The Villages®
Community Development Districts
District 12

Financial Statement Summary
As of December 31, 2025

Summary

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

Revenues
Year-to-date revenues total $3,767,963 exceeding prior-year revenues of $3,615,367. The increase is primarily driven by the 4% rise in the Maintenance Assessment and significantly higher Investment Income. Based on current performance, the District is on track to meet or surpass its FY 2025-26 revenue budget.

- The District has collected 91.4% of budgeted maintenance assessments to date compared with 92.7% at the same point last year. This reflects a modest year-over-year decline in collection performance.
- Investment earnings of $70,908 through December 31, 2025 were substantially higher than the $13,835 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, the realized LTP gains grew by $9,439 or 44.8% to $30,499.
- 82.8% of the portfolio is Short-term Fixed income securities where the rate of return has been decreasing due to the Federal Fund rate cut. However, they are currently earning an estimated annual rate of return of 3.21% to 4.38%. The 17.2% 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 $167,000. The District is on pace to exceed those investment earnings in FY 2025-26.

The District has received 91.4% of the annual Maintenance Assessment through the county tax collections. Expenses will be incurred ratably over the 12 months. *As of December 31, 25% of the year has lapsed.*

Expenses and Other Changes
Year-to-Date Operating Expenses of $1,004,587 are less than the prior year-to-date expenses of $1,024,943. 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 projected to be 95-99% of the amended budget. There are no Capital Projects scheduled for FY 2025-26.

- Management and Other Professional services include Management fees, Deed Compliance fees, Tax Collection fees, Legal fees, and Technology Service fees. Combined, these expenses were $2,248 lower than the same period last year. They are projected to be 94 – 98% of budget at fiscal year-end.
- Utility Services, which include Electricity and Irrigation Water, total $34,910 year-to-date, slightly below the prior year level of $37,223. Based on current spending patterns, this expense category is projected to finish the fiscal year at approximately 96 – 100% of budget.
- Building, Landscape, and Other Maintenance Expenses totaling $797,859 are less than the Prior Year-to-Date of $813,454. Notably, irrigation repair expense fell from $18,125 last year to $4,869 this year. Landscape Maintenance: Non-Recurring fell from $25,523 last year to $16,194 this year. There is no change in Project Wide fees this fiscal year. Overall, this expense category is projected to be at 95-99% of budget at fiscal year-end.

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Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals $2,763,376, representing a $172,951 improvement over the $2,590,425 increase for the same period ending December 31, 2024. The Amended 2025-26 Budget provides for a $75,029 addition to Working Capital after transferring $79,700 to General R&R. Based on current projections, the District is expected to add approximately $80,000 and $120,000 to Working Capital at year-end while still transferring $79,700 to General R&R.

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 $9,857.34 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:			
$ 4,041,202	$ 4,041,202	91%	Maintenance and Other Special Assessments	$ 3,697,024	$ 3,601,525	$ 95,499
-	-	100%	Other Income	31	7	25
167,000	167,000	42%	Investment Income	70,908	13,835	57,072
4,208,202	4,208,202	90%	**Total Revenues:**	3,767,963	3,615,367	152,596
			EXPENSES:			
15,096	15,096	16%	Personnel Services	2,389	2,171	219
499,634	499,634	33%	Management and Other Professional Services	163,515	165,763	(2,248)
136,830	136,830	26%	Utility Services	34,910	37,223	(2,313)
3,550,118	3,550,118	22%	Building, Landscape and Other Maintenance	797,859	813,454	(15,595)
11,175	11,175	53%	Other Expenses	5,913	6,331	(418)
4,212,853	4,212,853	24%	**Total Operating Expenses**	1,004,587	1,024,943	(20,356)
-	-	0%	Transfers out of Unrestricted Fund	-	-	-
-	-	0%	**Total Other Changes**	-	-	-
4,212,853	4,212,853	24%	**Total Expenses and Other Changes**	1,004,587	1,024,943	(20,356)
$ (4,651)	$ (4,651)		**Change in Unreserved Net Position**	$ 2,763,376	$ 2,590,425	$ 172,951
			Total Cash, Net of Bond Funds	$ 7,480,019	$ 7,324,289	$ 155,730
			*Preliminary Fund Balance - pending year-end close			
			Fund Balance			
			Unassigned	5,656,326	5,444,630	211,696
			Committed R and R General	1,800,000	1,800,000	$ -
			Total Fund Balance	$ 7,456,326	$ 7,244,630	$ 211,696