The Villages®
Community Development Districts
District 12

Financial Statement Summary
As of June 30, 2026

Summary

The District has achieved its budgeted revenue for FY 2025-26, while expenditures continued to trend below plan. This performance positions the District for a stronger year-end working capital outcome.

Revenues

Year-to-date revenues reached $4,305,552, a 4.1% increase over the prior year's $4,137,150. This growth was primarily attributed to the 4% adjustment in Maintenance Assessments. As of June 30, 2026, the District was at 102% of budgeted revenue for FY 25-26.

- The District collected 100% of budgeted maintenance assessments through June 30, 2026.

- Year to Date Investment earnings of $249,296 were up by 1.7% from the $245,073 earned over the same nine-month period of 2025. As of June 30, 2026, the realized LTP gains grew by $71,116 to $104,534, a 212.8% improvement.

- Approximately 83% 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 4.25%. The remaining 17% of the portfolio, consisting of long-term investments, is currently earning an annual rate of return of 15.17%. Fiscal Year 2025-26 budgeted investment earnings are $167,000, and the District had achieved 149% of budgeted investment earnings as of June 30, 2026. However, approximately $35K of those earnings were unrealized as of June 30.

Expenses and Other Changes

Year-to-Date Operating Expenses of $3,118,595 were 0.5% higher than the prior year-to-date expenses of $3,102,605. There has been no significant expense that would alter the District's ability to operate within the approved FY 2025-26 budget. Through 75% of the fiscal year, 74% of the expense budget has been utilized. 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 $2,916 or 0.8% lower than during the same period last year. The primary contributor to this decline was Management Fees, which were $6,946 lower than the prior year due to the implementation of a flat-rate allocation schedule. Also, Deed Compliance Services' fee declined by $4,951. Tax Collector's Fees increased by $4,418 because of the FY 2025-26 Maintenance Assessment increase. Additionally, a $3,418 charge was incurred for a drainage assessment at 4540 Pearlman Way. This category is projected to end the fiscal year at approximately 94% to 98% of budget.

- Utility Services, which include Electricity and Irrigation Water, totaled $97,873 year-to-date, 6.1% higher than the prior year level of $92,250. As of this reporting period, the District is 75% through the fiscal year, and Utilitiy Services expenses are at 72% of budget. Electricity expense totaled $5,594 and is currently at 49.4% of budget. Water restrictions have brought the Irrigation Water expense back in line with budget, 73.5% used, as of June 30th. 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 $2,628,422 were $12,428 or 0.5% higher than the Prior Year's $2,615,995. Notably, Irrigation Repair expenses decreased from $50,356 last year to $26,852 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 during FY 24-25. This variance will not equalize until September, as three months of payments were made in September 2025. 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 $1,186,957, representing an improvement of $152,411 over the $1,034,546 increase reported for the period ending June 30, 2025. The Amended FY 2025-26 Budget includes a $75,000 addition to Working Capital. Based on current projections, the District is expected to add approximately $115,000 to $240,000 to Working Capital at fiscal year-end, representing an improvement of $40,000 to $165,000 over the budgeted amount.

Year-to-Date Earnings by Investment Category:

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

June 2026	CFB	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.13%	3.71%	3.72%	4.25%	4.13%	15.17%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.34%	0.03%
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 $36,023.90 in the Community Standards Fund.

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Statement of Activity

For the Nine Months Ending June 30, 2026 (75% 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	$ 4,050,668	$ 3,892,062	$ 158,606
-	-	100%	Other Income	5,589	16	5,573
167,000	167,000	149%	Investment Income	249,296	245,073	4,223
4,208,202	4,208,202	102%	**Total Revenues:**	4,305,552	4,137,150	168,402
			EXPENSES:			
15,096	15,096	59%	Personnel Services	8,852	7,769	1,083
499,634	503,134	75%	Management and Other Professional Services	376,907	379,823	(2,916)
136,830	136,830	72%	Utility Services	97,873	92,250	5,623
3,550,118	3,546,618	74%	Building, Landscape and Other Maintenance	2,628,422	2,615,995	12,428
11,175	11,175	59%	Other Expenses	6,541	6,769	(228)
4,212,853	4,212,853	74%	**Total Operating Expenses**	3,118,595	3,102,605	15,991
4,212,853	4,212,853	74%	**Total Expenses and Other Changes**	3,118,595	3,102,605	15,991
$ (4,651)	$ (4,651)		**Change in Unreserved Net Position**	$ 1,186,957	$ 1,034,546	$ 152,411
			Total Cash, Net of Bond Funds	$ 6,104,660	$ 5,885,644	$ 219,016
			Fund Balance			
			Unassigned	4,079,907	3,888,751	191,156
			Committed R and R General	1,800,000	1,800,000	$ -
			Total Fund Balance	$ 5,879,907	$ 5,688,751	$ 191,156