JGCC PROPERTY OWNERS ASSOCIATION, INC.

Financial Statements
Supplementary Information
and
Independent Auditors' Report
For the Year Ended December 31, 2022

JGCC PROPERTY OWNERS ASSOCIATION, INC.
December 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
JGCC Property Owners Association, Inc.
Jacksonville, Florida

Opinion

We have audited the accompanying financial statements of JGCC Property Owners Association, Inc., which comprise the balance sheet as of December 31, 2022, and the related statements of revenues, expenses, and changes in fund balances and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JGCC Property Owners Association, Inc. as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of JGCC Property Owners Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JGCC Property Owners Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JGCC Property Owners Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about JGCC Property Owners Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

INDEPENDENT AUDITORS' REPORT

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The "Comparison of Operating Fund Revenues and Expenses to Budget" on pages 14-15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of the Association's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information, except for that portion marked "unaudited," has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the "Supplementary Information on Future Major Repairs and Replacements" on page 16 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

LBW CPAs and Associates, Inc.

St. Augustine, Florida
September 22, 2023

JGCC PROPERTY OWNERS ASSOCIATION, INC.
At December 31, 2022

Balance Sheet

	Operating Fund	Replacement Fund	Total
Assets			
Current assets:			
Cash and cash equivalents:			
Unrestricted	$168,109		$168,109
Restricted	66,040		66,040
Designated	9,063	$811,736	820,799
Total cash and cash equivalents	243,212	811,736	1,054,948
Fees and assessments receivable, less allowance for uncollectible accounts of $208,000	37,377		37,377
Prepaid expenses	29,469		29,469
Prepaid insurance	6,685		6,685
Total current assets	316,743	811,736	1,128,479
Utility deposits	422		422
Total assets	$317,165	$811,736	$1,128,901
Liabilities and Fund Balances			
Current liabilities:			
Accounts payable and accrued expenses	$85,619		$85,619
Prepaid fees and assessments	64,405		64,405
Refundable deposits	57,440		57,440
Deferred revenue	190,889		190,889
Total current liabilities	398,353		398,353
Contract liabilities (unspent reserve assessments)		$810,707	810,707
Total liabilities	398,353	810,707	1,209,060
Fund balances	(81,188)	1,029	(80,159)
Total liabilities and fund balances	$317,165	$811,736	$1,128,901

See accompanying notes to the financial statements.

JGCC PROPERTY OWNERS ASSOCIATION, INC.
For the Year Ended December 31, 2022

Statement of Revenues, Expenses and Changes in Fund Balances

	Operating Fund	Replacement Fund	Total
Revenues			
Regular assessments (billed)	$1,308,049	$252,400	$1,560,449
Less: reserve assessment deferral		(252,400)	(252,400)
Net assessments recognized	1,308,049	-0-	1,308,049
ARC fees	14,205		14,205
Finance charges	23,441		23,441
Owner reimbursements	36,753		36,753
Insurance proceeds	11,632		11,632
Cable incentive income	22,212		22,212
Other income	15,359		15,359
Interest income	382	1,029	1,411
Total revenues	1,432,033	1,029	1,433,062
Expenses			
General and administrative	339,493		339,493
Landscape	336,624		336,624
General maintenance	140,964		140,964
Utilities	68,360		68,360
Access control	632,682		632,682
Waterway and drainage	42,431		42,431
Total expenses	1,560,554		1,560,554
Surplus/(deficit) of revenues over expenses	(128,521)	1,029	(127,492)
Fund balances, beginning of year	47,333		47,333
Fund balances, end of year	($81,188)	$1,029	($80,159)

JGCC PROPERTY OWNERS ASSOCIATION, INC.
For the Year Ended December 31, 2022

Statement of Cash Flows

	Operating Fund	Replacement Fund	Total
Cash flows from operating activities:			
Regular assessments received	$1,126,652	$252,400	$1,379,052
Interest and other cash receipts	259,485	1,029	260,514
Cash paid for goods and services	(1,505,572)		(1,505,572)
Net cash provided by/(used in) operating activities	(119,435)	253,429	133,994
Cash and cash equivalents,			
Beginning of year	362,647	558,307	920,954
End of year	$243,212	$811,736	$1,054,948
Adjustments to reconcile surplus/(deficit) of revenues over expenses to net cash provided by/(used in) operating activities:			
Surplus/(deficit) of revenues over expenses	($128,521)	$1,029	($127,492)
(Increase)/decrease in:			
Fees and assessments receivable	(25,827)		(25,827)
Prepaid expenses	(27,127)		(27,127)
Prepaid insurance	(861)		(861)
Increase/(decrease) in:			
Accounts payable and accrued expenses	30,364		30,364
Prepaid fees and assessments	(102,964)		(102,964)
Refundable deposits	(14,600)		(14,600)
Deferred revenue	150,101		150,101
Contract liabilities (unspent reserve assessments)		252,400	252,400
Net cash provided by/(used in) operating activities	($119,435)	$253,429	$133,994
Supplemental disclosures of cash flow information:			
Cash paid for interest			None
Cash paid for taxes			None

