

Minutes of the Regular Meeting
of the
Lake Barcroft Village Board of Directors Version 4 (8/3/17 **FINAL**)
July 13, 2017

A Regular Meeting of the Board of Directors of Lake Barcroft Village, Inc. ("LBV" or the "Village") was held on Thursday, July 13, 2017 at the Mason District Government Center commencing at 3:00 P.M.

ATTENDING:

Jane Guttman, Ron Karpick, Nancy Mattson, Deenie McKay, Richard Morton, Sam Rothman, Pedro Turina, Victor Utgoff, and Priscilla Weck and Hugh McKay

APPROVAL OF MINUTES:

Richard made a motion that the June 8, 2017 Board Meeting Minutes be approved by the Board and Priscilla seconded. The Board approved the June 8, 2017 Minutes.

PRESIDENT'S AGENDA: Ron presented the Agenda and solicited changes. The Board made no changes to the Agenda.

TREASURER'S REPORT:

Peg Veroneau was absent: The Treasurer's Financial Report is Attachment 1.

- Ron reported on his conversation with Melinda McGlohon who provided the following comments:
 - The LBV Financial Policy should include checks and balances. The person who writes the check should not sign. QuickBooks is a good program but perhaps it should be on-line for access by all rather than isolated on one laptop. The report should be a QuickBooks report to show the original figures. Priscilla commented that it would be appropriate to the size of LBV's financial activity to require two signatures for checks with an amount of \$500.00 or more.
 - Melinda will submit a suggested draft of a LBV Financial Policy for the Board's review.
 - Richard suggested that two positions were needed: A LBV BOD Treasurer who provided oversight over a Chief Financial Officer (CFO). There also should be a Financial Committee to provide detailed CFO oversight support to the Treasurer. All associated with LBV finances should have appropriate experience for their roles.
 - Ron recommended that the Board await Melinda's draft before further discussion.
- Ron distributed two documents from the Certified Public Accountant Salti & Associates, LLC (shown as Attachments 2 and 3). The Board discussion indicated that both Salti documents were boilerplate and that the Firm required a better understanding of the LBV financial process in order to tailor the documents needed and the processes reviewed. The Board noted that Salti required LBV to provide Permanent Files, General Information and Accounting Information while the Salti letter indicated that individual items might not be applicable. The Board had a number of questions to which Ron

indicated that questions be addressed to the Salti Firm (202) 337-1803, nadim@nex-pc.com. Pedro indicated that there were a volume of documents and information needed for the Salti assessment and that a responsible LBV person was required to interface with Salti on behalf of the Board. (implied action 1) Jane indicated that the responsible person identify that all essential paperwork is available for Salti. There must be a Calendar of Audit Actions and the Board must understand what is needed and is not needed to be done in connection with the audit. Priscilla recommended the Board review the Salti correspondence and send questions to Peg so there was a central LBV point-of-contact with Salti and with the Board. Vic indicated that the Salti expenditure be delayed until the Board had a better idea of what is actually required from LBV and what exactly Salti will do. There was a sense of the Board that since Ron will be on vacation, he should sign the letter (action 2) authorizing Salti's review and LBV's payment of the fee. In this manner, after needed discussion takes place, Cindy can mail the signed letter in order for the Salti review to start. In a subsequent e-mail to the Board, Ron indicated the following: "Please review the documents, note your questions and forward them to Peg. It would be appreciated if you could send your questions to Peg in the next 2 weeks, while the topic is fresh in everyone's mind. Thanks for your help, interest and concern."

EXECUTIVE DIRECTOR'S REPORT:

Cindy Waters, Executive Director, provided the following report:

- CARBONITE back-up of the LBV computer has occurred together with a Mirror Image of the computer to facilitate restoration. Steve Richardson will review the system to be sure it is functioning properly. We also have Passport so there is double back-up. Richard asked how CARBONITE would handle document destruction. Cindy indicated that if the original on the LBV computer was deleted, it would be retained by CARBONITE for 30 days and then be permanently deleted.
- Cindy indicated that Holly Schneider volunteered to provide Party Barge rides to LBV members free. She will make special provisions to get handicapped persons on-board from an accessible site. Richard will be the overall responsible Board member as Holly is a volunteer for this service.
- Current Membership/Volunteer Status:
Members total to date: 83 plus one alum status. (Three members have not or will not be renewing – Ann and Bill Cook and Lucy Wade. Cindy is waiting on three late renewals who she will be calling; Cindy is waiting on receiving information from one new member – Patricia Selig of Ridgeway Terrace)
Certified Volunteers: 86
- Events for June 2017:
 - Silver Foxes Luncheon: Palette 22 = 8
 - Spanish Conversation: 2 members and 3 guests = 5
 - Co-ed Luncheon: 2941 Restaurant = 19 members and 1 guest = 20
 - Stretch and Balance: 5 total
 - German Conversation: 3 members and 4 guests = 7
 - Happy Hour: 24 members and 5 guests = 29
 - Village Coffees: 9 members and 2 guests = 11
 - June Quarterly Meeting: 21 members and 13 guests = 34
 - Total event numbers: 112

