

Cherry Capital Accounting

4446 Bridlewood Dr., Traverse City, MI 49685

August 13, 2020

Long Lake Association Inc.
PO Box 257
Interlochen, MI 49643

To whom it may concern,

At the request of Janice Moy, I have reviewed the attached Long Lake Association, Inc. financial documents. Based on my 37 years' experience as an accountant, I have found the statements are free from material error. My review should not be construed as a forensic audit, which is used to derive fraudulent evidence.

The balance sheet as of 7.31.19 accurately reflects the cash basis banking records (Honor Bank) provided. The fund balance per the records is \$19,467.37. It was noted that there were three checks issued to vendors in July that were outstanding as of July 31st.

The Statement of Income, Expenses and Fund Balance for 9.1.19 – 6.30.20 (actual ending date is 7.31.20) accurately reflects the cash basis bank documents or disbursement records provided as of July 31, 2020. Total actual income reported is \$19,330.56 and total actual expenses reported is \$25,948.43.

No individual deposits were reviewed or compared to the statement of income. I was able to trace randomly selected vendor invoices to the statement of expenses. Lastly I was also able to trace the ending fund balance to the bank statement provided for 7.31.20.

It appears that starting in October 2019 that a Paypal account is being used to receive payments for Long Lake Association and the funds are being transferred to Honor Bank after they are received into the Paypal account. The treasurer (Janice Moy) should have access to all functions & activity in this Paypal account, much like they do for the Honor Bank account. The treasurer should verify all LLA activity passing through the Paypal account is properly being accounted for. There should not be any other activity passing through this Paypal account.

While reviewing the disbursement documents provided, I found invoices for services that may be subject to the IRS's 1099 reporting requirements. All invoices for services should be reviewed to determine if 1099's need to be issued in the future.

My review was also conducted on the records as provided, which were essentially the cash basis Honor Bank documents. No review was conducted of receivable balances due or any outstanding disbursement invoices to be paid. No review was conducted of budgeted information as compared to fiscal year-to- date actual spending.

Thank you for the opportunity to provide you the financial services requested. If there are any questions or concerns, feel free to contact me at 231.632.5627.

Cordially,



Brian Crouch – Cherry Capital Accounting

LONG LAKE ASSOCIATION FY 2019-20 BUDGET

September 1, 2019 through June 30, 2020

<u>INCOME</u>			<u>Budgeted</u>	<u>Actual Income</u>
Contributions and Gifts	<i>+ memorial Contr.</i>		\$5,500.00	\$3,162.15
Interest Income			\$4.00	
Membership Dues			\$16,000.00	\$8,075.00
Riparian Subscriptions			\$600.00	\$278.00
Partner Contributions:				
Long Lake Township			\$12,000.00	\$2,140.85
Long Lake Foundation			\$7,000.00	\$3,087.60
Oleson Foundation			\$2,000.00	\$2,140.85
Other Income			\$0.00	\$446.11
			<u>\$43,104.00</u>	<u>\$19,330.56</u>
<u>EXPENSES</u>			<u>Budgeted</u>	<u>Actual Expenses</u>
Administrative & Financial			\$3,825.00	\$3,153.22
Insurance: Directors Liability			\$1,930.00	\$2,168.00
Insurance: Umbrella Policy			\$820.00	\$784.77
Treasurer's Bond			\$90.00	\$90.00
Insurance: Island Maintenance			\$385.00	
Other: including cpu/software/off sup/postage			\$600.00	\$60.97
Banking Services & Fees				\$49.48
Communications			\$3,300.00	\$2,157.60
Newsletter			\$2,450.00	\$1,357.60
Website: Maintenance \$500 Cert. \$300			\$800.00	\$800.00
Other			\$50.00	
Lake Management			\$29,750.00	\$19,747.53
Lake Management Membership Partnerships	<i>MSLA/Symposium</i>		\$900.00	\$534.22
Weed Management:	<i>milfoil mapping/weed treatment</i>		\$11,800.00	\$14,779.31
NMC Internship: Lake Studies (partners \$4,500)			\$6,000.00	\$2,495.00
Surveying/mapping (partners \$9,050)			\$9,050.00	
Swimmers Itch Study (partners \$5,469)			\$2,000.00	\$1,139.00
Applicatons/fees				\$800.00
Fishing and Loon				
New Artificial Loon Nest			\$0.00	\$162.08
Island Maintenance			\$1,000.00	\$200.00
Island Maintenance			\$1,000.00	\$200.00
Membership/Nominating			\$2,500.00	\$528.00
Riparian Magazine				\$528.00
Recreation/Welcome Back			\$750.00	\$0.00
Water Safety			\$0.00	\$0.00
			<u>\$41,125.00</u>	<u>\$25,948.43</u>
Beginning Fund Balance	9/1/2019	\$26,085.24		
Fund Balance Change		(\$6,617.87)		(\$6,617.87)
Ending Fund Balance	7/31/02020	\$19,467.37		

