

The Villages®

Community Development Districts

District 12

Financial Statement Summary **As of January 31, 2026**

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 totaled \$3,942,749, exceeding prior-year revenues of \$3,778,276. 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 94.6% of budgeted maintenance assessments to date compared with 94.9% at the same point last year. This reflects a very modest year-over-year decline in collection performance.
- Investment earnings of \$118,906 through January 31, 2026 were 63.6% higher than the \$72,670 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 \$9,772 or 43.2% to \$32,411.
- 83% 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 3.13% to 4.26%. The 17% 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 \$167,000. The District is on pace to exceed those investment earnings in FY 2025-26.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$1,348,907 are less than the prior year-to-date expenses of \$1,396,179. 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 96-99% 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 \$3,476 lower than in 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 \$52,068 year-to-date, below the prior year level of \$82,239. There was a pending credit due in FY 2024-25 related to Hurricane Milton that had not been posted by January 2025. 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 \$1,088,369 are less than the Prior Year-to-Date of \$1,100,412. Notably, irrigation repair expense fell from \$28,148 last year to \$7,136 this year. There is no change in Project Wide fees this fiscal year. Overall, this expense category is projected at approximately 96-99% 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 \$2,593,842, representing a \$211,744 improvement over the \$2,382,098 increase for the period ending January 31, 2025. The Amended 2025-26 Budget provides for a \$75,000 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 \$110,000 to Working Capital at year-end, a \$5,000 to \$35,000 improvement.

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 \$26,867.10 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:			
\$ 4,041,202	\$ 4,041,202	95%	Maintenance and Other Special Assessments	\$ 3,823,811	\$ 3,705,599	\$ 118,212
-	-	100%	Other Income	31	7	25
<u>167,000</u>	<u>167,000</u>	<u>71%</u>	Investment Income	<u>118,906</u>	<u>72,670</u>	<u>46,236</u>
4,208,202	4,208,202	94%	Total Revenues:	3,942,749	3,778,276	164,473
			EXPENSES:			
15,096	15,096	22%	Personnel Services	3,251	3,247	3
499,634	499,634	40%	Management and Other Professional Services	199,225	202,701	(3,476)
136,830	136,830	38%	Utility Services	52,068	83,239	(31,171)
3,550,118	3,550,118	31%	Building, Landscape and Other Maintenance	1,088,369	1,100,412	(12,043)
<u>11,175</u>	<u>11,175</u>	<u>54%</u>	Other Expenses	<u>5,995</u>	<u>6,579</u>	<u>(585)</u>
4,212,853	4,212,853	32%	Total Operating Expenses	1,348,907	1,396,179	(47,272)
-	-	0%	Transfers out of Unrestricted Fund	-	-	-
-	-	0%	Total Other Changes	-	-	-
<u>4,212,853</u>	<u>4,212,853</u>	32%	Total Expenses and Other Changes	<u>1,348,907</u>	<u>1,396,179</u>	<u>(47,272)</u>
\$ (4,651)	\$ (4,651)		Change in Unreserved Net Position	\$ 2,593,842	\$ 2,382,098	\$ 211,744
			Total Cash, Net of Bond Funds	\$ 7,342,492	\$ 7,150,514	\$ 191,977
			Fund Balance			
			Unassigned	5,486,792	5,236,303	250,489
			Committed R and R General	<u>1,800,000</u>	<u>1,800,000</u>	\$ -
			Total Fund Balance	<u>\$ 7,286,792</u>	<u>\$ 7,036,303</u>	<u>\$ 250,489</u>