



December 8, 2017

To: Columbia Association Board of Directors
CA Management

From: Andrew C. Stack, Board Chair

The Columbia Association Board of Directors Meeting will be held on Thursday, December 14, 2017 at approximately 8:15 p.m. at Columbia Association headquarters, 6310 Hillside Court, Suite 100, Columbia, MD 21046.

AGENDA

- | | |
|--|---------|
| 1. Call to Order | 5 min. |
| (a) Announce Directors/Senior Staff in Attendance | |
| (b) Remind people of meeting being recorded/broadcast | |
| (c) Read Five Civility Principles | |
| 2. Announcement of Closed/Special Meetings Held/To Be Held | 1 min. |
| 3. Approval of Agenda | 1 min. |
| 4. Disclosure of Conflicts of Interest | 1 min. |
| 5. Reports/Presentations | |
| (a) President's Report – "The Year in Review" – Follow-up questions from the BOD | 15 min. |
| (b) Report from the CA Representatives to the Inner Arbor Trust Board of Directors | 5 min. |
| (c) Financial Reports | 5 min. |
| 1. FY 18 2 nd Quarter Financial Report | |
| 2. FY 18 2 nd Quarter Financial Statements | |
| 6. Board Action | |
| (a) Consent Agenda | |
| 1. Approval of Minutes – November 9, 2017 | |
| (b) Board Votes | |
| 1. Approval of IRS Forms 990 and 990T | 15 min. |
| 2. Approval of the Independent Auditors for FY 2018 | 5 min. |
| 7. For Your Information | |
| (a) CA Press Release – CA wants to hear from millennials | |
| 8. Tracking Forms | 5 min. |
| (a) Tracking Form for Board Requests | |
| (b) Tracking Form for Resident Requests | |
| 9. Talking Points | 2 min. |
| 10. Adjournment – Anticipated Ending Time: Approximately 9:15 p.m. | |
| 11. A closed meeting of the Board of Directors will be held following adjournment of the open meeting. | |

Upcoming Board and Budget-Related Work Sessions and Meetings

Thursday, January 11, 2018 – Board Work Session – 7:30 p.m.

Thursday, January 18, 2018 – Public Budget Forum-Slayton House – 7:30 p.m.

Thursday, January 25, 2018 – Board Meeting – 7:30 p.m.

**ARRANGEMENTS FOR AN INTERPRETER FOR THE HEARING IMPAIRED CAN BE MADE BY
CALLING 410-715-3111 AT LEAST THREE DAYS IN ADVANCE OF THE MEETING.**

CA Mission Statement

Working every day in hundreds of ways to make Columbia an even better place to live, work, and play.

CA Vision Statement

Making Columbia the community of choice today and for generations to come.



SENIOR
LEADERSHIP
TEAM

Milton W. Matthews
President/
Chief Executive
Officer

Susan Krabbe
Vice President/
Chief Financial Officer

Dan Burns
Director of
Sport and Fitness

Jane Dembner
Director of Planning
and Community Affairs

Sheri Fanaroff
General Counsel

Norma Heim
Director of
Communications
and Marketing

Janet Loughran
Executive Assistant
to the President/CEO

Dennis Matthey
Director of Open Space
and Facility Services

Ron Meliker
Director of
Human Resources

Michelle Miller
Director of
Community Services

Chuck Thompson
Chief Information
Officer

Jackie Tuma
Director of
Internal Audit

December 2017 – The Year in Review

“Appreciate the Past – Imagine the Future”

Office of the President/CEO

The President/CEO continued his outreach and commitment to community engagement via service on numerous local boards of directors, committees, and task forces within Columbia and Greater Howard County. These include:

- Boards of Directors
 - Columbia 50th Birthday Celebration, Inc.
 - Downtown Columbia Arts and Culture Commission
 - Downtown Columbia Partnership
 - Howard County Chamber (formerly Chamber of Commerce)
 - Howard County Economic Development Authority
 - Inner Arbor Trust
- Board of Advisors
 - Choose Civility Board of Advisors (Howard County Library System)
- Task Force
 - Howard Community College Commission on the Future for 2017
 - Chair, Sustainability Task Force
- Executive Leadership Team
 - Howard County Heart Ball

The President/CEO was nominated by Howard County Executive Allan Kittleman to join a select group of 50 government, business and non-profit leaders from the Greater Baltimore region for its 2017 *Chesapeake Connect* Trip to Cleveland, OH on November 5-7, 2017. Other attendees included Catherine Pugh, Mayor of Baltimore; Allan Kittleman, Howard County Executive; Steven Schuh, Anne Arundel County Executive; Stephen Wantz, Carroll County Commissioner; J. Thomas Sadowski, University System of Maryland; and others. The purpose of the trip was to explore and to learn from a peer metropolitan area.

This nomination attests to the President/CEO's outreach and involvement with organizations within the region, and also recognizes the importance of Columbia to the region's overall economic and social well-being.

Department of Administrative Services

Accounting

A cross-departmental team led by CA's Director of Finance/Treasurer implemented PowerPlan, the budgeting software selected in FY 2017. The implementation included setting up the application for CA, developing user roles and responsibilities, uploading prior year data and current year estimates, training several dozen users, and providing ongoing assistance to CA managers as they develop their FY 2019 and FY 2020 budgets, both operating and capital.

Human Resources

During FY 2017, the Human Resources (HR) Division added several policies/programs that are typically found in high-performing and responsive organizations, including:

- Day of Community Service where we offer to all full time and part time team members, who work at least 30 hours per week, the opportunity to take one day off with pay to provide volunteer services within our Howard County community; thereby, further advancing CA's mission of "working every day in hundreds of ways to make Columbia an even better place to live, work and play;" and
- A "Walk in My Shoes" program, which takes CA headquarters staff out into the field for a partial day to meet with and learn more about other departments and divisions and build stronger ties throughout the organization.

HR implemented use of social media job search engine (www.glassdoor.com) for greater visibility of both CA and its job opportunities. Our current rating is 4.3 out of 5 and 91% of our team members would recommend CA as a place to work to their friends, plus the President/CEO has a current approval rating of 100%. An increasing amount of applicant traffic is coming through our Glassdoor portal, with over 2,000 visits to CA's page per month. We also recently posted a high quality video "Why work for CA" which was created in-house, together with team member testimonials.

Information Technology

In response to February 2017 data loss/breach, IT has evaluated and acquired two tools to provide additional defense against attacks:

- KnowBe4 - Security Awareness Training that integrates baseline testing using mock attacks; engaging interactive web-based training; and continuous assessment through simulated phishing, vishing and smishing attacks to build a more resilient and secure organization. IT completed the baseline testing at CA in October.
- Virtru - Data loss prevention (DLP) and encryption for email and data files. Additionally, this tool provides information tracking and auditing features. IT is currently testing this solution within several areas of the organization, with plans to introduce Virtru to the entire organization prior to the end of the calendar year.

Purchasing

CA's purchasing team participated in the Meet the Primes minority business enterprise (MBE) event held on 18 October 2017 at the Maryland State Fairgrounds. CA had a table at the event,

which was organized by Baltimore County and the Baltimore Metro Council, and drew over 900 MBE representatives. The team shared information about CA and its procurement needs, and provided contact information to numerous MBE representatives.

Department of Sport and Fitness

The divisions within Sport & Fitness hosted or participated in activities available to both the community and members during 2017.

- Public events were hosted by Haven on the Lake and the Group Fitness division for either no charge or a small fee. They included Fountain Plaza Yoga at the Downtown Lakefront for Mother's & Father's day; Yoga and Pilates at the Mall (summer); Dancing under the People Tree (summer); and Wine & Chocolate shopping and tasting (April).
- The Sport & Fitness Department held two open houses in 2017 to invite the community to explore CA's Fit and Play offerings. The events included Play the CA Way (spring), and Fitness Fun and Friends (fall). The Fit side of CA's Fit&Play membership was showcased with special activities, including free classes, arts and crafts activities, demonstrations of personal training, and more. The Play side was highlighted with drop-in basketball, free roller-skating admission during the open houses, outdoor pool and SplashDown access, mini-golf, and more. More than 500 guests participated in the two events.
- Haven on the Lake hosted an informal breakfast for new residents in November. More than 20 residents and visitors gathered to meet CA President/CEO Milton W. Matthews and learn more about the community.
- Hobbit's Glen held quarterly Guest Days, which permitted each member to bring three guests for a complimentary round of golf. One of the largest turnouts occurred in September, when 31 members and their 93 guests participated in the event.
- Sport & Fitness led CA's partnership with Howard Community College (HCC) in the HCC Corporate Challenge. The event raised \$85,000 to provide scholarships for students in need and to promote health and wellness in the community.
- Hobbit's Glen Golf launched a PGA Junior League Team consisting of boys and girls ages 9-13 this year. The team goal was to play in the finals, which were scheduled to be held at The Gauntlet Golf Club in Fredericksburg, VA in November. The team won the "Maryland West" League consisting of Cattail Creek, Musket Ridge and Holly Hills. The team from Hobbit's Glen then advanced to the Middle Atlantic Professional Golf Association (MAPGA) Playoffs, where it was one of 12 remaining teams. The MAPGA consists of golf clubs from Maryland and Virginia. A victory on October 28 over Queenstown advanced the team to the semifinals/finals in Fredericksburg. The team finished in third place at the MAPGA Junior League Final Four.
- Significant work was completed at several facilities, resulting in an improved experience for our members and guests:

- At the Ice Rink, the chillers responsible for making the ice were replaced, ensuring that we continue to have “the best ice around” according to many participants. Work was also done on the roof and the lobby restrooms were upgraded to be ADA compliant.
- At the Swim Center, renovations included the addition of new family changing rooms, upgrades to both locker rooms, and a new lobby.
- The Athletic Club was closed in August for Phase I of planned renovations. Improvements included replacement of mechanical systems, raised ceilings, and removal of walls to create a more open and inviting experience.
- The new Long Reach Tennis Club broke ground in March. By the end of November, the parking lot and curbing were completed, and inside wall and court finishing were well underway.

