



March 18, 2022

To: Columbia Association Board of Directors
CA Management

From: Janet Evans, Board Chair

The Columbia Association Board of Directors Hybrid Meeting will be held on Thursday, March 24, 2022 beginning at 7:00 p.m.

AGENDA

	5 min.	Page Nos.
1. Call to Order		
(a) Announce the procedures being used to conduct the hybrid meeting		
(b) Roll Call to determine Directors in attendance		
(c) Announce that both audio and video of the meeting are being broadcast. Anyone using the link to the meeting on CA's website will be able to see and hear the proceedings.		
(d) Timekeeper – Ashley Vaughan		
2. Announcement of Closed/Special Meetings Held/To Be Held	1 min.	
3. Approval of Agenda	1 min.	
4. Verbal Resident Speakout will be available to individuals who submitted the Resident Speakout form on CA's website by the specified due date. Please note that, due to time constraints, it may be necessary to limit the number of people at Verbal Resident Speakout.		
5. Consent Agenda	1 min.	
(a) Approval of Minutes – February 24, 2022 BOD Meeting		3 - 6
(b) Approval of the Hickory Ridge Representative to the Senior Advisory Committee		7
6. Board Votes	15 min.	
(a) Public Sewer Easement and Private Storm Drain & Pathway Easements (Medical Office Building); Wooden Guardrails Easement	(10 min.)	8 - 16
(b) Potential Terms of Dispersal for the Inner Arbor Trust Grant	(5 min.)	
7. Board Discussion	110 min.	
(a) Minority Business Enterprise Program Policy Provisions	(30 min.)	17 - 18
(b) Grants Policy	(30 min.)	19 - 22
(c) Financial Reports and Updates		
(i) FY 2022 3 rd Quarter Financial Report	(15 min.)	23
(ii) FY 2022 3 rd Quarter Financial Statements	(15 min.)	24 - 46
(d) Dashboard	(20 min.)	47 - 53
8. Questions Only	20 min.	
(a) President's Report		54 - 57
(b) Report from the CA Representatives to the Inner Arbor Trust Board of Directors		58 - 66
(c) State and County Legislation		67 - 70
(d) Board Priority Review		
(e) Tracking Forms		
(i) Board Requests		71
(ii) Resident Requests – Click here to submit a request		

- | | |
|---|--------|
| 9. Proposed New Topics | 5 min. |
| 10. Chair's Remarks | 3 min. |
| 11. Adjournment – Anticipated Ending Time: Approximately 10:00 p.m. | |

Upcoming Scheduled Hybrid Work Session and Meeting
April 14, 2022 – Board of Directors Work Session – Beginning at 7:00 p.m.
April 28, 2022 – Board of Directors Meeting – Beginning at 7:00 p.m.

CA Mission Statement

Engage our diverse community, cultivate a unique sense of place, and enhance quality of life

CA Vision Statement

CA creates and supports solutions to meet the evolving needs of a dynamic and inclusive community.

**Draft Minutes of the
BOARD OF DIRECTORS MEETING
Held February 24, 2022**

To be approved March 24, 2022

Columbia Association's Board of Directors held a virtual meeting on Thursday, February 24, 2022. Present were Chair Janet Evans, Vice Chair Virginia Thomas, and members Dick Boulton, Lakey Boyd, Jessamine Duvall (arrived late), Lin Eagan, Eric Greenberg, Christine (Tina) Horn, Andrew Stack, Ashley Vaughan, and Shari Zaret.

1. Call to Order: The Board of Directors Meeting was called to order at 7:00 p.m. by Chair Janet Evans.

- (a) The meeting was held in a virtual format.
- (b) Ms. Evans took roll of the directors in attendance.
- (c) All attendees and listeners/viewers were reminded that the meeting was being live-streamed and being recorded, with links available on the CA website.
- (d) The Timekeeper was Mr. Boulton.

2. Announcement of Closed/Special Meetings Held/To Be Held

CA's **Architectural Resource Committee** held a closed meeting on February 14, 2022. Members present were Michael Aniton, Deb Bach, Devora Wilkinson, Susan Sloan, and Ed Gordon. The vote to close the meeting was 4-0-0.

The closed meeting was authorized under the Maryland Homeowners Association Act, Md. Code, Real Property §11B-111(4)(iv), Consultation with staff personnel, consultant, attorneys, board members, or other persons in connection with pending or potential litigation or other legal matters. The meeting was closed from 1:04 p.m. until 2:30 p.m. to discuss new and on-going covenant cases.

3. Approval of Agenda

Action: Ms. Thomas moved to approve the agenda, seconded by Ms. Horn. Ms. Evans asked if there were any objections. Hearing none, the agenda was approved.

4. Verbal Resident Speakout

- (a) Saul Green – Wilde Lake High School – Spoke about funding the Inner Arbor Trust
- (b) Alex Hekimian – Oakland Mills – Spoke about HB 1060 and CA's position on the proposed legislation
- (c) Laura Parrish, Village Manager – Hickory Ridge – Spoke in favor of proposed funding for replacement of the Sixpence Tot Lot
- (d) Patricia Thomas – Long Reach – Spoke in favor of HB 1060
- (e) Shari Chase – Spoke about a membership issue
- (f) Skye Anderson – Hickory Ridge – Spoke in favor of proposed funding for replacement of the Sixpence Tot Lot

5. Consent Agenda

- (a) Approval of Minutes – January 27, 2022 Board of Directors Meeting - Approved by consent

51 **6. Board Votes**

52 (a) Annual Charge Rate and Cap

53 **Action:** Mr. Stack moved that Columbia Association maintain the annual charge rate of \$0.68 per \$100 of
54 assessed valuation and the cap of 3.5%. Ms. Horn seconded the motion. Ms. Evans took a roll-call vote and
55 the motion was approved unanimously.
56

57 (b) Proposed FY 2023 Draft Capital Budget

58 **Action:** Mr. Stack moved that the Board of Directors approve the proposed FY 2023 capital budget of
59 \$11M. Ms. Horn seconded the motion.
60

61 Ms. Thomas suggested Mr. Stack's motion be amended to include funding for an ADA-compliant restroom
62 on the upper level of The Other Barn. Discussion focused on the approximate cost of the entire project,
63 including planning, design, permitting, and construction; whether Capital III funding was available in the
64 proposed budget; and whether the restroom project would supplant another project.
65

66 Mr. Boulton then suggested Ms. Thomas' motion be amended to include funding in FY 2023 capital budget
67 for the planning stage, including design and permitting, with the Board of Directors supporting the inclusion
68 of construction of the restroom in the capital budget in a future fiscal year. Mr. Matthey confirmed that funds
69 were already available in the proposed FY 2023 capital budget to cover Mr. Boulton's suggestion, and that
70 an estimate could be provided to the Board in FY 2023.
71

72 **Actions:**

73 Mr. Boulton withdrew his amendment to Ms. Thomas's amendment to Mr. Stack's motion.

74 Ms. Thomas withdrew her amendment to Mr. Stack's motion.

75 Ms. Evans took a roll call vote on Mr. Stack's motion to approve the proposed FY 2023 capital budget of
76 \$11M. The motion was approved unanimously.
77

78 (c) Proposed FY 2023 Draft Operating Budget

79 **Actions:** Mr. Stack moved to approve the Proposed FY 2023 Draft Operating Budget as submitted. Ms.
80 Horn seconded the motion. Mr. Greenberg then made a motion to amend the proposed FY 2023 draft
81 operating budget to add \$75K to fully fund the Inner Arbor Trust at the \$200K level. Ms. Zaret seconded
82 Mr. Greenberg's motion.
83

84 Discussion focused on how the additional \$75K would be obtained; how funding would be dispersed;
85 concerns about IAT's failure to provide audited financial statements; and the late timing of the request for
86 funding at the additional level.
87

88 **Actions:**

89 Ms. Evans called for a vote on Mr. Greenberg's proposed amendment to Mr. Stack's motion. The Board
90 voted against the amendment by a vote of 4-6-0.

91 For: Mr. Greenberg and Mmes. Eagan, Thomas, and Zaret

92 Against: Messrs. Boulton and Stack, and Mmes. Duvall, Evans, Horn, and Vaughan

93 Abstain: None
94

95 Ms. Evans then took a roll call vote on Mr. Stack's motion to approve the proposed FY 2023 draft operating
96 budget as submitted. The motion was approved unanimously.
97

98 (d) Reallocation of FY 2014 and FY 2015 Capital Funds for the Sixpence Tot Lot Replacement

99 **Action:** Ms. Duvall moved that the Board approved the reallocation of the FY 2014 and FY 2015 Capital
100 Funds for the Sixpence Tot Lot replacement. Mr. Stack seconded the motion.
101

Discussion focused on several issues including whether replacement of the Sixpence tot lot met the criteria outlined in the tot lot information presented at the July 29, 2021 special Board work session on the budget; whether capital funds could be reallocated from one capital project to another; should Sixpence be considered a tot lot or a playground; environmental concerns; and if the existing slide structure could be refurbished rather than replaced.

Action:

Ms. Evans called for a vote on Ms. Duvall's motion. The motion was defeated by a vote of 4-6-0.

For: Mr. Stack and Mmes. Duvall, Horn, and Vaughan

Against: Messrs. Boulton and Greenberg, and Mmes. Eagan, Evans, Thomas, and Zaret

Abstain: None

7. Board Discussion

(a) Community Outreach

Tim Pinel, director of Communications and Marketing, gave a Power Point presentation on CA's community outreach. The presentation on tools and channels used for community outreach; increased coordination of outreach via CA's Events and Outreach Committee; seasonal and residential outreach activities; and enhancements around inclusivity and greater diversity in engagement.

8. Questions Only

(a) President's Report – A written report was provided. No questions were asked.

(b) Report from the Inner Arbor Trust – A written report was provided. No questions were asked.

(c) Pre-filed Legislation - A written report was provided. Questions focused on HB 1060, and its possible impact upon Columbia Association and the villages. The discussion concluded with the Board asking Mr. Aniton to request that Columbia Association and the villages are excluded from the proposed legislation.

(d) Board Priority Review – No discussion.

(e) Tracking Forms

(i) Board Requests – No discussion

(ii) Resident Requests – Ms. Thomas asked that the report given to the Board include the responses given to the various requests.

9. Proposed New Topics

- Mr. Boulton – Ethics Policy Procedure – Would like information on the process to be followed in updating the various policies
- Ms. Thomas – Would like information on any negotiations with the new tenant(s) and/or owner(s) of the Clyde's and Soundry space regarding use of CA's open space that results in the owners' and/or tenants' profit.
- Ms. Duvall – Would like to determine the process for disbursement of the Inner Arbor Trust funds, before May 1, 2022.
- Mr. Boulton – Would like to discuss improvements to the Lakefront and what Columbia Association would like them to be

10. Chairs' Remarks

Oral remarks were made by Ms. Evans.

154 **11. Adjournment**

155 **Action:** Ms. Vaughan made a motion to adjourn, seconded by Mr. Boulton. Hearing no objections, the meeting
156 adjourned at 9:50 p.m.
157

158
159 Respectfully submitted,

160
161 Janet F. Loughran

162 Executive Assistant to the President/CEO



Hickory Ridge Community Association

6175 Sunny Spring, Columbia, Maryland 21044 • 410 730-7327
hickoryridgevillage.org • thehawthorncenter.org

March 14, 2022

Senior Advisory Committee
Columbia Association Board of Directors
Columbia Association
6310 Hillside Court, Suite 100
Columbia, MD 21046

Subject: Celindah Greer

Dear Members of the Senior Advisory Committee,

Following the resignation of David Zeitzer as our Senior Advisory representative, at the regularly scheduled Hickory Ridge Village Board meeting on January 24, 2022, the Village Board unanimously approved a motion recommending the appointment of Celindah Greer as the Hickory Ridge representative to the CA Senior Advisory Committee. We are grateful for her volunteering to serve our community.

Sincerely,

Laura Parrish
Village Manager

cc: Celindah Greer



Easement Request Form

Date: 3/3/2022

Easement Grantee: Howard Research and Development Corporation

Project Name: Southlake Medical Office Building

Proposed Easement Location:

Town Center Lakefront - CA Open Space Lot 25

Purpose of Proposed Easement:

Public sewer and utility easement, replacement of existing private storm drain & easement, realignment of existing public pathway and utility easement, and reciprocal private pathway easement related to development of HRD property adjacent to CA Open Space.

Alternatives to Proposed Easement:

Reciprocal private pathway and public pathway realignment are necessary to maintain pedestrian and bicyclist connectivity. Lack of easement would result in loss of formal connection and access to the Lakefront. Without private storm drain easement, CA would be responsible for maintenance of existing private drain pipe. Realignment of the public sewer easement would result in substantial redesign of the adjacent development.

Briefly describe who will be impacted and how they will be impacted:

The Lake Kittamaqundi Loop will experience short term closure associated with realignment of the existing pathway and intermittent closure throughout the construction timeline to install utilities and new pathway connections. Some existing trees will be removed and replaced through the associated site development replanting plan.

Additional Notes:

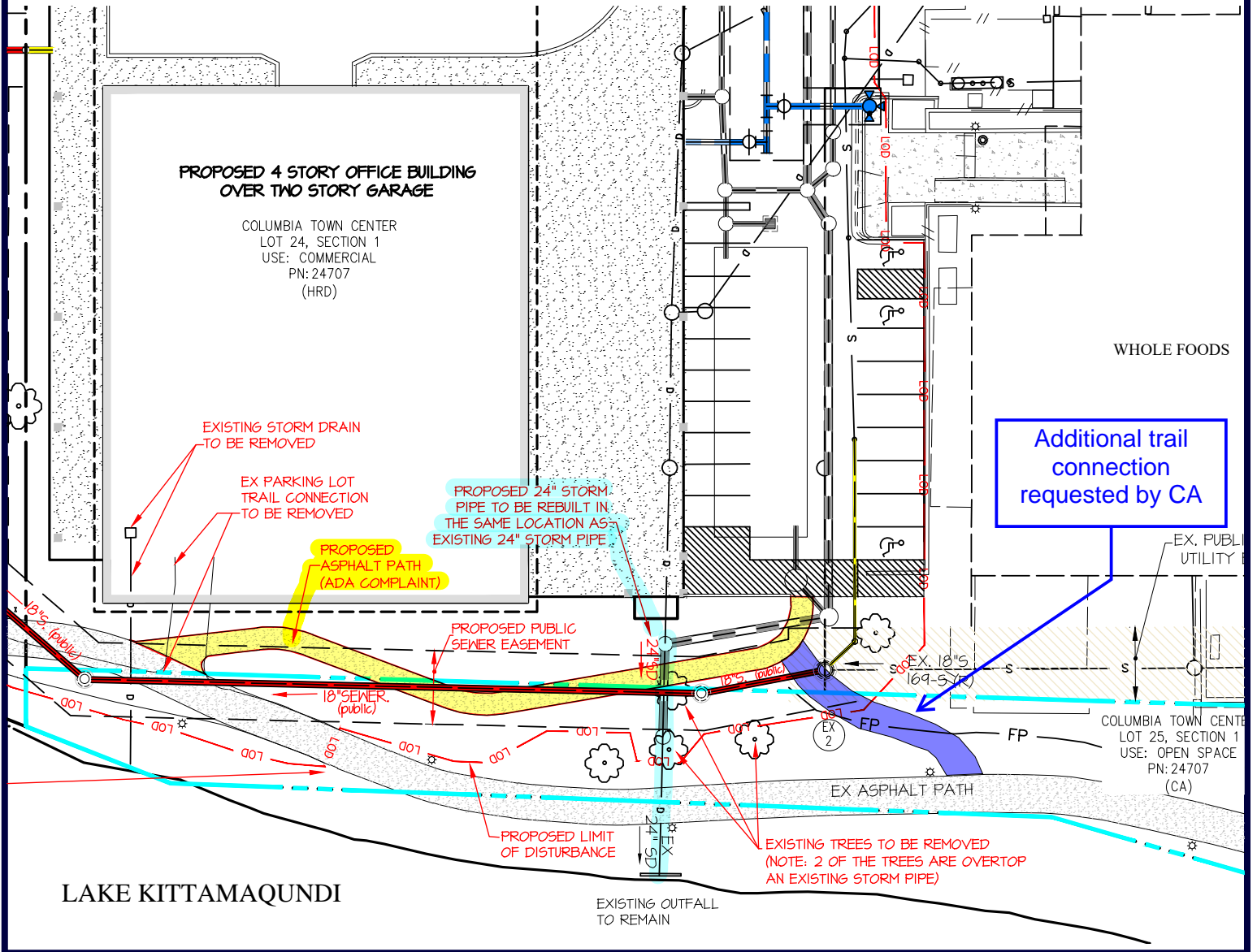
HRD owned lot 2 will be the primary construction entrance serving the project area. Its pathway will be closed for the duration of the project. At CA's request, HRD has incorporated enhancements to facilitate improved access to the Lake Kittamaqundi boat ramp and loop trail. CA staff recommends approval, subject to final review of easement documents.

