

The Villages®

Community Development Districts

District 4

Financial Statement Summary

As of November 30, 2023

Revenues and Other Available Resources

Year-to-Date (YTD) Revenues of \$116,000 are less than prior year-to-date (PYTD) revenues of \$129,000 and are 3% of budgeted revenues of \$4,162,000.

- The District has collected \$94,000 in maintenance assessments to date. Marion County collects the maintenance assessments on the annual tax bill and remits it to the District, net a 2% collection fee. The majority of assessments are collected from November through March. There was a 25% increase in maintenance assessments levied in FY 2024.
- Other income includes the Marion County Hwy 42 Agreement revenue; \$17,000 has been collected to date.
- Investment earnings of \$4,000 (\$9,000 realized gains and (\$5,000) unrealized losses) are less than the prior year to date earnings of \$35,000 and are at 3% of annual budgeted earnings of \$155,000. The unrealized loss of \$5K is attributed to the Long-Term Investment Portfolio. The investment portfolio is comprised of domestic equity, international equity, and fixed income asset classes. LTIP gain or loss is booked a month in arrears.

Market Conditions (PFM)

- In October both equities (S&P 500 -2.10% and -4.13% for ACWI x US) and fixed income (Agg Bond -1.58%) were down. For the US Market (using the S&P 500 index as a proxy) only utilities posted a positive performance, while all sectors were in the red.
- Treasury Yields jumped up on the higher end of the curve, creating a drag on returns for bonds. Various economic indicators (consumer confidence, inflation, unemployment, retail sales) all showed signs of cooling which is positive, but oil prices jumped up \$7 as a result of the Gaza strip conflict creating some worries for investors. Investors were generally nervous about additional geopolitical conflict during the month.
- November was the opposite as markets roared back led by the strength of Information Technology across the board and for Domestic Markets the Magnificent Seven.

The District has received 2% of assessment revenues through the county tax collections to date. Allocated the expenses will be incurred ratably over the 12-months. *As of November 30, 2023, 17% of the year has lapsed.*

Expenses and Other Changes

Year-to-Date Operating Expenses of \$300,000 is less than prior year-to-date expenses of \$358,000. Year to date spending is at 10% of budgeted expenses of \$2,863,000.

- Management and Other Professional services include Management fees, Deed Compliance, and Tax Collector fees.
 - Management fees went down by 4%, compared to the prior year.

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- Utility Services include Electricity and Irrigation Water expenses and year to date spending is at 15% of budgeted expenses of \$263,000.
- Building, Landscape and Other Maintenance Expenses totaling \$189,000 are less than the prior year to date expenses of \$235,000 and compare favorably to the budget of \$2,056,000.
 - Recurring Landscape Maintenance makes up 54% of the budget, or \$1,112,000. The District spent a total of \$169,000 or 15% of the budget.
 - Building/Structure Maintenance makes up 26% of the amended budget of \$537,000. To date, the District has spent \$3,000, or 1% of the budget.
 - Other Maintenance makes up 8% of the budget, or \$160,000. The District has spent a total of \$1,000 or 1% of the budget to date. This includes Routine Pressure Washing, Light Sweeps, and Lake Maintenance, all a part of monthly routine maintenance.
 - CR 42 Expenses make up 5% of the budget, or \$112,000 and we have spent \$6,000, or 5% of the budget to date.
 - Non-Recurring Landscape Maintenance, such as Plant Replacement, Tree Trimming, and Sod Replacement makes up 5% of the budget, or \$95,000. The District has spent a total of \$11,000 or 12% of the budget to date.
 - Irrigation Repair makes up 2% of the budget, or \$40,000. The District has spent a total of \$0 or 0% of the budget to date.
- Other Expenses include annual insurance expense, legal services and other miscellaneous expenses.
- Budgeted Capital Expenditures include Crowfield Pipe Repair, Mill and Overlay for Units 49, 61 and a Roof Replacement project for MC 24-Well Site. The District has spent 0% on Year-to-Date Capital Outlay expenses.

Change in Unreserved Net Position

Year-to-Date change in Unreserved Net Position of (\$300,000) compares favorably to the prior year to date change of (\$312,000). By year-end, based on the anticipated revenues and expenditures, the District will meet the budget reduction in unreserved net position of (\$398,000).

Investment Earnings

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

	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST***	LTIP***
Current Month Annualized Return*	4.88%	5.53%	5.56%	5.03%	4.93%	3.96%
One Month Rate of Return**	0.41%	0.46%	0.46%	0.42%	0.41%	-2.46%
Prior FY 2023	4.21%	4.75%	4.76%	4.28%	4.24%	-4.18%

*Current Month Annualized Return is the annual return expected based on the past months return.

**One month rate of return is the actual rate of return over the prior month.

***Rate listed is one month in arrears.

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Statement of Activity						
For the Two Months Ending November 30, 2023 (17% of the budget year)						
Original Budget	Amended Budget	Budget % used		YTD Actual	PYTD Actual	Variance
REVENUES:						
\$ 3,928,120	\$ 3,928,120	2.4%	Maintenance and Other Special Assessments	\$ 93,878	\$ 75,867	\$ 18,011
78,926	78,926	23%	Other Income	18,180	18,051	129
<u>155,000</u>	<u>155,000</u>	<u>3%</u>	Investment Income	4,367	34,913	(30,545)
4,162,046	4,162,046	3%	Total Revenues:	116,425	128,830	(12,405)
<u>36,907</u>	<u>36,907</u>	<u>0%</u>	Transfer In - Debt Service	-	-	-
4,198,953	4,198,953	3%	Total Available Resources:	116,425	128,830	(12,405)
EXPENSES:						
16,173	16,173	12%	Personnel Services	1,938	2,171	(233)
518,772	518,772	12%	Management and Other Professional Services	64,448	67,615	(3,167)
262,950	262,950	15%	Utility Services	38,931	47,364	(8,433)
2,083,524	2,055,859	9%	Building, Landscape and Other Maintenance	189,037	234,908	(45,871)
<u>9,070</u>	<u>9,070</u>	<u>64%</u>	Other Expenses	5,818	5,765	53
2,890,489	2,862,824	10%	Total Operating Expenses	300,171	357,823	(57,652)
1,006,283	1,033,948	0%	Capital Outlay - Infrastructure and FFE	-	-	-
<u>700,000</u>	<u>700,000</u>	<u>17%</u>	Transfers out of Unrestricted Fund	116,670	83,330	33,340
<u>1,706,283</u>	<u>1,733,948</u>	<u>7%</u>	Total Other Changes	116,670	83,330	33,340
4,596,772	4,596,772	9%	Total Expenses and Other Changes:	416,841	441,153	(24,312)
<u>\$ (397,819)</u>	<u>\$ (397,819)</u>		Change in Unreserved Net Position	<u>\$ (300,416)</u>	<u>\$ (312,322)</u>	<u>\$ 11,906</u>
Total Cash, Net of Bond Funds						
				<u>\$ 1,771,939</u>	<u>\$ 3,290,416</u>	<u>\$ (1,518,476)</u>
*Preliminary Fund Balance - Pending Year-end Close						
Fund Balance						
			Unassigned	465,694	1,196,696	
			Restricted - Capital Project, Phase I	-	-	
			Restricted - Capital Project, Phase II	34,000	30,000	
			Committed R and R General	36,058	241,568	
			Committed R and R Villa Roads	835,398	1,314,201	
			Committed R and R Ph III	<u>344,297</u>	<u>316,685</u>	
			Total Fund Balance	<u>\$ 1,715,447</u>	<u>\$ 3,099,151</u>	<u>\$ (1,383,704)</u>