Office of Planning and Community Affairs

Community Building Speakers Series

Columbia’s Community Building Speakers Series hosts thought-provoking speakers on topics that stimulate us to discuss, engage, and build our sense of community in Columbia. CA’s intent in using the “community building” moniker is to include, in the broadest sense possible, a wide range of speakers and topics that help to sustain and build the social, physical, and economic capital and cohesion of the community of Columbia. This year, we hosted two speakers to address the community on “Enhancing Columbia’s Neighborhoods: Learning from Best Practice.” Paul Brophy and Mark Sissman spoke to the community about best practices, policies and tools to help older neighborhoods remain attractive and economically vibrant. The event was well-attended and well-received by the community.

Open Space Assessment

Chaired by the Director of Planning and Community Affairs, this interdepartmental work group compiled for the first time ever, existing open space related-plans, followed by a review of them, and related programs and stewardship protocols. The assessment produced documents identifying what CA has in place, what was achieved in recent years, and recommendations related to CA’s management and stewardship of its open space resources. The report and the companion set of new maps can be found on CA’s webpage featuring plans and studies at: <https://www.columbiaassociation.org/about-us/planning-development/>

ColumbiaDialogues

CA’s Director of Planning and Community Affairs brought together a diverse group of representatives from community and government organizations to organize, convene and facilitate small group conversations on the intersections of race, class, and culture. The goal of *ColumbiaDialogues* was to foster a personal commitment by participants to better understand their own perspectives, which may include biases, and take action to help our community become more inclusive.

The spring sessions of *ColumbiaDialogues* were completed in early June. CA helped organize these sessions in collaboration with the Howard County Public School System's Cultural Proficiency Coordinator and other interested community members representing various organizations. The program was well-received and participants found it valuable and recommended that it be continued. The program is being replicated by the Howard County Library System.

Office of General Counsel

The Office of General Counsel ("Office") drafted, reviewed, revised, negotiated and finalized approximately 180 contracts and other legal agreements.

The Office handled 70 covenant enforcement cases (23 in litigation, 47 pre-litigation), opened 31 new cases, closed 57 cases, and held monthly Architectural Resource Committee (ARC) meetings to consider acceptance of new cases and review developments in existing cases. The Office also:

- Developed new wording for resolutions used by villages to open, change status of, and close covenant cases;
- Provided guidance to villages regarding lack of obligation and authority to enforce individual HOAs' covenants, rules and guidelines, and worked with villages to delete wording in exterior alteration applications that might imply villages would enforce individual HOAs' rules;
- Began working with covenant advisors to develop a new architectural guideline for ramps and other accessibility structures; and
- Provided a covenant legal training session for village board and architectural committee members, village managers and covenant advisors. The two-hour session was well-attended (53 attendees) and feedback has been positive.

The Office investigated, made, and reported findings and recommendations on two ethics complaints and continued to make extensive revisions to, and obtained Board approval of, CA's ethics policies.

The Office analyzed the impact of, and determined appropriate CA positions on, 28 pieces of state legislation, and prepared statements/testimony regarding certain bills.

The General Counsel was recognized by First Chair, a national legal association, as Top General Counsel.

Department of Communications and Marketing

CA Website

A comparison of website traffic from 2016 to 2017 shows that visitors have increased 3%; web visitors are spending more time on the site; organic searches leading to the website are up 4%; direct traffic is up 8%; and traffic from email broadcasts is up about 308%. Traffic from mobile platforms has grown 10%.

Haven on the Lake Website

Website traffic comparison from 2016 to 2017 shows that visitors are down but those who are visiting are spending more time on the pages. The majority of visitors find the site through organic searches, followed by direct traffic.

Customer & Member Service Center

The Customer & Member Service Center (CMSC) welcomed and serviced 33% more visitors at the Welcome Desk and CMSC in 2017 compared to 2016. During the period May-November 2017, 6% more renewal notices were mailed, compared to the same months in 2016. There was 60% growth in CA Columbia Cards issued to residents in 2017 compared to 2016.

The CMSC launched online chat on the membership portion of the CA website, providing another platform through which to engage residents.

Email Broadcasts

New initiatives in 2017 were the CA Community Focus eNewsletter, club guest outreach, and member birthday emails.

PR and Media Interactions

Columbia was frequently covered in local, regional, specialty and trade publications in 2017 as a result of the community's 50th birthday as well as the recognition it had received over the years, including being named the No. 1 small city in America in late 2016 by *Money Magazine*. There were articles in the *Baltimore Business Journal*, *Baltimore Jewish Times*, *Baltimore Magazine*, *Baltimore Style*, the *Baltimore Sun*, *BisNow* (which focused on the construction side) *Business Monthly* (which ran a 12-part series and also produced a separate special section for the celebration), the *Columbia Flier*, *Common Ground Magazine*, *Greater Washington*, *Her Mind Magazine* (which dedicated an issue to Columbia at 50), *Howard Magazine* (which dedicated an issue to Columbia at 50), *NextCity*, *The Washington Post* (which ran multiple pieces), and on television on WBAL TV-11, WTOP.com, and WYPR radio.

CA sent more than 30 press releases in 2017, including releases about CA's new membership structure; CA's support for the Paris Climate Accord; and the return of the carillon bells to Lake Kittamaquundi.

Other News in 2017

Live streaming of Board of Director meetings launched in May. Recent traction showed 62 page views on the web page the week of November 9 and 30 page views the evening of the BOD meeting.

The first phase of digital signage was installed at CA headquarters, the Athletic Club, Columbia Gym, Swim Center and Supreme Sports Club. Environmental graphics were installed at the Columbia Gym.

A Digital Asset Management system was acquired and content (photos, graphics) is being added by C&M users for extended use within CA.

The 50th Birthday Brick Program concluded with approximately 400 bricks installed at the Downtown Columbia Lakefront, primarily in the special section dedicated to the Birthday.

Department of Open Space and Facility Services

Long Reach Tennis Club

Construction continues with the tennis club. The main building structure is substantially complete and interior finishes and mechanical systems are being installed. Paving and other site work were completed in October, and the project continues on schedule for opening in spring 2018.

Columbia Swim Center

Phase II of the Swim center construction, including renovation of the lobby, new family changing areas, HVAC upgrades, offices, and new locker rooms, was completed and the facility has reopened to our members and guests. Punch List work to close out Phase II construction is nearing completion. Planning for Phase III work, anticipated to take place in summer 2018, is underway.

Columbia Athletic Club

Phase I renovations were completed at the end of August and the club has reopened to our members and guests. Punch list work to close out Phase I work is nearing completion. Phase II work, among other major improvements, includes expansion of fitness areas and locker room upgrades, is currently in the design and permitting stage, and construction is scheduled to start in May 2018.

Wilde Lake Dredging

The mass grading and preparation of the Murray Hill Sediment Receiving Site are complete. Contractors working for CA have started to move sediments from Wilde Lake to the Murray Hill receiving site.

Department of Community Services

Columbia 50th Birthday Celebration

A community celebration honoring Columbia's 50th Birthday took place between March-October 2017. Over 80 organizations planned and implemented activities or events during the seven-month celebration.

Divisions within Community Services participating in the Celebration included:

- *Columbia Art Center*, which offered the first Color Columbia Plein Air Paint Out, with over 60 artists painting al fresco capturing wildlife, nature, architectural gems, and historical places.
- *Volunteer Center Serving Howard County*, which, in celebration of 15 years of promoting volunteering and Columbia's 50th Birthday, challenged volunteers and organizations to

pledge 15, 25 or 50 hours of service opportunities in 2017. Twenty organizations and more than 30 volunteers completed the challenge.

- *Columbia Archives*, which collaborated with Howard Community College and the Columbia 50th Birthday Celebration, Inc., to present Founder's Day in May 2017.
- *School Age Services*, which partnered with Columbia Archives to complete a city planning activity to coincide with Columbia's 50th Birthday. The students learned the history of Columbia and then planned their own city. The projects created were displayed during Lakefest, part of the Columbia Festival of the Arts.

Older Adult / International Exchange and Multicultural Programs

CA's Older Adult Programs and The International Exchange and Multicultural Programs collaborated with Howard County Office on Aging and Independence and the Korean American Senior Association to present an "Intercultural Conversation on Aging in Community." The event featured a round table discussion between seniors of Korean and non-Korean ancestry about their experiences of aging in the community.

The International Exchange and Multicultural program had a successful youth exchange between its sister cities in France, Spain, and Ghana. Local multicultural events such as the monthly International Book Club and World Languages Café, as well as an Oceania Culture Fest, were held in FY 2018.

Camps Division

The Camps Division offered new camps targeting middle school and elementary youth including Junior Trek, Senior Trek and Camp Extra. Sixty-four families, who otherwise may not have participated, were offered the opportunity to experience summer camp.

Youth and Teen Center

Youth and Teen Center formed a partnership with the Maryland Food Bank and piloted a Summer Community Food Pantry that served over 1,000 people by providing food on a weekly basis.

Columbia Community Exchange

Columbia Community Exchange added a new Skill Share sessions and a Tool Swap to facilitate neighbors assisting neighbors.

Happy Holidays from CA

Report from the CA Representatives to the Inner Arbor Trust Board of Directors
December 2017

After seven months of operation, the new IAT board has promoted many events that were free and open to the community. From children's programs to ballet to concerts to foreign film festivals, the Trust has been able to present new experiences and open the Park to the public. There has also been proof of concept that the Trust can raise its own funds through ticketed events such as CarnEVIL.

In preparing for 2018, the Trust is interviewing production and management consultants to further manage and monetize its events. It plans to request proposals for various events through the year, and hopes to establish reoccurring events, both ticketed and free. The Trust has already booked several upcoming events.

Access to the park is essential and the Trust has requested grants from CA and the county for its path system and is pursuing partners for both the Chrysalis and the Butterfly.



December 8, 2017

To: Members of the Columbia Association Board of Directors
Milton W. Matthews, President/CEO

From: Susan Krabbe, Vice President/CFO

cc: Jackie Tuma, Director of Internal Audit

Subject: Second Quarter FY 2018 Financial Report

The Audit Committee reviewed the FY 18 Second Quarter Financial Report at their December 11, 2017 meeting. The committee members voted to recommend that the Board of Directors be presented with the FY 18 Second Quarter Financial Report at that meeting. Each Board member has received via courier the Financial Report. In addition, the link to the Financial Report is posted as back-up material to the December 14, 2017 Board meeting. The file is too large to post, and so to access the report on line, go to <http://www.columbiaassociation.org>; select About Us; Financials; Quarterly Financial Reports; Financial Reports to the Board; then select "FY18 Second Quarter" from the list of financial reports posted.

If you have any questions, please let me know.