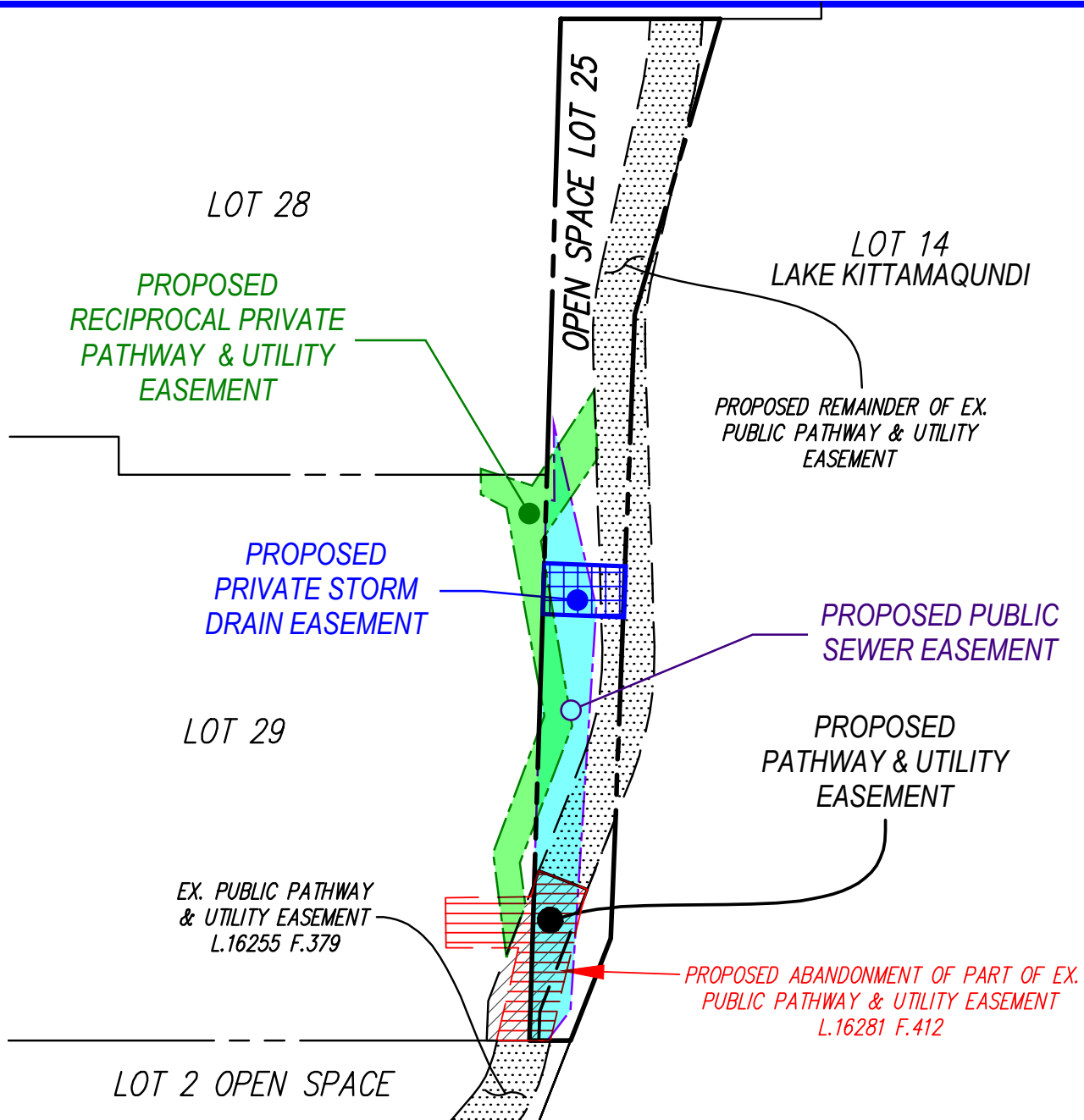
Contact Information

Name: Jessica Bellah, Manager, CDRES
E-mail: Jessica.Bellah@columbiaassociation.org
Phone #: 410.715.3166

Southlake Medical Office Building Easement Request Vicinity Map







RESOLUTION AUTHORIZING EASEMENT

The Columbia Association (“CA”) Board of Directors (the “Board”) has considered whether to grant certain easements, subject to staff final review, to Howard Research and Development, relating to 1) Public Sewer and Utility, 2) Private Storm Drain, 3) Public Pathway and Utility, and 4) Reciprocal Private Pathway on CA Open Space Lot 25, a copy of which is attached to this Resolution (the “Easement”). The Board makes the following findings with respect to the Easement:

1. The execution and performance of the Easement is taken exclusively for the promotion of the social welfare of the people of Columbia;
2. The Easement is expected to produce civic betterments or social improvements consisting of increased accessibility, pathway connectivity, and improved public amenities; and
3. The Easement produces benefits for the people of Columbia that are necessary incidents to the accomplishment of CA’s purpose to promote the social welfare of the people of Columbia.

Having made these findings, the Board hereby authorizes the execution of the Easement on behalf of CA.

BE IT SO RESOLVED

_____, 2022



Easement Request Form

Date: 3/3/2022

Easement Grantee: Assignable to Howard County and/or
Howard Research and Development Corporation

Project Name: Guardrail Replacement

Proposed Easement Location:

Columbia Wide.
Limited easement area on CA Open Space Lots where guardrails are located outside of the County owned Right-of-Way

Purpose of Proposed Easement:

Access easement for the maintenance and replacement of guardrails. See detailed notes in the Vicinity Map exhibit

Alternatives to Proposed Easement:

No feasible alternatives. An easement is necessary to address existing conditions.

Briefly describe who will be impacted and how they will be impacted:

Residents may be impacted during construction with temporary pathway closures. Residents in adjacent lots will experience minor construction activities. Benefits include improved public amenities and public safety.

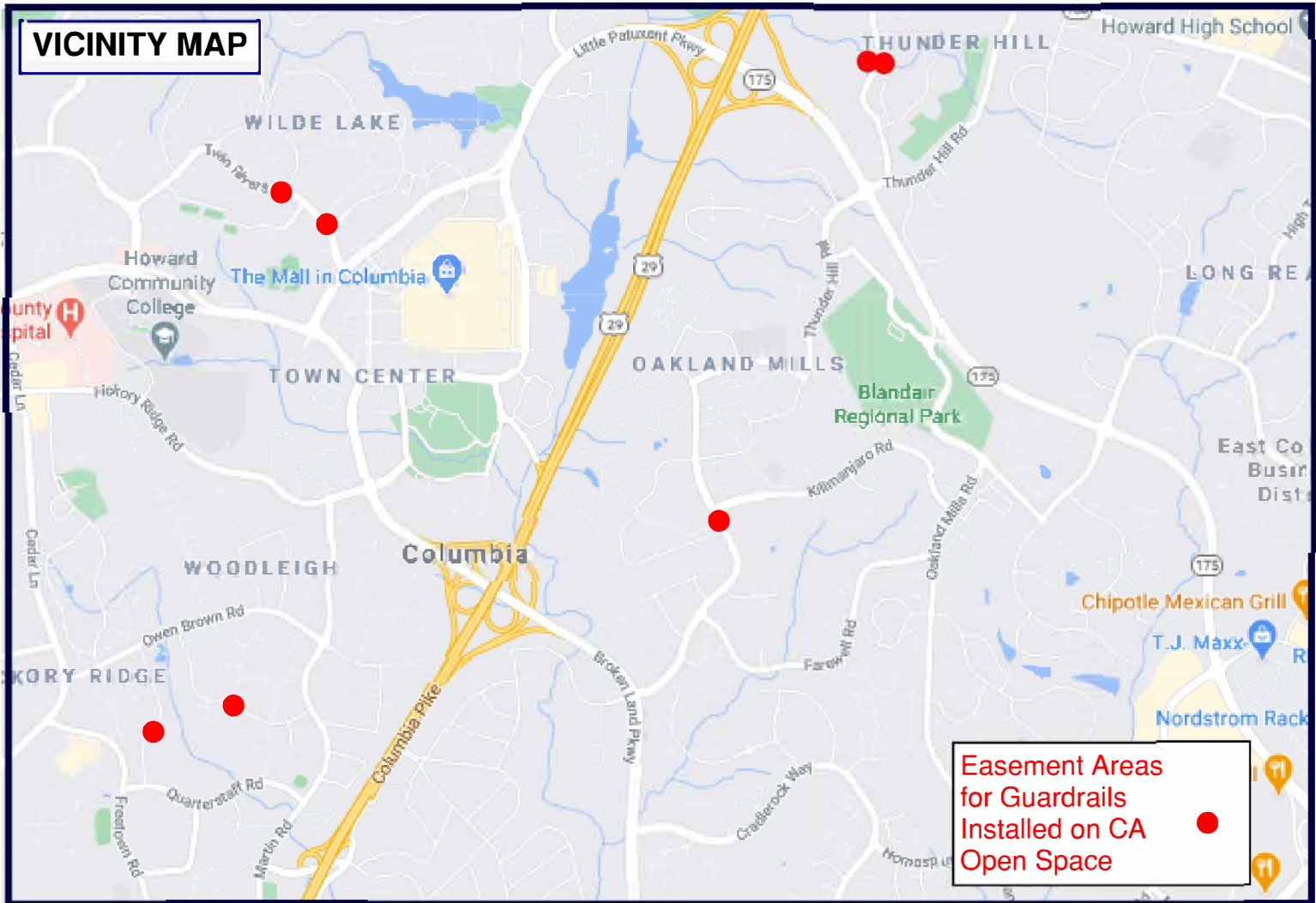
Additional Notes:

Staff recommends any easement rights granted have exclusive assignability to either Howard County, Maryland or Howard Research and Development Corporation. Staff recommends approval, subject to final review of the documents.

Contact Information

Name: Jessica Bellah, Manager CDRES
E-mail: Jessica.Bellah@ColumbiaAssociation.org
Phone #: 410.715.3000

VICINITY MAP



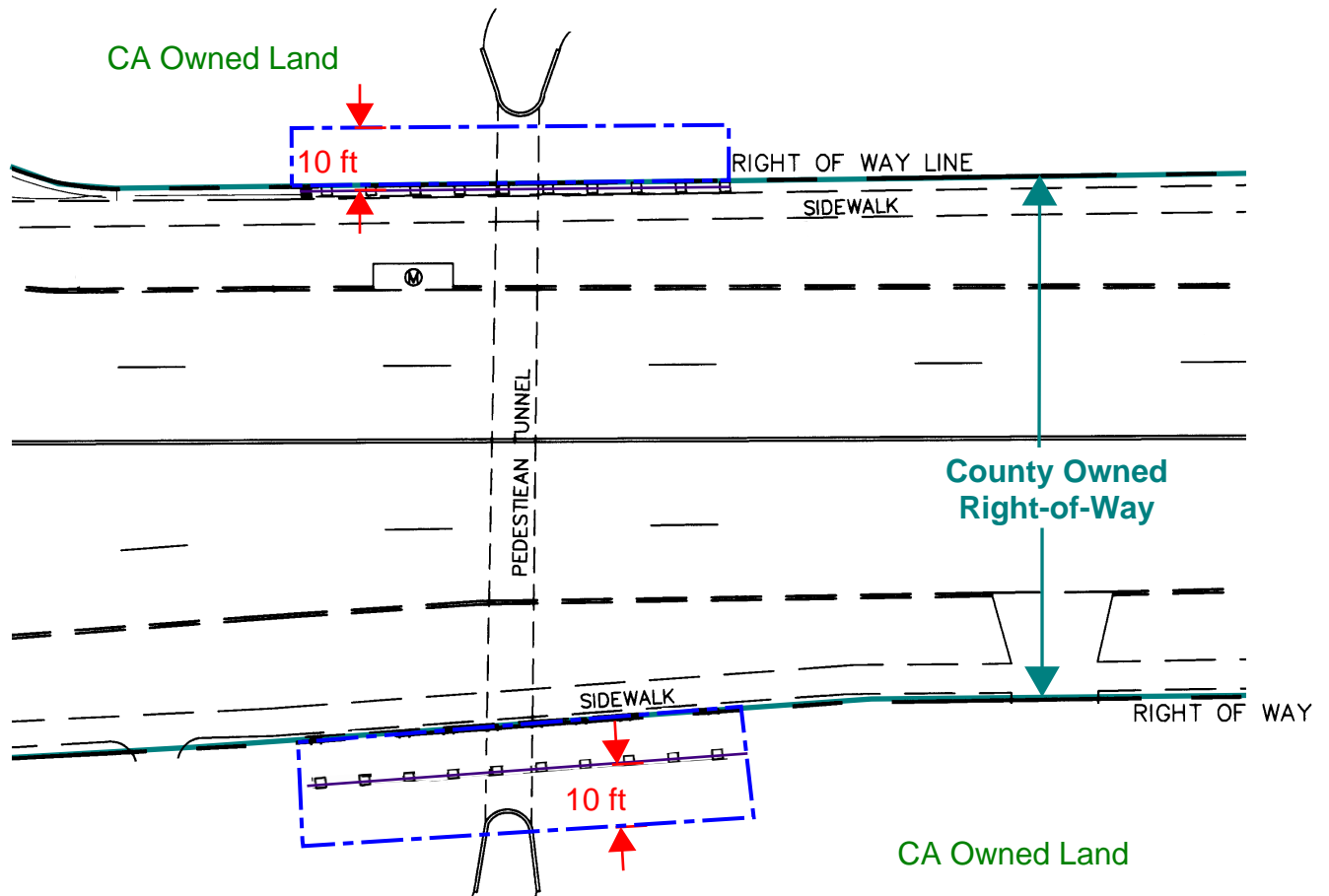
CA recognizes there are additional wooden guardrails in Columbia, not shown on the map. These guardrails are scheduled to be replaced through the same program. The map depicts only the location of those guardrails located on CA property that require an easement.

Guardrail Easement Request



There are several wooden guardrails on CA open space associated with County road infrastructure for which no prior easement has been established. These guardrails were installed by the Rouse Company during the original build-out of Columbia and are now in disrepair and non-compliant with current County standards. Howard Research and Development Corporation is undertaking a five-year project to replace the older wooden guardrails throughout Columbia with code-compliant metal guardrails. Code-compliant guardrails may be dedicated and turned over to Howard County, who will maintain the guardrails moving forward. If for any reason Howard County does not accept dedication, Howard Research and Development Corporation will be responsible for maintenance.

EXAMPLE OF EASEMENT DETAIL



Guardrail Easement Request:
Guardrail maintenance easement will extend from the right-of-way to 10' behind the guardrail location



Example: Brown metal guardrails seen above will replace currently installed wooden guardrails

RESOLUTION AUTHORIZING EASEMENT

The Columbia Association (“CA”) Board of Directors (the “Board”) has considered whether to grant an easement, subject to staff final review, to either Howard Research and Development Corporation or Howard County, Maryland relating to guardrails located on CA Open Space Lots throughout Columbia, a copy of which is attached to this Resolution (the “Easement”). The Board makes the following findings with respect to the Easement:

1. The execution and performance of the Easement is taken exclusively for the promotion of the social welfare of the people of Columbia;
2. The Easement is expected to produce civic betterments or social improvements consisting of improved public amenities and safety improvements; and
3. The Easement produces benefits for the people of Columbia that are necessary incidents to the accomplishment of CA’s purpose to promote the social welfare of the people of Columbia.
4. Howard Research and Development Corporation may only assign the easement rights to Howard County, Maryland.

Having made these findings, the Board hereby authorizes the execution of the Easement on behalf of CA.

