

Treasurer's Report 2022 Annual Meeting

- 2021 Year in Review
- 2022 Budget
- 2022 LCRF Projects



2020 Year in Review

- Commentary
- Summary
- Balance Sheet
- P&L
- LCRF Spend

Commentary – Balance Sheet

► Balance Sheet

- Operating Bank Account is used to pay Day to Day expenses and is funded primarily through unrestricted dues.
- Contingency Bank Account is a rainy day reserve in the event of extraordinary and unforeseen expense
- LCRF (Longterm Capital Reserve Fund) Bank account is used to pay for Capital projects voted on by the community. Primary sources of income come from restricted funds as a portion of dues, new member fees and earmarked tax savings achieved by past transfer of taxed community lots to green acres (outlined in by-laws)
- Fixed Assets are community tangible assets. All but land is depreciated over time
- By definition fixed assets and Liabilities cancel to zero from an accounting perspective

Commentary –P&L

- ▶ **Profit and Loss (P&L – Budget vs Actuals)**
 - ▶ Measures day to day expense performance against our Operating Budget
 - ▶ Does not include LCRF expenses voted on by the community (>\$10K)
 - ▶ Restricted funds are determined by community by-laws. They include:
 - ▶ Dam Assessment – repayment of State Loan to refurbish the Dam. Repayment complete in 2025
 - ▶ LCRF – Portion of dues and New member fees as restricted by by-laws.
 - ▶ **We are running at a deficit year on year which will likely need to be addressed in the future**
- ▶ **Expenses**
 - ▶ Administration – Primary contributors include Property taxes, professional fees (tax prep) and insurance
 - ▶ Beaches and Docks – water treatment
 - ▶ Grounds – Tree Removal, Fall cleanup, Lawn maintenance, tennis court.
 - ▶ Clubhouse – Operations, Repairs and Maintenance.
 - ▶ Roads – Snow removal, Operations (ongoing repairs etc.)
 - ▶ Dam – weed wacking and inspection
 - ▶ Water – QC, utilities, repairs
 - ▶ Lakeshore Rental Payments – repayment of Dam Loan from the state.

Commentary – LCRF

► LCRF (Long Term Capital Reserve Fund)

- Income and expenses for LCRF are NOT included in the operating budget
- Projects >\$10,000 are identified by the board and voted on by the community
- Yearly contribution comes from restricted dues (\$38,400), Earmarked Tax Savings (\$36,476) and New Member fees (budgeted \$12,400 per annum)
- Total Contribution per annum approx. **\$87,276**
- Projects per year are identified in the LCRF spreadsheet as are projected bank balances

2021 Summary

- ▶ **Balance Sheet** - Operating Account balance (Day to Day Operating Account) \$74,368 (\$73,531 in 2020, \$94,307 in 2019), LCRF (Longterm Capital Reserve Fund) \$147,928, Contingency \$104,604
 - ▶ **Note:** Operating account usually decreases each year as expenses outpace income. Balance EOY 2021 similar to 2020 due to pre-paid dues and expenses under budget (total - \$16K)
- ▶ **Total Spend** \$330,127 which included \$90,304 of approved LCRF projects
- ▶ **P&L - Total Operating Spend** \$239,823
- ▶ **P&L** 95.74% of budget (\$250,500)
- ▶ **LCRF** completed projects slightly over budget
 - ▶ Roads chip and seal over budget by \$2500 (added clubhouse driveway which was not budgeted.)
 - ▶ Masonry Repair breeder pond exactly on budget

