

The Villages®

Community Development Districts

District 12

Financial Statement Summary

As of August 31, 2026

Summary

As of August 31st (92% of the fiscal year), 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 \$4,337,736, a 3.4% increase over the prior year's \$4,196,434. This growth was primarily attributed to the 4% adjustment in Maintenance Assessments. As of August 31, 2026, the District was at 103% of budgeted revenue for FY 25-26.

- The District collected 100.3% of budgeted maintenance assessments through August 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 \$280,515, a decrease of \$23,809, or 7.8%, compared to \$304,323 over the same eleven-month period of the prior year. The decrease is attributable to lower unrealized investment gains, which totaled \$43,247 compared to \$128,788 in the prior year. This decrease was partially offset by stronger realized gains which included LTIP earnings of \$107,462, an increase of \$71,118, or 196%, as of August 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 3.18% to 4.36%. The remaining 17% of the portfolio, consisting of long-term investments, is currently earning an annual rate of return of 13.19%. Fiscal Year 2025-26 budgeted investment earnings are \$167,000, and the District achieved 168% of budgeted investment earnings as of August 31, 2026.

Expenses and Other Changes

Year-to-Date Operating Expenses of \$3,714,824 were 0.8% higher than the prior year-to-date expenses of \$3,683,731. There has been no significant expense that would alter the District's ability to operate within the approved FY 2025-26 budget. Through 92% of the fiscal year, 88% of the expense budget has been utilized. Operating Expenses are projected to be 95-98% of the amended budget. Moreover, 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 \$7,568, or 1.7% lower than the same period last year. The decrease was primarily attributable to Management Fees, which were \$8,490 lower due to the implementation of a flat-rate allocation schedule, and Deed Compliance Fees, which decreased by \$7,373. These reductions were partially offset by a \$4,437 increase in Tax Collection Fees resulting from the Fiscal Year 2025-26 maintenance assessment 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 96% of budget.

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- Utility Services, which include Electricity and Irrigation Water, totaled \$117,268 year-to-date, 0.6% lower than the prior year level of \$117,963. As of this reporting period, the District is 92% through the fiscal year, and Utility Services expenses are at 88% of budget. Electricity expense totaled \$6,815 and is currently at 82% of the amended budget. Water restrictions have brought the Irrigation Water expense back in line with budget, 88% used, as of August 31st. This expense category is projected to finish the fiscal year at approximately 96% to 98% of the amended budget.
- Building, Landscape, and Other Maintenance Expenses totaling \$3,139,652 were \$36,464 or 1.2% higher than the Prior Year's \$3,103,187. This category utilized 89% of the fiscal year budget through August 31st. Landscape Maintenance – Recurring costs are significantly higher than the prior year due to timing differences in payment processing cycle during FY 24-25. Other Maintenance Costs were down by \$70,601 or 72.8% as FY 2024-25 included Hurricane Milton clean-up costs. Irrigation Repair expenses decreased from \$58,302 last year to \$33,319 this year, a \$25k reduction. This decline 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 \$622,911, representing an improvement of \$110,208 over the \$512,703 increase reported for the period ending August 31, 2025. The Amended FY 2025-26 Budget includes using \$5k in Working Capital to balance the budget. Based on current projections, the District is expected to add approximately \$250,000 to \$290,000 to Working Capital at fiscal year-end, representing an improvement of \$255k to \$295k 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:

August 2026	Seacoast	FLCLASS	FL PALM	FL-FIT	FLTRUST	LTIP**
Current Month Annualized Return*	3.18%	3.78%	3.76%	4.25%	4.36%	13.19%
One Month Rate of Return	0.27%	0.31%	0.31%	0.35%	0.36%	1.74%
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 \$35,475.90 in the Community Standards Fund.

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Statement of Activity						
For the Eleven Months Ending August 31, 2026 (92% 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	\$ 4,051,596	\$ 3,892,062	\$ 159,534
-	-	100%	Other Income	5,626	49	5,577
167,000	167,000	168%	Investment Income	280,515	304,323	(23,809)
4,208,202	4,208,202	103%	Total Revenues:	4,337,736	4,196,434	141,302
			EXPENSES:			
15,096	15,096	69%	Personnel Services	10,359	9,491	868
499,634	505,834	87%	Management and Other Professional Services	438,589	446,158	(7,568)
136,830	133,830	88%	Utility Services	117,268	117,963	(695)
3,550,118	3,541,618	89%	Building, Landscape and Other Maintenance	3,139,652	3,103,187	36,464
11,175	16,475	54%	Other Expenses	8,956	6,932	2,024
4,212,853	4,212,853	88%	Total Operating Expenses	3,714,824	3,683,731	31,093
4,212,853	4,212,853	88%	Total Expenses and Other Changes	3,714,824	3,683,731	31,093
\$ (4,651)	\$ (4,651)		Change in Unreserved Net Position	\$ 622,912	\$ 512,703	\$ 110,208
			Total Cash, Net of Bond Funds	\$ 5,355,094	\$ 5,198,033	\$ 157,061
			Fund Balance			
			Unassigned	3,515,862	3,366,909	148,953
			Committed R and R General	1,800,000	1,800,000	\$ -
			Total Fund Balance	\$ 5,315,862	\$ 5,166,909	\$ 148,953