

The Management Fund Budget

The Cuba Lake District has two major sources of income commonly known as, the District Budget and the Management Fund Budget. The following discusses aspects of the Management Fund Budget.

Attached are the following documents:

1. "Ninth Year Plan for Fiscal Year 2010 – 2011".

- Note that the reference to "Ninth Year" refers to the ninth year of the Management Agreement between the NYSOGS and the District. We are in the 4th year of the second 5 year agreement. The agreement ends November 6, 2011.
A copy of the Agreement can be read at:
<http://www.ourcubalake.com/District%20Docs/06-11%20Management%20Agremt.pdf>.
- The total amount of the budget is \$174,860. This money was received from the OGS in July 2010; \$125,000 of the amount was put into a 6 month CD.
- The budget is usually prepared in December/January of the year and submitted to the NYSOGS for approval in February.
- The money comes from the lease fees collected by the District, sent to the State and Returned after approval of the budget.

2. The same as the above except I khave added the Year End 3/31/10 actual data from the item 5 below. Note that overall, the new budget requests 10% more than is reported as spent on the monthly budget report YE. Note also that more money was actually spent than shown on this report with funds being taken out of the unreported carryover.

3. Cash Balances as of 3/31/10 – Shows:

- Checking Account Balance of \$19,534.
- Money Market Balance of \$22,744
- Certificate of Deposit Value \$50,000 ##
Total \$92,274

(At the August 12, 2010 Meeting it was announced that this CD came due and was deposited as cash into the general checking account.

This is the total cash available going into the fiscal year 4/1/2010 through 3/31/2011. Note that this is before receiving the \$174,860 back from the NYSOGS. Per the note above, the money was received in July.

- The account "Community Bank Lease Fees" is the collection spot for the lease payments from the leaseholders prior to sending the money back to the NYSOGS. The amount shown represents payments that have straggled in after sending the main funds to OGS. Lease Fee collection begins in April. In April this account showed a balance of \$132,894 as fees started coming in.

4. Balance Sheet as of 3/31/10 – Being an Engineer, I haven't quite learned how to read this sheet. However, it is noted that the current assets value shown at \$92,689 seems to agree with the cash balances above but includes some "restricted deposit" which might be reflective of lease fees collected.

An item under liabilities "Reserve for Encumbrances" at \$3,881 highlights the point that there is Encumbered and Unencumbered money within the current assets.

Encumbered money means that it is reserved for "real" projects that are identified and basically in progress from the prior year. For example, the year delay in the dredging at Munger Creek resulted in funds being encumbered from the year 2008/2009 to accomplish the task in 2009/2010.

Unencumbered money is money that hasn't been used. The greater portion of this \$92,000+ in current assets appears to be Unencumbered.

Note that the current assets are not shown as carryover on the new budget request. Each year's budget is stated as though there is zero carryover year to year.

The Management Fund Budget

Adding the \$92,000 to the \$ 174,860, the District apparently had some \$266,860 available for the year 2010/2011. The audit for year ending March 31, 2010 should be interesting as usually the auditor identifies the unencumbered carryover..

An explanation of the items under "Equity" has been requested some months ago but no explanation has been forthcoming.

5. Management Fund statement as of 3/31/10 (Year end 2009/2010).

This shows the basic distribution of expense for the past year. Total expense shown is \$158,638. Note that it does not show all of the \$85,185 paid to the contractor who did the Munger Creek area dredging except that it reflects \$28,432 that went toward that project and the project at #323. Plus I assumed that \$5835 of the bill for the Inundation Report was carried over from 2008/2009. (My estimate of the amount paid the contractor, but not shown in the YTD expenses, is approx. \$57,000)

The \$16,187 balance would be included in calculation for the \$92,000 current assets figure.

**Lake Management Fund Budget
Ninth Year Plan for Fiscal Year 2010 - 2011**

Wages & Payroll Tax		Budget
Lake Manager	\$	32,200.00
Maint. & Rec. Personel	\$	27,560.00
Extra Rec. Summer Help	\$	10,000.00
Payrol Taxes	\$	7,100.00
Total Employment	\$	76,860.00
Administrative		
Accounting	\$	3,000.00
Audit	\$	3,300.00
Workman's Compensation	\$	5,000.00
Contingency	\$	3,000.00
Dues & Fees	\$	500.00
Legal	\$	3,500.00
Office Expense	\$	1,700.00
Office Rent	\$	3,300.00
Postage & Printing	\$	600.00
Telephone & Internet	\$	2,000.00
Travel & Conference	\$	2,500.00
Utilities	\$	3,000.00
Sub Total Administrative	\$	31,400.00
Recreational		
Weed Harvester Operations		
Weed Removal	\$	7,600.00
Water Testing	\$	1,200.00
Fuel	\$	5,000.00
Work Barge Maintenance	\$	500.00
Parts & Repairs	\$	5,000.00
Other (tools)	\$	600.00
Total Recrational Plan	\$	19,900.00
Sediment Control		
Sediment Basin Maintenance		
Sediment Removal	\$	32,000.00
Total Sediment Control	\$	32,000.00
Maintenance		
General Maintenance & Repair		
Mowing & Tractor	\$	6,000.00
Dam & Spillway Maint.	\$	7,200.00
Public Access Maint	\$	1,500.00
Total Maintenance	\$	14,700.00
Grand Total Expenses	\$	174,860.00