Long Lake Association
Balance Sheet
As of July 31, 2020

	<u>Jul 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
Honor Bank	19,467.37
Total Checking/Savings	<u>19,467.37</u>
Total Current Assets	<u>19,467.37</u>
TOTAL ASSETS	<u>19,467.37</u>
LIABILITIES & EQUITY	
Equity	
Opening Bal Equity	30,664.64
Retained Earnings	-4,579.40
Net Income	<u>-6,617.87</u>
Total Equity	<u>19,467.37</u>
TOTAL LIABILITIES & EQUITY	<u>19,467.37</u>

Long Lake Association
Profit & Loss Detail
 September 2019 through July 2020

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Ordinary Income/Expense								
Income								
Contributions & Gifts								
Deposit	12/02/2019	60036...	Membeship Dues	Deposit		Honor Bank	100.00	100.00
Deposit	02/19/2020	1391	Membeship Dues	Dan and Mari...		Honor Bank	50.00	150.00
Deposit	06/26/2020			Deposit		Honor Bank	351.00	501.00
Deposit	07/03/2020			Deposit		Honor Bank	50.00	551.00
Deposit	07/29/2020			Deposit		Honor Bank	165.00	716.00
Deposit	07/29/2020			Deposit		Honor Bank	307.00	1,023.00
Deposit	07/29/2020			Deposit		Honor Bank	235.00	1,258.00
Deposit	07/29/2020			Deposit		Honor Bank	296.00	1,554.00
Deposit	07/29/2020			Deposit		Honor Bank	256.00	1,810.00
Deposit	07/29/2020			Deposit		Honor Bank	276.00	2,086.00
Deposit	07/29/2020			Deposit		Honor Bank	511.00	2,597.00
Deposit	07/29/2020			Deposit		Honor Bank	190.00	2,787.00
Deposit	07/29/2020	4188		Deposit		Honor Bank	0.15	2,787.15
Total Contributions & Gifts							2,787.15	2,787.15
Membership Dues								
Deposit	09/04/2019	various	Membeship Dues	2019		Honor Bank	140.00	140.00
Deposit	09/04/2019	various	Membeship Dues	2019		Honor Bank	70.00	210.00
Deposit	09/11/2019	various		Deposit		Honor Bank	210.00	420.00
Deposit	09/18/2019			Deposit		Honor Bank		420.00
Deposit	09/18/2019	various		Deposit		Honor Bank	140.00	560.00
Deposit	09/25/2019	various		Deposit		Honor Bank	70.00	630.00
Deposit	10/03/2019			Deposit		Honor Bank	175.00	805.00
Deposit	10/30/2019	various		Deposit		Honor Bank	70.00	875.00
Deposit	12/02/2019	2803	Membeship Dues	Deposit		Honor Bank	35.00	910.00
Deposit	02/19/2020	1391	Membeship Dues	Dan and Mari...		Honor Bank	35.00	945.00
Deposit	04/09/2020	various	Membeship Dues	Deposit		Honor Bank	70.00	1,015.00
Deposit	06/10/2020	995001	Membeship Dues	James Miller		Honor Bank	35.00	1,050.00
Deposit	06/19/2020		PayPal	Deposit		Honor Bank	36.00	1,086.00
