The Villages®
Community Development Districts
District 12

Financial Statement Summary
As of May 31, 2026

Summary

The District has achieved 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 reached $4,278,042, a 5.4% increase over the prior year's $4,059,458. This growth was primarily attributed to the 4% adjustment in Maintenance Assessments. As of May 31, 2026, the District was at 102% of budgeted revenue for FY 25-26.

- The District collected 99.8% of budgeted maintenance assessments through May 31, 2026 compared with 99.9% at the same point last year.

- Investment earnings of $237,586 through May 31, 2026 were up by 32.6% from the $179,198 earned as of May 31, 2025. As of May 31, 2026, the realized LTP gains grew by $71,195 to $102,961, a 224.1% improvement.

- Approximately 79.9% of the portfolio consists of short-term fixed income securities, where rates of return have been declining due to Federal Funds rate cuts. Short-term investments are currently earning an estimated annual rate of return ranging from 3.13% to 4.24%. The remaining 20.1% of the portfolio, consisting of long-term investments, is currently earning an annual rate of return of 19.06%. Fiscal Year 2025-26 budgeted investment earnings are $167,000, and the District had achieved 142% of budgeted investment earnings as of May 31, 2026. However, approximately $35K of those earnings were unrealized as of May 31.

Expenses and Other Changes

Year-to-Date Operating Expenses of $2,680,898 were 2.1% higher than the prior year-to-date expenses of $2,626,903. 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 expenses include Management Fees, Deed Compliance Fees, Tax Collection Fees, Legal Fees, and Technology Service Fees. Combined, these expenses were $1,781 lower than during the same period last year. The primary contributor to this decline was Management Fees, which were $6,174 lower than the prior year due to the implementation of a flat-rate allocation schedule. Tax Collector's Fees increased by $4,338 because of the FY 2025-26 Maintenance Assessment increase. Additionally, a $3,418 charge was incurred for a drainage assessment at on Pearlman Way. This appropriations category is projected to end the fiscal year at approximately 94% to 98% of budget.

- Utility Services, which include Electricity and Irrigation Water, totaled $87,743 year-to-date, 13.8% higher than the prior year level of $77,121. As of this reporting period, the District is 66.7% through the fiscal year, and Irrigation Water expenses are at 64.1% of budget. Electricity expense totaled $5,062 and is currently at 44.8% of budget. Water restrictions have brought the Irrigation Water expense back in line with budget, 65.9% used, as of May 31st. If additional funding is needed for the Irrigation Water budget, it may be offset by available funds within the Electricity budget. This expense category is projected to finish the fiscal year at approximately 98% to 100% of budget.

- Building, Landscape, and Other Maintenance Expenses totaling $2,237,012 were $44,443 or 2.0% higher than the Prior Year's $2,192,570. Notably, Irrigation Repair expenses decreased from $48,720 last year to $24,191 this year. This reduction was primarily due to higher repair activity for clogged irrigation heads in the prior fiscal year. In the current year, irrigation head replacements have declined thanks to additional cleaning and reduced sand buildup in the irrigation system. Landscape Maintenance – Recurring costs are significantly higher than the prior year due to timing differences in payment processing. No payment was made in May of the prior year, while a payment was processed in May of the current year. This variance is expected to equalize in June. There was 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.

Change in Unreserved Net Position

The year-to-date increase in Unreserved Net Position totals $1,597,144, representing a $164,589 improvement over the $1,432,555 increase for the period ending May 31, 2025. The Amended 2025-26 Budget provides for a $75,000 addition to Working Capital. Based on current projections, the District is expected to add approximately $80,000 and $150,000 to Working Capital at year-end, a $5,000 to $75,000 improvement.

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 this month end was $36,388.90 in the Community Standards Fund.

The Villages®
Community Development Districts
District 12

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:			
$ 4,041,202	$ 4,041,202	100%	Maintenance and Other Special Assessments	$ 4,034,868	$ 3,880,248	$ 154,620
-	-	100%	Other Income	5,589	12	5,577
167,000	167,000	142%	Investment Income	237,586	179,198	58,388
4,208,202	4,208,202	102%	**Total Revenues:**	4,278,042	4,059,458	218,584
			EXPENSES:			
15,096	15,096	50%	Personnel Services	7,560	6,477	1,083
499,634	503,134	68%	Management and Other Professional Services	342,260	344,040	(1,781)
136,830	136,830	64%	Utility Services	87,743	77,121	10,622
3,550,118	3,546,618	63%	Building, Landscape and Other Maintenance	2,237,012	2,192,570	44,443
11,175	11,175	57%	Other Expenses	6,323	6,696	(373)
4,212,853	4,212,853	64%	**Total Operating Expenses**	2,680,898	2,626,903	53,995
4,212,853	4,212,853	64%	**Total Expenses and Other Changes**	2,680,898	2,626,903	53,995
$ (4,651)	$ (4,651)		**Change in Unreserved Net Position**	$ 1,597,144	$ 1,432,555	$ 164,589
			Total Cash, Net of Bond Funds	$ 6,277,113	$ 6,106,654	$ 170,460
			Fund Balance			
			Unassigned	4,490,094	4,286,760	203,334
			Committed R and R General	1,800,000	1,800,000	$ -
			Total Fund Balance	$ 6,290,094	$ 6,086,760	$ 203,334