Columbia Association, Inc.

Financial Statements

October 31, 2017 and 2016

Columbia Association, Inc.

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Columbia Association, Inc.
Statements of Financial Position
October 31, 2017 and 2016
(in Thousands)

Assets

	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	\$ 10,940	\$ 18,320
Accounts receivable, net	6,515	11,895
Prepaid expenses and other assets	2,153	1,750
Risk management fund	6,471	6,469
Workers' compensation fund	3,249	2,994
Property, facilities and equipment, net	126,186	116,555
Intangible assets, net	<u>319</u>	<u>319</u>
Total assets	<u><u>\$ 155,833</u></u>	<u><u>\$ 158,302</u></u>

Liabilities and Net Assets

Liabilities		
Accounts payable and accrued expenses	\$ 11,725	\$ 12,858
Deferred revenue	<u>7,138</u>	<u>12,462</u>
	<u>18,863</u>	<u>25,320</u>
Term debt		
Term loan, net of deferred financing costs	24,736	26,382
Capital lease obligations	<u>398</u>	<u>265</u>
Total term debt	<u>25,134</u>	<u>26,647</u>
Total liabilities	43,997	51,967
Net assets		
Unrestricted	<u>111,836</u>	<u>106,335</u>
Total liabilities and net assets	<u><u>\$ 155,833</u></u>	<u><u>\$ 158,302</u></u>

See Notes to Financial Statements.

Columbia Association, Inc.

**Statements of Activities
Periods Ended October 31, 2017 and 2016
(in Thousands)**

	<u>2017</u>	<u>2016</u>
Revenue		
Property assessments	\$ 38,810	\$ 37,210
Sport and fitness	13,596	13,596
Community services	2,201	1,998
Communications and marketing	94	-
Open space and facility services	239	423
Village community associations	10	8
Interest income and other	87	40
Unrealized gain on marketable securities	<u>(2)</u>	<u>22</u>
Total revenue	<u>55,035</u>	<u>53,297</u>
Expenses		
Sport and fitness	14,760	14,795
Community services	3,737	3,123
Communications and marketing	1,318	1,243
Open space and facility services	6,863	6,626
Village community associations	2,408	2,288
Administrative	4,817	4,392
Interest	<u>408</u>	<u>505</u>
Total expenses	<u>34,311</u>	<u>32,972</u>
Increase in unrestricted net assets	20,724	20,325
Unrestricted net assets, beginning	<u>91,112</u>	<u>86,010</u>
Unrestricted net assets, end	<u><u>\$ 111,836</u></u>	<u><u>\$ 106,335</u></u>

See Notes to Financial Statements.

Columbia Association, Inc.

Statements of Cash Flows
Periods Ended October 31, 2017 and 2016
(in Thousands)

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities		
Increase in unrestricted net assets	\$ 20,724	\$ 20,325
Adjustments to reconcile increase in unrestricted net assets to net cash provided by operating activities		
Depreciation expense and amortization	4,706	4,477
Bad debt expense	326	99
Amortization of deferred financing costs	7	8
Loss (gain) on disposal of fixed assets	207	151
Unrealized (gain) loss on marketable securities	2	(22)
Changes in operating assets and liabilities		
Accounts receivable	414	61
Prepaid expenses and other assets	(427)	(207)
Accounts payable and accrued expenses	(1,122)	998
Deferred revenue	<u>(1,406)</u>	<u>(890)</u>
Net cash provided by operating activities	<u>23,431</u>	<u>25,000</u>
Cash flows from investing activities		
Net purchases of investments held by trustees	(13)	(10)
Purchase of property, facilities and equipment	(13,421)	(6,250)
Proceeds from the sale of equipment	<u>12</u>	<u>73</u>
Net cash used in investing activities	<u>(13,422)</u>	<u>(6,187)</u>
Cash flows from financing activities		
Repayments of line of credit, net	-	(307)
Principal payments on capital lease obligations, net	(77)	(82)
Principal payments on term loan	<u>(837)</u>	<u>(806)</u>
Net cash used in financing activities	<u>(914)</u>	<u>(1,195)</u>
Net increase in cash and cash equivalents	9,095	17,618
Cash and cash equivalents, beginning	<u>1,845</u>	<u>702</u>
Cash and cash equivalents, end	<u>\$ 10,940</u>	<u>\$ 18,320</u>
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	<u>\$ 487</u>	<u>\$ 509</u>

See Notes to Financial Statements.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Note 1 - Organization and summary of significant accounting policies

Organization

Columbia Association, Inc. (the "Association") is a nonprofit membership corporation, incorporated under Maryland law. It develops and operates recreation and community facilities; provides community programs and assistance; and maintains and develops park land and open space in Columbia, Maryland. The Association is governed by an eleven-member Board of Directors comprised of the Association's President and ten members elected by residents of each of the ten villages.

Use of estimates in preparing financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure 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 could differ from those estimates.

Cash and cash equivalents

The Association defines cash equivalents as all highly liquid investments with maturities of ninety days or less when acquired, except when such investments are held by trustees for the risk management and workers' compensation funds.

Accounts receivable

Accounts receivable consist principally of membership fees receivable, which are uncollateralized and generally have a term of one to three years. Accounts receivable also include property assessments, which are collateralized by the property subject to the annual charge.

The carrying amount of accounts receivable is reduced by a valuation allowance. The reserve for abatements and allowance for doubtful accounts is based on management's assessment of the collectability of specific member accounts and the amount of abatements residents will receive on their property assessment.

Risk management fund

Under the Association's risk management program, self-insured claims for general liability risks are accrued based on the best estimate of the ultimate cost of both asserted claims and unasserted claims from reported incidents and estimated losses from unreported incidents. Such estimates are reviewed by counsel. The Association is funding the risk management program under a trust fund arrangement, which currently provides for funding as actuarially determined by independent actuaries.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Workers' compensation fund

The Association has a self-insurance program for workers' compensation. Under this program, the Association has a workers' compensation fund for its estimate of the ultimate cost of both asserted and unasserted claims from reported workers' compensation incidents. Claims and fund expenses are paid directly out of the workers' compensation fund. The program includes a trust deposit escrow account in the name of Maryland Workers' Compensation Commission for the benefit of the Association. The investment level of the fund is periodically reviewed by the State of Maryland Workers' Compensation Commission and by independent actuaries.

Investments held by trustees

Investments held by trustees consisting of money market funds and U.S. Government mortgage bonds and treasuries are stated at fair value and are reflected in the risk management fund and workers' compensation fund on the statements of financial position.

Property, facilities and equipment, net

Land includes approximately 3,400 acres of land that has been contributed to the Association since the establishment of the community of Columbia and is recorded at zero value. The contributed land is subject to a zoning ordinance limiting its usage to public or community usage. Costs of parks, lakes and related permanent land improvements are accounted for as land and are not depreciated because they have an indefinite useful life. Facilities, equipment and land improvements that have a limited life are stated at cost and are depreciated using the straight-line method.

<u>Assets</u>	<u>Estimated useful lives</u>
Building and recreational facilities	10 to 40 years
Land improvements	20 to 25 years
Furniture, equipment and other	5 to 10 years

Accounting for the Impairment or Disposal of Long-Lived Assets ("FASB ASC 360-10"), requires that an impairment loss be recognized only if the carrying amount of a long-lived asset is not recoverable from its undiscounted cash flows and that the measurement of any impairment loss be the difference between the carrying amount and the fair value of the asset. There were no impairment losses recognized during the periods ended October 31, 2017 and 2016, respectively.

Intangible assets

Goodwill relates to the purchase of land. The annual assessment levied from this transaction exceeds the carrying amount of the goodwill and therefore no adjustment to carrying value is deemed necessary.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Deferred financing costs

Expenses related to the term loan are being amortized using the effective interest method over the term of the respective debt. Accumulated amortization as of October 31, 2017 and 2016 was \$53 and \$39, respectively. Amortization expense for the periods ended October 31, 2017 and 2016 was \$7 and \$7, respectively. Estimated future amortization expense is as follows:

<u>Year ending April 30,</u>	<u>Amortization expense</u>
2018	\$ 7
2019	13
2020	12
2021	11
2022	10

Revenue recognition

Property assessments consist of annual charges for which future services are not required and are recognized as revenue when the annual charges are levied and due. Membership and other fees are recognized as revenue on a pro rata basis during the membership period with unearned fees recorded as deferred revenue.

Rental expense

Rental expense is recognized over the lease terms as it becomes payable according to the provisions of the respective leases. However, if the rental expense varies from a straight-line basis, future rental expense including scheduled and specific rent increase and/or rent concession are recognized on a straight-line basis over the lease terms.

Advertising

The Association uses advertising to promote its programs among the audiences it serves. The costs of advertising are expensed as incurred. Advertising and promotion costs totaled \$312 and \$318 for the periods ended October 31, 2017 and 2016, respectively.

Income taxes

Although exempt from federal and state income taxes as provided for under Section 501(c)(4) of the Internal Revenue Code, the Association is subject to federal and state taxes on unrelated business income, if any.

The Association adopted the guidance provided in *Accounting for Uncertainty in Income Taxes* ("FASB ASC 740-10") on April 1, 2009. Management has determined that the Association has no material uncertain tax positions that would require recognition under the guidance. The federal and state income tax returns of the Association are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed. Net unrelated business income was \$0 and \$1 for the periods ended October 31, 2017 and 2016, respectively.

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year presentation.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Note 2 - Accounts receivable

Accounts receivable are comprised of the following as of October 31, 2017 and 2016:

	2017	2016
Membership fees	\$ 6,222	\$ 12,210
Annual charges	1,966	2,059
Other	493	425
Total accounts receivable	8,681	14,694
Less reserves for abatements and allowance for doubtful accounts	2,166	2,799
	<u>\$ 6,515</u>	<u>\$ 11,895</u>

Note 3 - Investments and other assets

Risk management fund

Investments included in the risk management fund are held by a Trustee and are combined in a portfolio, which consists of the following as of October 31, 2017 and 2016:

	2017		2016	
	Cost	Fair value	Cost	Fair value
Cash and cash equivalents	\$ 1,058	\$ 1,058	\$ 403	\$ 403
Government debt securities	5,414	5,400	6,065	6,060
Accrued interest	13	13	6	6
	<u>\$ 6,485</u>	<u>\$ 6,471</u>	<u>\$ 6,474</u>	<u>\$ 6,469</u>

Workers' compensation fund

Investments included in the workers' compensation fund are held by a Trustee in a portfolio, which consists of the following as of October 31, 2017 and 2016:

	2017		2016	
	Cost	Fair value	Cost	Fair value
Cash and cash equivalents	\$ 123	\$ 123	\$ 107	\$ 107
Government debt securities	3,117	3,126	2,871	2,887
	<u>\$ 3,240</u>	<u>\$ 3,249</u>	<u>\$ 2,978</u>	<u>\$ 2,994</u>

Note 4 - Fair value measurements

In determining fair value, the Association uses various valuation approaches within the FASB ASC 820 fair value measurement framework. Fair value measurements are determined based on the assumptions that market participants would use in pricing an asset or liability.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

FASB ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. FASB ASC 820 defines levels within the hierarchy based on the reliability of inputs as follows:

- Level 1 - Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2 - Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- Level 3 - Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

The following is a description of the valuation methodologies used for instruments measured at fair value and their classification in the valuation hierarchy.