- Requests for Assistance Category for June 2017:
 - Computers and Technology: 1
 - Personal Assistance: 2
 - Transportation: 8 (2 cancelled; 1 unable to fill)

COMMITTEE REPORTS:

- **Operations:**
 - Richard will forward his latest rendition of the Document Retention and Destruction Policy for review by the Board.
 - With respect to the Volunteer Picnic, Board discussion yielded that simpler food was preferable; many local food stores and restaurants provide great sandwiches. Priscilla indicated that she had previously made a motion for the picnic funding to be raised to \$400.00 but the June minutes did not record this. Board discussion yielded that attendance at the Volunteer Picnic was expected to be 40-47 out of 80+ volunteers. Jane indicated that people were needed to help in the set-up and take-down of the Beach 5 picnic area. Ron indicated that Richard should put together a committee to help him. Priscilla volunteered to provide deserts. The Board deferred further discussion until Richard provides the Board an e-mail of possible food preparation alternatives and costs for the Volunteer picnic scheduled for September.
- **Membership:** Vic and Priscilla are reviewing the '65 and over' list of Lake Barcroft residents. Cindy indicated the list was a billing platform and had many names of deceased members. In addition, they are reviewing a map showing the geographic distribution of the LBV members which indicates (1) Membership appears to group around members and (2) There are large areas which contain potential members but have none – and represent a high potential area to explore for new members. A take-away from this may be that existing members may be the best source of new members through informal meetings over coffee. Another Membership focus is on age-appropriate activities which will not duplicate existing Lake Barcroft activities (Barcrofters, Newcomers, Women's Club, etc.). Vic indicated that the telephone can be a useful tool if the person called can be quickly motivated to listen. Sam suggested that 60 be considered as the member age to broaden the potential member base. The Board deferred membership discussions until Vic and Priscilla have submitted their findings. At this time there is no minimum age to join LBV.
- **Communications:** Jane suggested several topics for a Newsletter Article and requested additional topics from the Board.
- **Volunteer Services:** Pedro indicated that our need for volunteers is in competition with the Lake Barcroft Association's need for volunteers. Richard indicated a need for a list of the LBA volunteers, but a list does not exist, as each LBA event accrues volunteers for that event alone and these lists are not retained by LBA.
- **Fundraising:** Cindy indicated that Richard's "Ask" letter was a tremendous success with 25 responses – she provided a separate list of those who made contributions. Ron and Cindy discussed the B&P letters' format and that Ron should sign them.
- **Programs:** A large report was provided and is Attachment 4. A cruise brochure was provided to the Board with the proviso that it is not sponsored by LBV but we are supporting the effort. It was recommended that future cruises have a different itinerary

from those in the past and thus may be of more interest to the community. .

- **Business & Professional Committee:**

- A renewal request letter will be sent to current and potential B&P members after Ron signs them.
- There has been one B&P donation so far this calendar year.

OLD BUSINESS:

- Ron indicated that the LBV informational table at the Ice Cream Social on Saturday, 6/10/17, was well attended but would have profited from having a large sign announcing its purpose and be situated near the ice cream serving lines.
- Charter and By-Laws: Ron indicated our name would continue to be Lake Barcroft Village. Sam discussed a number of other topics:
 - The Bylaws need to be flexible enough so that if we want to approach potential members in the area beyond Lake Barcroft and clearly define the degree to which those individuals will participate in LBV activities. It needs to be clear that members outside of LBA will not have Lake Barcroft Association privileges.
 - Current LBV members do not have unlimited voting privileges except for a Board whose member candidates are pre-selected. Only the Board votes on LBV activities today so the organization is Board-directed. Discussion arose on how the membership voting for Board Members could be tactfully removed; The Board agreed that a change to the By-Laws could be used to make the change.
 - There was a discussion on what to name the types of members: Associate (from outside Lake Barcroft's territory); Member and Family Member (from within Lake Barcroft's territory). This was left to Sam to suggest.
 - Sam will continue to work on the Charter and By-Laws.