Deposit	06/26/2020	various	Membeship Dues	Deposit		Honor Bank	210.00	1,296.00
Deposit	07/03/2020	various	Membeship Dues	Deposit		Honor Bank	70.00	1,366.00
Deposit	07/06/2020		PayPal	Deposit		Honor Bank	185.00	1,551.00
Deposit	07/08/2020		PayPal	Deposit		Honor Bank	37.00	1,588.00
Deposit	07/13/2020	4976	Membeship Dues	Harry Eick		Honor Bank	35.00	1,623.00
Deposit	07/29/2020	various	Membeship Dues	Deposit		Honor Bank	805.00	2,428.00
Deposit	07/29/2020			Deposit		Honor Bank	35.00	2,463.00
Deposit	07/29/2020	various	Membeship Dues	batch 3		Honor Bank	840.00	3,303.00
Deposit	07/29/2020	various	Membeship Dues	batch 4		Honor Bank	805.00	4,108.00
Deposit	07/29/2020	various	Membeship Dues	batch 5		Honor Bank	805.00	4,913.00
Deposit	07/29/2020	various	Membeship Dues	batch 6		Honor Bank	805.00	5,718.00
Deposit	07/29/2020	various	Membeship Dues	batch 7		Honor Bank	805.00	6,523.00
Deposit	07/29/2020	vaious	Membeship Dues	batch 8		Honor Bank	840.00	7,363.00
Deposit	07/29/2020	various	Membeship Dues	batch 9		Honor Bank	490.00	7,853.00
Deposit	07/29/2020	various	PayPal	Deposit		Honor Bank	222.00	8,075.00
Total Membership Dues							8,075.00	8,075.00
Memorial Contributions								
Deposit	12/11/2019	9610	Ron Albers	Deposit		Honor Bank	25.00	25.00
Deposit	01/08/2020	various	Ron Albers	Deposit		Honor Bank	250.00	275.00
Deposit	04/13/2020	4843	Ron Albers	from Anthony ...		Honor Bank	100.00	375.00
Total Memorial Contributions							375.00	375.00
Other Income								
Flags								
Deposit	09/18/2019	24967	ALFIE Embroidery	Deposit		Honor Bank	46.11	46.11
Deposit	10/02/2019	4605	zerogravity	Deposit		Honor Bank	40.00	86.11
Total Flags							86.11	86.11
NMC Internship Lake Studies								
Deposit	10/02/2019	2548	Long Lake Foundation	Invoice # 101		Honor Bank	946.75	946.75
Deposit	07/08/2020	37724	Long Lake Twp	Invoice 2019-12		Honor Bank	2,140.85	3,087.60
Deposit	07/29/2020	25999...	Long Lake Foundation	Invoice 2019-...		Honor Bank	2,140.85	5,228.45
Deposit	07/29/2020	4188	Oleson Foundation/...	Invoice 2019-...		Honor Bank	2,140.85	7,369.30
Total NMC Internship Lake Studies							7,369.30	7,369.30
Swimmers Itch Study								
Deposit	03/04/2020	22774	Tip of the Mitt Water...	assessment d...		Honor Bank	360.00	360.00
Total Swimmers Itch Study							360.00	360.00
Total Other Income							7,815.41	7,815.41