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization
JGCC Property Owners Association, Inc. (the "Association"), a nonprofit corporation (a homeowners association), was formed on October 17, 1988 under the laws of the State of Florida for the purpose of maintaining and operating the property within the residential area referred to as Jacksonville Golf & Country Club. The community was developed by Arvida/JMB Partners, formerly Arvida Corporation (the "Developer") and is located in Jacksonville, Duval County, Florida. There are certain common properties (such as landscaping, irrigation system, roads and sidewalks, signage, gate house, recreation building and park) within the community that require maintenance expenses to be shared by the owners. The Association consists of 919 residential units, a country club and one commercial establishment. Control of the Association has been turned over to its duly elected Board of Directors.

Basis of Presentation
The accompanying financial statements have been prepared using the accrual basis of accounting and in accordance with Florida Statutes and with the "Real Estate - Common Interest Realty Associations" topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). The accrual basis of accounting means that revenues are recorded when they are earned and expenses are recorded when they are incurred. The owners are assessed their share of the cost of maintaining and operating the common property. Many owners pay the assessments early. Early collections of assessments are shown as prepaid assessments on the balance sheet.

Fund Accounting
The Association's governing documents provide certain guidelines for governing its financial activities. To ensure observance of limitations and restrictions on the use of financial resources, the Association maintains its accounts using fund accounting, which requires that funds such as operating funds and funds designated for future major repairs and replacements be classified separately for accounting and reporting purposes. The assets, liabilities and fund balances of the Association are reported in two self-balancing fund groups.

The operating fund reflects the operating assessments paid by owners to meet the regular, recurring costs of operation. Expenditures from this fund are limited to those connected with the day-to-day operations.

The replacement fund is composed of assessments paid by owners to fund future major repairs and replacements. Interest earned on the replacement fund is retained in the fund net of applicable income taxes. These funds may be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority of owners.

Donated Services
The Association's Board of Directors and its officers serve without compensation. The value of these services is not recorded in the financial statements.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates.

Cash and Cash Equivalents
For purposes of reporting cash flows, the Association considers all monies deposited with financial institutions in checking and money market accounts and certificates of deposit with remaining maturities of three months or less to be cash and cash equivalents.

Recognition of Assets and Depreciation Policy
The Association's policy for recognizing common property as assets in its balance sheet is to recognize (a) common personal property and (b) real property to which it has title and that it can dispose of for cash while retaining the proceeds. Real property conveyed to the Association by the Developer is not recognized on the Association's financial statements because its disposition by the Association's Board of Directors is restricted. Replacements and improvements to common property are not generally recognized as assets because their disposition is restricted. However, if the Board of Directors has the discretion to dispose of the real property improvements, and the property is used to generate cash flows from the members on the basis of usage, the property is recorded as an asset. Tangible personal property acquired by using the Association's funds, if any, is recorded at cost and depreciated over its useful life. The Association has no tangible personal property at this time.

Owners' Assessments
Association members are subject to equal quarterly assessments to provide funds for the Association's operating expenses and major repairs and replacements. Assessment revenue is recognized as the related performance obligations are satisfied at transaction amounts expected to be collected. The Association's performance obligation related to its operating assessments is satisfied over time on a daily pro-rata basis using the input method. The performance obligations related to the replacement fund assessments are satisfied when these funds are expended for their designated purpose. Assessments receivable at the balance sheet date are stated at the amounts expected to be collected from outstanding assessments from owners. Prepaid assessments at the balance sheet date represent fees paid in advance by owners. The Association's policy is to retain legal counsel and place liens on the properties of owners whose assessments become past due. The Association provides for bad debt based on experience and analysis of individual accounts. When the collectability of a receivable becomes questionable, an allowance for uncollectible accounts is established. When specific accounts are determined to be uncollectible, they are written off by charging the allowance and crediting the receivable. The annual budget and assessments of owners are determined by the Board of Directors and are approved by the owners. The Association retains excess operating funds at the end of the fiscal year, if any, for use in future periods.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Owners' Assessments (Continued)
The Association treats uncollectible assessments as credit losses. Methods, inputs, and assumptions used to evaluate when assessments are considered uncollectible include consideration of past experience and susceptibility to factors outside the Association's control. The balances of assessments receivable as of the beginning and end of the year are $196,550 and $245,377, respectively.

