The Villages®
Community Development Districts
District 4

**Financial Statement Summary**
**As of August 31, 2025**

**Revenues and Other Available Resources**

Year-to-Date (YTD) Revenues of $4,239,000 are less than Prior Year-to-Date (PYTD) revenues of $4,261,000 and are 99% 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 $204,000 ($138,000 realized gains and $66,000 unrealized gains) are less than prior year to date earnings of $249,000 and are at 87% 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 10.59%. The current rate of investment earnings projects to end the fiscal year around $222,000 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 August 31, 2025, 92% of the year has elapsed.*

**Expenses and Other Changes**

Year-to-Date Operating Expenses of $2,706,000 are greater than Prior Year-to-Date expenses of $2,178,000. Year to date spending is 76% 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 88% 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 104% of budgeted expenses of $457,000. Actual Electricity expense is $432,000 and Irrigation water is $42,000 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 $1,784,000 are greater than the prior year-to-date expenses of $1,480,000 and compare favorably to the amended budget of $2,558,000. Overall the expenditures are running below budget, however expenditures are expected 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 $947,000 or 85% of the budget, which is slightly under target for the year. However as year-end progresses invoices are expected to be received to be more in line with budget.
    - Building/Structure Maintenance makes up 25% of the amended budget, or $637,000. To date, the District has spent $438,000, or 69% 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 $191,000 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 the District has spent $96,000, or 79% 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 $133,000. The District has spent a total of $90,000 or 68% of the budget to date.
    - Irrigation Repair makes up 2% of the amended budget, or $50,000. The District has spent a total of $22,000 or 44% 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 projects have been completed.

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

Year-to-Date change in Unreserved Net Position of ($40,000) is less than the Prior Year-to-Date of $875,000. By year-end, based on the anticipated revenues and expenditures, the negative change in net position expects to be less than 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:

| August 2025 | CFB | FLCLASS | FL PALM | FL-FIT | FLTRUST | LTIP |
|---|---|---|---|---|---|---|
| Current Month Annualized Return* | 3.88% | 4.35% | 4.37% | 4.55% | 4.02% | 10.59% |
| One Month Rate of Return | 0.32% | 0.36% | 0.36% | 0.38% | 0.34% | 2.05% |
| 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 Eleven Months Ending August 31, 2025 (92% 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 | $ 3,947,438 | $ 3,949,018 | $ (1,580) |
| 94,844 | 125,062 | 71% | Other Income | 88,415 | 63,154 | 25,262 |
| 233,000 | 233,000 | 87% | Investment Income | 203,635 | 248,535 | (44,900) |
| 4,254,397 | 4,284,615 | 99% | **Total Revenues:** | 4,239,489 | 4,260,707 | (21,218) |
| 15,024 | 15,024 | 0% | Transfer In - Debt Service | - | - | - |
| 4,269,421 | 4,299,639 | 99% | **Total Available Resources:** | 4,239,489 | 4,260,707 | (21,218) |
| | | | **EXPENSES:** | | | |
| 16,173 | 16,173 | 79% | Personnel Services | 12,720 | 13,573 | (852) |
| 473,113 | 509,276 | 84% | Management and Other Professional Services | 427,567 | 447,207 | (19,640) |
| 456,902 | 456,902 | 104% | Utility Services | 473,796 | 230,011 | 243,785 |
| 2,368,064 | 2,557,590 | 70% | Building, Landscape and Other Maintenance | 1,784,261 | 1,479,563 | 304,698 |
| 10,752 | 14,782 | 51% | Other Expenses | 7,491 | 7,248 | 243 |
| 3,325,004 | 3,554,723 | 76% | **Total Operating Expenses** | 2,705,835 | 2,177,601 | 528,234 |
| 876,550 | 974,540 | 81% | Capital Outlay - Infrastructure and FFE | 794,167 | 566,675 | 227,492 |
| 850,000 | 850,000 | 92% | Transfers out of Unrestricted Fund | 779,168 | 641,667 | 137,501 |
| 1,726,550 | 1,824,540 | 86% | **Total Other Changes** | 1,573,335 | 1,208,342 | 364,993 |
| 5,051,554 | 5,379,263 | 80% | **Total Expenses and Other Changes:** | 4,279,170 | 3,385,943 | 893,227 |
| $ (782,133) | $ (1,079,624) | | **Change in Unreserved Net Position** | $ (39,682) | $ 874,764 | $ (914,445) |
| | | | **Total Cash, Net of Bond Funds** | $ 3,406,864 | $ 3,562,143 | $ (155,279) |
| | | | **Fund Balance** | | | |
| | | | Unassigned | 1,470,826 | 1,606,444 | |
| | | | Restricted - Capital Project, Phase I | - | - | |
| | | | Restricted - Capital Project, Phase II | - | 34,000 | |
| | | | Committed R and R General | 45,834 | 36,058 | |
| | | | Committed R and R Villa Roads | 1,548,483 | 1,360,395 | |
| | | | Committed R and R Ph III | 338,915 | 377,865 | |
| | | | **Total Fund Balance** | $ 3,404,058 | $ 3,414,763 | $ (10,705) |