The Villages®
Community Development Districts
District 4

Financial Statement Summary
As of May 31, 2026

Summary

The District is expected to achieve its budgeted revenues for FY 2025-26, and expenditures through May 31, 2026, were generally tracking below budget. However, following month-end, an unexpected stormwater pipe failure at Cameron Villas necessitated emergency repairs and a corresponding budget amendment approved by the Board in June 2026.

Revenues

Year-to-date Revenues were $4,186,341, exceeding prior-year revenues of $4,087,111 by 2.4%. This increase was driven by the 3% Maintenance Assessment increase implemented in the current year and the growth of investment income in comparison to the same period of the prior year. Revenues represent 97.4% of the annual revenue budget as of May 31st.

- The District has collected 98.0% of the budgeted maintenance assessments. At the same point last year, collections were 99.8% of the annual maintenance assessment. This reflects a modest year-over-year decline in collection performance.

- Investment earnings of $148,629 through May 31, 2026 were $19,727 or 15.3% higher than the $128,902 earned through May 31, 2025. The realized LTP gains grew by $10,696 or 80.6% to $23,971. $46k in investment income was unrealized gains as of May 31, 2026. Fiscal Year 2025-26 budgeted Investment earnings are $158,000, and as of May 31, 2026, Investment Income was 94.1% of budget while just 66.7% of the fiscal year has passed.

- 88.1% of the portfolio is Short-term Fixed income securities where the rate of return has been decreasing due to the Federal Fund rate cuts. Short-term investments are currently earning an estimated annual rate of return of 3.13% to 4.24%. The 11.9% portion of the portfolio, which is Long-term, is performing at an annualized rate of 19.06%.

Expenses and Other Changes

Year-to-date Operating Expenses of $1,991,043 were 6.5% lower than the prior year-to-date total of $2,128,734. Operating Expenses are currently projected to finish the fiscal year at approximately 98% to 100% of the amended budget. Capital Projects scheduled for FY 2025-26 total $1,288,109 and are projected to utilize approximately 97% to 99% of budget. Excess funds from Capital Projects will be reallocated to support the storm pipe repair project.

- Management and Other Professional services include Management fees, Deed Compliance fees, Tax Collection fees, Legal fees, and Technology Service fees. Combined, these expenses were $25,701 lower than last fiscal year. Management Fees and Engineering Services were down by a combined $23,949. Tax Collector Fees increased by $1,657 due to higher Maintenance Assessment Fees. Other Professional Services increased by $1,816 due to Arlington Loop and Stormwater Inspections. 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 $357,294 was $11,467 (3.1% lower) than the Prior Year at $368,761. Electricity use is at 55.5% of budget while we are 66.7% through the fiscal year. Irrigation Water is 69.1% of budget through May 31st. This expense category is currently projected to be approximately 96 – 100% of budget at fiscal year-end.

- Building, Landscape, and Other Maintenance Expenses totaled $1,314,586 through May, a decrease of $100,288 (7.1%) from the prior year. The decrease occurred despite higher Non-Recurring Landscape Maintenance costs related to plant replacements and tree trimming, as well as increased Irrigation Repair expenses resulting from the winter hard freeze. Subsequent to month-end, an additional storm pipe failure within Cameron Villas necessitated emergency repairs and a related budget amendment. Following the amendment, this category is projected to finish the fiscal year at approximately 98% to 100% of budget.

Change in Unreserved Net Position

Year-to-Date increase in Unreserved Net Position of $1,442,467 is a $158,828 improvement over the $1,283,639 increase for the same period ending May 31, 2025.

The Amended 2025-26 Budget includes the use of $144,000 from General R&R and $1,110,000 from Roads R&R for specific capital projects and now requires $491,000 in Working Capital to balance. Current projections indicate the District may reduce the required use of Working Capital at fiscal year-end by up to $70k.

Year-to-Date Earnings by Investment Category:

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

May 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.70%	3.71%	4.24%	3.96%	19.06%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.33%	2.91%
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 Deed Compliance Reserve balance as of May 31st was $36,416.28 in the Community Standards Fund.

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Statement of Activity
For the Eight Months Ending May 31, 2026 (67% of the budget year)

Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
			REVENUES:			
$ 4,055,691	$ 4,055,691	98%	Maintenance and Other Special Assessments	$ 3,973,976	$ 3,895,513	$ 78,462
86,364	86,364	74%	Other Income	63,737	62,695	1,041
158,000	158,000	94%	Investment Income	148,629	128,902	19,727
4,300,055	4,300,055	97%	**Total Revenues:**	4,186,341	4,087,111	99,230
			EXPENSES:			
16,173	16,173	59%	Personnel Services	9,498	9,491	7
464,121	466,996	65%	Management and Other Professional Services	302,883	328,584	(25,701)
631,484	631,484	57%	Utility Services	357,294	368,761	(11,467)
2,091,282	2,300,069	57%	Building, Landscape and Other Maintenance	1,314,586	1,414,874	(100,288)
10,475	10,475	65%	Other Expenses	6,783	7,024	(242)
3,213,535	3,425,197	58%	**Total Operating Expenses**	1,991,043	2,128,734	(137,691)
1,109,677	1,288,109	14%	Capital Outlay - Infrastructure and FFE	182,832	108,066	74,765
855,000	855,000	67%	Transfers out of Unrestricted Fund	570,000	566,672	3,328
1,964,677	2,143,109	35%	**Total Other Changes**	752,832	674,738	78,093
5,178,212	5,568,306	49%	**Total Expenses and Other Changes:**	2,743,875	2,803,472	(59,597)
$ (878,157)	$ (1,268,251)		**Change in Unreserved Net Position**	$ 1,442,467	$ 1,283,639	$ 158,828
			Total Cash, Net of Bond Funds	$ 4,922,583	$ 4,571,459	$ 351,125
			Fund Balance			
			Unassigned	2,971,612	2,795,245	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	-	-	
			Committed R and R General	50,000	33,336	
			Committed R and R Villa Roads	1,449,991	1,348,485	
			Committed R and R Ph III	305,714	337,816	
			Total Fund Balance	$ 4,777,317	$ 4,514,882	$ 262,435