Balance Sheet

As of December 31, 2021

	As of Dec 31, 2021	Total As of Dec 31, 2020 (PP)	Change
ASSETS			
Current Assets			
Bank Accounts			
100 Operating Bank Accounts	74,120	73,531	588
1030 Contingency Bank Accounts	104,604	103,076	1,528
200 LCRF Bank Accts	147,928	135,454	12,474
Total Bank Accounts	\$ 326,651	\$ 312,060	\$14,591
Total Current Assets	\$ 326,651	\$ 312,060	\$14,591
Fixed Assets			
1261 Clubhouse, beaches & docks	134,889	124,889	10,000
1262 Roads	266,519	227,033	39,486
1361 Lakeshore Equipment	36,725	36,725	0
1362 Water System	338,332	339,163	-832
1366 Dam	45,076	49,283	-4,207
1369 Land	50,380	50,380	0
Total Fixed Assets	\$ 871,920	\$ 827,472	\$44,448
TOTAL ASSETS	\$1,198,571	\$1,139,533	\$59,038
LIABILITIES AND EQUITY			
Liabilities			
Total Liabilities			\$ 0
Equity			
2280 Restricted Net Assets	386,093	286,197	99,896
3110 Unrestricted Retained Earnings	840,643	853,336	-12,693
Net Income	-28,164		-28,164
Total Equity	\$1,198,571	\$1,139,533	\$59,038
TOTAL LIABILITIES AND EQUITY	\$1,198,571	\$1,139,533	\$59,038

Mount Kemble Lake Association				
Budget vs. Actuals: 2021 Budget - FY21 P&L				
January - December 2021				
	ACTUAL	BUDGET	DELTA	% OF
Income				
Operations				
4211 MKLA Base Dues [\$2450/yr]	236,428.73	235,200.00	1,228.73	101%
(less Property Tax Savings designated for LCRF)	-36,476.00	-36,476.00		
4221 Restricted Dam Assessments [\$250/yr]	24,125.14	24,000.00	125.14	101%
4241 Clubhouse Private Rentals	4,050.00	900.00	3,150.00	450%
Other Income	10,733.46	6,370.00	4,363.46	169%
Net Income Operations	238,861.33	229,994.00	8,867.33	104%
LCRF				
Property Tax Savings	36,476.00	36,476.00	0.00	100%
4222 Restricted LCRF Assessments [\$400/yr]	38,600.30	38,400.00	200.30	101%
4223 Restricted LCRF New Member Fees	31,000.00	12,400.00	18600.00	250%
Net Income LCRF	\$106,076.30	\$87,276.00	18,800.30	122%
Total Income	\$344,937.63	\$317,270.00	27,667.63	109%
Expenses				
Operations				
5210 Administration	45,452.29	48,000.00	-2,547.71	95%
5220 Beaches & Docks	16,123.55	19,000.00	-2,876.45	85%
5250 Grounds	57,968.72	48,000.00	9,968.72	121%
5270 Clubhouse	11,798.88	16,000.00	-4,201.12	74%
5280 Road	28,803.19	30,000.00	-1,196.81	96%
5330 Dam Operations	4,640.69	4,500.00	140.69	103%
5340 Water Operations	25,283.82	35,000.00	-9,716.18	72%
5350 Dam-Dredge Loan Payment	50,000.00	50,000.00	0.00	100%
Total Expenses Operations	\$240,071.14	\$250,500.00	-1,615.43	99%
LCRF				
As Remediation	\$7,804.00	\$25,000.00	-17,196.00	31%
Breeder Dam Masonry	\$10,000.00	\$10,000.00	0.00	100%
Roads Tar & Repair	\$72,500.00	\$70,000.00	2,500.00	104%
Total Expenses LCRF	\$90,304.00	\$105,000.00	-14,696.00	86%
Total Expenses	\$330,375.14	\$355,500.00	-1,615.43	93%

LCRF Spend 2021

Active LCRF Project Budget & Billings
Overages were paid out of Operating Cash; Underages remain in Reserve

	Date	Vendor	Memo/Description	Amount
LCRF projects				
2021 Arsenic Remediation - \$25,000				
	02/10/2021	Treasurer, State of New Jersey	Application Fee, Arsenic Remediation	2,804
	03/31/2021	MS&B	retainer for NJ Infrastructure Bank Water Financing,\$1103.50 on 5/28/2021	5,000
				<u>\$7,804</u>
Total for 2021 Arsenic Remediation - \$25,000				
2021 Beaches and Docks Breeder Dam Masonry Repair - \$10,000-				
	12/17/2021	John Cortese Mason Contractors	Breeder Dam Repair	10,000
				<u>\$10,000</u>
Total for 2021 Beaches and Docks Breeder Dam Masonry Repair - \$10,000-				
2021 Roads Tar and Repair -\$70,000				
	07/15/2021	Dosch King Co., Inc.	downpayment LCRF Roads chip and seal. Total bill \$72,500	21,750
	08/22/2021	Dosch King Co., Inc.	LCRF Chip and Seal - balance on reserve	48,250
	08/22/2021	Dosch King Co., Inc.	LCRF Chip and Seal - clubhouse driveway	2,500
				<u>\$72,500</u>
Total for 2021 Roads Tar and Repair -\$70,000				
Total for LCRF projects				
TOTAL				
				<u>\$90,304</u>
				<u>\$90,304</u>