Contract Liabilities (Unspent Reserve Assessments)
The Association recognizes revenue from members as the related performance obligations are satisfied. A contract liability (unspent reserve assessments) is recorded when the Association has received but not yet spent reserve assessments for their intended purpose. The balances of contract liabilities as of the beginning and end of the year are $558,307 and $810,707, respectively.

Fair Value of Financial Instruments
Unless otherwise indicated, the fair values of all reported assets and liabilities that represent financial instruments (none of which are held for trading purposes) approximate the value of such assets and liabilities.

Interest Income
Interest income earned by the replacement fund is allocated to that fund. Other interest income earned by the operating fund is credited to that respective fund account.

Concentration of Credit Risk
The Association's primary source of income is assessments paid by owners.

NOTE 2 - DATE OF MANAGEMENT'S REVIEW AND SUBSEQUENT EVENTS

In preparing the financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through September 22, 2023, the date that the financial statements were available to be issued. Based upon this evaluation, the Association has determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements.

NOTE 3 - OWNERS' ASSESSMENTS

During 2022, annual assessments to owners of residential lots and the commercial establishment were $1,648 each ($412 per quarter). The country club was assessed $41,200 for the year. From the total annual assessment, the amount of $252,400 (approximately $66.77 per owner per quarter) was designated to the replacement fund.

NOTE 3 - OWNERS' ASSESSMENTS (CONTINUED)

Delinquent assessments and fees totaled $245,377 at year end. The Association bases its allowance for uncollectible accounts on estimates from management and the Association's attorney. As of December 31, 2022, an allowance for uncollectible accounts in the amount of $208,000 has been recorded since collection of certain delinquent accounts and related expenses is doubtful.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Association to concentrations of credit risk, as defined by accounting principles generally accepted in the United States of America, consist primarily of bank accounts with balances, at times, in excess of amounts insured by the Federal Deposit Insurance Corporation and assessments receivable. Management of the Association evaluates the financial stability of its depositories and considers the risk of loss to be remote. The Association's assessments receivable are related to billed assessments. The Association monitors the collectability of these assessments receivable and pursues collection. Management routinely assesses the uncollectibility of the Association's assessments receivable and provides for allowances for doubtful accounts based on this assessment.

NOTE 5 - ARCHITECTURAL REVIEW COMMITTEE (ARC) DEPOSITS

The Association's governing documents establish an ARC that requires homeowners to submit plans prior to any new construction and/or improvement affecting the exterior of a property. To ensure compliance with ARC guidelines, the Association requires homeowners to post a refundable deposit ranging from $100 to $20,000 depending on the type and extent of construction. The Association also charges a non-refundable review fee to offset the costs of administration. At December 31, 2022, the balance sheet reflects restricted cash which includes ARC deposits totaling $57,440.

NOTE 6 - INCOME TAXES

Homeowners associations may elect to be taxed as a regular corporation or as a homeowners association. The Association elected to be taxed as a homeowners association for the year ended December 31, 2022. Under Internal Revenue Service Code Section 528, the Association excludes from taxation exempt function income, which generally consists of revenue from uniform assessments to owners. The Association's investment income and other nonexempt income were subject to tax at a flat federal rate of 30%. For the year ended December 31, 2022, nonexempt function income did not exceed the related expenses. Therefore, no federal income tax expense has been recorded.

NOTE 6 - INCOME TAXES (CONTINUED)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Association and recognize a tax liability if the Association has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Association and has concluded that as of December 31, 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Association is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Association's management believes it is no longer subject to income tax examinations for years prior to 2019.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Association may be periodically involved in legal actions and claims that arise as a result of events that occur in the normal course of operations. Management reviews the validity of such actions and acts accordingly. The financial statements do not include any adjustments for such actions. The Association also has entered into various contracts for services and major repairs and replacements.

During 2022, the Association engaged MAY Management Services, Inc. to provide property management services including: accounting, collections, closings, administration, property management, employment of personnel, and maintenance of common elements. Fees paid for management services during 2022 totaled $167,000. In addition, the Association reimburses the management company for labor costs, office supplies and out-of-pocket expenses for services and costs incurred on the Association's behalf.