BE IT SO RESOLVED

_____, 2022



March 18, 2022

To: Columbia Association Board of Directors
Lakey Boyd, President/CEO

From: Susan Krabbe, Senior Vice President and CFO
Patrick O'Malley, Director of Purchasing

Re: MBE Policy – Proposed Extension and Other Amendments

CA's Minority Business Enterprise (MBE) Policy has a Board-approved sunset provision whereby it expires on April 30, 2022, unless extended by the Board. At its meeting on January 27, 2022, the CA Board voted to extend the MBE policy for ten years and to request CA staff to return in March for additional discussion on provisions of the policy after considering both the recommendations proposed by the Board subcommittee and any other recommendations staff may have at the time. The Board subcommittee is comprised of Tina Horn, Ashley Vaughan and Shari Zaret.

Two of the three members of the Board subcommittee (Tina Horn and Ashley Vaughan) met with Susan Krabbe and Pat O'Malley on March 3 to discuss information shared by the subcommittee and CA's existing MBE policy. The discussion focused primarily on three policy considerations:

1. The overall goal and subgoals by MBE type
2. Reporting
3. Success metrics

Overall Goal and Subgoals

Based on the discussion when we met on March 3, 2022 and extensive staff research on governmental and other programs, as well as the data on MBE, women-owned (WBE) and disabled-owned (DBE) certified vendors in Howard County, we have developed a chart and timeline for an overall increased goal and for subgoals by MBE classification, for your consideration and, ultimately, the CA Board's approval.

CA's MBE policy was closely modeled on Howard County's program to take effective advantage of their program support and infrastructure and because it is locally relevant. It is important to note that Howard County's MBE policy does not have subgoals. The State of Maryland has subgoals that vary by industry classification. We are proposing that CA institute subgoals based on Howard County's population of certified MBE vendors, as provided by the Howard County Equal Business Opportunity Office. We looked at further breakdowns by industry classification, but we do not think that works for CA, for two primary reasons:

- The state's subgoals by industry classification do not reflect Howard County's vendor population (for ex., WBE subgoals exceed African American subgoals for the state, but Howard County's WBE vendors are about half of its African American vendors).
- CA's relatively small size (compared to state purchasing volumes), unpredictable volume for the industry categories, and our small purchasing team would make tracking burdensome and achievement difficult.

Based on these considerations, staff recommends the following overall goals and subgoals:

			FOR FY23		FOR FY24		FOR FY25		FOR FY26
	HoCo	Apply HoCo		Apply HoCo		Apply HoCo		Apply HoCo	
	MBE	Firms %		Firms %		Firms %		Firms %	
	Firms	to 15%	Rounded	to 18%	Rounded	to 20%	Rounded	to 23%	Rounded
African American	44.9%	6.74%	7.0%	8.08%	8.0%	8.98%	9.0%	10.33%	10.0%
Hispanic American	8.8%	1.32%	1.0%	1.58%	1.5%	1.76%	2.0%	2.02%	2.0%
Asian American	17.7%	2.66%	2.5%	3.19%	3.0%	3.54%	3.5%	4.07%	4.0%
Native American	0.2%	0.03%	0.1%	0.04%	0.1%	0.04%	0.1%	0.05%	0.3%
Disabled	2.7%	0.41%	0.4%	0.49%	0.4%	0.54%	0.4%	0.62%	0.7%
Women (non-minority)	25.7%	3.86%	4.0%	4.63%	5.0%	5.14%	5.0%	5.91%	6.0%
Total	100.0%	15.00%	15.0%	18.00%	18.0%	20.00%	20.0%	23.00%	23.0%
Note: Howard County's MBE program does not have subgoals.									
The "HoCo MBE Firms" column is the percentage (%) of each firm type to the total of MBE, DBE and WBE firms included in the list of certified firms per Howard County's Equal Business Opportunity Office.									

Reporting

Staff will continue to report the actual MBE spend every quarter in the quarterly financial report. In addition, we propose an annual update and report at a Board work session or Board meeting to include the success metrics listed below. Staff would like to have the annual update in September, so we have first quarter data for FY 2023, and thereafter.

Success Metrics

Beginning in FY 2023, staff would track and report on the following metrics:

1. Number of MBEs receiving requests for proposals and/or invitations for bids (RFPs/IFBs).
2. Number of MBE vendors awarded contracts
3. Dollars spent by MBE subgoal category compared to the subgoals

We appreciate Board members' interest in the MBE policy and look forward to moving the organization forward on this important effort.

Community Grant Policy

CA recognizes that many entities in the Columbia community share responsibility for enhancing the health, wellness, individual development and quality of life for Columbia's residents. CA therefore works with businesses, educational institutions, not-for-profit entities and philanthropic organizations to benefit the social welfare of the people of Columbia. One way in which CA does this is by making community grants to organizations that contribute to the quality of life in Columbia, enhance CA's mission, and help to meet CA's vision — which is to create and support solutions to meet the evolving needs of a dynamic and inclusive community.

There are three categories of Community Grants. During each year's budget process, the CA Board approves the amount of funds in each Category:

1. **Community Grant Category 1- Board Directed:** Board directed grants, typically in amounts of \$100,000 and above, such as the grants that have been made in recent years to Inner Arbor Trust, the Columbia Festival of the Arts and the Downtown Columbia Partnership;
2. **Community Grant Category 2- Community Foundation:** A grant to the Community Foundation of Howard County to be used in turn by the Foundation to make grants to entities selected by the Foundation in the areas of Arts and Culture, Human Services, Education and the Environment that promote the social welfare of the people of Columbia. The Community Foundation of Howard County will select the recipients of these grants. With the agreement of the Foundation, a CA staff member will serve on the Foundation's Grant Review Committee;
3. **Community Grant Category 3- Other.** Supportive of the CA strategic plan and on-going initiatives, a lump sum community grants amount to be dispersed as individual, one-time grants not to exceed \$25,000 to community organizations (excluding religious organizations) selected by the President/CEO and Director of Community Services. The CA President/CEO will award these grants. By the end of the quarter, the President reports to the CA Board in the President's Report grants that were made in that quarter. After the Board has approved the budget, grant applications are generally available to community organizations from March to June. The President/CEO consults with the Director of Community Services regarding the types of services made available by each organization applying for a grant and the purpose for which the grant is requested. The President/CEO then makes the final determinations generally between June and August on the community organizations that will receive grants and the amounts of the awards.

For all three categories of grants, prior to the transfer of any grant funds by CA, the recipient must sign a grant agreement that imposes certain requirements on the organization as a condition of receiving the grant. Within 30 days after the end of the Grantee's fiscal year, the Grantee must provide CA with a report on its expenditure of the grant funds, including a program evaluation of the activities that occurred during the grant period.

Approved by the Columbia Association Board of Directors on February 27, 2020



Columbia Association Grant Application

In order to fulfill its mission of working every day in hundreds of ways to make Columbia an even better place to live, work and play, the Columbia Association (CA) has identified the following goals:

- Deliver programs and services that meet stakeholders' expectations and enhance the quality of life in Columbia.
- Maintain and enhance Columbia's facilities, open spaces, connectivity and environmental stewardship.
- Develop and communicate a shared community vision for Columbia, and advance the vision through advocacy, partnerships, and alignment of CA programs and service.
- Strengthen communication and community engagement in CA.
- Demonstrate the practices of a high-performing and responsive organization.

The Columbia Association conducts ongoing strategic planning and consults with community leaders and citizen groups to identify pressing needs. CA recognizes that enhancing the health, wellness, individual development and quality of life for Columbia's residents is a shared responsibility. By forming partnerships with local and state governments, businesses, educational institutions, not-for-profit, and philanthropic organizations, the community positively benefits.

Proactive grants, initiated by the Columbia Association, are available to organizations that contribute to the quality of life in Columbia, enhance CA's mission, and help to meet CA's vision of making Columbia the community of choice - today and for generations to come.

Please complete the following application and submit it electronically. Please keep the submittal to no more than 3 pages. If you have any questions or need assistance, please contact: Michelle Miller, Director of Community Services, michelle.miller@columbiaassociation.org , 410-715-3170

Date:

Organization Name:

Organization Address:

Organization Website:

Mission Statement:

Annual Budget:

Budget of the overall organization.

Contact Name:

Name of the person responsible for the project requesting funding.

Contact Phone:

Contact E-Mail:

Project Name:

Project Budget:

Amount Requested for Project:

Describe how this project meets CA's Mission and Goals:

Describe project goals and objectives (please include measurable outcomes)

Describe plans for evaluation, including how success will be defined and measured:



March 18, 2022

To: Members of the Columbia Association Board of Directors
Lakey Boyd, President/CEO

From: Susan Krabbe, Senior Vice President and CFO

cc: Jackie Tuma, Director of Audit and Advisory Services

Subject: Third Quarter FY 2022 Financial Report

The Audit Committee will review the FY22 Third Quarter Financial Report during their March 21, 2022 meeting. We anticipate that the committee members will vote to recommend that the Board of Directors be presented with the FY22 Third Quarter Financial Report at that meeting. The link to the Financial Report has been posted as back-up material to the March 24, 2022 Board meeting. To access the report online, go to <https://www.columbiaassociation.org/about-us/financials/financial-reports/>; then scroll toward the bottom of the page, select "Quarterly Financial Reports to the Board," then select "FY22 Third Quarter" from the list of financial reports posted.

If you have any questions, please let me know.

AGENDA ITEM 7(c)(ii)

Columbia Association, Inc.

Financial Statements

January 31, 2022 and 2021

Columbia Association, Inc.

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Columbia Association, Inc.

**Statements of Financial Position
January 31, 2022 and 2021
(in Thousands)**

	2022	2021
Cash and cash equivalents	\$ 29,773	\$ 27,117
Grant restricted to School Age Services	135	-
Emergency cash reserves	2,000	-
Accounts receivable, net	3,239	2,377
Prepaid expenses and other assets	1,275	630
Risk management fund	6,602	3,624
Workers' compensation fund	3,549	3,601
Property, facilities and equipment, net	128,380	134,382
Intangible assets, net	287	298
	<hr/>	<hr/>
Total assets	\$ 175,240	\$ 172,029
	<hr/>	<hr/>
<u>Liabilities and Net Assets</u>		
Liabilities		
Accounts payable and accrued expenses	14,790	11,261
Deferred revenue	4,703	3,897
	<hr/>	<hr/>
	19,493	15,158
	<hr/>	<hr/>
Term debt		
Term loans, net of deferred financing costs	32,919	37,491
Capital lease obligations	643	779
	<hr/>	<hr/>
Total term debt	33,562	38,270
	<hr/>	<hr/>
Total liabilities	53,055	53,428
	<hr/>	<hr/>
Net assets		
Without donor restrictions	122,050	118,601
With donor restrictions	135	-
	<hr/>	<hr/>
Total net assets	122,185	118,601
	<hr/>	<hr/>
Total liabilities and net assets	\$ 175,240	\$ 172,029
	<hr/>	<hr/>

Columbia Association, Inc.

**Statements of Activities
January 31, 2022 and 2021
(in Thousands)**

	<u>2022</u>	<u>2021</u>
Revenue		
Annual charge	\$ 44,819	\$ 43,513
Community programs & services	16,898	10,572
Communications and marketing	141	182
Community operations	258	328
Village community associations	(12)	(33)
Interest income and other	84	76
Unrealized loss on marketable securities	<u>(24)</u>	<u>(29)</u>
Total revenue	<u>62,164</u>	<u>54,609</u>
Expenses		
Program services:		
Community programs & services	20,550	17,221
Communications and marketing	1,473	922
Community operations	11,092	8,732
Village community associations	<u>3,708</u>	<u>4,232</u>
Total program services	36,823	31,107
Supporting services:		
Administrative	<u>7,070</u>	<u>5,817</u>
Total expenses	<u>43,893</u>	<u>36,924</u>
Increase in net assets without donor restrictions	18,271	17,685
Change in net assets with donor restrictions:		
Grant restricted to School Age Services	863	-
Satisfaction of program restrictions	<u>(728)</u>	<u>-</u>
Increase in net assets with donor restrictions	135	-
Increase in total net assets	18,406	17,685
Net assets, beginning	<u>103,779</u>	<u>100,916</u>
Net assets, ending	<u>\$ 122,185</u>	<u>\$ 118,601</u>

Columbia Association, Inc.

**Statements of Functional Expenses
January 31, 2022
(in Thousands)**

	Community Programs & Services	Communications and Marketing	Community Operations	Village Community Associations	Total Program	Administrative	Total
Personnel Expenses	\$ 10,816	\$ 1,266	\$ 4,035	\$ -	\$ 16,117	\$ 3,960	\$ 20,077
Operating Supplies/Expenses	765	337	337	9	1,448	88	1,536
Technology Supplies/Expenses	81	16	23	-	120	897	1,017
Collection and Treasury Expenses	189	151	1	-	341	64	405
Fees	501	38	1,741	111	2,391	1,015	3,406
Comm. Assoc. Annual Charge Share Grant	-	-	-	2,561	2,561	-	2,561
Temporary Funding & Grants Expense	-	-	-	-	-	-	-
Rentals	886	224	102	-	1,212	438	1,650
Utilities	1,115	7	72	4	1,198	213	1,411
Insurance & Taxes	665	4	247	39	955	167	1,122
Repairs & Maintenance	1,499	46	1,065	142	2,752	38	2,790
Depreciation	4,768	30	3,116	776	8,690	164	8,854
Non-Operating Exp/Contingencies	(1,113)			-	(1,113)	25	(1,088)
Allocations	1,106	(646)	353	66	879	1	880
Total functional expenses	\$ 21,278	\$ 1,473	\$ 11,092	\$ 3,708	\$ 37,551	\$ 7,070	\$ 44,621

Columbia Association, Inc.

**Statements of Functional Expenses
January 31, 2021
(in Thousands)**

	Community Programs & Services *	Communications and Marketing	Community Operations	Village Community Associations	Total Program	Administrative	Total
Personnel Expenses	\$ 6,754	\$ 926	\$ 3,081		\$ 10,761	\$ 3,248	\$ 14,009
Operating Supplies/Expenses	383	156	193	8	740	57	797
Technology Supplies/Expenses	29	36	19	-	84	854	938
Collection and Treasury Expenses	100	186	1	-	287	53	340
Fees	228	74	1,145	127	1,574	696	2,270
Comm. Assoc. Annual Charge Share Grant	-	-	-	3,103	3,103	-	3,103
Temporary Funding & Grants Expense	-	-	-	-	-	45	45
Rentals	976	174	71	-	1,221	314	1,535
Utilities	812	8	77	6	903	209	1,112
Insurance & Taxes	666	4	208	41	919	139	1,058
Repairs & Maintenance	1,229	12	661	107	2,009	5	2,014
Depreciation	4,880	39	2,947	777	8,643	169	8,812
Allocations	1,164	(693)	329	63	863	28	891
Total functional expenses	\$ 17,221	\$ 922	\$ 8,732	\$ 4,232	\$ 31,107	\$ 5,817	\$ 36,924

Columbia Association, Inc.

Statements of Cash Flows
January 31, 2022 and 2021
(in Thousands)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Increase in net assets	\$ 18,406	\$ 17,685
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation expense and amortization	8,854	8,812
Bad debt expense	8	101
Amortization of deferred financing costs	35	37
Loss (gain) on disposal of fixed assets	122	74
Unrealized loss (gain) on marketable securities	24	30
Changes in operating assets and liabilities		
Accounts receivable	(900)	(456)
Prepaid expenses and other assets	42	(136)
Accounts payable and accrued expenses	(2,167)	(3,013)
Deferred revenue	833	199
Net cash provided by operating activities	<u>25,257</u>	<u>23,333</u>
Cash flows from investing activities		
Purchases of investments held by trustees	(2,043)	(4,854)
Proceeds from maturities of investments held by trustees	90	4,805
Purchase of property, facilities and equipment	(4,567)	(4,391)
Proceeds from the sale of equipment	5	14
Proceeds from the sale of intangible assets	-	21
Net cash used in investing activities	<u>(6,515)</u>	<u>(4,405)</u>
Cash flows from financing activities		
Net repayments on line of credit	-	(9,746)
Net new lease/principal payments on capital lease obligations	(114)	725
Term loan proceeds	-	20,000
Term loan issuance/financing costs	-	(136)
Term loan principal payments	(3,477)	(2,714)
Net cash provided by (used in) financing activities	<u>(3,591)</u>	<u>8,129</u>
Net increase in cash equivalents and restricted cash	15,151	27,057
Cash and cash equivalents at beginning of quarter	<u>16,757</u>	<u>60</u>
Cash equivalents and restricted cash at end of quarter	<u>\$ 31,908</u>	<u>\$ 27,117</u>
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	<u>\$ 891</u>	<u>\$ 891</u>

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
(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.