Long Lake Association
Profit & Loss Detail
September 2019 through July 2020

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Riparian Subscriptions								
Deposit	02/19/2020	1391	Membershp Dues	Dan and Mari...		Honor Bank	12.00	12.00
Deposit	06/26/2020			Deposit		Honor Bank	14.00	26.00
Deposit	07/13/2020			Deposit		Honor Bank	14.00	40.00
Deposit	07/29/2020			Deposit		Honor Bank	56.00	96.00
Deposit	07/29/2020			Deposit		Honor Bank	28.00	124.00
Deposit	07/29/2020			Deposit		Honor Bank	42.00	166.00
Deposit	07/29/2020			Deposit		Honor Bank	14.00	180.00
Deposit	07/29/2020			Deposit		Honor Bank	42.00	222.00
Deposit	07/29/2020			Deposit		Honor Bank	14.00	236.00
Deposit	07/29/2020			Deposit		Honor Bank	42.00	278.00
Total Riparian Subscriptions							278.00	278.00
Total Income							19,330.56	19,330.56
Gross Profit							19,330.56	19,330.56
Expense								
Admin. & Finance Committee								
Banking Services & Fees								
Deposit	10/03/2019			Deposit		Honor Bank	1.70	1.70
Deposit	06/19/2020			Deposit		Honor Bank	1.34	3.04
Deposit	07/06/2020			Deposit		Honor Bank	6.85	9.89
Deposit	07/08/2020			Deposit		Honor Bank	1.37	11.26
Deposit	07/29/2020			Deposit		Honor Bank	8.22	19.48
Check	07/31/2020			Service Charge		Honor Bank	30.00	49.48
Total Banking Services & Fees							49.48	49.48
Insurance								
Director Liability								
Check	09/09/2019	2046	Auto-Owners Insura...	late fee		Honor Bank	30.00	30.00
Check	07/13/2020	2072	Auto-Owners Insura...			Honor Bank	2,138.00	2,168.00
Total Director Liability							2,168.00	2,168.00
Treasurer Bond								
Check	10/10/2019	2049	State Farm Insuranc...			Honor Bank	90.00	90.00
Total Treasurer Bond							90.00	90.00
Umbrella Policy								
Check	07/13/2020	2072	Auto-Owners Insura...			Honor Bank	784.77	784.77
Total Umbrella Policy							784.77	784.77
Total Insurance							3,042.77	3,042.77
Office Supplies								
Check	12/11/2019	2055	Janice Moy	Office supplies		Honor Bank	6.97	6.97
Total Office Supplies							6.97	6.97
USPS Post Office P.O. Box								
Check	09/24/2019	2047	US Postal Service			Honor Bank	54.00	54.00
Total P.O. Box							54.00	54.00
Total USPS Post Office							54.00	54.00
Total Admin. & Finance Committee							3,153.22	3,153.22
Communications Committee								
Professional Services								
website								
Check	07/13/2020	2073	Garrison Digital Solu...			Honor Bank	800.00	800.00
Total website							800.00	800.00
Total Professional Services							800.00	800.00
Total Communications Committee							800.00	800.00
Fishing/Loon Committee								
Check	07/08/2020	2070	Ron Lemcool	Loon signs rei...		Honor Bank	162.08	162.08
Total Fishing/Loon Committee							162.08	162.08

