

# The Villages®

## Community Development Districts

### District 4

#### **Financial Statement Summary** **As of February 28, 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 \$3,962,271, exceeding prior-year revenues of \$3,769,597 by 5.1%. The Maintenance Assessment 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 94.4% of the budgeted maintenance assessments. At the same point last year, collections were 93.2% of the annual maintenance assessment. This reflects a modest year-over-year improvement in collection performance. All payments are due by March 31, 2026.
- Investment earnings of \$92,341 through February 28, 2026 were substantially higher than the \$68,331 earned through February 28, 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 February 28, 2026, the realized LTP gains grew by \$8,365 or 84.9% to \$18,219.
- 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 4.29%. The 16% portion of the portfolio, which is Long-term, is performing well at an annual rate of 15.71%. 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 \$1,269,114 are 2.2% lower than the prior year-to-date expenses of \$1,298,057. 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 \$13,007 lower than last fiscal year. Tax Collector Fees increased due to higher Maintenance Assessment Fees and collection rate. Most components in this category were down when compared to FY 24-25. 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 \$246,611 is \$12,799 higher or 5.5% than the Prior Year at \$233,812 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 \$800,216 are down 3.4% from \$828,537 last year. Notably, Building/Structure Maintenance increased by \$32,020 due to Storm Pipe Inspections and Cleanings and Landscape Maintenance: Non-Recurring increased by \$36,615 to \$77,255 driven by increased plant replacement and tree trimming activity compared to the same period in the prior fiscal year. These increases were offset by a \$72,647 decline in Other Maintenance from last year (Kittredge & McLawren), Water Resources Other Maintenance expense reduction of \$12,111 (Soulliere Villa Retention Area) and Water Resources Building/Structure Maintenance expense reduction of \$18,807 (Pump Station Repairs). 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 \$2,158,907 is a \$145,507 improvement over the \$2,013,400 increase for the same period ending February 28, 2025. This was largely attributable to the improved collection rate and increase in the annual maintenance assessment.

The Amended 2025-26 Budget includes transfers of \$144,000 from General R&R and \$1,110,000 from Roads R&R for specific capital projects and requires \$15,000 in Working Capital to balance. Based on current projections, the District is expected to add approximately \$80,000 to \$170,000 to Working Capital at fiscal year-end. This represents an improvement between \$95,000 and \$185,000.

#### **Year-to-Date Earnings by Investment Category:**

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

February 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.75%	3.77%	4.29%	3.88%	15.71%
One Month Rate of Return	0.26%	0.31%	0.31%	0.36%	0.32%	1.35%
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 Five Months Ending February 28, 2026 (42% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
<b>REVENUES:</b>						
\$ 4,055,691	\$ 4,055,691	94%	Maintenance and Other Special Assessments	\$ 3,827,343	\$ 3,659,313	\$ 168,030
86,364	86,364	49%	Other Income	42,587	41,953	634
<u>158,000</u>	<u>158,000</u>	<u>58%</u>	Investment Income	<u>92,341</u>	<u>68,331</u>	<u>24,010</u>
4,300,055	4,300,055	92%	<b>Total Revenues:</b>	3,962,271	3,769,597	192,674
<b>EXPENSES:</b>						
16,173	16,173	33%	Personnel Services	5,404	5,616	(212)
464,121	464,121	45%	Management and Other Professional Services	210,522	223,529	(13,007)
631,484	631,484	39%	Utility Services	246,611	233,812	12,799
2,091,282	2,302,944	35%	Building, Landscape and Other Maintenance	800,216	828,537	(28,321)
<u>10,475</u>	<u>10,475</u>	<u>61%</u>	Other Expenses	<u>6,362</u>	<u>6,563</u>	<u>(201)</u>
3,213,535	3,425,197	37%	<b>Total Operating Expenses</b>	1,269,114	1,298,057	(28,943)
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>42%</u>	Transfers out of Unrestricted Fund	<u>356,250</u>	<u>354,176</u>	<u>2,074</u>
<u>1,964,677</u>	<u>2,143,109</u>	<u>25%</u>	<b>Total Other Changes</b>	<u>534,250</u>	<u>458,141</u>	<u>76,109</u>
<u>5,178,212</u>	<u>5,568,306</u>	<u>32%</u>	<b>Total Expenses and Other Changes:</b>	<u>1,803,364</u>	<u>1,756,198</u>	<u>47,166</u>
<u>\$ (878,157)</u>	<u>\$ (1,268,251)</u>		<b>Change in Unreserved Net Position</b>	<u>\$ 2,158,907</u>	<u>\$ 2,013,400</u>	<u>\$ 145,507</u>
			<b>Total Cash, Net of Bond Funds</b>	<u>\$ 5,334,382</u>	<u>\$ 5,382,507</u>	<u>\$ (48,125)</u>
<b>Fund Balance</b>						
			Unassigned	3,691,339	3,526,649	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	-	
			Committed R and R General	31,250	20,838	
			Committed R and R Villa Roads	1,254,991	1,148,487	
			Committed R and R Ph III	<u>302,427</u>	<u>336,173</u>	
			<b>Total Fund Balance</b>	<u>\$ 5,280,007</u>	<u>\$ 5,032,147</u>	<u>\$ 247,860</u>