Emergency cash reserves

In April 2021 the Board of Directors approved the establishment of an emergency cash reserves policy and designated an initial balance of \$2,000. The policy requires the Board to approve use of the funds only for emergency purposes and increases to the fund balance.

Accounts receivable

Accounts receivable consist principally of membership fees receivable, which are uncollateralized and generally have a term of one year. Accounts receivable also include annual charge balances, which are collateralized by the related property.

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 accounts and the amount of abatements property owners 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
January 31, 2022 and 2021
(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 and estimated losses from unreported 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 3,600 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	5 to 25 years
Furniture, equipment and other	3 to 10 years

Expenditures are capitalized if the expenditure results in a new asset with a useful life of at least two years and meets the monetary threshold or represents an addition to an existing asset that materially improves or extends the asset beyond its original intended function or increases the useful life by at least two years. The monetary threshold is defined as \$2.5 for a single item except for certain equipment or livestock, which should be capitalized if a single item costs at least \$1.5. This includes an expenditure that is for a group of identical or coordinating items with a total cost of at least \$2.5 that are purchased together and replaced at the same time.

Accounting for the Impairment or Disposal of Long-Lived Assets, 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 January 31, 2022 and 2021, respectively.

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)

Intangible assets

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

Deferred financing costs

Expenses related to the term loans are being amortized using the effective interest method over the term of the respective debt. Accumulated amortization as of January 31, 2022 and 2021 was \$171 and \$122, respectively. Amortization expense for the periods ended January 31, 2022 and 2021 was \$35 and \$37, respectively. Estimated future amortization expense is as follows:

Year ending April 30,	Amortization expense
2022	\$ 12
2023	40
2024	33
2025	26
2026	19
2027 and thereafter	20
	<u>\$ 150</u>

Revenue recognition

Annual charge

Annual charge revenue consists of annual charges for which future services are not required and are recognized as revenue when the annual charges are levied and due. The annual charge is based on \$0.68 per \$100 of assessed value. The Association's annual charge is billed annually on or about July 1, and the payment is due within 30 days. Annual charge revenue is recognized when billed.

Community Programs and Services

Community Programs and Services revenue is primarily comprised of memberships, tuition and enrollment, fees and sales.

Membership - Memberships are recognized as revenue on a pro rata basis during the membership period with unearned fees recorded as deferred revenue. Memberships are generally one year, starting on an agreed upon date, or month to month.

Tuition and Enrollment -

School Age Services - The School Age Services (SAS) Programs are offered in certain elementary schools and middle schools. Tuition payments are received for 10 months from September through June and revenues are recognized ratably as

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)

services are provided. Unearned tuition payments are reflected as deferred revenue on the statement of financial position. Services during the period ended January 31, 2021, were limited due to the pandemic.

Camps - Camps are normally held during the months of June through August. Camp registration fees are recognized as income when received. Camp enrollment fees are recognized ratably over the camp duration. Unearned revenue is reflected as deferred revenue on the statement of financial position. Two camps were held in the summer of 2021.

Fees - This category contains income from daily admission and guest passes to various facilities and programs. Fees for tournaments, leagues, driving range use and lessons are also included. The Association recognizes revenue when services are provided.

Sales - The majority of this category is comprised of sales of merchandise at the Association's facilities, such as the Art Center, pro shops at the golf courses, tennis clubs, etc. The Association recognizes revenue at the time of sale.

Deferred Revenue

Deferred revenue is comprised of the following as of January 31:

	2022	2021
Membership fees	\$ 3,129	\$ 2,432
School Age Services	525	604
Other	1,049	861
Total Deferred Income	<u>\$ 4,703</u>	<u>\$ 3,897</u>

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 \$286 and \$116 for the periods ended January 31, 2022 and 2021, respectively.

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)

Income taxes

The Association is exempt under Section 501(c) (4) of the Internal Revenue Code. However, the Association is subject to federal and state taxes on unrelated business income, if any. Net unrelated business income was \$0 for the periods ended January 31, 2022 and 2021.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, costs have been allocated among the programs and supporting services that benefit from those costs. The expenses that are allocated include interest expense which is allocated proportionally based on property and equipment. Costs that can be identified with particular programs or support functions are charged directly to the program or function including salaries and related expenses which are charged based on time and effort.

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year presentation. These reclassifications had no effect on previously reported change in net assets or net asset amounts.

Subsequent events

The Association evaluated subsequent events through March 15, 2022, the date the financial statements were available to be issued.

Note 2 - Accounts receivable

Accounts receivable are comprised of the following as of January 31:

	<u>2022</u>	<u>2021</u>
Membership fees	\$ 2,516	\$ 1,769
Annual charges	1,210	1,068
Other	<u>148</u>	<u>453</u>
Total accounts receivable	3,874	3,290
Less reserves for abatements and allowance for doubtful accounts	<u>635</u>	<u>913</u>
	<u>\$ 3,239</u>	<u>\$ 2,377</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 January 31:

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)**

	2022		2021	
	Cost	Fair value	Cost	Fair value
Cash and cash equivalents	\$ 368	\$ 368	\$ 38	\$ 38
Government debt securities	6,261	6,234	3,556	3,569
Accrued interest			17	17
	<u>\$ 6,629</u>	<u>\$ 6,602</u>	<u>\$ 3,611</u>	<u>\$ 3,624</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 January 31:

	2022		2021	
	Cost	Fair value	Cost	Fair value
Cash and cash equivalents	\$ 3,549	\$ 3,549	\$ 2,101	\$ 2,101
Government debt securities	-	-	1,500	1,500
Accrued interest	-	-	-	-
	<u>\$ 3,549</u>	<u>\$ 3,549</u>	<u>\$ 3,601</u>	<u>\$ 3,601</u>

Note 4 - Fair value measurements

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

Professional guidance 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. The levels within the hierarchy based on the reliability of inputs are 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

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)

- 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.

Debt 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 January 31, 2022:

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Government debt securities*	\$ -	\$ 6,234	\$ 6,234

The following table presents assets and liabilities measured at fair value by classification within the fair value hierarchy as of January 31, 2021:

	Fair value measurements using		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total
Government debt securities*	\$ -	\$ 5,069	\$ 5,069

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

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)

Note 5 – Liquidity

Columbia Association, Inc. financial assets available within one year of the statement of financial position date for general expenditures are as follows as of January 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Total assets at quarter end	\$ 175,240	\$ 172,029
Less:		
Grant restricted to School Age Services	135	-
Emergency cash reserves	2,000	
Prepaid expenses and other assets	1,275	630
Risk management fund	6,602	3,624
Workers' compensation fund	3,549	3,601
Property, facilities and equipment, net	128,380	134,382
Intangible assets, net	<u>287</u>	<u>298</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 33,012</u></u>	<u><u>\$ 29,494</u></u>

Columbia Association has \$33,012 and \$29,494 of financial assets available within one year as of January 31, 2022 and 2021, respectively, on the statement of financial position date to meet cash needs for general and/or emergency expenditures. This consists of cash of \$29,773 and \$27,117 and net accounts receivable of \$3,239 and \$2,377 as of January 31, 2022 and 2021, respectively. Accounts receivable consist of annual charge balances, which are collateralized by the related property. Accounts receivable also include membership fees receivable, which are uncollateralized and generally have a term of one year. None of the identified available financial assets are subject to any contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position; however, the June 25, 2020 loan documents do require that the Association maintain a minimum cash balance of \$3,000. See Notes 8 and 9.

In addition, in the event of unanticipated liquidity needs, the Association has a line of credit in the amount of \$20,000 of which \$-0- was committed as of January 31, 2022. See Note 8.

The Association's operating activity generates positive cash flow of approximately \$16,003 based on a five year average of cash provided by operating activities. The cash is used to fund capital projects, debt service and the emergency cash reserves when approved by the Board. Any additional funds needed for approved expenditures are obtained from line of credit borrowings.

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)**

Note 6 - Property, facilities and equipment, net

Property, facilities and equipment consist of the following as of January 31, 2022:

	<u>Cost basis</u>	<u>Accumulated depreciation</u>	<u>Book value</u>
Land	\$ 6,533	\$ -	\$ 6,533
Parks, lakes & related improvements	103,813	53,587	50,226
Buildings	139,582	76,794	62,788
Leasehold Improvements	5,555	3,502	2,053
Equipment and Vehicles	29,368	23,780	5,588
Other	1,195	3	1,192
Property, facilities and equipment	<u>\$ 286,046</u>	<u>\$ 157,666</u>	<u>\$ 128,380</u>

Property, facilities and equipment consist of the following as of January 31, 2021:

	<u>Cost basis</u>	<u>Accumulated depreciation</u>	<u>Book value</u>
Land	\$ 6,533	\$ -	\$ 6,533
Parks, lakes & related improvements	98,903	49,807	49,096
Buildings	138,219	72,140	66,079
Leasehold Improvements	5,572	2,966	2,606
Equipment and Vehicles	29,685	23,070	6,615
Other	3,480	27	3,453
Property, facilities and equipment	<u>\$ 282,392</u>	<u>\$ 148,010</u>	<u>\$ 134,382</u>

Note 7 - Annual charge

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 2021 and 2020) 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 2021 and 2020.

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)**

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

2021	\$13,460,941
2020	\$12,838,389

Note 8 - Line of credit

The Association entered into a revolving line of credit with a bank on June 25, 2020, which, under the loan agreement, is limited to borrowings of \$20,000 beginning September 15, 2020 with the condition that the Association maintains a \$3,000 cash balance. The outstanding note bears interest at LIBOR plus 1.15%. Interest only on the outstanding principal balance was payable monthly beginning August 1, 2020. The line of credit matures on June 1, 2023. Additionally, the Association pays a quarterly unused commitment fee equal to 18 basis points of the principal amount of the line of credit that is unused.

Through June 25, 2020, the Association had available an unsecured line of credit with a bank under a loan agreement, with varying monthly caps ranging from \$0 to \$30,000 designated by the Association based on forecasted borrowing requirements. The outstanding note bore interest at the lower of the bank's prime rate or LIBOR plus 55 basis points and was due on demand. Additionally, the note bore 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 lines of credit as of January 31, 2022 and 2021.

Note 9 - Term debt

Term loans

On June 26, 2014, the Association entered into a 15-year fixed rate bank loan with a bank in the amount of \$30,000. The loan's interest rate is 3.63% and it 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 a result of the COVID-19 outbreak, the Association entered into an agreement for a term loan on June 25, 2020 in the amount of \$20,000. The loan's interest rate is 2.5% and it matures in fiscal year 2028. The Association began making monthly principal and interest payments in August 2020. The portion of the proceeds from this loan were used to pay off the line of credit in Note 8.

Columbia Association, Inc.

Notes to Financial Statements
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(in Thousands)

As of January 31, 2022, the future loan principal payments by fiscal year are as follows:

2022	\$	1,179
2023		4,798
2024		4,942
2025		5,094
2026		5,250
2027 and thereafter		<u>11,805</u>
Total term loan		33,068
Less deferred financing costs, net		<u>149</u>
Term loan, net	\$	<u><u>32,919</u></u>

Capital lease obligation

The cost and accumulated amortization of equipment under capital leases were \$867 and \$192, respectively, as of January 31, 2022, and \$867 and \$61, respectively, as of January 31, 2021. As of January 31, 2022, the future minimum annual payments under capital leases are as follows:

2022	\$	24
2023		143
2024		143
2025		143
2026		143
2027 and thereafter		62
Total minimum lease payments		<u>658</u>
Less amount representing interest		<u>15</u>
Present value of net minimum lease payments	\$	<u><u>643</u></u>

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
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Note 10 - Net Assets with Donor Restrictions

Restricted net assets consists of the following as of January 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Grant restricted to School Age Services	\$ 862,500	-
Personnel Expenses	(659,039)	
Operating Supplies/Expenses	<u>(68,077)</u>	
Total restricted net assets	<u>\$135,384</u>	<u>\$ -</u>

The restricted net assets resulted from a School Age Services grant received in 2021 from the Maryland State Department of Education to support the CA School Age Services program in FY 2022. The amount is being used to pay for expenses of the School Age Services program and, to the extent possible, provide relief beyond that already provided to families struggling to make payments of copays and/or tuition. The grant period is September 6, 2021 through March 6, 2022.

Note 11 - Retirement benefit plan

Substantially all full-time and eligible part-time employees are covered by a defined contribution retirement benefit plan. Contributions through April 12, 2020, were based on 6% of eligible employees' salaries. Employees became fully vested after six years of service. However; effective April 13, 2020, due to the financial pressures from COVID-19, employer contributions were reduced to 3% and vested immediately. Effective January 2022, plan employer contributions were increased back to 6% with the previous vesting schedule. Expenses under this plan were \$373 and \$281 for the periods ended January 31, 2022 and 2021, respectively.

Note 12 - Commitments

The Association leases certain facilities and equipment under operating leases. Rental expense exclusive of these costs, was \$1,627 and \$1,440 for the periods ended January 31, 2022 and 2021, 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 \$820 and \$536 which was included in accounts payable and accrued expenses as of January 31, 2022 and 2021, respectively.

Columbia Association, Inc.

**Notes to Financial Statements
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As of January 31, 2022, the Association's total commitment for minimum annual rentals, exclusive of maintenance and other occupancy costs, under non-cancellable operating leases is:

2022	\$ 412
2023	1,675
2024	1,708
2025	1,743
2026	1,138
2027 and thereafter	<u>3,465</u>
Total	<u>\$ 10,141</u>

The lease for the headquarters building located on Hillside Court includes a rent abatement for the period September 1, 2015 to October 31, 2016 which is valued at \$460. Accrued abatements of \$227 and \$263 were included in accounts payable and accrued expenses as of January 31, 2022 and 2021, respectively.

On March 9, 2021, the Association entered into an amendment to the deed of lease for headquarters office space that provided for a 50% abatement of the base rent due under the lease for the months of January through December 2021 and extended the lease for a period of two years. The lease termination date will be October 31, 2030. The gross amount of the rent abatement is \$378. Accrued abatements of \$366 were included in accounts payable and accrued expenses as of January 31, 2022.

Estimated rental costs and unamortized rent abatement and tenant improvement allowance related to the lease for Haven on the Lake, which expires August 31, 2025, as well as potential sublease rental income and related expenses through the expiration date were accrued as of April 30, 2021, due to the closing of operations on that date. The revenue and expenses netted against the accrual for the quarter ended January 31, 2022 was \$1,113. A sublease for the rental of the space through August 28, 2025 was executed in May 2021.

Note 13 - 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 annually 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
January 31, 2022 and 2021
(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>2021</u>	<u>2020</u>
Reconciliation of benefit obligations		
Obligation at beginning of year	\$ 829	\$ 729
Service cost	34	28
Interest cost	23	28
Actuarial loss	-	4
Plan amendments	-	56
Benefit payments	<u>(17)</u>	<u>(16)</u>
Obligation at end of year	<u><u>\$ 869</u></u>	<u><u>\$ 829</u></u>
Amount not yet recognized in net periodic postretirement benefit costs		
Unrecognized prior service cost (credit)	\$ 43	\$ 50
Unrecognized loss (gain)	<u>(140)</u>	<u>(140)</u>
Total amount not yet recognized in net periodic postretirement benefit costs	<u><u>\$ (97)</u></u>	<u><u>\$ (90)</u></u>
Net periodic postretirement benefit costs include		
Service cost	\$ 34	\$ 28
Interest cost	23	28
Amortization of net gain from prior periods	(6)	(19)
service cost	<u>6</u>	<u>6</u>
Net periodic postretirement benefit costs	<u><u>\$ 57</u></u>	<u><u>\$ 43</u></u>

The discount rate was 4.05% as of April 30, 2021 and 2020. The gross trend rate for health care coverage is 4.45% for all years.

Columbia Association, Inc.