NEW BUSINESS:

- Need to look into smaller signs which could be used at Quarterly LBV Meetings and other events to identify LBV activities. The banner donated by Josi and Nikki Hillary (Barger Drive) is too large for small events like the Ice Cream Social.
- The Board confirmed the usefulness of Ron's WAVE notes to be e-mailed to them.
- Pedro provided Board Name Tags to be used at occasions such as the Ice Cream Social Happy Hour and Quarterly meetings.
- The current amplifier is broken beyond repair. Pedro will look for a replacement.
- A LBV Logo graphic made by Pedro was viewed. It could be used for future event signs.
- Ron will be absent from the August BOD meeting. Nancy, as Vice President, will chair the August meeting.

ACTION ITEMS: See Attached

ADJOURNMENT:

The meeting adjourned at 5:00 P.M.

The next regularly scheduled meeting will be on Thursday, August 10, 2017, at the Mason District Government Center at 3PM.

ACTION ITEMS

- Melinda will continue work on a potential Financial Policy for the Village. The policy will include comments on an audit, after the present audit/review is completed.
- Richard affirmed he would submit a draft Document Retention and Destruction Policy inclusive of “how” and “when.”
- Sam will continue work on revising the LBV Bylaws.
- Richard will work with Cindy to define which specific documents need to be destroyed and which are to be retained. A list of the documents destroyed need to be retained. Also need to define which documents need to be scanned and which need to be retained as paper.
- Richard will continue working on the Volunteer Picnic looking at various food preparation choices and costs and advise the Board by e-mail.
- Vic and Priscilla will continue to evaluate the demographics of LBA and members of LBV with an end to increase membership in LBV.
- All Board Members should review the Salti documents and submit questions regarding the document to Peg so that she can obtain clarification from Nadim Salti. The questions and concerns should be submitted to Peg within 2 weeks, so that the documents can be discussed during the September BOD meeting.

Respectfully submitted by Deenie McKay 7/25/2017

Note: Please change my e-mail address for all Village BOD e-mail correspondence to:
deeniemckay9252@gmail.com

ATTACHMENT ONE TREASURER'S REPORT

| REVENUE | June | To-Date | 2017 Budget |
|---------------------------------|----------------|-----------------|------------------------|
| Donations | | | |
| Corporate/B&P | | 0.00 | 4300.00 |
| Individual | 1950.00 | 4270.00 | 1200.00 |
| Designated: ie annual report | | 16.73 | 25.00 |
| TOTAL | 1950.00 | 4286.73 | <u>5525.00</u> |
| Fundraising Event | | | |
| | | 0.00 | |
| TOTAL | | 0.00 | 6000.00 |
| Membership Dues | | | |
| New | | 500.00 | 3750.00 |
| Renewing | 2625.00 | 21375.00 | 33500.00 |
| Other Types of Membership | | 0.00 | 100.00 |
| TOTAL | 2625.00 | 21875.00 | <u>37350.00</u> |
| Other Income | | | |
| Misc. | | 34.23 | 100.00 |
| TOTAL | | 34.23 | <u>100.00</u> |
| TOTAL REVENUE | 4575.00 | 26195.96 | <u>48975.00</u> |
| EXPENSES | | | |
| Personnel | | | |
| *Executive Director(Employe | 1954.38 | 11726.28 | 29040.00 |
| Employee Overhead/Taxes | 650.75 | 3721.68 | 2220.00 |
| Service Fee | 38.00 | 280.10 | 420.00 |
| ED Backup | | 0.00 | 350.00 |
| TOTAL | 2643.13 | 15728.06 | <u>32030.00</u> |
| Operating Expenses | | | |
| Business registration--SCC | | 0.00 | 25.00 |
| Copying and Printing-Local | | 0.00 | 0.00 |
| Postage, Mailing Service | | 98.00 | 500.00 |
| Telephone/Internet | 194.82 | 584.39 | 1560.00 |
| Supplies | | 340.69 | 1500.00 |
| Equipment/Software | | | |
| wix.com | | 0.00 | 250.00 |
| Insurance (Org&Officers) | | 0.00 | 2900.00 |
| Service Fees | | 0.00 | |
| Bank Fees | 4.00 | 110.57 | 50.00 |
| PayPal Fees | | 29.30 | 20.00 |
| *Credit card fees | | 0.00 | 100.00 |
| Dues/Subscriptions | | | |
| Checkbook, etc. | | 344.00 | 900.00 |
| VTV Memberships | | 0.00 | 400.00 |
| WAVE | 35.00 | 35.00 | 35.00 |
| DMV Checks | | 0.00 | 50.00 |
| Background Checks | 148.53 | 148.53 | 150.00 |
| Registration fees/publications | | 0.00 | 100.00 |
| Operating Expenses -- Other | | 0.00 | 100.00 |
| TOTAL | 382.35 | 1690.48 | <u>8640.00</u> |
| Professional Development | | | |
| | | 0.00 | |
| TOTAL | | 0.00 | 2000.00 |

ATTACHMENT 2 SALTI LETTER 1



SALTI & ASSOCIATES, LLC
Certified Public Accountant

July 12, 2017

To the Board of Directors of
Lake Barcroft Village (LBV)
3413 Rustic Way Lane
Falls Church, VA 22044-1242

Dear Mr. Karpick:

I am pleased to confirm our understanding of the services I am to provide for Lake Barcroft Village (LBV) for the period ended December 31, 2016. I will review the statements of the financial positions of LBV as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the period then ended.