Trading and available-for-sale securities

Debt securities consisting of government agency debt obligations are generally valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality and type.

The following table presents assets and liabilities measured at fair value by classification within the fair value hierarchy as of October 31, 2017:

	<u>Fair value measurements using</u>		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Government debt securities*	\$ -	\$ 8,526	\$ 8,526

The following table presents assets and liabilities measured at fair value by classification within the fair value hierarchy as of October 31, 2016:

	<u>Fair value measurements using</u>		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Government debt securities*	\$ -	\$ 8,947	\$ 8,947

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

*Government debt securities are included in the risk management fund and workers' compensation fund as discussed in Note 3.

Note 5 - Property, facilities and equipment, net

Property, facilities and equipment consist of the following as of October 31, 2017 and 2016:

	2017	2016
Land	\$ 6,533	\$ 6,533
Parks, lakes and related improvements	10,400	10,400
Land improvements	76,216	71,565
Buildings and recreation facilities	113,025	108,389
Furniture, equipment and other	31,098	29,858
Construction-in-progress	16,101	9,537
	<hr/>	<hr/>
Total property, facilities and equipment	253,373	236,282
	<hr/>	<hr/>
Less accumulated depreciation	127,187	119,727
	<hr/>	<hr/>
Property, facilities and equipment, net	<u>\$ 126,186</u>	<u>\$ 116,555</u>

Note 6 - Property assessments

The principal source of the Association's revenue is an annual charge, based on a rate (68 cents per \$100 of assessed valuation in both fiscal years 2017 and 2016) established annually by the Board of Directors, on all of Columbia's assessable real property. The Association's net assessed value is 50% of the State's assessed phased-in cash value subject to a 10% annual increase cap; however, the Board of Directors capped the increase at 3.5% for fiscal years 2018 and 2017.

The net assessed value for assessment years beginning July 1 was as follows:

2018	\$ 11,371,188
2017	10,970,394

Note 7 - Line of credit

The Association has available an unsecured line of credit with a bank, which, under a loan agreement, is limited to borrowings of \$45,000. The outstanding note bears interest at the lower of the bank's prime rate or LIBOR plus 55 basis points (1.79% and 1.08% as of October 31, 2017 and 2016, respectively) and is due on demand. Additionally, the note bears an unused commitment fee of 10 basis points on any difference between the preauthorized schedule of the projected outstanding balance and the amount of the credit actually used. The Association had \$-0- outstanding under the line of credit as of October 31, 2017 and 2016.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Note 8 - Term debt

Term loan

On June 26, 2014, the Association entered into a 15-year fixed rate bank loan with TD Bank in the amount of \$30,000. The loan's interest rate is 3.63% and matures in fiscal year 2030. The Association began making monthly principal and interest payments in August 2014 for the term of the loan. The funds were used to refinance certain interim indebtedness incurred to finance capital improvements. As of October 31, 2017, the future loan principal payments are as follows:

2018	\$	853
2019		1,753
2020		1,817
2021		1,887
2022 and thereafter		<u>18,517</u>
Total term loan		24,827
Less deferred financing costs, net		<u>(91)</u>
Term loan, net	\$	<u>24,736</u>

Interest expense capitalized was \$85 and \$12 during the periods ended October 31, 2017 and 2016, respectively.

Capital lease obligation

The cost and accumulated amortization of equipment under capital leases were \$581 and \$276, respectively, as of October 31, 2017, and \$831 and \$590, respectively, as of October 31, 2016. As of October 31, 2017, the future minimum annual payments under capital leases are as follows:

2018	\$	64
2019		143
2020		143
2021		<u>54</u>
Total minimum lease payments		404
Less amount representing interest		<u>(6)</u>
Present value of net minimum lease payments	\$	<u><u>398</u></u>

Note 9 - Retirement benefit plan

Substantially all full-time and eligible part-time employees are covered by a defined contribution retirement benefit plan. Contributions are based on 6% of eligible employees' salaries. Employees

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

become fully vested after six years of service. Expenses under this plan were \$600 and \$490 for the periods ended October 31, 2017 and 2016, respectively.

Note 10 - Commitments

The Association leases certain facilities and equipment under operating leases. Rental expense, exclusive of these costs, was \$1,004 and \$967 for the periods ended October 31, 2017 and 2016, respectively.

The Association records rent expense using the straight-line method over the life of the lease terms, which differs from the amount of rent due under the terms of the leases, resulting in a deferred rent payable, of \$362 and \$-0-, which was included in accounts payable and accrued expenses as of October 31, 2017 and 2016, respectively.

As of October 31, 2017, the Association's total commitment for minimum annual rentals, exclusive of maintenance and other occupancy costs, under noncancellable operating leases is:

2018	\$	761
2019		1,547
2020		1,578
2021		1,610
2022 and thereafter		<u>9,604</u>
Total	\$	<u><u>15,100</u></u>

The lease for the headquarters building located on Hillside Court includes a rent abatement for the period September 1, 2015 to April 30, 2016 valued at \$460. Accrued abatements of \$381 and \$441 were included in accounts payable and accrued expenses as of October 31, 2017 and 2016, respectively.

The lease for Haven on the Lake includes a rent abatement for the period September 1, 2014 to August 31, 2015 valued at \$386. Accrued abatements of \$275 and \$346 were included in accounts payable and accrued expenses as of October 31, 2017 and 2016, respectively. The lease also includes a tenant improvement allowance of \$1,378. Accrued allowances of \$1,011 and \$1,236 were included in accounts payable as of October 31, 2017 and 2016, respectively. The abatements and allowances are amortized over the life of the lease and are reflected as a reduction of rent expense as reported in the statements of activities.

Note 11 - Postretirement health care

The Association sponsors a defined postretirement medical benefit plan that covers both salaried and nonsalaried full-time employees and their spouses or surviving spouses. The postretirement health care plan is contributory. The Association will provide a maximum contribution of \$2.5 to retired employees and their spouses for employees who have 20 or more years of full-time service with the Association and have passed their 60th birthday. This contribution will decrease to a maximum of \$1.5 when the retiree reaches age 65. This benefit terminates on the 10th anniversary of the benefit commencement date. The employee contributes the remainder of the health care cost.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

The following table sets forth the funded status of the Association's postretirement health care benefit plan reconciled to the accrued postretirement benefits cost recognized by the Association as of April 30:

	<u>2017</u>	<u>2016</u>
Reconciliation of benefit obligations		
Obligation at beginning of year	\$ 704	\$ 654
Service cost	28	27
Interest cost	27	29
Actuarial gain	(72)	-
Benefit payments	<u>(9)</u>	<u>(6)</u>
Obligation at end of year	<u>\$ 678</u>	<u>\$ 704</u>
Amount not yet recognized in net periodic postretirement benefit costs		
Unrecognized prior service credit	\$ 15	\$ 30
Unrecognized gain	<u>111</u>	<u>48</u>
Total amount not yet recognized in net periodic postretirement benefit costs	<u>\$ 126</u>	<u>\$ 78</u>
Net periodic postretirement benefit costs include		
Service cost	\$ 28	\$ 27
Interest cost	27	29
Amortization of net gain from prior periods	(8)	-
Amortization of unrecognized prior service cost	<u>(15)</u>	<u>1</u>
Net periodic postretirement benefit costs	<u>\$ 32</u>	<u>\$ 57</u>

The discount rate was 4.45% and 5.60% as of April 30, 2017 and 2016. The gross trend rate for health care coverage is 10.0% grading to 4.6% over five years.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percent change in assumed health care cost trend rates would have the following effects:

	<u>1% increase</u>	<u>1% decrease</u>
Effect on total service and interest cost components of net periodic postretirement health care benefit cost	\$ 7	\$ (6)
Effect on the health care component of the accumulated postretirement benefit obligation	84	(73)

The following is a projection of expected future benefits under the plan:

2018	\$ 19
2019	21
2020	33
2021	39
2022	51
2023 - 2027	<u>326</u>
	<u><u>\$ 489</u></u>

Note 12 - Significant estimates

Reserve for general liability self-insurance

Under its general liability self-insurance plan, the Association accrues the estimated expense of general liability claims based on claims filed subsequent to year-end and an additional amount for incurred, but not yet reported claims based on prior experience. Accruals for such costs of \$1,345 and \$1,361 are included in accrued expenses as of October 31, 2017 and 2016. Claim payments based on actual claims ultimately filed could differ materially from these estimates.

Reserve for workers' compensation self-insurance

Under its workers' compensation self-insurance plan, the Association accrues the estimated expense of workers' compensation claims based on claims filed subsequent to year-end and an additional amount for incurred, but not yet reported claims based on prior experience.

Accruals for such costs of \$2,254 and \$2,147 are included in accrued expenses as of October 31, 2017 and 2016, respectively. Claim payments based on actual claims ultimately filed could differ materially from these estimates.

Columbia Association, Inc.

**Notes to Financial Statements
October 31, 2017 and 2016
(in Thousands)**

Note 13 - Concentration of credit risk

The Association maintains its cash balance in several accounts in various banks. At times, these balances may exceed the federal insurance limits; however, the Association has not experienced any losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of October 31, 2017.

Note 14 - Contingencies

The Association is periodically a party to various lawsuits, claims and investigations, both actual and potential arising in the normal course of business. Based on internal review and advice of legal counsel, management believes the ultimate outcome of these matters, individually and in the aggregate, will not have a material adverse effect on the Association's financial position or results of operations.