Notes to Financial Statements
January 31, 2022 and 2021
(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 as of April 30, 2021:

	<u>1% increase</u>	<u>1% decrease</u>
Effect on total service and interest cost components of net periodic postretirement health care benefit cost	\$ 8	\$ (7)
Effect on the health care component of the accumulated postretirement benefit obligation	105	(92)

The following is a projection of benefit costs under the plan:

2022	\$ 34
2023	46
2024	51
2025	62
2026	62
2027 - 2030	283
	<hr/>
	\$ 538

Note 14 - 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 \$1,112 and \$1,128 are included in accrued expenses as of January 31, 2022 and 2021. Claim payments based on actual claims ultimately filed could differ materially from these estimates.

Columbia Association, Inc.

**Notes to Financial Statements
January 31, 2022 and 2021
(in Thousands)**

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 \$1,717 and \$1,805 are included in accrued expenses as of January 31, 2022 and 2021, respectively. Claim payments based on actual claims ultimately filed could differ materially from these estimates.

Note 15 - 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 January 31, 2022.

Note 16 - 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.

Note 17 – COVID-19 impact

The Association's operations were negatively impacted in both fiscal years by the spread of the Coronavirus Disease (COVID-19), which was declared a worldwide pandemic by the World Health Organization on March 11, 2020. COVID-19 continues to impact various aspects of 2021 and 2022 operations and financial results, including community programs and services, and open space facilities and related activities. Management believes the Association is taking appropriate actions to mitigate the negative impacts.



March 17, 2022

To: Columbia Association Board of Directors
Lakey K. Boyd, President/CEO

From: Susan Krabbe, Senior Vice President and Chief Financial Officer

Cc: Dan Burns, Vice President, Department of Community Programs and Services
Tim Pinel, Director, Department of Communications and Marketing
Lynn Schwartz, Director of Finance/Treasurer

Re: FY 2022 Third Quarter Dashboard Metrics

The dashboard for the third quarter of FY 2022 is attached. The table below describes the metrics, and notes the data source and date of the measurement.

In January 2021, having been in the pandemic for nearly a year, we made the strategic decision to shift from our quarterly member operational survey to check in on the wellbeing of our members. That survey helped us to see how people were coping with the pandemic and to learn about their challenges and hopes for the future. The information we received was both heartwarming and overwhelming at the same time. We were able to use the information to plan for and provide opportunities for us to better support our community.

The January 2021 survey was so well received and successful that we have decided to annually shift our January survey to a wellbeing format. This current version does not focus on COVID-19; rather, it focuses on our members' general wellbeing and quality of life and continues to provide us with tremendous insight on opportunities to impact our members' lives.

	Metric	Description/Purpose	Data Source	Date of Measurement
1	Membership A/R Balances	Monitors collections by tracking the trend in actual past due membership accounts	Spectrum NG reports	As of January 31, 2022
2	CA People Productivity = personnel costs divided by non-annual charge revenue	Monitors the revenue production from CA's investment in the work force	Infor (Lawson) reports	Actual data through January 31, 2022
3	Free Cash Flow	Monitors liquidity by tracking cash flow from operations less debt principal payments less paid capital expenditures	Infor (Lawson) reports	Actual data through April 30, 2022
4	Net Assets to Debt Service	Monitors CA's financial condition in accordance with the terms of existing financing (should be greater than 1.25:1.00)	Infor (Lawson) reports	Actual audited data as of April 30, 2021

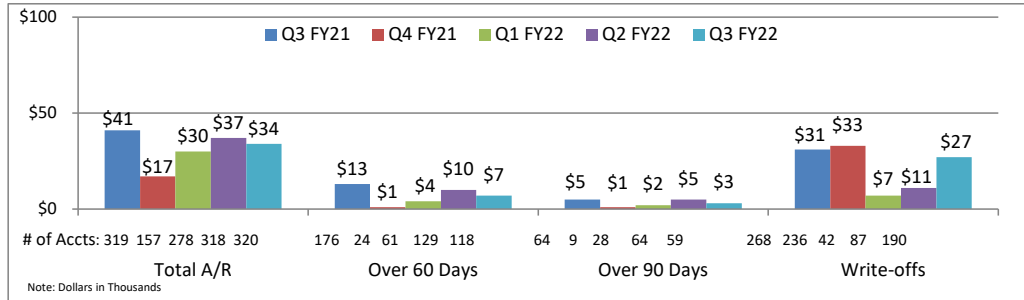
5	Total Liabilities to Total Net Assets	Monitors CA's financial condition in accordance with the terms of existing financing (should be less than 1:30:1.00)	Infor (Lawson) reports	Actual audited data as of April 30, 2021
6a 6b	Return on Investment – Buildings, Major Amenities	Shows the cost of maintaining major facilities by comparing annual depreciation and repairs and maintenance costs to revenue and square footage	Infor (Lawson) reports	Actual data through January 31, 2022
7	Net Membership Changes	Monitors member retention/growth by major membership category over time	Spectrum NG reports and sales data collected by the Customer Care Center	Data as of January 31, 2022. This is provided in the FY22 Q3 financial report.
8	Market share for memberships and Columbia Cards	Per Board request – to track memberships per housing unit	Spectrum NG reports and Howard County data	Actual membership data through January 31, 2022. Housing data updated annually by Howard County.
9	Marketing Cost per Membership	To monitor marketing effectiveness	Spectrum reports and marketing expenditure data tracked by staff	Actual data as of January 31, 2022
10	Overview of Wellbeing Survey	Reviews key themes of feedback	Clarabridge surveys	Responses as of January 31, 2022
11	Summary of key metrics	Provides more detail for responses to data collected in survey	Clarabridge surveys	Responses as of January 31, 2022
12	Members whose expectations are exceeded have a higher net promoter score	Indicates members whose expectations were or were not exceeded by staff and recognition of staff	Clarabridge surveys	Responses as of January 31, 2022
13	% of Detractors and % of Promoters	Graphical/numerical breakdown of promoters, neutrals and detractors	Clarabridge surveys	Responses as of January 31, 2022
14	Communication Rating	Graphical representation of responses to CA's communications (1 low – 5 high)	Clarabridge surveys	Responses as of January 31, 2022
15	Respondents' top goals for the year	Summary of respondents' goals for upcoming year	Clarabridge surveys	Responses as of January 31, 2022
16	Customer Experience V3	Summary of volume of related responses and user sentiment for each	Clarabridge surveys	Responses as of January 31, 2022
17	Stress level distribution	Graphical representation of user responses to stress levels and average age of respondents in each group (1 low – 5 high)	Clarabridge surveys	Responses as of January 31, 2022
20	Gender Identity	Self-identified gender identity	Clarabridge surveys	Responses as of January 31, 2022
21	Ethnicity	Self-identified ethnicity	Clarabridge surveys	Responses as of January 31, 2022
22	Sexual Identity	Self-identified sexual identity	Clarabridge surveys	Responses as of January 31, 2022

Dashboard - Metrics 1-6

As of January 31, 2022 (\$'000)

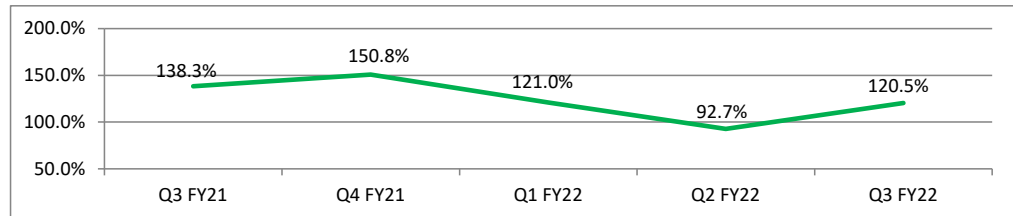
METRIC 1

Membership A/R Balance



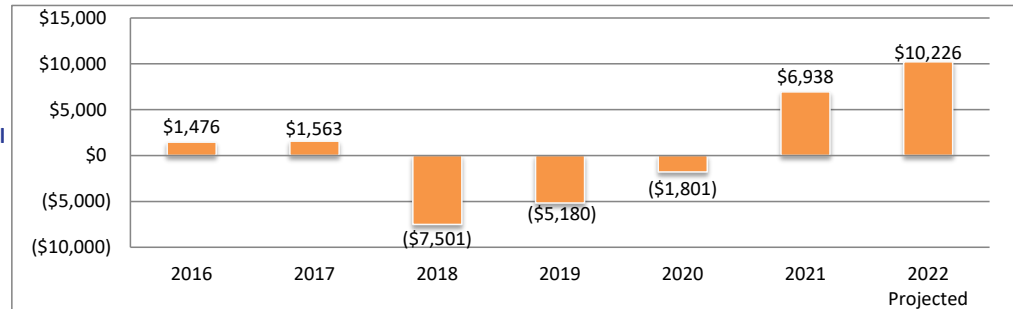
METRIC 2

People Productivity (personnel costs divided by non-annual charge revenue)



METRIC 3

Free Cash Flow (cash flow from operations less debt repayments and capital expenditures)



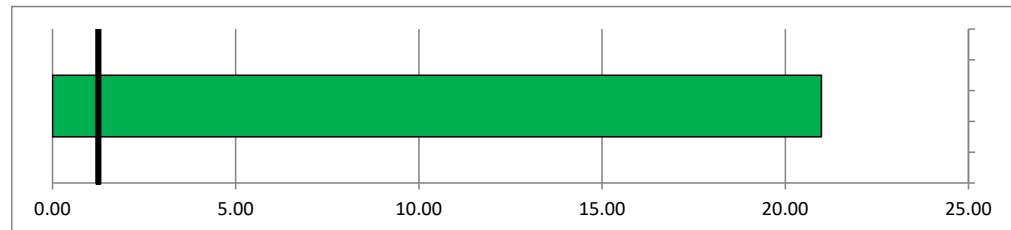
METRIC 4

Audited - As of April 30, 2021

Net Assets to Debt Service (debt service equals principal payments on long-term debt plus interest expense)

\$103,779/\$4,945

Actual 20.99



Should be greater than 1.25 to 1.00 on an annual basis

Dashboard - Metrics 1-6

As of January 31, 2022 (\$'000)

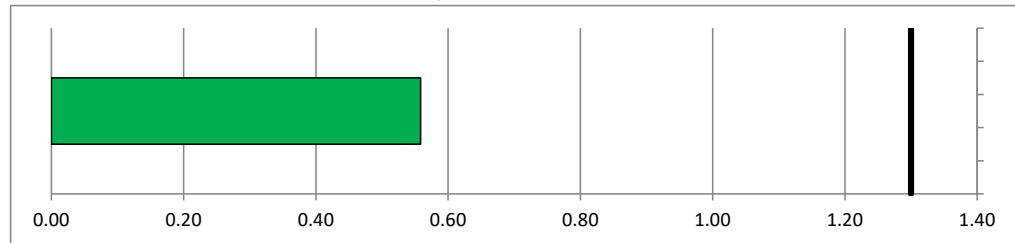
METRIC 5

Audited - As of April 30, 2021

Total Liabilities to Total
Net Assets

\$57,945/\$103,779

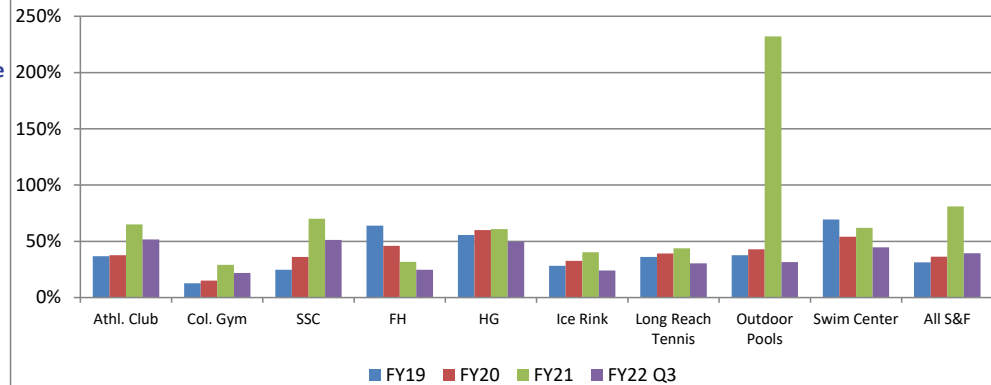
Actual .56



Should be less than 1.30 to 1.00 on an annual basis

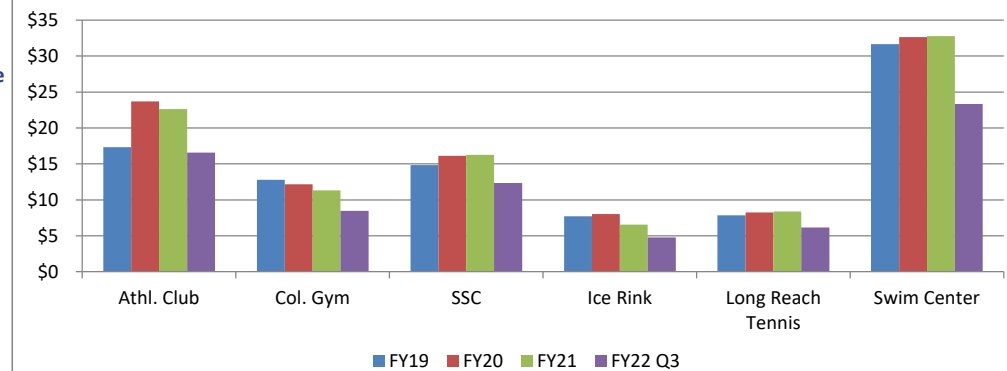
METRIC 6a

Depreciation and
Repairs & Maintenance
Expense as a % of
Revenue



METRIC 6b

Depreciation and
Repairs & Maintenance
Expense per Square
Foot



Advertising Effectiveness Report *FY20 Q3–FY22 Q3*

New Membership Acquisition

Goal: \$150-\$250 marketing cost per new membership

	FY20 Q3	FY20 Q4	FY21 Q1	FY21 Q2	FY21 Q3	FY21 Q4	FY22 Q1	FY22 Q2	FY22 Q3
Total Investment	\$126,961	\$97,316	\$10,693	\$37,813	\$65,989	\$161,260	\$76,347	\$54,106	\$149,219
Total Lead Page Views	40,140	27,820	22,752	39,313	95,144	104,375	94,041	93,928	77,022
Total Leads (Forms and Calls) ¹	609	406	426	494	1,116	1,500	4,225	2,163	1,595
New Memberships									
CA Fit&Play	223	91	52	78	89	213	742	199	182
Other Memberships	731	308	195	363	380	741	2,374	633	578
Total New Memberships	954	399	247	441	469	954	3,116	832	760
Cost of New Membership Acquisition									
100%	\$133	\$244	\$43	\$86	\$141	\$169	\$25	\$65	\$196
90%	\$148	\$271	\$48	\$95	\$156	\$188	\$27	\$72	\$218
80%	\$166	\$305	\$54	\$107	\$176	\$211	\$31	\$81	\$245
70%	\$190	\$348	\$62	\$122	\$201	\$241	\$35	\$93	\$280
60%	\$222	\$406	\$72	\$143	\$235	\$282	\$41	\$108	\$327
Average Cost of New Membership Acquisition									
100%		\$118				\$146			
90%		\$131				\$162			
80%		\$148				\$182			
70%		\$169				\$208			
60%		\$197				\$243			

¹Total leads include form submissions and phone calls (starting in FY22 Q1).

FY20 Q4 investment, form submissions and new memberships decreased significantly due to facility closures for the COVID-19 pandemic.

Membership Market Share (CA residents only)

FY 2018-FY 2022 Q3

Fiscal Year	Columbia Cards A	Columbia Resident Membership B	CA Residential Units C	Market Share (Including Columbia Cards) D=(A+B)/C	Market Share (Excluding Columbia Cards) E=B/C
2018	3,745	12,253	36,401	43.9%	33.7%
2019	4,159	11,791	37,006	43.1%	31.9%
2020	4,561	11,576	37,006	43.6%	31.3%
2021	4,372	7,341	37,006	31.7%	19.8%
FY22 Q1	4,859	9,178	36,877	38.1%	24.9%
FY22 Q2	4,958	8,885	36,877	37.5%	24.1%
FY22 Q3	4,943	8,854	36,877	37.4%	24.0%

1. "Columbia Resident Membership" (column B) assumes only one membership per household.
2. Market share percentages use Columbia housing units as the unit of measure, including housing units of employees. This information is updated by the Howard County Department of Planning and Zoning.
3. "Columbia Resident Membership" (column B) does not include employee memberships.
4. The reduction in residential units reflects changes in how built and unbuilt units are reported in Howard County datasets.