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will perform the following services:

- 1) I will review the statement of financial position of LBV (a nonprofit organization) as of December 31, 2016, and the related statements of activities, functional expenses, and cash flows for the period then ended, and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

The objective of a review is to obtain limited assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America.

You are responsible for—

- a. the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
- b. designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.
- c. preventing and detecting fraud.
- d. identifying and ensuring that the organization complies with the laws and regulations applicable to its activities.
- e. making all financial records and related information available to us and for the accuracy and completeness of that information.
- f. providing us, at the conclusion of the engagement, with a letter that confirms certain representations made during the review.

Lake Barcroft Village
Review Engagement – December 31, 2016

I will conduct our review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A review includes primarily applying analytical procedures to your financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. A review does not contemplate obtaining an understanding of the Organization's internal control; assessing fraud risk; testing accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, or the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Accordingly, I will not express an opinion regarding the financial statements as a whole. The supplementary information accompanying the financial statements will be presented for purposes of additional analysis and will be subjected to the inquiry and analytical procedures applied in the review of the basic financial statements.

My engagement cannot be relied upon to disclose errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our review procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our review procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

If, for any reason, we are unable to complete our review of your financial statements, we will not issue a report on such statements as a result of this engagement.

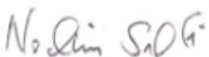
You agree to assume all management responsibilities for the bookkeeping services, tax services, or other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Nadim Salti is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

To ensure that Salti & Associates, LLC's independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

I estimate that our fees for these services will \$1,200 for the review. I appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,
Salti & Associates, LLC



Nadim E. Salti, CPA

Lake Barcroft Village
Review Engagement – December 31, 2016

Acknowledged:
Lake Barcroft Village

Officer's Signature: _____

Title: _____

Date: _____



SALTI & ASSOCIATES, LLC
Certified Public Accountant

July 12, 2017

Mr. Ron J Karpick
Lake Barcroft Village
3413 Rustic Way Lane
Falls Church, VA 22044

Dear Mr. Karpick:

Our review of your financial statements for the period ending December 31, 2016 is currently scheduled to begin in the coming few weeks. In order for us to complete the review in a timely and efficient manner we will need the following items on the first day of our field work. *Please note that many of these items may not be applicable.*

Additionally, in order for us to complete the review in the most efficient and cost-effective manner please provide all items in electronic format – Excel, Word or PDF format. *In addition we request back up copy of your QuickBooks.*

PERMANENT FILE

Please provide copies of any updated/amended or new items of the below, as applicable:

- Articles of Incorporation
- By-laws
- Exemption letter
- State tax exemption certificate
- Organizational chart
- Chart of accounts
- Employee manual
- Financial policies/accounting manual
- Whistle-blower policy
- Conflict of Interest policy
- Document destruction/retention policy
- Investment policy
- Office lease(s)
- Sublease(s)
- Equipment lease(s)
- Capital lease(s)
- Employment contracts

Lake Barcroft Village (LBV)
Review Check List
December 31, 2016

GENERAL INFORMATION

Basic accounting policies including:

- a. Description of business
- b. Type of tax entity
- c. Revenue recognition policy
- d. Fixed asset capitalization policy
- e. Income tax filing information
- f. Pension/401K contributions
- g. Terms of any loans or lines of credit
- h. Policy for AR and bad debt
- i. Cash and equivalents policy
- j. Disclosure of related party transactions
- k. Information on any subsequent events

ACCOUNTING INFORMATION

(We will need copies of the following information for our files)

1. Preliminary FS from client accounting system
2. Bank reconciliations and statements for last month of fiscal year for all bank, investment and credit card accounts
3. AR and AP aging
4. Payroll reconciliation
5. Annual budget if available (useful for developing analytical procedures)
6. Detail of any related party transactions
7. Support for any major asset or liability that's not listed above, especially if out of the ordinary

If you have any questions please contact me by phone at 202-368-0225 or via email at nadim@salticpa.com