NOTE 8 - COMCAST AGREEMENT

On October 1, 2014, the Association entered into a services agreement, grant of easement and compensation agreement with Comcast of Florida/Georgia/Illinois/Michigan, LLC ("Comcast"). As consideration for the Association granting Comcast the right to provide services for the next ten years, the Association was paid a per unit fee of $165 ($135,960 in total). In the event of termination of the agreement, a portion of this fee must be refunded to Comcast (the amount to be pro-rated according to the length of time remaining in the term of the agreement). Therefore, the revenue is being recognized proportionately over the life of the agreement. The amount of revenue recognized during 2022 under this agreement was $13,596. The unrecognized portion of $27,192 is included in deferred revenue on the balance sheet at year end.

NOTE 9 - HOTWIRE AGREEMENT

On March 24, 2022, the Association entered into an installation and service agreement with Hotwire Communications, Ltd. ("Hotwire"). As consideration for the Association granting Hotwire the right to provide services for the next ten years, the Association was paid a per unit fee of $250 ($229,750 in total, reduced by $57,437 for consulting fees). In the event of termination of the agreement, a portion of this fee must be refunded to Hotwire (the amount to be pro-rated according to the length of time remaining in the term of the agreement). Therefore, the revenue is being recognized proportionately over the life of the agreement. The amount of revenue recognized during 2022 under this agreement was $8,616. The unrecognized portion of $163,697 is included in deferred revenue on the balance sheet at year end.

NOTE 10 - DESIGNATED FUND

The Association designated certain funds to be used for emergency or capital expenditures. This fund was created during 2015 by the transfer of $176,170 from the operating surplus. During prior years, $44,195 was used for hurricane damage repairs, clean-up and landscape replacements; $1,600 was used for tree removal; $30,000 was used to offset the operating deficit; and $91,312 was used to increase the allowance for uncollectible accounts. At the prior year end, the remaining balance was $9,063. This amount has been combined with the operating fund balance as of December 31, 2021.

NOTE 11 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association has accumulated funds for future major repairs and replacements. Accumulated funds at December 31, 2022, which total $811,736 and are presented on the accompanying balance sheet as a contract liability (unspent reserve assessments) in the amount of $810,707 and fund balance of $1,029, consist of cash in an interest-bearing bank account generally not available for operating purposes.

The Financial Accounting Standards Board ("FASB") has issued and amended Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers in the Accounting Standards Codification Topic 606 (collectively, "ASC 606"). Pursuant to ASC 606, the total replacement fund balance is allocated between contract liabilities and fund balance. The contract liability represents unspent assessments that will be recognized as revenues when the funds are expended for their intended purposes. For the year ended December 31, 2022, the Association added $252,400 of unspent reserve assessments to the beginning balance of $558,307, for total contract liabilities of $810,707. These funds will remain in contract liabilities until expended for their intended purpose. The fund balance of $1,029 represents unspent interest income.

NOTE 11 - FUTURE MAJOR REPAIRS AND REPLACEMENTS (CONTINUED)

The Association is funding major repairs and replacements based upon a study provided by an independent analyst during 2017. That study, which is dated November 2, 2017, recommended funding for 2023 in the amount of $259,500. The method of calculating the annual reserve contribution is based on a thirty year cash flow analysis. This funding plan takes the total beginning year reserve balance in year one along with the projected annual reserve expenditures over a thirty year period, and through pooling of all of the reserve funds and creating one general reserve fund, arrives at an annual contribution amount which provides a positive cash flow and adequate reserve account balance over the next thirty years. The calculation assumes a 1.2% return on investments and a 2.8% inflation rate. The Board of Directors included the funding amount of $252,400 in the 2023 budget.

The table included in the unaudited "Supplementary Information on Future Major Repairs and Replacements" provides an analysis of the replacement fund as of December 31, 2022. Funds are being accumulated in the replacement fund based on estimates of future needs for repairs and replacements of common property components. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts accumulated in the replacement fund may not be adequate to meet all future needs. If additional funds are needed, the Association has the right, subject to membership approval, to increase regular assessments, levy special assessments, or delay major repairs and replacements until funds are available.