Advertising Tactics

Tactics completed in FY22 Q3

Social Media

- Paid advertising on Facebook
- Paid advertising on Twitter (December only)

Online/Digital

- Pay-per-click ads (*Google paid search*)
- Digital banner ads through Google Display Network
- YouTube Fitness Commercial
- Discovery ads

Online/Digital

- Monthly direct mail

Overview

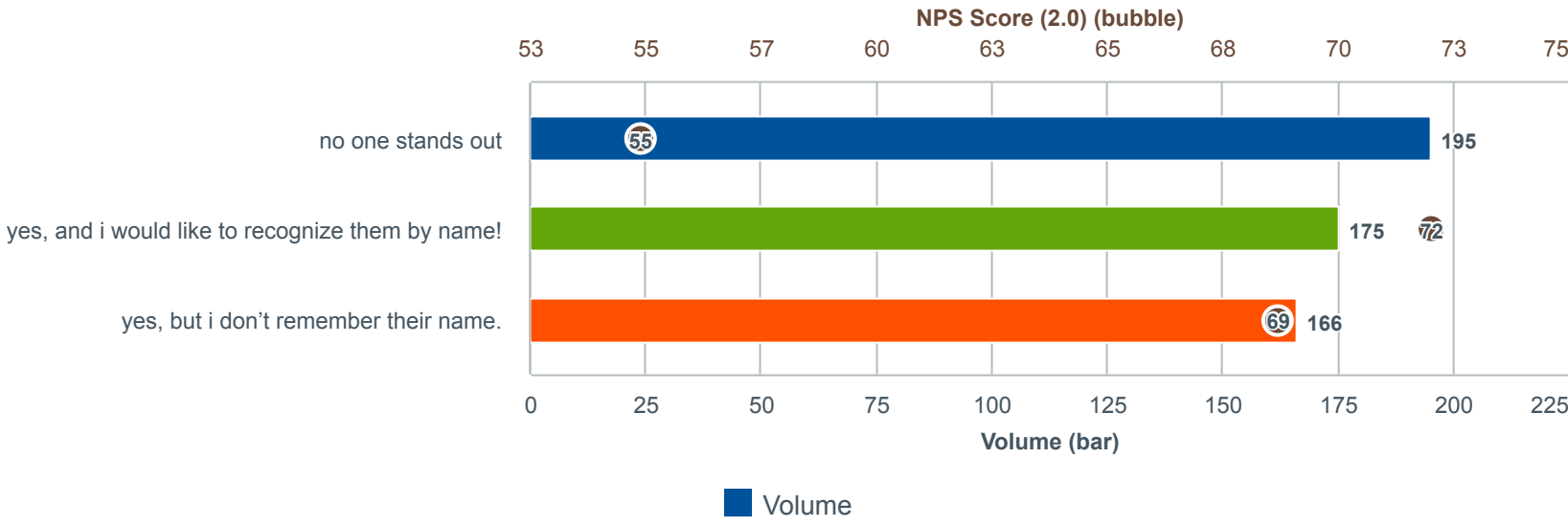
- Most members can think of a staff member that has exceeded their expectations
Members whose expectations have been met or exceeded by the staff also have higher NPS scores. Motivating staff to exceed members expectations can lead to an increase in NPS scores
Members appreciate when staff and instructors have words of encouragement, motivate members, smile, greet members by name, have lots of energy, offer help/support.
- Cost & Value is the **only topic with significantly negative sentiment**
- 25-34**: Pool hours are **not “family friendly”**. Customers believe the **swim teams get preference**.
- 35-44**: 7 requests to **open all the pools**. Non-Resident group is **driving the NPS down**.
- Mask Mandate is the top word pairing with **Negative** sentiment. Some members want to be able to **remove their masks** when using an “individual machine” and on “tennis courts”. Other members want to keep the mandate and see it enforced.

Volume ↓ NPS ↑ Sentiment ↑ Effort ↑ Stress Level Rtg ↑ Social Life Share ↓

Calculation	Current year	Previous period	Δ Value
Volume	991	1,108	(117) ▼
NPS Score (2.0)	10	3	8 ▲
Sentiment	0.38	-0.08	0.46 ▲
Effort	-0.69	-2.30	1.61 ▲
Stress level rating	3.5	3.3	0.1 ▲
Social Life - how big is CA	2.6	2.7	(0.1) ▼
Communications Rating	3.7	N/A	New