DRAFT
Minutes of the
BOARD OF DIRECTORS MEETING
Held: November 9, 2017

To be approved: December 14, 2017

A meeting of the Columbia Association Board of Directors was held on Thursday, November 9, 2017, at Columbia Association headquarters. Present were Chairman Andy Stack and members Dick Boulton, Lin Eagan, Janet Evans, Milton W. Matthews, Nancy McCord, Gregg Schwind, Ginny Thomas, and Shari Zaret. Also present were CA Vice President/CFO Susan Krabbe and General Counsel Sheri Fanaroff.

1. Call to Order: The Board of Directors Meeting was called to order at 10:04 p.m. by Chairman Andy Stack. Mr. Stack announced the directors and senior staff in attendance, reminded attendees that the meeting is being recorded and broadcast, and that members should remember CA's Five Civility Principles.

2. Announcement of Closed/Special Meetings:

The **Risk Management Committee** held a closed meeting on October 26, 2017. Members present were Richard Shaw, Shari Zaret, Milton W. Matthews, Susan Krabbe, and Chao Wu (arrived at 7:07 p.m.). The vote to close the meeting was 4-0-0.

For: Mses. Krabbe and Zaret and Messrs. Shaw and Matthews

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111 (4)(iv) consultation with staff personnel, consultants, attorneys, board members or other persons in connection with pending or potential litigation or other legal matters. The meeting was closed from 7:04 p.m. until 7:28 p.m. to review the general liability program and discuss claims.

3. Approval of Agenda

Mr. Stack suggested placing Items 10, 11 and 12 after agenda Item 7a (Consent Agenda).

Action: Ms. Thomas moved to approve the agenda as amended. Ms. McCord seconded the motion, which passed unanimously. Vote: 8-0-0.

4. Disclosure of Conflict of Interest: none

5. Reports/Presentations

(a) Report from the CA Representatives to the Inner Arbor Trust Board of Directors

Ms. Eagan submitted a written report.

(b) Financial Reports – None

6. Board Discussion -- Assessment Share – Cap on Cash Reserves

The Board discussed the purpose of the villages' cash reserves, and what percentage the reserve cap should be. They discussed the Assessment Share Formula Work Team's recommendation that villages that will receive a smaller allocation of annual funds under the new formula should be permitted to retain FY17 cash above 15% to lessen the impact of the reduced funding.

Members also discussed advocating for their individual villages as opposed to advocating for CA as a whole.

49 **7. Board Action**

50 (a) Consent Agenda

51 1. **Approval of Minutes** of October 26, 2017

52 Mr. Boulton and Ms. Thomas questioned the tally of two votes taken during the meeting. Approval
53 of the minutes was tabled until the next meeting, so that the recording secretary can review the
54 videotape of the meeting.

55 **NOTE:** *The videotape of the meeting shows that the minutes of October 26, 2017 should be corrected*
56 *as follows:*

57 *Line 121: Correct the vote tally to read "Vote: 4-6-0."*

58 *Line 122: Add Mr. Boulton's name (he voted in favor of the motion).*

59 *Line 123: Remove Mr. Boulton's name from the list of members who voted against the motion.*

60 *(During the vote to make including \$530,000 in the budget proposal for a pathway in Merriweather*
61 *Park contingent on IAT providing a more sustainable plan for construction and maintenance, Ms.*
62 *Thomas did not raise her hand. When asked about her vote, she said, almost inaudibly, "I voted 'for'*
63 *at the last minute.")*
64

- 65 **10.** Entertain a motion to hold a closed meeting of the CA Board of Directors on November 27, 2017 following
66 adjournment of the Board Operations Committee meeting. The meeting would be held under Maryland
67 Homeowners Association Act Section 11B-111(4)(i), Discussion of matters pertaining to employees and
68 personnel. *(moved on the agenda)*
69

- 70 **11.** Entertain a motion to hold a closed meeting of the CA Board of Directors on December 14, 2017 following
71 adjournment of the open meeting of the Board of Directors. The meeting would be held under Maryland
72 Homeowners Association Act Section 11B-111(4)(iii), Consultation with legal counsel on legal matters.
73 *(moved on the agenda)*
74

- 75 **12.** Entertain a motion to hold a closed meeting of the CA Board of Directors on January 11, 2017 following
76 adjournment of the open meeting of the Board of Directors. The meeting would be held under Maryland
77 Homeowners Association Act Section 11B-111(4)(iii), Consultation with legal counsel on legal matters.
78 *(moved on the agenda)*

79 **Action:** Mr. Boulton moved that the Board hold closed meetings on November 27, December 14 and
80 January 11 as listed in agenda Items 10, 11, and 12. Ms. Evans seconded the motion, which passed
81 unanimously.
82

83 **7.(b) Board Votes**

84 1. Assessment Share – Cap on Cash Reserves

85 **Action:** Ms. Thomas moved to accept the work group's recommendation that villages that will
86 receive a smaller allocation of annual funds under the new formula (Harper's Choice,
87 Oakland Mills, Owen Brown and Wilde Lake) be permitted to retain FY17 funds they
88 would have given to the contingency fund. Ms. Eagan seconded the motion, which passed.

89 Vote: 6-2-0

90 For: Messrs. Boulton, and Stack and Mses. Eagan, Evans, McCord and Thomas

91 Against: Ms. Zaret and Mr. Schwind

92 Abstain: none
93

94 **Action:** Mr. Stack moved to cap villages cash reserves at 20% and any money that would come
95 back to CA would instead be credited against the following year's allocation. Ms. McCord
96 seconded the motion, which passed. Vote: 4-3-1

97 For: Mses. Eagan, Thomas and Zaret and Mr. Stack

98 Against: Mses. Evans, McCord and Mr. Schwind

99 Abstain: Mr. Boulton

100 **8. Tracking Forms**

101 (a) Tracking Form for Board Requests

102 (b) Tracking Form for Resident Requests

103 **9. Talking Points:** Recording Secretary Valerie Montague read the Talking Points.

104 **13. Adjournment:** The meeting was adjourned at 10:59 p.m.

105

106 Respectfully submitted,

107

108 Valerie Montague

109 Recording Secretary



December 7, 2017

To: Columbia Association Board of Directors
Milton W. Matthews, President/CEO

From: Susan Krabbe, Vice President and Chief Financial Officer

Re: Internal Revenue Service Forms 990 and 990T

The Internal Revenue Service (IRS) form 990 is being posted on the CA website with the agenda materials for the December 14, 2017 meeting of the Board of Directors. Because the IRS form 990T is a confidential document (as CA's tax return), it is posted in the Board of Directors account in Google drive. The document has been shared with both the CA Board of Directors and members of the Audit Committee.

The Audit Committee is meeting on December 11, 2017 and will review both forms and consider recommending that the CA Board of Directors approve the forms 990 and 990T.



COMMITTEE RECOMMENDATIONS TO BOARD

Date: December 12, 2017

To: Columbia Association Board of Directors

From: Nancy McCord, Chair, Audit Committee

Subject: Fiscal Year 2017 IRS Forms 990 and 990-T

Issue: The Audit Committee is responsible for reviewing CA's annual IRS Forms 990 (Return of Organization Exempt From Income Tax) and 990-T (Exempt Organization Business Income Tax Return) and recommending approval by the Board of Directors prior to filing.

Discussion: The Audit Committee reviewed a draft copy of the fiscal year 2017 IRS Forms 990 and 990-T at its meeting on December 11, 2017.

Recommendation of Committee:

By a vote of 4 For 0 Opposed 0 Abstain

☐

Has no recommendation.

☒

Recommends the following action be taken or motion be approved by the CA Board of Directors in regards to the issue described above.

Justification for Recommendation: The Audit Committee reviewed and recommended that the Board approve the fiscal year 2017 IRS Forms 990 and 990-T.

Motion: The recommendation must be written in the form of a motion or resolution.

The Audit Committee recommends that the Board of Directors approve the IRS Forms 990 and 990-T for the period May 1, 2016 through April 30, 2017.

Additional Action recommended by committee in lieu of motion or in addition to motion: none.

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter social security numbers on this form as it may be made public.
▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2016 calendar year, or tax year beginning 5/1/2016, and ending 4/30/2017	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Columbia Association, Inc. Doing business as Number and street (or P.O. box if mail is not delivered to street address) Room/suite 6310 Hillside Court Suite 100 City or town State ZIP code Columbia MD 21046 Foreign country name Foreign province/state/county Foreign postal code
D Employer identification number 52-0823992	
E Telephone number 410-715-3000	
G Gross receipts \$ 69,218,829	
F Name and address of principal officer: Milton Matthews, President, Columbia Association 6310 Hillside Court, C	
H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (4) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
J Website: ▶ www.columbiaassociation.org	
H(c) Group exemption number ▶	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation: 1965
M State of legal domicile: MD	

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: The mission of the Columbia Association is to enhance the quality of life for the people living or working in Columbia and to ensure that Columbia remains an open integrated and caring community.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	10
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5	Total number of individuals employed in calendar year 2016 (Part V, line 2a)	5	2,038
	6	Total number of volunteers (estimate if necessary)	6	1,709
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,385
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	1,385
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	36,262,456	37,480,829
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	30,116,857	30,695,018
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-31,029	-57,996
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	235,546	255,858
			66,583,830	68,373,709
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	3,421,897	3,523,075
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	29,412,680	29,713,213
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	29,320,465	30,049,434
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	62,155,042	63,285,722
	19	Revenue less expenses. Subtract line 18 from line 12	4,428,788	5,087,987
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21	Total liabilities (Part X, line 26)	139,167,147	138,542,031
	22	Net assets or fund balances. Subtract line 21 from line 20	53,158,911	47,431,425
		86,008,236	91,110,606	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date	
	Mary L. Schwartz			
Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III. ☒ **X****1** Briefly describe the organization's mission:

The mission of the Columbia Association is to enhance the quality of life for the people living or working in Columbia and to ensure that Columbia remains an open integrated and caring community.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code:) (Expenses \$ 27,805,988 including grants of \$ 0) (Revenue \$ 26,384,000)

The Sport & Fitness Department runs a variety of athletic facilities for community use. These facilities include athletic clubs, golf courses, swimming pools, tennis courts, an ice rink, a sports park, and other athletic facilities.

