

The Villages®

Community Development Districts

District 4

Financial Statement Summary

As of January 31, 2026

Summary

The District should meet its budgeted revenues for FY 2025-26 and expenses are trending below budget. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-date Revenues were \$3,363,717, exceeding prior-year revenues of \$2,492,462. 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 80.3% of the budgeted maintenance assessments. At the same point last year, collections were 61.6% of the annual maintenance assessment. This reflects a significant year-over-year improvement in collection performance. All payments are due by March 31, 2026.
- Investment earnings of \$66,214 through January 31, 2026 were substantially higher than the \$47,084 earned through January 31, 2025. 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 January 31, 2026, the realized LTP gains grew by \$5,429 or 59.8% to \$14,510.
- 84% 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 3.13% to 4.26%. The 16% portion of the portfolio, which is Long-term, is performing well at an annual rate of 14.68%. Fiscal Year 2025-26 budgeted Investment earnings are \$158,000. The District is on track to exceed those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,034,679 are 21.4% higher than the prior year-to-date expenses of \$852,357. 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 95-99% of the amended budget. Capital Projects scheduled for FY 2025-26 total \$1,288,109 and are projected at 100% of the 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 \$15,635 higher than in the same period last year. The increase was centered in Tax Collector Fees which increased due to higher Maintenance Assessment collection rate. 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 \$200,446 is \$11,436 higher or 6.1% than the Prior Year at \$189,010 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 \$651,897 are up 31% from \$496,241 last year. Notably, Building/Structure Maintenance increased by \$123,274 due to Storm Pipe Inspections and Cleanings and Landscape Maintenance: Non-Recurring increased by \$60,745 to \$77,255 this year due to Landscape Plant Purchases. Overall, this expense category is currently projected to be approximately 95-98% of budget at fiscal year-end.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of \$1,866,038 is a \$613,242 improvement over the \$1,252,796 increase for the same period ending January 31, 2025. This was attributable to the improved collection rate of the annual maintenance assessment.

The Amended 2025-26 Budget uses \$15,000 in Working Capital to balance. Based on current projections, the District is expected to add approximately \$80,000 to \$200,000 to Working Capital at fiscal year-end. This represents an improvement between \$95,000 and \$215,000. In addition, the budget includes transferring in \$144,000 from General R&R and \$1,110,000 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:

January 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.81%	3.81%	4.26%	3.77%	14.68%
One Month Rate of Return	0.26%	0.32%	0.32%	0.36%	0.31%	1.96%
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 \$7,504.78 in the Community Standards Fund.

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Statement of Activity
For the Four Months Ending January 31, 2026 (33% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
REVENUES:						
\$ 4,055,691	\$ 4,055,691	80%	Maintenance and Other Special Assessments	\$ 3,254,917	\$ 2,403,733	\$ 851,183
86,364	86,364	49%	Other Income	42,587	41,645	942
<u>158,000</u>	<u>158,000</u>	<u>42%</u>	Investment Income	<u>66,214</u>	<u>47,084</u>	<u>19,130</u>
4,300,055	4,300,055	78%	Total Revenues:	3,363,717	2,492,462	871,255
EXPENSES:						
16,173	16,173	27%	Personnel Services	4,327	4,539	(212)
464,121	464,121	37%	Management and Other Professional Services	171,895	156,259	15,635
631,484	631,484	32%	Utility Services	200,446	189,010	11,436
2,091,282	2,302,944	28%	Building, Landscape and Other Maintenance	651,897	496,241	155,656
<u>10,475</u>	<u>10,475</u>	<u>58%</u>	Other Expenses	<u>6,114</u>	<u>6,307</u>	<u>(193)</u>
3,213,535	3,425,197	30%	Total Operating Expenses	1,034,679	852,357	182,322
1,109,677	1,288,109	14%	Capital Outlay - Infrastructure and FFE	178,000	103,965	74,035
<u>855,000</u>	<u>855,000</u>	<u>33%</u>	Transfers out of Unrestricted Fund	<u>285,000</u>	<u>283,344</u>	<u>1,656</u>
<u>1,964,677</u>	<u>2,143,109</u>	<u>22%</u>	Total Other Changes	<u>463,000</u>	<u>387,309</u>	<u>75,691</u>
<u>5,178,212</u>	<u>5,568,306</u>	<u>27%</u>	Total Expenses and Other Changes:	<u>1,497,679</u>	<u>1,239,666</u>	<u>258,013</u>
<u>\$ (878,157)</u>	<u>\$ (1,268,251)</u>		Change in Unreserved Net Position	<u>\$ 1,866,038</u>	<u>\$ 1,252,796</u>	<u>\$ 613,242</u>
			Total Cash, Net of Bond Funds	<u>\$ 5,287,264</u>	<u>\$ 4,401,162</u>	<u>\$ 886,101</u>
Fund Balance						
			Unassigned	3,401,611	2,775,653	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	-	
			Committed R and R General	25,000	16,672	
			Committed R and R Villa Roads	1,189,991	1,081,821	
			Committed R and R Ph III	<u>299,287</u>	<u>326,566</u>	
			Total Fund Balance	<u>\$ 4,915,889</u>	<u>\$ 4,200,712</u>	<u>\$ 715,177</u>