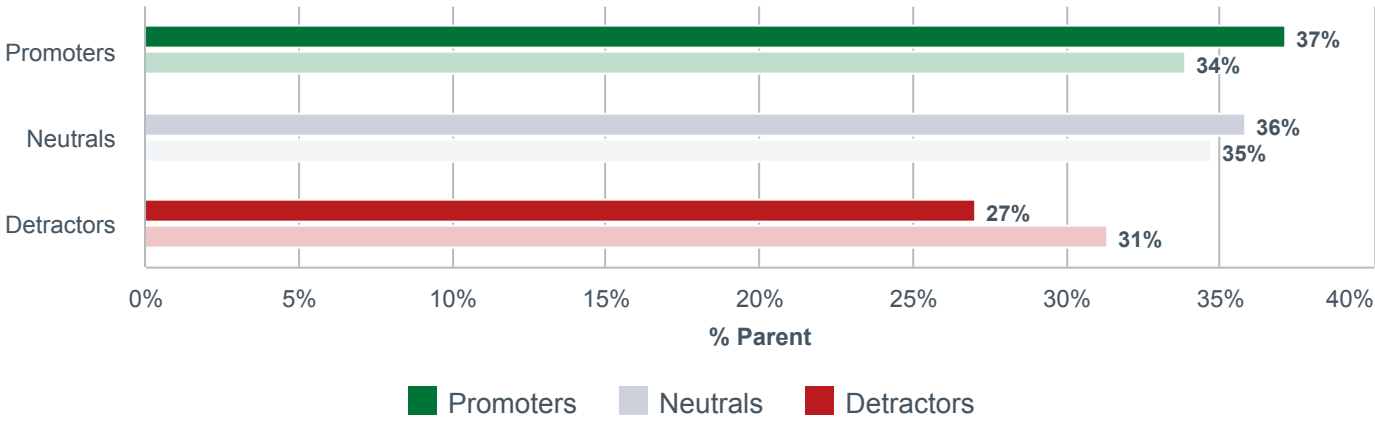
n= 991

Members whose expectations are exceeded have a higher NPS score



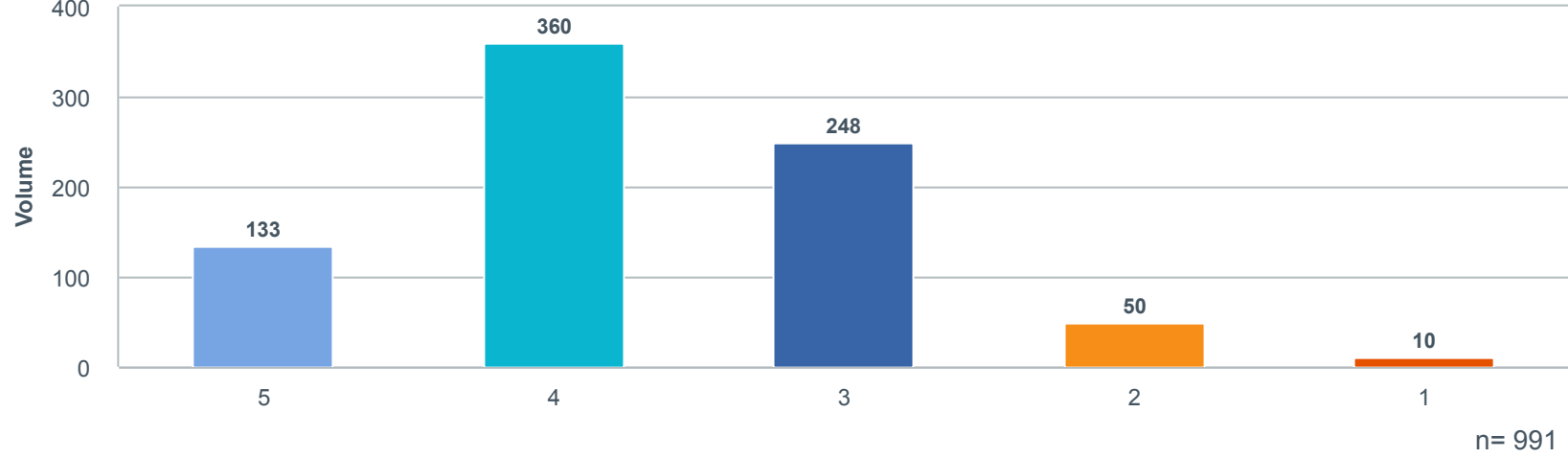
n= 991

% of Detractors ↓ and % of Promoters ↑



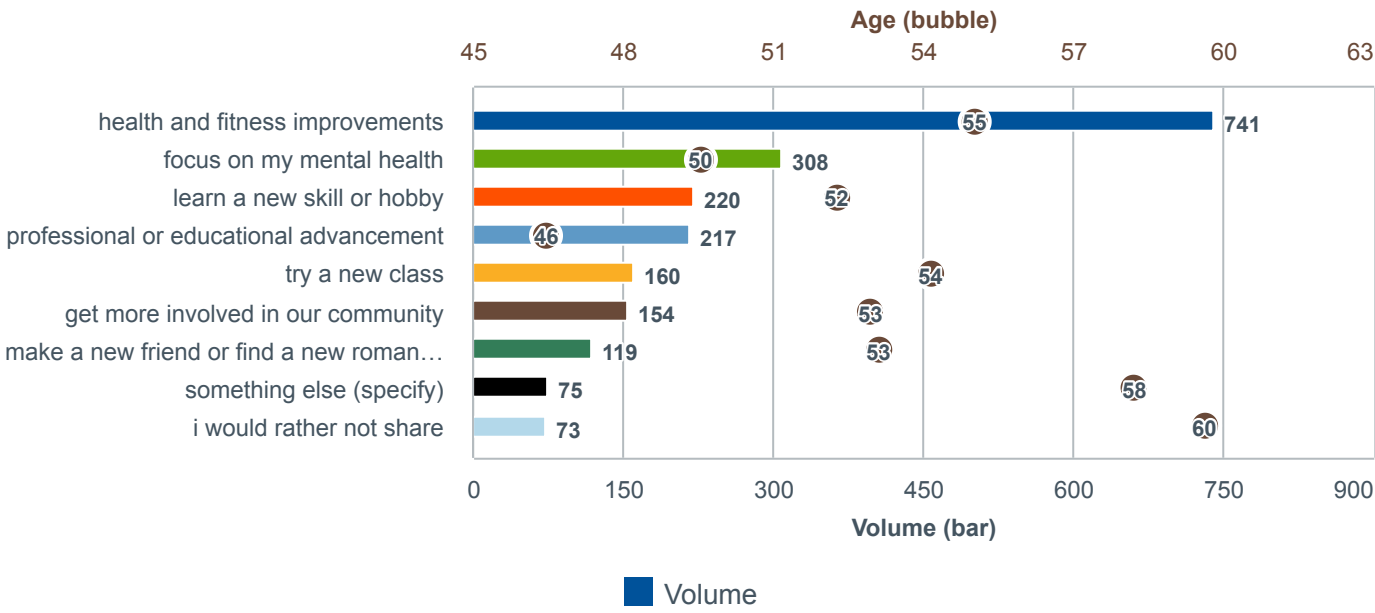
n= 991

Communication Rating



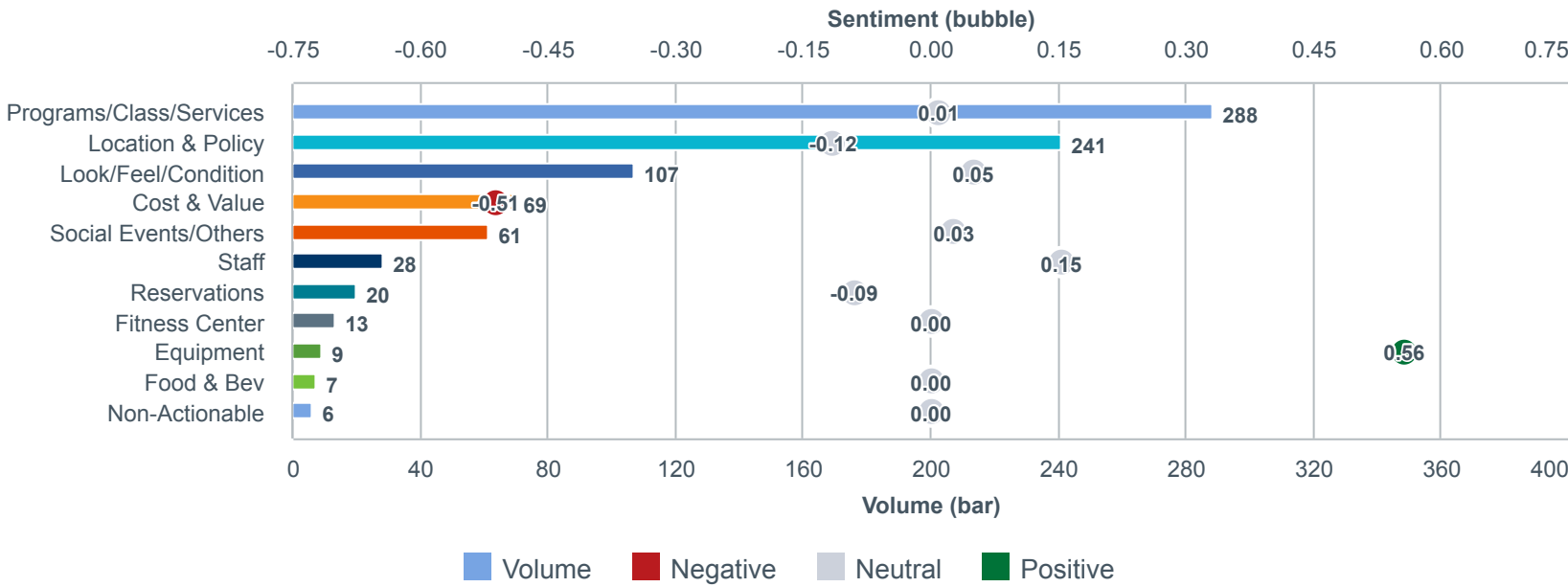
n= 991

Health and Fitness along with Mental Health are the top goals for the year



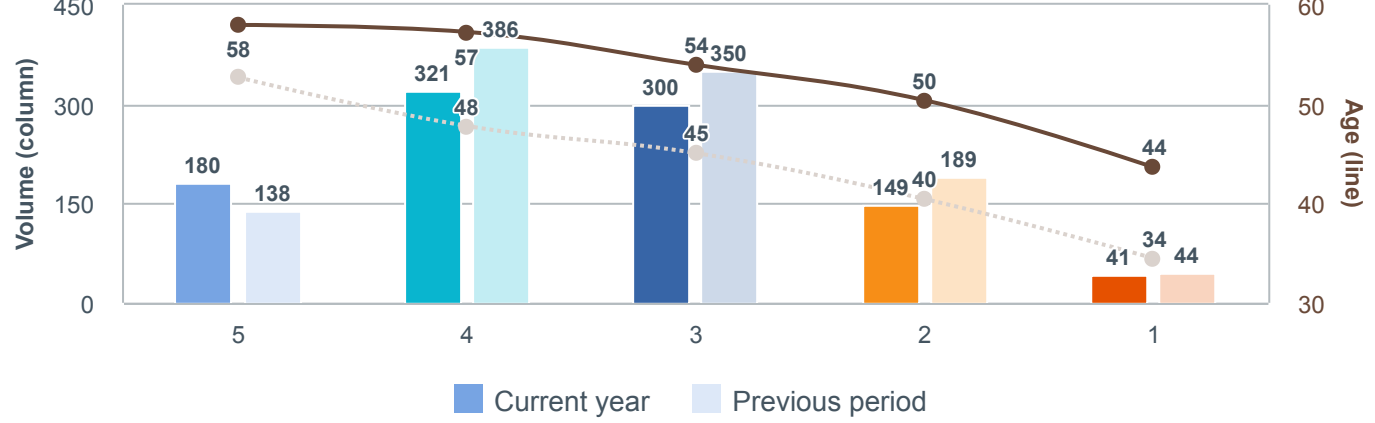
n= 991

Customer Experience V3: Level 1 | Click to filter



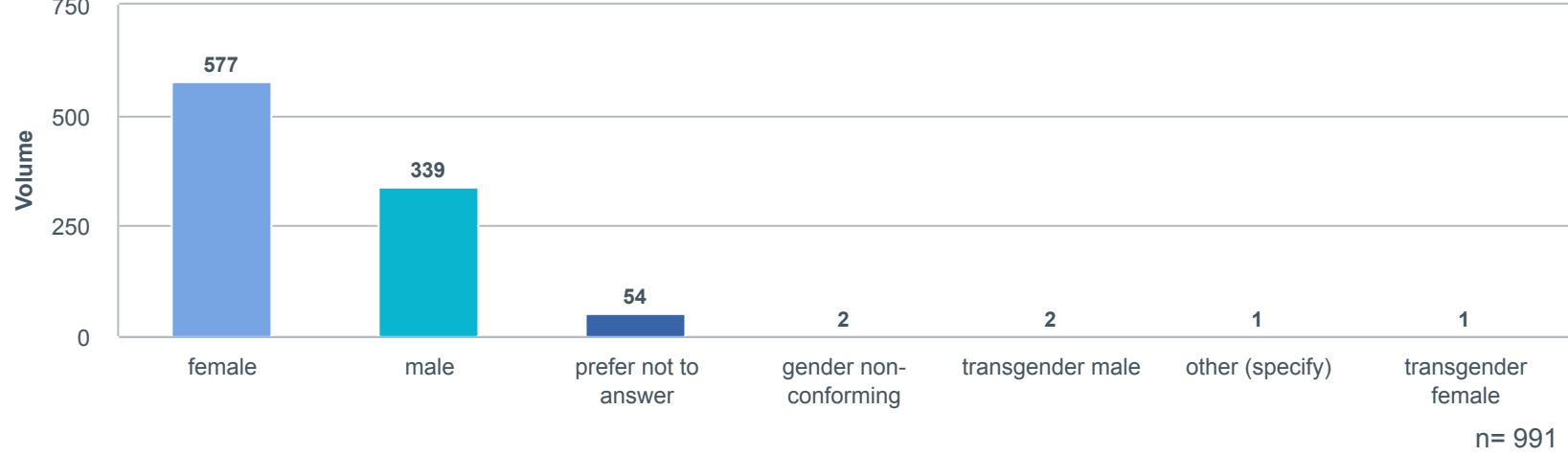
n= 535

Stress level distribution has not changed much compared to last period



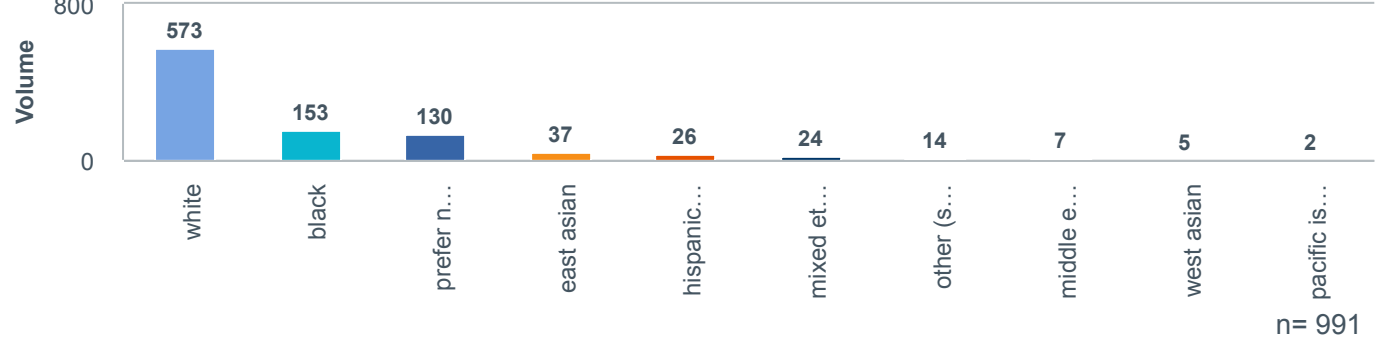
n= 991

Bar by Gender Identity



n= 991

Bar by Ethnicity / Race



n= 991

Bar by Sexual Identity



n= 991



President's Report

This format for the President's Report for Columbia Association is striving to distill a lot of work into a quickly digestible format that is an easy-to-understand snapshot of a complex community organization. Included are key points about what we are busy doing at CA to better serve Columbia in a wide variety of ways, a celebration of our CA points of pride, and the sharing of some of the content that is shaping CA's President/CEO's perspective.

From Lakey Boyd's Desk:

Looking Forward

"If you do not know how to ask the right question, you discover nothing."

-W. Edwards Deming

Professional Reading

[Why the Normalization of Deviance is Hurting Your Company](#). Adam Henshall, January 2017.

Personal Reading

[Start With Why](#). Simon Sinek, 2009.

Visiting the Archives

"Visions describe best what should be, could be - if and when (hu)mankind has the will to make them real."

-James W. Rouse

Special Online Exhibit: [Women's History in Columbia, Maryland](#)



Last Month at CA:

- The first installment of the Employee Retention Tax Credit - over \$2 million – was received.
- The CA Ice Rink “Learn To Skate” program had the largest number of registrants for their program in the last seven years. More than 700 skaters signed up for the classes. A fantastic job by the Ice Rink team members in assisting with this record number of skaters.
- Community Operations installed its first three “dual fuel” heat pump HVAC units at Kahler Hall. The installation represents CA's shift towards reducing fossil fuel use for space conditioning in our operations.
- The DE&I Committee also issued a call for new committee members, and met with a financial wellness administrator to talk about how to get financial wellness information to diverse populations.
- Significant progress has been made on website navigation and design updates, with content production occurring through consultation with teams across the organization.
- Community Operations facilitated the Columbia Gym arena floor refinish, flooring replacement at Linden Hall, and instituted a new after-hours call center.
- Two electric kilns were installed at the Art Center's Ceramics Department. The kilns will enhance efficiency of the firing processes for the ceramics classes, allow the Art Center to offer more ceramics programs, and provide new glazing options.
- Columbia Gym celebrated Pi (3.14) Day with “Pi(e)Lattes” an open-to-the-community event featuring (of course) pie and lattes for participants who signed up for complementary reformer and chair Pilates. Over 50 thirty-minute workouts spots were designed and available for the community to participate in the event.
- The Communications team continues to highlight women on our team in honor of Women's History Month as well as informing people of upcoming village election opportunities.
- The Human Resources Division completed the conversion to the \$14.00 minimum wage for CA employees. The team is completing the analysis for wage compression effective in FY 2023.
- The DE&I Committee focused on employee engagement around Women's History Month, sending weekly facts about women's contributions to health, science, and other professions.
- IT continued its work to harden CA's information security and is working through the organization's new firewall appliances in the data center. This will improve and modernize the perimeter layer of protection around CA's information assets.
- IT implemented Data Loss Prevention (DLP) policies in CA's Google environment to enhance protection against sensitive information flowing outside of the organization (i.e., preventing and flagging an email from going out that contains a credit card number or Social Security number).
- The Office of General Counsel worked on finalizing the draft of the revised Ethics Policies and began drafting a form for Columbia residents to request books and records.
- The Purchasing Division continued to work collaboratively with CA purchasers and vendors to get purchase orders and contracts in place for May 1; supported the annual financial statement audit as interim testing began; and spent considerable time researching best practices and options for Board consideration in extending and amending CA's MBE policy.

Next Month at CA:

- Finance will "restart" the annual charge lien process to secure CA's interest in overdue annual charge receivables. Finance will closely with the General Counsel's office on this process.
- Finance will also begin preparing for the year-end audit by providing test samples, as well as updated policies/procedures to the auditors.
- Finance will also finalize village association annual charge share and benefits reimbursement payments for FY23.
- Communications and Marketing will identify the 100 students participating in the CA Points Program who had the greatest improvement between Q1 and Q2. Those students will receive certificates allowing them to choose between roller skating, ice skating, SplashDown, and miniature golf.
- The Communications team is moving forward with a plan to realign our social media communities and overall strategy to match the priorities and needs of the organization at large, including a focus on wellness and stewardship throughout CA.
- Erin Berry, Archivist, will give an interview on the history of "The Hug" sculpture for a passion project short film created by Ned MacFadden, a teacher in Montgomery County.
- The Group Fitness Spring Pop Up series begins March 19 and will run through May 21. The Pop Up series is a variety of surprise classes that are open to the public and will be held at the three fitness clubs either on a Friday evening or Saturday morning.
- Columbia Art Center Galleries will host its annual themed partnership show "Blossoms of Hope" on April 7-24. The show will feature 50+ artists whose art reflects the theme Birds, Branches and New Beginnings. Partners for the show include Blossoms of Hope of Howard County and the Howard County General Hospital. The show raises awareness about and funds for the Claudia Mayer Tina Broccolino Cancer Resource Center.
- Community Operations will start the HC-16 Swansfield Tot Lot refurbishment project. They will continue to ramp up community programming associated with Weed Warriors, Stream Waders, and the community solar cooperative.
- A riparian buffer will be established along the Wilde Lake tributary just below the Wilde lake dam.
- Human Resources will continue recruiting and hiring for Aquatics for summer 2022; working with Howard County partners on apprenticeship programs; and supporting the Howard County's six weeks summer hiring program to give students summer jobs.
- The Office of General Counsel will continue working with the encroachment working group with Community Development & Real Estate Services (CDRES) and other stakeholders.
- The President/CEO will be the guest at Dr. Willis', Howard Community College President, "Conversation from the Couch."
- The Purchasing Division will coordinate the completion of the CA Headquarters sublease renovations with the construction project manager and the subtenant for their planned move-in by end of April.
- Purchasing will continue to support the CA Board's work in extending and perhaps amending CA's Minority Business Enterprise Program Policy provisions.

Challenges CA is Addressing:

- Front line hiring has improved but the teams are still finding that hiring skilled positions like tennis coaches, personal trainers and lifeguards is still harder than pre-COVID.
- Pricing for goods and services has increased significantly, impacting almost every aspect of CA's operations.

The Board of Directors could assist by continuing to spread the word in the community about the employment opportunities, especially lifeguard positions, we have at CA and how wonderful it is to be part of something so special.

CA Departments' Points of Pride:

- A very rapid response was provided by Communications and Marketing to a need for a final recruitment push for lifeguards into targeted neighborhoods. Innovate and creative tactics were identified and deployed within days to penetrate areas at risk of having too few lifeguards to operate this summer.
- The Community Programs & Services team has been together for six months in March. The collaboration between the former Sport & Fitness and Community Services departments was immediate and impactful as multiple programs have emerged that shared all of the tremendous work everyone is doing with even bigger audiences.
- The Community Operations team is active across numerous fronts in CA operations - from coordinating the elimination of fossil fuel use at Clary's Forest Pool for water heating to leading macroinvertebrate stream surveys with Stream Waders - and advancing multiple sustainability objectives throughout the community.
- Human Resources spearheaded celebrations of Employee Appreciation Day to ensure all team members know they are truly appreciated.
- IT enabled additional automations around the bulk-user account creation process. This enhancement supports the speedy and secure on-boarding of Aquatics team member seasonal hires.
- The Purchasing Division consistently receives positive feedback from team members throughout the organization regarding its helpfulness and problem-solving capabilities.
- In acknowledgment of the crisis in Ukraine, the President/CEO shared a message with CA team members and residents confirming Columbia Association's sense of community and values on a global scale. As a small symbolic gesture, CA is lighting the fountain and the People Tree by the Downtown Columbia Lakefront in blue and yellow in solidarity with that nation.

INNER ARBOR TRUST, INC.

MARCH 2022 REPORT

PRESENTED TO THE COLUMBIA ASSOCIATION BOARD OF DIRECTORS





FROM THE INNER ARBOR TRUST

Opening day is just one month away! The Trust staff, Board, and volunteers are busy planning the 2022 season as well as plans to activate Symphony Woods for the entire community.

As we inch towards spring, the Trust is entering a season of renewal and rebirth. After the devastation of Covid-19, the Trust is ready to take on the challenges of rebuilding in the new normal. The community we serve is eager to return to regular performances at the Chrysalis and to gather again in Symphony Woods.

We are particularly excited to present a full season of performances this spring, summer, and fall, most of which will be presented at no cost to

attend. These diverse, inclusive programs seek to meet the needs of our entire community.

The Trust is also moving quickly towards park improvements. Work on the pathways is being finalized this spring. With funding from Howard County, the Trust has contracted and scheduled work for the construction of a plateau in the grass overflow parking lot area. This improvement will provide improvements for Wine in the Woods but also for general use of the eastern portion of Symphony Woods.

Finally, we are thrilled to have volunteers in Symphony Woods as we prepare for the season!

PATHWAYS UPDATE

CONSTRUCTION UPDATE

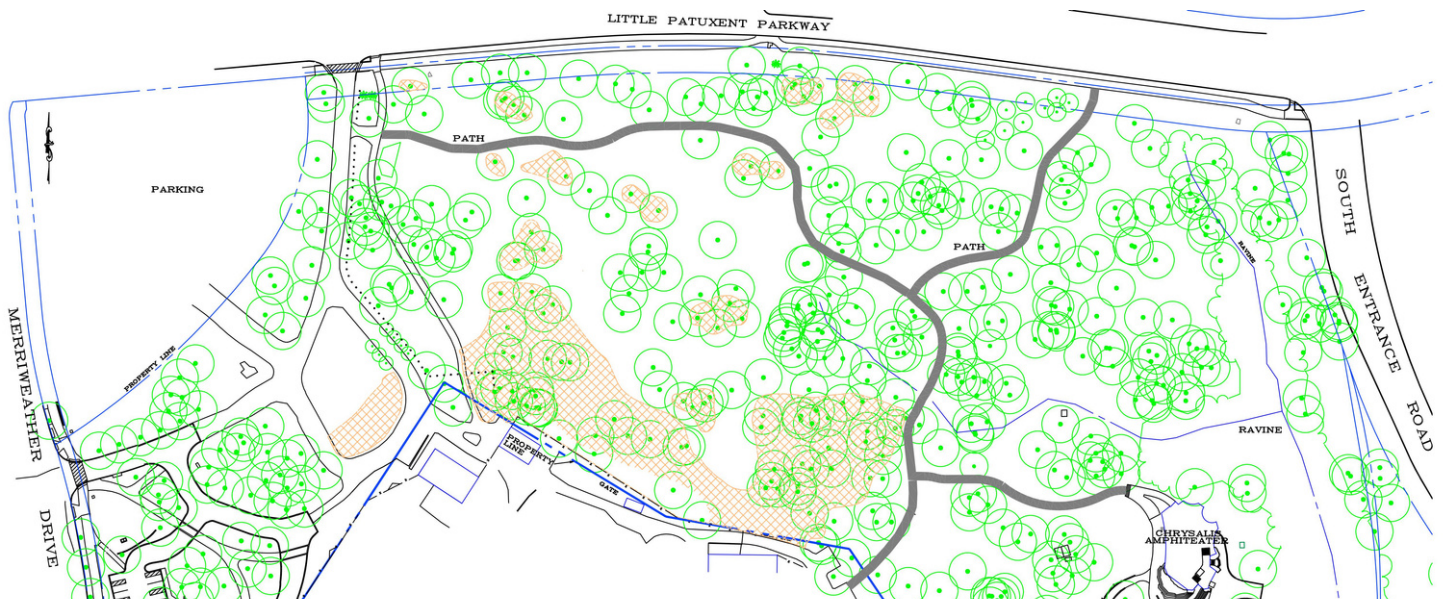
The pathway project is almost complete. Both the Chrysalis Connector and East-West pervious asphalt pathways have been installed and are being used by the community. We are working through the process for as-builts/final redlines associated with both pathways in cooperation with Howard County Recreation and Parks.

The final portion of the construction is the creation of a ramp/paver skirt that connects the Chrysalis Connector pathway to the Chrysalis Use Area pathways. We anticipate that these pavers will be installed this spring.