4b (Code:) (Expenses \$ 13,558,494 including grants of \$ 0) (Revenue \$ 783,000)

The Open Space and Facility Service Department maintains community tot lots, pathways, parks, lakes, a RV Storage lot, and provides landscaping and mowing of these areas for community use.

4c (Code:) (Expenses \$ 5,754,430 including grants of \$ 337,750) (Revenue \$ 4,416,000)

The Community Services Department operates school age services programs, a volunteer center, day camps, an art center, a teen center, and other programs and facilities for community use.

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 7,552,140 including grants of \$ 3,172,825) (Revenue \$ 14,000)

4e Total program service expenses ▶ 54,671,052

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	X
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a X	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	X
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions).	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H.</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i>	X	
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i>	X	
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i>	X	
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

Part V**Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V. ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,038
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O.</i>	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8	
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b	If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O.</i>	14b	

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI. ☒ X

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 10		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.			
b Enter the number of voting members included in line 1a, above, who are independent	1b 10		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		X
6 Did the organization have members or stockholders?	6	X	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a The governing body?	8a	X	
b Each committee with authority to act on behalf of the governing body?	8b	X	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official.	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► MD

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☒ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records: ►

Columbia Association 410-715-3000

6310 Hillside Court, Columbia, MD 21046

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII. ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Andrew Stack Director	25.00	X						1,752		
(2) Gregg Schwind Director	12.00	X						1,543		
(3) Brian Dunn Director	10.00	X						0		
(4) Reginald Avery Director	13.00	X						0		
(5) Dick Boulton Director	7.00	X						1,368		
(6) Janet Evans Director	7.00	X						1,298		
(7) Lin Eagan Director	13.00	X						0		
(8) Nancy McCord Director	12.00	X						1,886		
(9) Chao Wu Director	6.00	X						1,100		
(10) Alan Klein Director	6.00	X						1,106		
(11) Milton W. Matthews President/CEO	45.00			X				237,271		21,630
(12) Susan Krabbe Vice President	45.00			X				204,965		20,252
(13) Mary L. Schwartz Treasurer	45.00			X				164,603		7,324
(14) Don Van Deusen Assistant Secretary	45.00			X				98,518		5,847

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Sheri Fanaroff Secretary	45.00			X				214,160		40,226
(16) Dan Burns Director Sport & Fitness	45.00				X			162,091		14,190
(17) Michelle Miller Director Community Services	45.00				X			160,560		10,688
(18) Dennis Matthey Open Space & Facility Svc Director	45.00				X			171,213		11,253
(19) Paul Papagijka Controller	45.00					X		151,971		25,459
(20) Jane Dembner Director Planning and Community Affairs	45.00					X		147,720		36,197
(21) Norma Heim Director Communication & Marketing	45.00					X		158,096		16,067
(22) Charles Thompson Chief Information Officer	45.00					X		154,687		17,545
(23) Denis A. Ellis Division Director, Capital Improvement Projects	45.00					X		134,374		31,723
(24) Michael L. Collins Chief Human Resource Officer	45.00						X	124,587		13,833
(25)										
1b Sub-total								2,294,869	0	272,234
c Total from continuation sheets to Part VII, Section A								0	0	0
d Total (add lines 1b and 1c)								2,294,869	0	272,234

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **26**

- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual.
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual.
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person.

	Yes	No
3	X	
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Barton Malow Company 300 West Pratt Street, Suite 310, Baltimore, MD 212	Construction	1,521,431
Clover Acquisitions, LLC P.O. Box 86, Minneapolis, MN 55486	Leasing	1,043,186
Brinton Building Services P.O. Box 157, Kingsville, MD 21051	Construction	660,557
Shapiro & Duncan, INC. 14620 Rothgeb Drive, Rockville, MD 20850	Construction	560,503
NVBLU, INC. 14120 Sullyfield Circle, Suite K, Chantilly, VA 20151	Design & Construction	541,901
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization	72	

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII. ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 37,122,236				
	c	Fundraising events	1c 0				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 358,593				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 0				
	g	Noncash contributions included in lines 1a-1f: \$	0				
	h	Total. Add lines 1a-1f		37,480,829			
Program Service Revenue				Business Code			
	2a	Membership Income	713940	18,208,137	18,208,137		
	b	Fees for Community Programs	900099	8,130,229	8,130,229		
	c	Tuition and Enrollment	624410	4,194,345	4,194,345		
	d	Other Program Services	423300	159,922	159,922		
	e	Advertising	541800	2,385		2,385	
	f	All other program service revenue		0			
	g	Total. Add lines 2a-2f		30,695,018			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		144,769	144,769		
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
	6a	Gross rents	(i) Real	(ii) Personal			
			148,972				
	b	Less: rental expenses					
	c	Rental income or (loss)	148,972	0			
	d	Net rental income or (loss)		148,972			
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			0	150,343			
	b	Less: cost or other basis and sales expenses	0	353,108			
	c	Gain or (loss)	0	-202,765			
	d	Net gain or (loss)		-202,765			
	8a	Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18	a	0			
			b	0			
			c	0			
d			0				
9a	Gross income from gaming activities. See Part IV, line 19	a	0				
b	Less: direct expenses	b	0				
c	Net income or (loss) from gaming activities		0				
10a	Gross sales of inventory, less returns and allowances	a	598,898				
		b	492,012				
		c	106,886				
Miscellaneous Revenue			Business Code				
11a			0				
b			0				
c			0				
d	All other revenue		0				
e	Total. Add lines 11a-11d		0				
12	Total revenue. See instructions.		68,373,709	30,837,402	2,385	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX. ☐

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.				
1 Grants and other assistance to domestic organizations domestic governments. See Part IV, line 21	3,510,575	3,510,575		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	12,500	12,500		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	0	0		
4 Benefits paid to or for members	0	0		
5 Compensation of current officers, directors, trustees, and key employees	1,419,072	599,115	819,957	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	
7 Other salaries and wages	22,944,935	19,185,362	3,759,573	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	952,716	723,891	228,825	
9 Other employee benefits	2,473,343	1,988,462	484,881	
10 Payroll taxes	1,923,147	1,596,023	327,124	
11 Fees for services (non-employees):				
a Management	0			
b Legal	535,971	301,099	234,872	
c Accounting	43,500	0	43,500	
d Lobbying	128,051		128,051	
e Professional fundraising services. See Part IV, line 17	0			
f Investment management fees	0			
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	2,517,251	2,297,944	219,307	
12 Advertising and promotion	754,477	749,642	4,835	
13 Office expenses	3,513,548	3,210,082	303,466	
14 Information technology	814,907	21,323	793,584	
15 Royalties	0			
16 Occupancy	8,320,306	7,537,088	783,218	
17 Travel	109,147	91,783	17,364	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	98,239	71,119	27,120	
20 Interest	978,839	1,133,666	-154,827	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	9,244,178	8,885,167	359,011	0
23 Insurance	541,935	443,587	98,348	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Vehicle Maintenance	895,366	893,245	2,121	
b Open Space/golf Course Materials & Maintenance	499,111	499,111	0	
c Miscellaneous Other Costs/Expenses	1,054,608	920,268	134,340	
d	0			
e All other expenses	0			
25 Total functional expenses. Add lines 1 through 24e	63,285,722	54,671,052	8,614,670	0
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	681,851	1	1,832,738
	2 Savings and temporary cash investments	20,205	2	12,085
	3 Pledges and grants receivable, net	0	3	0
	4 Accounts receivable, net	12,053,889	4	7,254,692
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	6	0
	7 Notes and loans receivable, net	0	7	0
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	1,655,402	9	1,725,847
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 240,994,760		
	b Less: accumulated depreciation	10b 123,305,279	115,006,446	10c 117,689,481
	11 Investments—publicly traded securities	9,430,754	11	9,708,588
	12 Investments—other securities. See Part IV, line 11	0	12	0
	13 Investments—program-related. See Part IV, line 11	0	13	0
	14 Intangible assets	318,600	14	318,600
	15 Other assets. See Part IV, line 11	0	15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	139,167,147	16	138,542,031	
Liabilities	17 Accounts payable and accrued expenses	11,860,153	17	12,847,181
	18 Grants payable	0	18	0
	19 Deferred revenue	13,352,071	19	8,544,189
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	27,639,587	23	26,040,055
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	307,100	25	0
	26 Total liabilities. Add lines 17 through 25	53,158,911	26	47,431,425
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	86,008,236	27	91,110,606
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	86,008,236	33	91,110,606	
34 Total liabilities and net assets/fund balances	139,167,147	34	138,542,031	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	68,373,709
2	Total expenses (must equal Part IX, column (A), line 25)	2	63,285,722
3	Revenue less expenses. Subtract line 2 from line 1	3	5,087,987
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	86,008,236
5	Net unrealized gains (losses) on investments	5	14,966
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-583
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	91,110,606

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

OMB No. 1545-0047

2016

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at www.irs.gov/form990.

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)(4) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization Columbia Association, Inc.	Employer identification number 52-0823992
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Part I Contributors (See instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	State of MD Treasurer's Office Off. of the Gov., Financial Admin Annapolis MD 21401 Foreign State or Province: _____ Foreign Country: _____	\$ 26,599	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	State of MD Treasurer's Office 580 Taylor Ave. Annapolis MD 21401 Foreign State or Province: _____ Foreign Country: _____	\$ 133,005	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	State of MD Treasurer's Office 580 Taylor Ave. Annapolis MD 21401 Foreign State or Province: _____ Foreign Country: _____	\$ 117,325	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	State of MD Treasurer's Office 3101 Chesapeake Bldg. College Park MD 20742 Foreign State or Province: _____ Foreign Country: _____	\$ 400	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	State of MD Treasurer's Office 580 Taylor Ave. Annapolis MD 21401 Foreign State or Province: _____ Foreign Country: _____	\$ 59,388	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	State of MD Treasurer's Office 580 Taylor Ave. Annapolis MD 21401 Foreign State or Province: _____ Foreign Country: _____	\$ 21,877	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization Columbia Association, Inc.	Employer identification number 52-0823992
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Part II **Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
-----	----- ----- ----- -----	\$ -----	-----

Name of organization Columbia Association, Inc.	Employer identification number 52-0823992
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Part III **Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ► \$ _____ 0

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For. Prov. Country		----- ----- -----
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For. Prov. Country		----- ----- -----
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For. Prov. Country		----- ----- -----
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	----- ----- ----- For. Prov. Country		----- ----- -----

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

- ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**

OMB No. 1545-0047

2016

**Open to Public
Inspection**

▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a** ☐ Public exhibition **d** ☐ Loan or exchange programs
b ☐ Scholarly research **e** ☐ Other _____
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	0

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☒ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds.