Lake Management Fund Budget
Ninth Year Plan for Fiscal Year 2010 - 2011

Wages & Payroll Tax		Budget	ACTUAL YE 3/31/10	
Lake Manager	\$	32,200.00	30,000	
Maint. & Rec. Personel	\$	27,560.00	26,203	
Extra Rec. Summer Help	\$	10,000.00	10,440	
Payrol Taxes	\$	7,100.00	6,704	
Total Employment	\$	76,860.00	73,347	+4.8%
Administrative				
Accounting	\$	3,000.00	2,875	+4.3%
Audit	\$	3,300.00	2,900	
Workman's Compensation	\$	5,000.00	3388	
Contingency	\$	3,000.00	0	+∞
Dues & Fees	\$	500.00	417	
Legal	\$	3,500.00	3273	
Office Expense	\$	1,700.00	1353	
Office Rent	\$	3,300.00	2125	
Postage & Printing	\$	600.00	482	
Telephone & Internet	\$	2,000.00	2554	
Travel & Conference	\$	2,500.00	3728	
Utilities	\$	3,000.00	943	
INSURANCE			2000	
			25,668	+22%
Sub Total Administrative	\$	31,400.00	20,282	+33%
Recreational				
Weed Harvester Operations				
Weed Removal	\$	7,600.00	7715	
Water Testing	\$	1,200.00	352	
Fuel	\$	5,000.00	2885	
Work Barge Maintenance	\$	500.00	7127*	+2270
Parts & Repairs	\$	5,000.00	—	
Other (tools) Equip + Toilets	\$	600.00	2460	+142
Total Recreational Plan	\$	19,900.00	22,951	-13%
Sediment Control				
Sediment Basin Maintenance			4699	
Sediment Removal	\$	32,000.00	28432*	
Total Sediment Control	\$	32,000.00	33,131	-4%
Maintenance				
General Maintenance & Repair				
Mowing & Tractor	\$	6,000.00	1617	
Dam & Spillway Maint.	\$	7,200.00	1407	
Public Access Maint	\$	1,500.00	516	
Total Maintenance	\$	14,700.00	3,540	+315%
Grand Total Expenses	\$	174,860.00	158,637	+10.2%

CUBA LAKE DISTRICT MANAGEMENT FUND

CASH BALANCES

3-31-2010

Community Bank	Checking Account		3/31/2010	\$	104,837.29
	Less Outstanding Check #				
		2716		-\$85,185.00	
		2730		-\$98.26	-85283.26
	Less deposit in wrong account				-\$20.00
Adjusted Bank Balance			3/31/2010	\$	19,534.03

Community Bank	Public Fund Money Market-West		2/28/2010	\$	52,736.79
	March Interest			\$	7.26
	Transfer to Checking			\$	(30,000.00)
Adjusted Bank Balance			3/31/2010	\$	22,744.05

Community Bank	Lease Fees		2/28/2010		\$1,264.75
	March Service Charges				-\$8.35 ✓
Adjusted Bank Balance			3/31/2010		\$1,256.40

Certificate of Deposit					\$50,000.00
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Accrual Basis

Cuba Lake District Management Fund
Balance Sheet
As of March 31, 2010

	Mar 31, 10
ASSETS	
Current Assets	
Checking/Savings	
Community Bank-Checking	
Petty Cash	100.00
Community Bank-Checking - Other	19,534.03
Total Community Bank-Checking	19,634.03
Community Bank-Money Market	22,744.05
Total Checking/Savings	42,378.08
Other Current Assets	
Certificate of Deposit	50,000.00
Restricted Deposit	311.17
Total Other Current Assets	50,311.17
Total Current Assets	92,689.25
Fixed Assets	
Furniture and Equipment	3,835.63
Land	16,066.17
Leasehold Improvements	7,978.23
Reserve for Depreciation	-5,146.00
Total Fixed Assets	22,734.03
TOTAL ASSETS	115,423.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	5,459.17
Total Accounts Payable	5,459.17
Total Current Liabilities	5,459.17
Long Term Liabilities	
Deferred Revenue	7,000.00
Total Long Term Liabilities	7,000.00
Total Liabilities	12,459.17
Equity	
Reserve for Encumbrances	3,881.00
Unreserved-Property & Equipment	22,734.03
Unreserved 3/31/09	73,760.95
Unrestricted Net Assets	-18,031.00
Net Income	20,619.13
Total Equity	102,964.11
TOTAL LIABILITIES & EQUITY	115,423.28

