

The Villages®

Community Development Districts

District 12

Financial Statement Summary

As of July 31, 2026

Summary

As of July 31 (83% of the fiscal year), the District has achieved its budgeted revenue for Fiscal Year 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 \$4,305,288, a 3.7% increase over the prior year's \$4,150,805. This growth was primarily attributed to the 4% adjustment in Maintenance Assessments. As of July 31, 2026, the District was at 102% of budgeted revenue for Fiscal Year 2025-26.

- The District collected 100% of budgeted maintenance assessments through July 31, 2026.
- Other Income included \$5,500 FEMA Claim Re-imbursement. As collection was not guaranteed, it was not included in the annual budget.
- Year-to-date investment earnings totaled \$249,032, a decrease of \$9,665, or 3.7%, compared to \$258,697 over the same ten-month period of the prior year. The decrease is attributable to lower unrealized investment gains, which totaled \$22,659 compared to \$84,630 in the prior year. This decrease was partially offset by stronger realized investment earnings, which increased by \$52,306, or 30.0%, from \$174,068 to \$226,373. LTP realized gains contributed to this increase, growing by \$71,358 to \$106,063 through July 31, 2026.
- Approximately 83% of the portfolio consists of short-term fixed income securities. The current short-term rate environment has stabilized, and short-term investments are currently earning an estimated annual rate of return ranging from 3.15% to 4.27%. The remaining 17% of the portfolio, consisting of long-term investments, is currently earning an annual rate of return of 13.54%. Fiscal Year 2025-26 budgeted investment earnings are \$167,000, and the District achieved 149% of budgeted investment earnings as of July 31, 2026.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$3,385,010 were 0.7% higher than the prior year-to-date expenses of \$3,361,305. There has been no significant expense that would alter the District's ability to operate within the approved Fiscal Year 2025-26 budget. Through 83% of the fiscal year, 80% of the expense budget has been utilized. Operating Expenses are projected to be 96-99% of the amended budget. Moreover, there are no Capital Projects scheduled for Fiscal Year 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 \$4,578, or 1.1%, lower than the same period last year. The decrease was primarily attributable to Management Fees, which were \$7,718 lower due to the implementation of a flat-rate allocation schedule, and Deed Compliance Fees, which decreased by \$6,273. These reductions were partially offset by a \$4,418 increase in Tax Collection Fees resulting from the Fiscal Year 2025-26 maintenance assessment

The Villages®

Community Development Districts

District 12

increase, as well as a \$3,418 charge for a drainage assessment on Pearlman Way. Overall, 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 \$106,660 year-to-date, 0.3% lower than the prior year level of \$106,954. As of this reporting period, the District is 83% through the fiscal year, and Utility Services expenses are at 80% of budget. Electricity expense totaled \$6,215 and is currently at 54.9% of budget. Water restrictions have brought the Irrigation Water expense back in line with budget, 80% used, as of July 31, 2026. This expense category is projected to finish the fiscal year at approximately 97% to 99% of budget.
- Building, Landscape, and Other Maintenance Expenses totaling \$2,852,832 were \$27,511 or 1.0% higher than the Prior Year's \$2,825,320. Landscape Maintenance – Recurring costs are significantly higher than the prior year due to timing differences in payment processing during Fiscal Year 2024-25. Other Maintenance Costs were down by \$70,601 or 72.8% as Fiscal Year 2024-25 included Hurricane Milton clean-up costs. Irrigation Repair expenses decreased from \$56,192 last year to \$29,823 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. 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 \$920,278, representing an improvement of \$130,777 over the \$789,500 increase reported for the period ending July 31, 2025. The Amended Fiscal Year 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:

July 2026	Seacoast	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.15%	3.73%	3.74%	4.25%	4.27%	13.54%
One Month Rate of Return	0.26%	0.31%	0.31%	0.35%	0.36%	-0.96%
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 Deed Compliance Reserve balance as of this month end was \$36,023.90 in the Community Standards Fund.

The Villages®
Community Development Districts
District 12

Statement of Activity						
For the Ten Months Ending July 31, 2026 (83% 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	46	5,543
<u>167,000</u>	<u>167,000</u>	<u>149%</u>	Investment Income	<u>249,032</u>	<u>258,697</u>	<u>(9,665)</u>
4,208,202	4,208,202	102%	Total Revenues:	4,305,288	4,150,805	154,483
			EXPENSES:			
15,096	15,096	64%	Personnel Services	9,713	8,414	1,299
499,634	505,834	81%	Management and Other Professional Services	409,182	413,760	(4,578)
136,830	133,830	80%	Utility Services	106,660	106,954	(294)
3,550,118	3,541,618	81%	Building, Landscape and Other Maintenance	2,852,832	2,825,320	27,511
<u>11,175</u>	<u>16,475</u>	<u>40%</u>	Other Expenses	<u>6,623</u>	<u>6,857</u>	<u>(233)</u>
4,212,853	4,212,853	80%	Total Operating Expenses	3,385,010	3,361,305	23,705
<u>4,212,853</u>	<u>4,212,853</u>	80%	Total Expenses and Other Changes	<u>3,385,010</u>	<u>3,361,305</u>	<u>23,705</u>
<u>\$ (4,651)</u>	<u>\$ (4,651)</u>		Change in Unreserved Net Position	<u>\$ 920,278</u>	<u>\$ 789,500</u>	<u>\$ 130,777</u>
			Total Cash, Net of Bond Funds	<u>\$ 5,634,728</u>	<u>\$ 5,446,854</u>	<u>\$ 187,874</u>
			Fund Balance			
			Unassigned	3,813,228	3,643,706	169,522
			Committed R and R General	<u>1,800,000</u>	<u>1,800,000</u>	<u>\$ -</u>
			Total Fund Balance	<u>\$ 5,613,228</u>	<u>\$ 5,443,706</u>	<u>\$ 169,522</u>