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0	0	0	0	0

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment ☐ %
b Permanent endowment ☐ %
c Temporarily restricted endowment ☐ %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	16,932,908		16,932,908
b Buildings	0	106,758,986	61,485,808	45,273,178
c Leasehold improvements	0	5,537,494	941,745	4,595,749
d Equipment	0	25,820,322	19,375,692	6,444,630
e Other	0	85,945,050	41,502,034	44,443,016

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) 117,689,481

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives	0	
(2) Closely-held equity interests	0	
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	0	

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶	0	

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	0

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes	0	
(2) Line of Credit	0	
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	0	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	68,879,000
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	14,966
b	Donated services and use of facilities	2b	0
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	14,966
3	Subtract line 2e from line 1	3	68,864,034
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	-490,325
c	Add lines 4a and 4b	4c	-490,325
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	68,373,709

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	63,777,000
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	63,777,000
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	-491,278
c	Add lines 4a and 4b	4c	-491,278
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	63,285,722

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part X Line 2 The Association adopted the guidance provided accounting for uncertainty in

Income Taxes (FASB ASC 740-10) on January 1, 2009. Management has determined that the

Association has no material uncertain tax positions that would require recognition under

the guidance. The federal and state income tax returns of the Association for 2016, 2015,

2014, and 2013 are subject to examination by the IRS and state tax authorities, generally

for 3 years after they were filed.

Part XI Line 4b Cost of Sales (\$492,012) and Rounding +\$1,687

Part XII Line 2d Cost of Sales \$492,012 and Rounding (\$734)

Part XIII	Supplemental Information (continued)
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SCHEDULE I
(Form 990)

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ Attach to Form 990.

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

**Open to Public
Inspection**

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ **Yes** ☐ **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Dorsey's Search Community Assoc 4765 Dorsey Hall Drive Ellicott City, M	52-1020415	C4	270,881				Conducting day-to-day services, covenant
(2) Harper's Choice Community Assoc 5440 Old Tucker Row Columbia, MD 2	52-0993424	C4	397,112				Conducting day-to-day services, covenant
(3) Hickory Ridge Community Associa 6175 Sunny Spring Columbia, MD 210	52-1145609	C4	277,718				Conducting day-to-day services, covenant
(4) Kings Contrivance Community Ass 7251 Eden Brook Drive Columbia, MD	52-1183017	C4	255,705				Conducting day-to-day services, covenant
(5) Long Reach Community Associatio 8775 Cloudleap Court Columbia, MD 2	23-7165259	C4	365,669				Conducting day-to-day services, covenant
(6) Oakland Mills Community Associat 5851 Robert Oliver Place Columbia, M	23-7350490	C4	390,067				Conducting day-to-day services, covenant
(7) Owen Brown Community Associati 6800 Cradlerock Way Columbia, MD 2	52-1020415	C4	303,404				Conducting day-to-day services, covenant
(8) River Hill Community Association 6020 Daybreak Circle Clarksville, MD 2	52-1821283	C4	261,085				Conducting day-to-day services, covenant
(9) Town Center Community Associati 5430 Vantage Point Road Columbia, M	52-1002415	C4	292,882				Conducting day-to-day services, covenant
(10) Wilde Lake Community Associatio 10451 Twin Rivers Road Columbia, M	52-0997150	C4	358,302				Conducting day-to-day services, covenant
(11) Columbia Festival of the Arts 5575 Sterrett Place Columbia, MD 210	52-1599803	C3	123,000				Promote the social welfare of the people
(12) The Community Foundation of Hov 10630 Little Patuxent Pkwy #315 Colu	35-1844891	C3	110,250				Promote the social welfare of the people
2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table							8
3 Enter total number of other organizations listed in the line 1 table							10

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2016)

Part III **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.

Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
Spirit of Columbia Scholarships	5	12,500			
1					
2					
3					
4					
5					
6					
7					

Part IV **Supplemental Information.** Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Part I Line 2 Financial Reports are provided by the grantee, which are reviewed.

Part III Line Column (b) The Association paid 5 individuals \$2,500 each for the Spirit of Columbia Scholarship.

Continuation Sheet for Schedule I (Form 990)

Page 1 of 1

Name of the organization Columbia Association, Inc.	Employer identification number 52-0823992
--	--

Part II Continuation of Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(13) The Village In Howard 4589 Kingscup Ct Ellicott City, MD 21042	46-3369708	C3	25,000				Promote the social welfare of the people of Columbia
(14) Columbia Book Fund 5561 Suffield Court Columbia, MD 21044	47-1121856	C3	15,000				Promote the social welfare of the people of Columbia
(15) Civic Works 2701 St Lo Drive Baltimore, MD 21213	52-1925614	C3	10,000				Promote the social welfare of the people of Columbia
(16) Neighbor Ride, Inc 5570 Sterrett Place, Suite 102 Columbia, MD 21044	32-0123282	C3	10,000				Promote the social welfare of the people of Columbia
(17) Community Action Coun 5429 Endicott Lane Columbia, MD 21044	81-0954815	C3	15,000				Promote the social welfare of the people of Columbia
(18) Korean American Senior Association of H 6336 Cedar Lane #139 Columbia, MD 21044	68-0532365	C3	7,000				Promote the social welfare of the people of Columbia
(19) _____							
(20) _____							
(21) _____							
(22) _____							
(23) _____							
(24) _____							
(25) _____							
(26) _____							
(27) _____							
(28) _____							
(29) _____							

Continuation Sheet for Schedule I (Form 990)

Page 1 of 1

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Part III Continuation of Grants and Other Assistance to Individuals in the United States

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

Columbia Association, Inc.

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

► Attach to Form 990.

► Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

**Open to Public
Inspection**

Employer identification number

52-0823992

Part I Questions Regarding Compensation

	Yes	No												
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (such as, maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as, maid, chauffeur, chef)						
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use													
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence													
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees													
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (such as, maid, chauffeur, chef)													
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.														
1b														
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?														
2														
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee								
<input type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract													
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study													
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee													
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: <table border="0"> <tr> <td>a Receive a severance payment or change-of-control payment?</td> <td>4a</td> <td>X</td> <td></td> </tr> <tr> <td>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</td> <td>4b</td> <td></td> <td>X</td> </tr> <tr> <td>c Participate in, or receive payment from, an equity-based compensation arrangement?</td> <td>4c</td> <td></td> <td>X</td> </tr> </table> If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.	a Receive a severance payment or change-of-control payment?	4a	X		b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X	c Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X		
a Receive a severance payment or change-of-control payment?	4a	X												
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X											
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X											
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5–9.														
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: <table border="0"> <tr> <td>a The organization?</td> <td>5a</td> <td></td> <td>X</td> </tr> <tr> <td>b Any related organization?</td> <td>5b</td> <td></td> <td>X</td> </tr> </table> If "Yes" on line 5a or 5b, describe in Part III.	a The organization?	5a		X	b Any related organization?	5b		X						
a The organization?	5a		X											
b Any related organization?	5b		X											
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: <table border="0"> <tr> <td>a The organization?</td> <td>6a</td> <td></td> <td>X</td> </tr> <tr> <td>b Any related organization?</td> <td>6b</td> <td></td> <td>X</td> </tr> </table> If "Yes" on line 6a or 6b, describe in Part III.	a The organization?	6a		X	b Any related organization?	6b		X						
a The organization?	6a		X											
b Any related organization?	6b		X											
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7		X											
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.	8		X											
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9													

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	Milton W. Matthews President/CEO	(i) 221,821	(ii) 15,450		14,173	9,535	260,979	
		(ii)					0	
2	Susan Krabbe Vice President	(i) 204,965			12,381	9,765	227,111	
		(ii)					0	
3	Mary L. Schwartz Treasurer	(i) 164,603				8,817	173,420	
		(ii)					0	
4	Dan Burns Director Sport & Fitness	(i) 162,091			5,068	10,770	177,929	
		(ii)					0	
5	Paul Papagjika Controller	(i) 151,971			9,385	17,645	179,001	
		(ii)					0	
6	Jane Dembner Director Planning and Community Aff	(i) 147,720			9,324	28,472	185,516	
		(ii)					0	
7	Sheri Fanaroff Secretary	(i) 214,160			13,353	29,013	256,526	
		(ii)					0	
8	Michelle Miller Director Community Services	(i) 160,560			9,651	2,644	172,855	
		(ii)					0	
9	Norma Heim Director Communication & Marketing	(i) 158,096			9,472	8,142	175,710	
		(ii)					0	
10	Charles Thompson Chief Information Officer	(i) 154,687			9,423	9,668	173,778	
		(ii)					0	
11	Dennis Matthey Open Space & Facility Svc Director	(i) 171,213			10,213	2,468	183,894	
		(ii)					0	
12	Denis A. Ellis Division Director, Capital Improveme	(i) 134,374			8,216	24,881	167,471	
		(ii)					0	
13	Michael L. Collins Chief Human Resource Officer	(i) 124,587			5,733	9,041	139,361	
		(ii)					0	
14		(i)						
		(ii)						
15		(i)						
		(ii)						
16		(i)						
		(ii)						

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Part I Line 4a Michael Collins - Total severance benefits provided during the year was \$33,908.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.**

▶ **Attach to Form 990 or Form 990-EZ.**

▶ **Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

OMB No. 1545-0047

2016

**Open To Public
Inspection**

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												

Total ▶ \$ 0

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2016

HTA

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Michelle Dunn	Spouse of Director Brian D	60,456	Employment		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

Part IV Line 1 : The Columbia Association Director did not participate in any voting

matters concerning this business transaction.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2016

**Open to Public
Inspection**

Name of the organization

Columbia Association, Inc.

Employer identification number

52-0823992

Form 990, Part III, Line 4d: Program Service Expenses: \$4,766,723, Grants and allocations:

\$3,172,825, Revenue: \$14,000. The Village community Associations serve residents as a key

source for programs, information, referral service and covenant enforcement, as well as

providing space for meetings and special events (10 village community centers and 14

neighborhood centers).

Form 990, Part III, Line 4d: Program Service Expenses: \$2,785,417, Grants and allocation: 0,

Revenue: 0. The Communications & Marketing Department informs CA residents about the

activities and financial information of the organization and the Board as well as educates

residents about Columbia's vision, history, and purpose.