CUBA LAKE DISTRICT MANAGEMENT FUND AS OF 3/31/2010

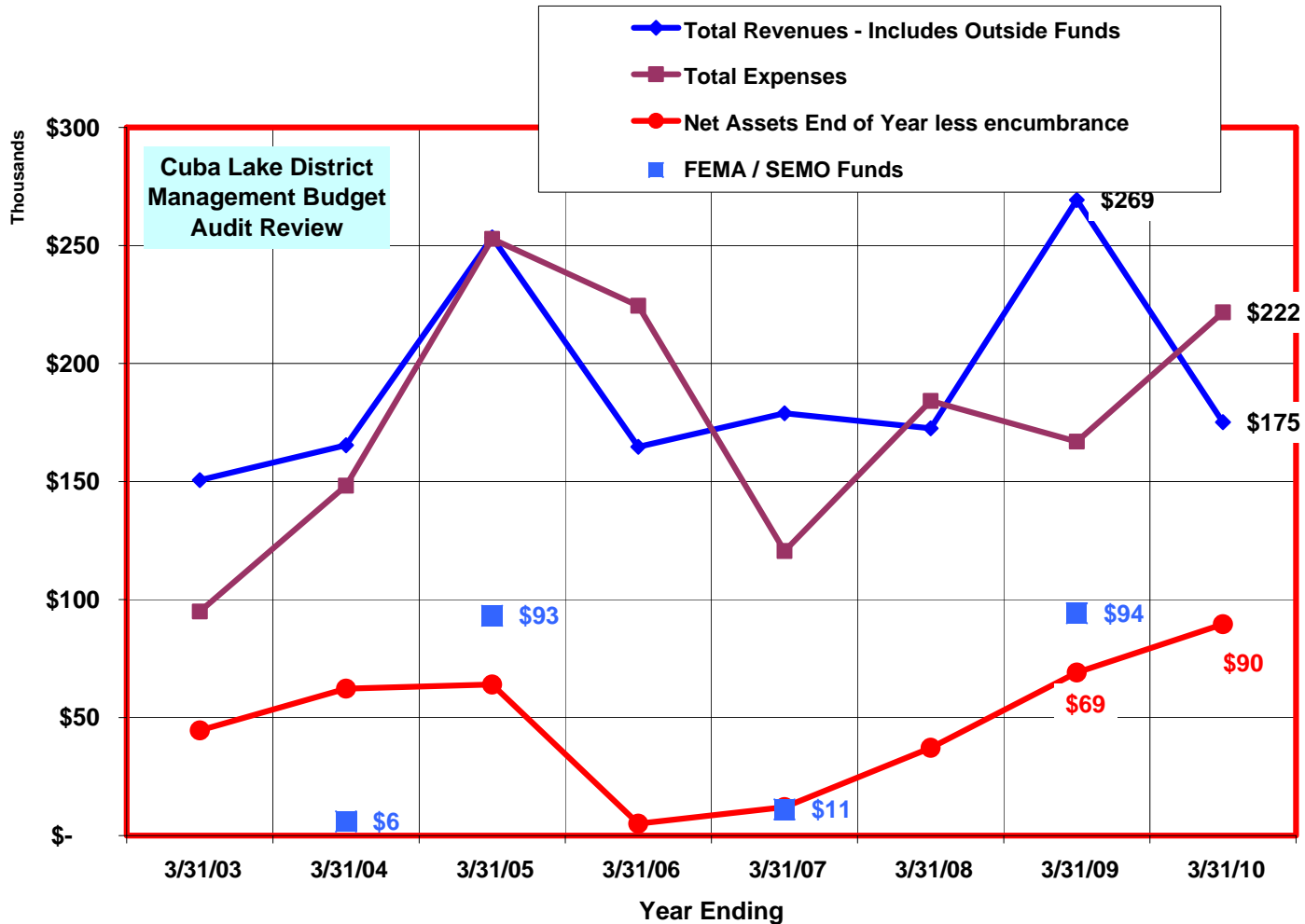
	<u>MARCH</u>	<u>YTD MARCH</u>	<u>3/31/10 BUDGET</u>	<u>BALANCE 3/31/10</u>
Expense				
Lake Maintenance				
Mowing & Tractor		\$ 1,617.45	\$ 6,100.00	\$ 4,482.55
Public Access		\$ 516.23	\$ 3,000.00	\$ 2,483.77
Water Testing	\$250.00	\$ 352.00	\$ 2,400.00	\$ 2,048.00
Work Barge		\$ 2,270.04	\$ 4,000.00	\$ 1,729.96
Dam & Spillway Maintenance	\$219.97	\$ 1,407.26	\$ 14,000.00	\$ 12,592.74
Sediment Removal	\$2,345.00	\$ 28,432.50	\$ 28,000.00	\$ (432.50)
Sediment Control		\$ 4,699.28	\$ 4,000.00	\$ (699.28)
Total Lake Maintenance	\$2,814.97	\$ 39,294.76	\$ 61,500.00	\$ 22,205.24
Operations				
Audit		\$ 2,900.00	\$ 2,750.00	\$ (150.00)
Contingency			\$ 2,500.00	\$ 2,500.00
Dues & Fees		\$ 47.00	\$ 500.00	\$ 453.00
Workmens Compensation		\$ 3,387.99	\$ 5,000.00	\$ 1,612.01
Insurance Expense	\$1,000.00	\$ 2,000.00	\$ -	\$ (2,000.00)
Legal		\$ 3,272.50	\$ 3,500.00	\$ 227.50
Office Expense	\$255.60	\$ 1,352.50	\$ 2,200.00	\$ 847.50
Office Rent	\$275.00	\$ 2,125.00	\$ 5,000.00	\$ 2,875.00
Postage		\$ 482.02	\$ 500.00	\$ 17.98
Property Tax			\$ 100.00	\$ 100.00
Telephone, Telecommunications	\$149.22	\$ 2,553.68		\$ (2,553.68)
Printing & Advertising			\$ 1,200.00	\$ 1,200.00
Utilities	-\$83.92	\$ 943.14	\$ 4,000.00	\$ 3,056.86
Total Operations	\$1,595.90	\$ 19,063.83	\$ 27,250.00	\$ 8,186.17
Recreational				
Equipment & Toilet Rental		\$ 2,460.00		\$ (2,460.00)
Fuel	\$140.51	\$ 2,884.55	\$ 6,000.00	\$ 3,115.45
Maintenance-Harvester	\$99.57	\$ 7,127.24	\$ 5,000.00	\$ (2,127.24)
Maintenance-Other		\$ 142.27	\$ 500.00	\$ 357.73
Weed Removal		\$ 7,715.00	\$ 4,600.00	\$ (3,115.00)
Total Recreational	\$240.08	\$ 20,329.06	\$ 16,100.00	\$ (4,229.06)
Travel and Meetings				
Conference, Convention, Meeting		\$ 1,599.07		\$ (1,599.07)
Travel	\$205.41	\$ 2,128.72	\$ 3,600.00	\$ 1,471.28
Total Travel and Meetings	\$205.41	\$ 3,727.79	\$ 3,600.00	\$ (127.79)