Long Lake Association Profit & Loss Detail September 2019 through July 2020

Type	Date	Num	Name	Memo	Cir	Split	Amount	Balance
Island Maintenance Committee								
Check	07/06/2020	2069	Waterfront Equipme...	Dock install		Honor Bank	200.00	200.00
Total Island Maintenance Committee							200.00	200.00
Lake Management								
Organizational Partnerships								
MLSA Membership								
Check	06/17/2020	2066	Michigan Lake & Str...			Honor Bank	450.00	450.00
Total MLSA Membership							450.00	450.00
Total Organizational Partnerships							450.00	450.00
Swimmers Itch Study								
Check	12/11/2019	2056	Freshwater solutions	Inv. LongLA-2...		Honor Bank	1,139.00	1,139.00
Total Swimmers Itch Study							1,139.00	1,139.00
Water Quality Committee								
Application & Permit Fees								
Check	12/03/2019	2054	State of Michigan			Honor Bank	800.00	800.00
Total Application & Permit Fees							800.00	800.00
GLEC								
Water Quality Monitoring								
Check	09/09/2019	2045	Great Lakes Water ...			Honor Bank	50.00	50.00
Check	10/18/2019	2048	Great Lakes Water ...			Honor Bank	25.00	75.00
Check	10/24/2019	2052	SOS Analytical			Honor Bank	156.00	231.00
Check	10/24/2019	2053	GLEC			Honor Bank	570.00	801.00
Check	07/29/2020	2074	Great Lakes Water ...			Honor Bank	120.00	921.00
Total Water Quality Monitoring							921.00	921.00
Total GLEC							921.00	921.00
NMC Internship Lake Studies								
Insurance Workers Compensation								
Check	12/11/2019	2055	Janice Moy	LARA fee		Honor Bank	20.00	20.00
Check	06/17/2020	2067	Accident Fund Insur...			Honor Bank	313.00	333.00
Total Insurance Workers Compensation							333.00	333.00
Professional Services								
Check	10/24/2019	2050	Michelle M Preston			Honor Bank	438.00	438.00
Check	10/24/2019	2051	Abbey Hull			Honor Bank	303.00	741.00
Check	12/30/2019	2057	Michelle M Preston	Inv. # 4		Honor Bank	393.00	1,134.00
Check	12/30/2019	2058	Abbey Hull	Inv. # 4		Honor Bank	261.00	1,395.00
Check	12/30/2019	2059	Kathryn DePauw	Inv. 2019 ST...		Honor Bank	0.00	1,395.00
Check	03/25/2020	2063	Great Lakes Water ...	testing		Honor Bank	180.00	1,575.00
Check	07/11/2020	2071	Kathryn DePauw	reissue of ck ...		Honor Bank	417.00	1,992.00
Total Professional Services							1,992.00	1,992.00
Total NMC Internship Lake Studies							2,325.00	2,325.00
Professional								
Check	03/09/2020	2062	Freshwater solutions	Winter Water ...		Honor Bank	84.22	84.22
Total Professional							84.22	84.22
Total Water Quality Committee							4,130.22	4,130.22
Weed Management Committee								
Milfoil Mapping								
Check	01/03/2020	2060	zerogravity	2019 final pymt		Honor Bank	4,525.00	4,525.00
Total Milfoil Mapping							4,525.00	4,525.00
Other								
Check	06/01/2020	2065	Brent Schnell	envelopes		Honor Bank	23.31	23.31
Total Other							23.31	23.31
Postage								
Check	06/01/2020	2065	Brent Schnell			Honor Bank	55.00	55.00
Total Postage							55.00	55.00

Long Lake Association
Profit & Loss Detail
 September 2019 through July 2020

Type	Date	Num	Name	Memo	Clr	Split	Amount	Balance
Professional Services								
Weed Treatment								
Check	07/02/2020	2068	Clear Water Lake M...			Honor Bank	4,600.00	4,600.00
Check	07/29/2020	2075	Clear Water Lake M...			Honor Bank	4,825.00	9,425.00
Total Weed Treatment							9,425.00	9,425.00
Total Professional Services							9,425.00	9,425.00
Total Weed Management Committee							14,028.31	14,028.31
Total Lake Management							19,747.53	19,747.53
Membership/Nominating Committee								
Riparian Subscriptions								
Check	01/03/2020	2061	The Michigan Riparian	44 2020 subs...		Honor Bank	528.00	528.00
Total Riparian Subscriptions							528.00	528.00
Total Membership/Nominating Committee							528.00	528.00
Newsletter								
Postage								
Check	07/29/2020	2076	SNAP Printing			Honor Bank	853.06	853.06
Check	07/29/2020	2076	SNAP Printing			Honor Bank	504.54	1,357.60
Total Postage							1,357.60	1,357.60
Total Newsletter							1,357.60	1,357.60
Total Expense							25,948.43	25,948.43
Net Ordinary Income							-6,617.87	-6,617.87
Net Income							-6,617.87	-6,617.87