Commentary – Proposed Budget 2022 & LCRF Long-term Projects

- **Budget 2022**
 - Exceeds 2021 budget +2.1% and 2021 actual +6.6%
 - Increases primarily in Grounds (tree removal)
- **LCRF**
 - 2021 Projects slightly over budget
 - 2022 projects to be voted on:
 - Refurbish Dam base - \$15,000
 - Clubhouse basement refurbish (drainage, doors, windows)- \$17,000
 - New Beach Walls - \$25,000
 - 2023 & future projects of note
 - Clubhouse foyer and bathroom renovation - \$45,000
 - Backup well(s) - \$150,000
 - Clubhouse new deck - \$25,000
 - Breeder Pond re-dredge - \$40,000

Proposed Operating Budget 2022

	Budget	Actual	Proposed
	2021	2021	2022
BOY Operating Cash	\$ 73,531	\$ 73,531	\$ 74,368
Total Income	\$ 317,270	\$326,484	\$325,000
Member Dues and Assessments	\$ 297,600	\$ 296,825	\$ 297,600
Less Restricted Income:			
LCRF Assessment	38,400	38,210	38,400
New Member Fees	12,400	27,125	12,400
Earmarked tax savings	36,476	36,476	36,476
Unrestricted Income	222,724	222,139	222,724
OPERATING EXPS	250,500	239,824	255,700
Admin	48,000	45,146	43,000
Water	35,000	25,284	35,000
Roads	30,000	28,803	31,000
Clubhouse	16,000	11,799	16,000
Beaches & Docks	19,000	16,124	19,000
Dam	4,500	4,641	2,700
Grounds	48,000	57,969	59,000
Misc		58	
Lakeshore(Dam Loan) Rents	50,000	50,000	50,000
Net Cash	(27,776)	(17,685)	(32,976)
Additional Requests:			
Note:NMF shown for Information only. Not reflected in restricted income.			-

LCRF Plan

LCRF BOY Bank Balance	\$123,641	\$135,615	\$53,291	\$135,516	\$147,928	\$144,720	(\$9,104)	(\$14,928)	\$24,248	(\$46,576)	\$7,600	\$83,776
Sum of Amount	Column Labels											
Row Labels	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Grand Total
WATER	75,000	109,514	712	7,804	36,484	193,000			85,000	30,000		537,514
LTE & LTW steel pipes						10,000						10,000
Replace pump in PH1						10,000						10,000
Refurbish Beer Tank									45,000			45,000
Refurbish Vert Tank									40,000			40,000
Paint outside tanks						23,000				30,000		53,000
Replace plumbing in PH2	0											0
Auto chlorine reading, Float control Tanks, circulation pump			712									712
Backup wells 2 and/or 3						150,000						150,000
Well 4	75,000	109,514										184,514
Auto chlorine reading, Float control Tanks, circulation pump from 2020					19,288							19,288
Arsenic treatment well #4 from 2021					17,196							17,196
Arsenic treatment well #4				7,804								7,804
ROADS		40,000		72,500					70,000			182,500
DAM					15,000							15,000
Reburbish Dam base					15,000							15,000
CLUBHOUSE		29,289	19,064		17,000	45,000	50,000				8,000	168,353
Clubhouse New Deck							25,000					25,000
Clubhouse basement refurbish (drainage, doors, windows)					17,000							17,000
BEACHES & DOCKS				10,000	25,000	40,000		45,000				120,000
breeder dredge								45,000				45,000
breeder dredge eng/plan							40,000					40,000
Masonry Repair on Waterfall breeder pond				10,000								10,000
New Beach Wall					25,000							25,000
Grand Total	75,000	178,803	19,776	90,304	93,484	238,000	90,000	45,000	155,000	30,000	8,000	1,023,367