Wages & Payroll Taxes				
Extra Rec. Summer Help		\$ 10,440.00	\$ 6,000.00	\$ (4,440.00)
Maint. & Rec. Personnel	\$1,260.00	\$ 26,203.00	\$ 26,000.00	\$ (203.00)
Manager-Lake	\$2,500.00	\$ 30,000.00	\$ 30,375.00	\$ 375.00
Payroll Tax Expense	\$610.71	\$ 6,704.43		\$ (6,704.43)
Wages-Accounting	\$191.67	\$ 2,875.05	\$ 4,000.00	\$ 1,124.95
Total Wages & Payroll Taxes	\$ 4,562.38	\$ 76,222.48	\$ 66,375.00	\$ (9,847.48)
Total Expense	\$9,418.74	\$ 158,637.92	\$ 174,825.00	\$ 16,187.08

The Management Fund Budget

Summary Charts:

The following charts show a history of the auditor's year-end evaluations for several years of the agreement through the end of year 08/09, I have added the actual figures for Year ending 3/31/10 from following documents.

Chart 1: Note that FEMA funds were generated through applications created by Dave Bosworth, Lake Manager for major sediment basin projects. Funds are usually receive well after the projects are finished. The work done at Munger Creek in 2010 could possibly have been supported by FEMA funding as the reason given for needing the dredging was materials brought into the lake by flood events. Current District Management needs to be more sensitive to the possible funding from government agencies. The \$94,000 for YE 3/31/09 includes the \$5835 from the Allegany County Soil and Water Conservation Department.



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Chart 2: Note that FEMA funds were generated through applications created by Dave Bosworth, Lake Manager for major sediment basin projects. Funds are usually received well after the projects are finished. The work done at Munger Creek in 2010 could possibly have been supported by FEMA funding as the reason given for needing the dredging was materials brought into the lake by flood events. Current District Management needs to be more sensitive to the possible funding from government agencies.

