makes up 25% of the amended budget, or $637,000. To date, the District has spent $434,000, or 68% of the budget. Spending includes pipe inspection, restriping, tunnel maintenance and fence painting.
    - Other Maintenance makes up 19% of the amended budget, or $496,000. The District has spent a total of $188,000 or 38% 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. A budget resolution of $199,000 was processed in July to increase funding for Geological anomalies at Victoria Lane and Crowfield Ave.
    - CR 42 Expenses make up 5% of the amended budget, or $122,000, and we have spent $87,000, or 72% of the budget to date.
    - Non-Recurring Landscape Maintenance, such as Plant Replacement, Tree Trimming, and Sod Replacement makes up 5% of the amended budget, or $129,000. The District has spent a total of $84,000 or 65% of the budget to date.
    - Irrigation Repair makes up 2% of the amended budget, or $50,000. The District has spent a total of $20,000 or 39% of the budget to date.
- Other Expenses include annual insurance expense.
- Budgeted Capital Expenditures include Mill and Overlay for Unit 54, and Roof Replacement projects for MC 24-Well Site and MC 19. The District has spent 81% on Year-to-Date Capital Outlay expenses. The Mill and Overlay projected is expected to get started in July.

<u>Change in Unreserved Net Position</u>

Year-to-Date change in Unreserved Net Position of $241,000 is less than the Prior Year-to-Date of $1,440,000. By year-end, based on the anticipated revenues and expenditures, the District will meet the amended budget reduction in unreserved net position of ($1,080,000).

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Investment Earnings

The following table outlines the Current Month Annualized Return and One Month Rate of Return earnings by investment category:

	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP
Current Month Annualized Return*	3.88%	4.35%	4.38%	4.59%	4.09%	10.50%
One Month Rate of Return	0.32%	0.36%	0.37%	0.38%	0.34%	0.47%
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 Ten Months Ending July 31, 2025 (83% of the budget year)						
Original Budget	**Amended Budget**	**Budget % used**		**YTD Actual**	**PYTD Actual**	**Variance**
			REVENUES:			
$ 3,926,553	$ 3,926,553	101%	Maintenance and Other Special Assessments	$ 3,946,625	$ 3,949,018	$ (2,392)
94,844	125,062	71%	Other Income	88,404	63,154	25,251
233,000	233,000	76%	Investment Income	177,704	220,723	(43,020)
4,254,397	4,284,615	98%	**Total Revenues:**	4,212,733	4,232,895	(20,162)
15,024	15,024	0%	Transfer In - Debt Service	-	-	-
4,269,421	4,299,639	98%	**Total Available Resources:**	4,212,733	4,232,895	(20,162)
			EXPENSES:			
16,173	16,173	72%	Personnel Services	11,644	12,496	(852)
473,113	512,896	78%	Management and Other Professional Services	398,244	415,650	(17,406)
456,902	456,902	93%	Utility Services	424,923	194,575	230,348
2,368,064	2,553,870	64%	Building, Landscape and Other Maintenance	1,627,408	1,350,256	277,152
10,752	14,882	49%	Other Expenses	7,355	7,177	178
3,325,004	3,554,723	69%	**Total Operating Expenses**	2,469,573	1,980,154	489,419
876,550	974,540	81%	Capital Outlay - Infrastructure and FFE	794,167	229,656	564,511
850,000	850,000	83%	Transfers out of Unrestricted Fund	708,336	583,334	125,002
1,726,550	1,824,540	82%	**Total Other Changes**	1,502,503	812,990	689,513
5,051,554	5,379,263	74%	**Total Expenses and Other Changes:**	3,972,076	2,793,144	1,178,932
$ (782,133)	$ (1,079,624)		**Change in Unreserved Net Position**	$ 240,657	$ 1,439,751	$ (1,199,094)
			Total Cash, Net of Bond Funds	$ 3,654,977	$ 4,040,136	$ (385,159)
			Fund Balance			
			Unassigned	1,751,164	2,171,431	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	34,000	
			Committed R and R General	41,668	36,058	
			Committed R and R Villa Roads	1,481,817	1,302,062	
			Committed R and R Ph III	338,915	377,865	
			Total Fund Balance	$ 3,613,564	$ 3,921,417	$ (307,853)