

The Villages®

Community Development Districts

District 4

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

Summary

The District is projected to achieve its budgeted revenues for FY 2025-26, while expenses continue to trend below plan. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-date revenues total \$838,474, exceeding prior-year revenues of \$784,064. The Maintenance Assessment was increased by 3% this year and Investment Income was up substantially. The District is on track to meet or surpass its FY 2025-26 revenue budget.

- The District has collected 19.4% of the budgeted maintenance assessments to date, compared with 19.1% at the same point last year. This reflects a modest year-over-year improvement in collection performance.
- Investment earnings of \$32,785 through December 31, 2025 were substantially higher than the \$7,309 earned through December 31, 2024. In late 2024 and into early 2025, market volatility negatively impacted the District's investments in the form of unrealized losses, particularly the long-term portion of the investment portfolio. However, as of December 31, 2025, realized LTP gains grew by \$5,124 or 60.1% to \$13,648.
- 84.2% of the portfolio is Short-term Fixed income securities where the rate of return has been decreasing due to the Federal Fund rate cuts. However, they are currently earning an estimated annual rate of return of 3.21% to 4.38%. The 15.8% portion of the portfolio, which is Long-term, is performing well at an annual rate of 15.17%. Fiscal Year 2025-26 budgeted Investment earnings are \$158,000. The District is on pace to meet those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$505,927 are 0.4% higher than the prior year-to-date expenses of \$503,790. There has been no significant expense that would alter the District's ability to operate within the approved FY 2025-26 budget. Operating Expenses are currently projected to be approximately 95-99% of the amended budget. Capital Projects scheduled for FY 2025-26 total \$1,288,109 and are projected at 100% of the amended budget.

- Management and Other Professional services include Management fees, Deed Compliance fees, Tax Collection fees, Legal fees, and Technology Service fees. Combined, these expenses were \$7,949 lower than in the same period last year. This category is currently projected to finish the fiscal year at approximately 94 - 98% of budget.
- Utility Services include Electricity and Irrigation Water expenses. Year-to-Date spending at \$145,079 is \$7,643 higher or 5.6% than the Prior Year at \$137,436 due to rate increases and higher usage. This expense category is currently projected to be approximately 96 – 100% of budget at fiscal year-end.

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- Building, Landscape, and Other Maintenance Expenses totaling \$261,394 are up 1% from \$258,710 last year. Notably, Other Maintenance expense was down by \$32,258 as last year included mobilization and Geotechnical Engineering for Kittredge and McLawren. However, Building/Structure Maintenance increased by \$33,047 due to Storm Pipe Inspections and Cleanings. Landscape Maintenance: Non-Recurring increased by \$12,843 to \$19,681 this year from Landscape Plant Purchases. Overall, this expense category is projected to be at approximately 95-98% of budget at fiscal year-end.

Change in Unreserved Net Position

The year-to-date decrease in Unreserved Net Position totals \$59,203, representing a decline of \$52,951 when compared to the \$6,252 decrease for the same period ending December 31, 2024. The decline was attributed to the Capital Outlay for MC-24 Roof Replacement.

The Amended 2025-26 Budget uses \$15,000 in Working Capital. Based on current projections, the District is expected to add approximately \$80,000 to \$200,000 in Working Capital at fiscal year-end. This represents an improvement between \$95,000 and \$215,000 to Working Capital. In addition, the budget includes transferring in \$143,869 from General R&R and \$1,109,677 from Roads R&R for specific capital projects.

Year-to-Date Earnings by Investment Category:

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

December 2025	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.21%	3.89%	3.92%	4.38%	3.89%	15.17%
One Month Rate of Return	0.27%	0.32%	0.33%	0.37%	0.32%	0.33%
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 is \$7,691.88 in the Community Standards Fund.

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Statement of Activity
For the Three Months Ending December 31, 2025 (25% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
REVENUES:						
\$ 4,055,691	\$ 4,055,691	19%	Maintenance and Other Special Assessments	\$ 784,217	\$ 755,516	\$ 28,701
86,364	86,364	25%	Other Income	21,472	21,240	232
<u>158,000</u>	<u>158,000</u>	<u>21%</u>	Investment Income	<u>32,785</u>	<u>7,309</u>	<u>25,476</u>
4,300,055	4,300,055	19%	Total Revenues:	838,474	784,064	54,410
EXPENSES:						
16,173	16,173	20%	Personnel Services	3,251	3,463	(212)
464,121	464,121	19%	Management and Other Professional Services	90,172	98,120	(7,949)
631,484	631,484	23%	Utility Services	145,079	137,436	7,643
2,091,282	2,302,944	11%	Building, Landscape and Other Maintenance	261,394	258,710	2,684
<u>10,475</u>	<u>10,475</u>	<u>58%</u>	Other Expenses	<u>6,032</u>	<u>6,060</u>	<u>(28)</u>
3,213,535	3,425,197	15%	Total Operating Expenses	505,927	503,790	2,138
1,109,677	1,288,109	14%	Capital Outlay - Infrastructure and FFE	178,000	74,015	103,985
<u>855,000</u>	<u>855,000</u>	<u>25%</u>	Transfers out of Unrestricted Fund	<u>213,750</u>	<u>212,512</u>	<u>1,238</u>
<u>1,964,677</u>	<u>2,143,109</u>	<u>18%</u>	Total Other Changes	<u>391,750</u>	<u>286,527</u>	<u>105,223</u>
<u>5,178,212</u>	<u>5,568,306</u>	<u>16%</u>	Total Expenses and Other Changes:	<u>897,677</u>	<u>790,317</u>	<u>107,361</u>
<u>\$ (878,157)</u>	<u>\$ (1,268,251)</u>		Change in Unreserved Net Position	<u>\$ (59,203)</u>	<u>\$ (6,252)</u>	<u>\$ (52,951)</u>
			Total Cash, Net of Bond Funds	<u>\$ 3,009,763</u>	<u>\$ 2,926,791</u>	<u>\$ 82,972</u>
*Preliminary Fund Balance - pending year-end close						
Fund Balance						
			Unassigned	1,432,310	1,525,558	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	-	
			Committed R and R General	18,750	12,506	
			Committed R and R Villa Roads	1,124,991	1,015,155	
			Committed R and R Ph III	<u>286,639</u>	<u>317,612</u>	
			Total Fund Balance	<u>\$ 2,862,690</u>	<u>\$ 2,870,831</u>	<u>\$ (8,141)</u>