Form 990, Part VI, Section B, Line 11b: The 990 is presented to the Audit committee and

accepted by the Board.

Form 990, Part VI, Section B, Line 12c: The Association's Code of Ethics and Conflicts of

Interest Policy mandates full compliance with the code and an expectation of its Team Members,

Team Leaders, Officers and Directors to foster a culture of transparency, integrity and

honesty. Complaints are made to the Designated Ethics Official (DEO) who makes an initial

determination of whether an investigation of the allegations in the complaint is warranted.

Form 990, Part VI, Section B, Line 15a/b: Periodically, CA has a compensation study for all

team members to ensure salaries are consistent with market conditions.

Form 990, Part VI, Section C, Line 19: The governing documents, conflict of interest policy

and financial statements are available to the public upon request. Additionally, the financial

statements and governing documents are on our website.

Form 990, Part XI, Line 9: Rounding (\$583)

Employer identification number

52-0823992

This image shows a full page of a handwriting practice worksheet. It consists of multiple rows of horizontal dashed lines spaced evenly down the page, providing a guide for letter height and placement. The background is plain white, and there are no other markings or text present.



December 4, 2017

To: Members of the Columbia Association Board of Directors
Milton W. Matthews, President/CEO

From: Susan Krabbe, Vice President/CFO

CC: Jackie Tuma, Director of Internal Audit

Subject: Selection and Appointment of CA's Independent Auditors

At its meeting on December 11, 2017, the Audit Committee will be discussing the results of a competitive bidding process to select an independent accounting firm for the audits of CA's financial statements and its 401(k) plan for fiscal years FY 2018 through FY 2022. We anticipate that the committee members will select one of the firms as CA's independent auditors.

In addition to selecting an independent auditing firm every five years, the firm must be appointed by CA's Board of Directors each fiscal year. We anticipate that the committee will vote to recommend that the Board appoint the selected firm to perform the FY 2018 independent audits.

The recommendation form reflecting the vote will be provided to each Board member at the December 14, 2017 Board meeting.

If you have any questions, please let me know.



COMMITTEE RECOMMENDATIONS TO BOARD

Date: December 12, 2017
To: Columbia Association Board of Directors
From: Nancy McCord, Audit Committee Chair
Subject: Appointment of External Auditors for Fiscal Year 2018

Issue:

In accordance with CA's purchasing policies, the independent auditing services for CA's financial statements and its 401(k) plan were competitively bid, and CliftonLarsonAllen LLP was selected to perform the audits for fiscal years 2018 – 2022. Engagement of the firm is contingent upon recommendation by the Audit Committee and appointment by the Board of Directors each year.

Discussion:

At its meeting on December 11, 2017, the Audit Committee voted to recommend to CA's Board of Directors the appointment of CliftonLarsonAllen LLP to perform CA's FY 2018 independent audits.

Recommendation of Committee:

By a vote of 4 For 0 Opposed 0 Abstain

☐

Has no recommendation.

☒

Recommends the following action be taken or motion be approved by the CA Board of Directors in regards to the issue described above.

Justification for Recommendation:

CliftonLarsonAllen LLP was rated highest after a competitive bidding process.

Motion: The recommendation must be written in the form of a motion or resolution.

The Audit Committee moves to recommend that the Board of Directors appoint CliftonLarsonAllen LLP as CA's external auditing firm for fiscal year 2018.

Additional Action recommended by committee in lieu of motion or in addition to motion: none.

FOR IMMEDIATE RELEASE
Contact: David Greisman
Date: Dec. 6, 2017
Phone: 410-423-4103



Columbia Association wants to hear from millennials

Columbia Association is seeking younger Columbia residents, employees and students to share ideas about how to serve them better.

CA is seeking volunteers between the ages of 17 and 35 to be part of the new Millennials Work Group. This is a unique opportunity for younger Columbians to make their voices heard on the kinds of programs, activities and venues that should be offered in Columbia — and to express their ideas about how to attract younger residents to engage with and serve the community.

The group will convene in 2018, with the goal of preparing written recommendations by year's end. Meetups and discussions (in person and/or virtual) will be scheduled at a time and location convenient for the work group.

"Columbia Association continues to seek ways to engage residents and other community stakeholders, which we believe builds lasting relationships and further enhances the quality of life in Columbia," said Milton W. Matthews, president and CEO of Columbia Association. "Our focus for this work group is to increase the opportunities to interact with younger individuals in our community. We hope to gain fresh insights and different ideas about programs, services and other existing community benefits. These discussions will help make Columbia a community of choice for their generation, as well as for generations to follow."

This age group makes up a sizable portion of the community; nearly 22 percent of Columbia's residents are between the ages of 18 and 34.

Interested individuals should fill out the form at ColumbiaAssociation.org/youngresidents by Friday, Dec. 29. Please email Jane Dembner at Jane.Dembner@ColumbiaAssociation.org for more information.

About Columbia Association

Columbia Association (CA) is a nonprofit community services corporation that manages Columbia, Maryland, a planned community that is home to approximately 100,000 people and several thousand businesses — and was named the No. 1 small city to live in by *Money Magazine* in 2016. Additional information about CA is available at ColumbiaAssociation.org.

Columbia Association
6310 Hillside Court, Suite 100, Columbia, Maryland 21046
ColumbiaAssociation.org
Facebook.com/ColumbiaAssociation
Twitter.com/ColumbiaAssn
YouTube.com/CATVChannel

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Board Request Tracking Log
FY 18
As of December 8, 2017

	A	B	C	D	E	F
1	<u>Originator</u>	<u>Issue/Task Description</u>	<u>Origination Date</u>	<u>Assigned To (Department)</u>	<u>Due Date</u>	<u>Resolution</u>
2	Gregg Schwind	In December 2016 a response was given to Reg Avery re: Haven on the Lake. The response included a table reflecting that, for 2017, Haven was projected to lose \$1.202M (\$1.482M in income vs. \$2.684M in expenses). Please send actual 2017 numbers when the books are closed on 2017.	4/22/2017	CFO's Office	6/30/2017	E-mail sent to the BOD on 6/30/17
3	Gregg Schwind	According to the response to Reg, the \$1.482M in projected Haven income included \$616K in Package Plan allocation. When sending the actual 2017 numbers, please explain staff's reasoning for the PP allocation to the Haven and whether it will continue in the future.	4/22/2017	CFO's Office	6/30/2017	E-mail sent to the BOD on 6/30/17
4	CA BOD	Please prepare a document for the Inner Arbor Trust, Downtown Columbia Partnership, and Downtown Columbia Arts & Culture Commission showing its purpose, funding sources, and how it relates to CA	5/11/2017	Office of the CA President/CEO	7/31/2017	E-mail sent to the BOD on 7/25/17
5	Alan Klein	Where on the CA website can its policies be found?	05/25/17	Communications & Marketing	6/25/2017	E-mail sent to the BOD on 6/27/17

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	A	B	C	D	E	F
1	<u>Originator</u>	<u>Issue/Task Description</u>	<u>Origination Date</u>	<u>Assigned To (Department)</u>	<u>Due Date</u>	<u>Resolution</u>
6	Andy Stack and Nancy McCord	Can CA have an on-line calendar, accessible to the community, which would list all CA, Village, and other CA-affiliated activities, such as the 50th Birthday? Each organization could maintain its portion of the calendar.	5/31/2017	Communications & Marketing	6/30/2017	E-mail sent to the BOD on 7/10/17
7	Alan Klein	What are the "playing" capabilities of the carillon bells, other than chimes at designated times?	6/8/2017	Open Space	7/8/2017	E-mail sent to the BOD on 6/16/17
8	Chao Wu	Is there an update on the annexation process for the Simpson Oak Development in River Hill?	6/26/2017	General Counsel	7/26/2017	E-mail sent to the BOD on 7/7/17
9	Janet Evans	Request for information related to pools, swim lanes, pool temperatures, and shutdowns as delineated in her e-mail of 8/17/17.	8/17/2017	Sport and Fitness	9/17/2017	E-mail sent to the BOD on 8/21/17
10	Gregg Schwind	Could Staff please provide a summary of what it is doing to improve the relationship between the Turn House and the golf community.	8/30/2017	Sport and Fitness	9/30/2017	E-mail sent to the BOD on 9/18/17
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Resident Request Tracking Log
FY 18
As of December 8, 2017

	<u>Originator</u>	<u>Issue/Task Description</u>	<u>Origination Date</u>	<u>Assigned To (Department)</u>	<u>Due Date</u>	<u>Resolution</u>
	Russ Swatek	What is CA committing to in operating the Village Green in the Long Reach redevelopment proposal, and what are the projected expenses?	5/11/2017	Planning and Community Affairs	6/11/2017	E-mail sent to the BOD on 6/13/17
	Kevin McAiley	Please provide him with recent membership lists for the Tennis, Teen & Middle School, and Watershed Advisory Committees.	6/13/2017	Office of the President/CEO	7/13/2017	E-mail sent on 7/7/17
	Tom and Ginger Scott	Please provide them with a copy of the minutes of CA's Golf & Green Advisory Committee meeting at which the Committee made the following recommendation for consideration by the CA BOD: "Distribution of alcoholic beverages at Fairway Hills Golf Club from the beverage cart."	8/7/2017	Sport and Fitness	9/7/2017	Letter sent on 8/22/2017
	Tom and Ginger Scott	Please provide them with a copy of the Pro Forma or similar document describing the financial projections for the sale of beer from the beverage carts operating on Fairway Hills cart paths.	8/7/2017	Sport and Fitness	9/7/2017	Letter sent on 8/22/2017

Resident Request Tracking Log
FY 18
As of December 8, 2017

	<u>Originator</u>	<u>Issue/Task Description</u>	<u>Origination Date</u>	<u>Assigned To (Department)</u>	<u>Due Date</u>	<u>Resolution</u>
6	Tom and Ginger Scott	Please provide them with a copy of the Howard County Liquor Board license for (the) Fairway Hills Golf Club.	8/7/2017	Sport and Fitness	9/7/2017	Letter sent on 8/22/2017
7	Tom and Ginger Scott	Questions re: vehicle from which sale of alcohol on the cart paths at Fairway Hills may take place	9/3/2017	Sport and Fitness	10/3/2017	Letter sent on 9/19/2017
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