JGCC PROPERTY OWNERS ASSOCIATION, INC.
For the Year Ended December 31, 2022

Comparison of Operating Fund Revenues and Expenses to Budget

	Actual	Unaudited Budget	Variance
REVENUES			
Regular assessments:			
Assessments - residents	$1,514,481	$1,519,456	($4,975)
Assessments - commercial	1,648	1,648	
Assessments - club	41,200	41,200	
Assessments - Beachway	3,120	3,120	
Transfer to replacement fund	(252,400)	(252,400)	
Total regular assessments	1,308,049	1,313,024	(4,975)
ARC fees	14,205	10,000	4,205
Finance charges	23,441	12,000	11,441
Owner reimbursements	36,753		36,753
Insurance proceeds	11,632		11,632
Cable incentive income	22,212	13,596	8,616
Other income	15,359	5,700	9,659
Interest income	382		382
Total revenues	1,432,033	1,354,320	77,713
EXPENSES			
General and administrative			
ARC expenses	1,342	5,000	(3,658)
Audit and tax return	6,625	6,450	175
Bad debt expense	52,606	30,000	22,606
Community education/website	875	1,500	(625)
Community events	9,511	30,000	(20,489)
Insurance	25,914	25,627	287
Legal and professional	60,282	35,000	25,282
Management	167,000	167,000	
Office supplies/copies/postage	15,277	15,000	277
Taxes and filing fees	61	61	
Total general and administrative	339,493	315,638	23,855
Landscape			
Irrigation electric			
Irrigation repairs	25,433	8,400	17,033
Landscape consulting	21,600	21,600	
Landscape contract	211,624	203,624	8,000
Landscape improvements	61,962	35,000	26,962
Park lawn maintenance	16,005	17,700	(1,695)
Total landscape	336,624	286,324	50,300

JGCC PROPERTY OWNERS ASSOCIATION, INC.
For the Year Ended December 31, 2022

Comparison of Operating Fund Revenues and Expenses to Budget (Continued)

	Actual	Unaudited Budget	Variance
EXPENSES (Continued)			
General maintenance			
Custodial service	$28,336	$11,100	$17,236
Gate maintenance	1,164	6,000	(4,836)
Irrigation electric	519	9,000	(8,481)
Irrigation water	10,478	15,000	(4,522)
Janitorial supplies	691	4,500	(3,809)
Maintenance labor	27,243	36,400	(9,157)
Park repairs and maintenance	15,149	15,000	149
Repairs and maintenance	33,052	12,700	20,352
Sidewalk/pavement repairs	5,080		5,080
Signage	702	5,000	(4,298)
Software maintenance	16,604	12,700	3,904
Termite bond	1,532		1,532
Wall/fence repairs and maintenance	414		414
Total general maintenance	140,964	127,400	13,564
Utilities			
Electric - accent and other	35,051	29,000	6,051
Electric - street lights	20,591	23,600	(3,009)
Electric/water - recreation center	4,723	5,040	(317)
Telephone and internet	7,995	8,800	(805)
Total utilities	68,360	66,440	1,920
Access control			
Access control services	542,237	461,000	81,237
Barcode supplies	4,305	3,600	705
Gate house electric/water	3,486	4,200	(714)
Gate house supplies/miscellaneous	2,888	5,400	(2,512)
JSO services	79,766	45,000	34,766
Total access control	632,682	519,200	113,482
Waterway and drainage			
Aquatic treatment	32,233	30,456	1,777
Debris removal	3,696	3,600	96
Drainage/aquatic maintenance	5,029	4,752	277
Lake gauge reading	1,473	1,392	81
Total waterway and drainage	42,431	40,200	2,231
Total expenses	1,560,554	1,355,202	205,352
Deficit of revenues over expenses	($128,521)	($882)	($127,639)

JGCC PROPERTY OWNERS ASSOCIATION, INC.
For the Year Ended December 31, 2022

Supplementary Information on Future Major Repairs and Replacements

During 2017, an independent reserve analyst provided a study to estimate the remaining useful lives and the future major repair and replacement costs of the components of common property. The following information is based on that study and presents significant information about the components of the common property.

	Estimated Remaining Useful Life	Estimated Future Replacement Costs	Balance 12/31/2021	Additions	Interest Earned	Expenditures	Balance 12/31/2022	2023 Approved Funding
Contract liabilities:								
Property site elements	1-25 years	$9,386,507						
Irrigation elements	1-25 years	589,356						
Building elements	1-10 years	664,787						
Other reserve expenditures	1 year	39,576						
POOLED FUND			$558,307	$252,400			$810,707	$252,400
Total contract liabilities		10,680,226	558,307	252,400			810,707	252,400
Fund balance					$1,029		1,029	
Combined totals		$10,680,226	$558,307	$252,400	$1,029	$0	$811,736	$252,400