After completing the ramp/paver skirt and final drawings, any excess grant funds will be expended on pathway lighting, or other pathway needs. Currently, the Trust anticipates that pathway wayfinding will be funded through other means.

GRANT SPENDING UPDATE

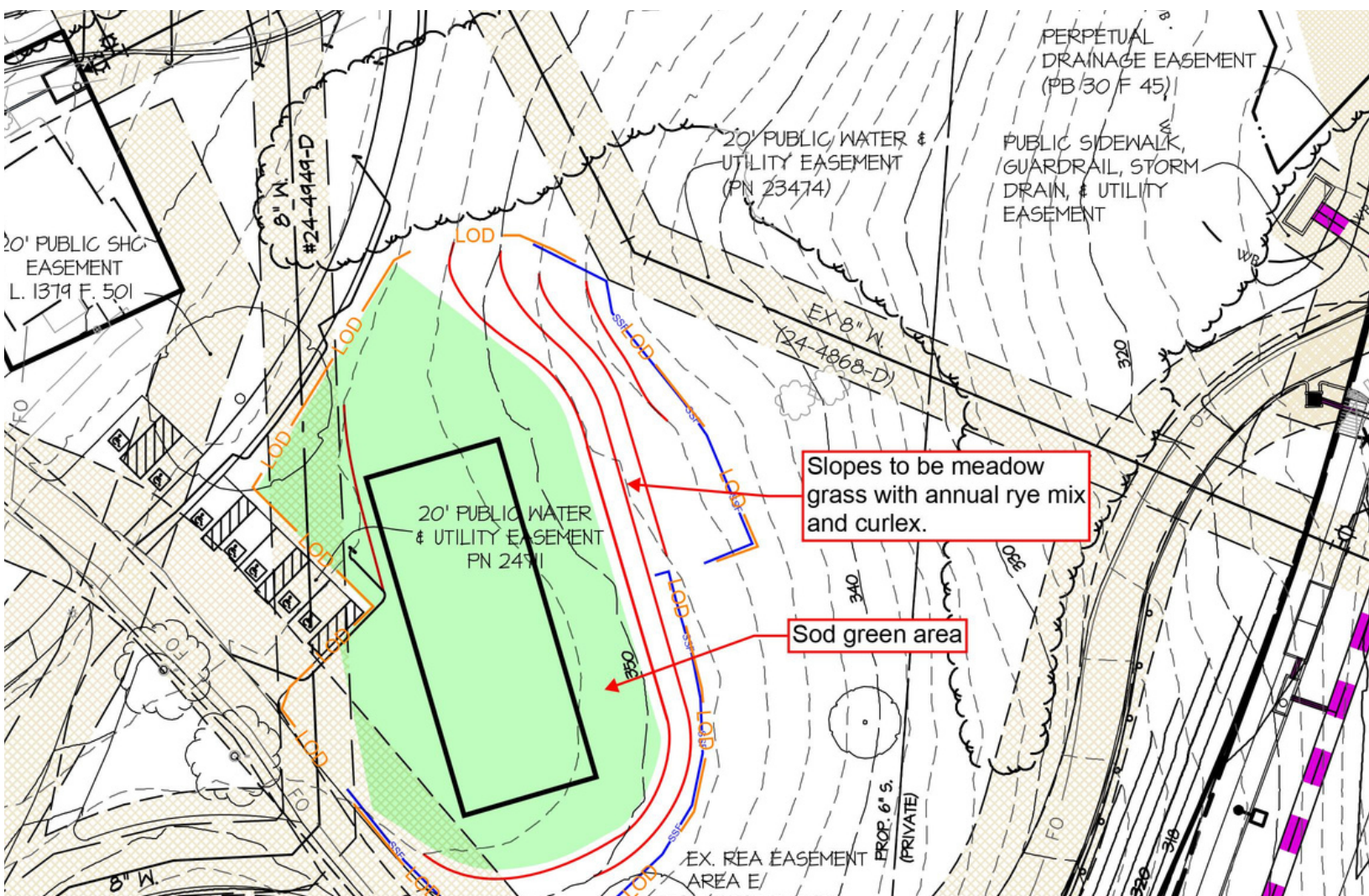
- Grant funds have been expended as follows in 2022:
 - Gutschick Little & Weber, P. A., \$7,370.00 for work on pathway redline
 - Whitman Rrequardt & Associates, \$9,310 for work on pathway redline



PLATEAU CONSTRUCTION

HOWARD COUNTY GRANT FUNDED GRADING / PLATEAU

- Memorandum of Understanding signed with Howard County
- Level Land, Inc. contracted for grading / plateau construction work
- Targeted completion date late April 2022
- Improvements from plateau for Wine in the Woods - will create new VIP area in a location that does not create environmental damage
- Improvements for all users of Symphony Woods because this area will be level and more useable
- Areas to be sodded and overseeded after construction



CONSERVATION LANDSCAPING

The Trust, in partnership with Howard EcoWorks and CA, is able to complete a second year of conservation landscaping installation in Symphony Woods. Thanks to our generous donors and grantmakers, improvements will be made in the four gardens installed last summer, and an additional large garden will be installed this year and trees planted.

DONOR / COUNTY FUNDED CONSERVATION LANDSCAPING

- Improvements to be made in early spring to current gardens
- Installation of signage, pavers, and other final amenities
- Planned opening reception and workshops, dates TBD

CHESAPEAKE BAY TRUST GRANT

- Large conservation landscaping garden to be installed in the lowest, wettest area in Symphony Woods
- Plantings to slow, contain, and treat stormwater prior to entering watershed
- Tree planting on northeast edge of Symphony Woods as a part of this grant
- Planned community tree planting



COMMUNITY ENGAGEMENT

The Trust is charged to embrace the entire community. In order to effectively do so, the Trust tries to engage meaningfully with stakeholders and community members. The Trust has created committees to solicit feedback and strategic advice from the community

PROGRAMMING COMMITTEE

- Intentionally inclusive and representative committee to provide strategic direction and feedback to staff to determine programming plans
- Focus on opportunities for community engagement and a review of the entire calendar as reflective of and meeting community needs
- Inclusion of artists and other arts professionals for expertise
- Feedback process to determine program success

INCLUSION COMMITTEE

- Committee created with stakeholders and individuals who can provide strategic feedback regarding diversity and inclusivity across a variety of types of difference
- Partnerships with Howard County, National Federation for the Blind, and other stakeholders as well as representative committee members
- Focus on both park amenities and programming inclusivity and accessibility



COMMUNITY VOLUNTEERS

Symphony Woods is a space that the community truly loves, and that love has been shown by our fabulous volunteers who make this place great. During this offseason, the Trust has worked with Howard EcoWorks to organize volunteers for the 2022 Watershed Makeover, and has worked with a Boy Scout to provide an Eagle Scout project opportunity.

2022 WATERSHED MAKEOVER

- The 2022 Watershed Makeover included volunteers all over Howard County, including 20+ volunteers in Symphony Woods
- Volunteers removed trash from the stream and surrounding area and removed invasive plants.

BICYCLE REPAIR STATION

- Near joint use restrooms
- Partnership with Bike HoCo
- Repair station with pump
- Boy Scout Eagle Scout project to provide repair station and pump, Trust and other funders to provide remaining amenities for bicycle rest stop



PROGRAMMING OUTLINE

COMMUNITY CONCERTS

All ages, intentionally inclusive events for the entire community. Focus on making sure that the calendar reflects both our overall community and the artistic community.

CHRYSLIS KIDS

All ages, intentionally inclusive events for the entire community. Focus on making Family, intentionally inclusive events for the entire community.

CHRYSLIS CABARET / CURATED OPEN MIC NIGHTS

Smaller, on-stage events – 300 attendance or fewer. Focus on local and regional artists and amplifying voices of new artists.

CULTURAL FESTIVALS AND CULTURAL EVENTS

Events focused on celebration of cultural or other identity, often longer events that take place in the north portion of Symphony Woods as well as the Chrysalis.



UPCOMING EVENTS

- 4/23 Holi Celebration and Dance Party (Free)
- 4/24 Maryland Winds Music of Stage and Screen: Songs of Hope (Free)
- 4/30 HCPSS Jazz in the Woods (Free)
- 5/1 Asian American & Pacific Islander Heritage Festival (Free)





TO: COLUMBIA ASSOCIATION BOARD OF DIRECTORS
FROM: MICHAEL W. ANITON, GENERAL COUNSEL
RE: 2022 LEGISLATIVE SESSION – FILED STATE LEGISLATION
AND CURRENT HOWARD COUNTY COUNCIL LEGISLATION
DATE: MARCH 17, 2022

A. MARYLAND GENERAL ASSEMBLY BILLS

House Bill 8/Senate Bill 275 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment (Time to Care Act of 2022)

Summary: These bills would establish the Family and Medical Leave Insurance Program in the Maryland Department of Labor to provide certain benefits to individuals who take leave from employment for certain purposes and require certain employers to contribute to the Fund in a certain manner beginning January 1, 2023. Employers would be required to contribute an amount equal to 50% of the total rate of contribution, which would not exceed 0.75% of an employee's wages, and would deduct the contribution required from the employee's wages.

Potential Impact to CA: We expect these bills to be opposed by the Maryland Chamber of Commerce and various business groups given the additional costs which would be imposed on employers.

Status: We will continue to monitor the bills as they proceed through the legislative process.

House Bill 26 - Real Property – Regulation of Common Ownership Community Managers

Summary: This bill would create the State Board of Common Ownership Community Managers in the Maryland Department of Labor to oversee the licensing of community managers who provide management services for common ownership communities and would (1) require a common ownership community to register with the Board under certain circumstances (2) impose certain duties on a contracting party concerning a fidelity bond or theft insurance under certain circumstances, and (3) require a contract to provide management services to include certain provisions.

Potential Impact to CA: This bill is similar to bills filed in prior years and would create an onerous regulatory process imposing registration and licensing requirements for HOAs and community managers. However, this bill provides that the provisions that require an individual to be issued a license or a limited license do not prohibit an "individual who is an employee of a common ownership community from providing management services only to that common ownership community or to an affiliated common ownership community." As a result, CA and village employees providing "community manager services" (as defined in the bill) to CA and the villages are not subject to the bill's regulatory requirements.

Status: We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 93 – Candidates for Offices of Municipalities and Common Ownership Communities – Reports of Donations and Disbursements

Summary: This bill would (1) require homeowners associations that require candidates for office to file reports of donations and disbursements to transmit copies of the reports to the State Board of Elections and (2) require homeowners associations that do not require candidates for office to file reports of donations and disbursements to establish an election committee and file reports of donations and disbursements with the State Board of Elections.

Potential Impact to CA: This bill would directly impact candidates running for a Village Board seat, and the Village Boards by requiring them to take certain action. This bill does not directly impact the CA Board.

Status: This bill will not move forward this session.

House Bill 107 - Cooperative Housing Corporations, Condominiums, and Homeowners Associations – Reserve Studies – Statewide

Summary: This bill would (1) require the governing body of certain cooperative housing corporations, condominiums, or homeowners associations to have a reserve study conducted of the common elements of the cooperative housing corporation, condominium, or homeowners association and to update the study at certain intervals, (2) impose certain requirements relating to the annual budget of a cooperative housing corporation, condominium, or homeowners association, and (3) authorize the governing body of a cooperative housing corporation, condominium, or homeowners association to increase a certain assessment.

Potential Impact to CA: The relevant portions of this bill do not apply to a homeowners association that issues bonds for the purpose of meeting capital expenditures. CA is an HOA that issues bonds, therefore this bill would not apply to CA.

Status: We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 140 - Real Property – Condominiums and Homeowners Associations – Governing Bodies and Annual Meetings

Summary: This bill would (1) increase the number of meetings the board of directors or the developer of a condominium or a homeowners association must convene each year, (2) require that unit owners or lot owners have an opportunity to comment, (3) require the developer of a condominium to appoint certain persons to the board of directors for the council of unit owners and to establish a board of directors if no board of directors has been established, (4) require a declarant to appoint certain persons to the governing body of a homeowners association and to establish a governing body of the homeowners association if no governing body has been established, (5) require a developer or a declarant to deliver certain notices regarding a certain bond, (6) require a council of unit owners and a homeowners association to maintain certain books and records, and (7) make certain provisions of law applicable to the accounts of a condominium or a homeowners association.

Potential Impact to CA: CA already complies with the provisions of this bill.

Status: We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 303/Senate Bill 319 – Public Safety – Maryland Swimming Pool and Spa Standards - Adoption

Summary: These bills would require the Maryland Department of Labor to adopt by regulation the International Swimming Pool and Spa Code as the Maryland Swimming Pool and Spa Standards. The bills provide that “this Act shall be construed to apply to swimming pools and spas...only prospectively and may not be applied or interpreted to have any effect on or application to a swimming pool or spa in operation before the effective date of this Act.”

Potential Impact to CA: This could have a significant fiscal impact to CA as it pertains to pool renovations.

Status: HB 303 passed in the House and has crossed over to the Senate for consideration. We will continue to monitor the bills as they proceed through the legislative process.

House Bill 615 – Real Property – Condominiums and Homeowners Association – Dispute Settlement

Summary: This bill would establish procedures for dispute settlement between a board of directors or other governing body and an alleged violator under the Maryland Homeowners Association Act.

Potential Impact to CA: There is language in the bill that states “this section does not apply to the Columbia Association of the Village Community Associations for the Villages of Columbia in Howard County.”

Status: HB 615 passed in the House and has crossed over to the Senate for consideration. We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 698/Senate Bill 721 – Labor and Employment – State Minimum Wage Rate – Increase

Summary: These bills would increase the State minimum wage rate on July 1, 2022.

Potential Impact to CA: This would have a significant fiscal impact on CA especially when compression increases are accounted for.

Status: We will continue to monitor the bills as they proceed through the legislative process.

House Bill 1060 – Residential Owners in Common Ownership Communities Bill of Rights

Summary: This bill would establish a “bill of rights” for lot owners in a homeowners association.

Potential Impact to CA: This bill proposes procedures that appear intended to apply to typical smaller HOAs, but those provisions are inconsistent with CA’s unique organizational structure or governing documents, and are unnecessarily duplicative of procedures that CA has already established.

Status: We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 1147 – Real Property – Cooperative Housing Corporations, Condominiums, and Homeowners Associations – Virtual Meetings

Summary: This bill would require a person conducting a meeting of a homeowners association by telephone conference, video conference, or similar electronic means, to provide a participant a reasonable opportunity to participate in the meeting, and require certain participants in a meeting of a homeowners association to have equal access to any available chat function.

Potential Impact to CA: Portions of this bill may impact the way in which the CA BOD operates its virtual meetings as it concerns the procedures applicable to lot owners who wish to participate.

Status: We will continue to monitor the bill as it proceeds through the legislative process.

House Bill 1247 - Howard County - Property Tax - Credit for Seniors to Offset Property Tax Rate Increase Ho. Co. 10-22

Summary: This bill would authorize Howard County to grant a property tax credit against the county property tax imposed on dwellings owned by senior citizen homeowners who also meet certain income and residency requirements.

Potential Impact to CA: Homeowners affected by this bill would be eligible to have their CA annual charge invoice adjusted to reflect the proportionate credit.

Status: HB 1247 passed in the House and has crossed over to the Senate for consideration. We will continue to monitor the bill as it proceeds through the legislative process.

Senate Bill 294 – Health – Automated External Defibrillator, First Aid, and CPR – Requirements for Health Clubs

Summary: This bill would require a health club to (1) make available an automated external defibrillator on the premises of the health club, (2) have an employee on the premises who is certified in first aid and cardiopulmonary resuscitation, and (3) provide immunity from civil liability for employees of the health club regarding the presence or use of or failure to use an automated external defibrillator.

Potential Impact to CA: CA already has automated external defibrillators in each of its fitness clubs and has CPR certified staff (which is the majority of the staff).

Status: We will continue to monitor the bill as it proceeds through the legislative process.

B. HOWARD COUNTY COUNCIL BILLS

CB14-2022 – Forest Conservation Plan Requirements

Summary: This bill would affect the preparation of forest conservation plans by adding the requirements of locating and listing each tree that is 24 inches in diameter or larger measured at 4.5 feet above the ground, labeling the plan with the tree species and condition, and noting the diameter of the applicable state champion tree of that species.

Potential Impact to CA: It does not appear that this bill would impact CA operations.

Status: This bill was passed by the Council at its 3/7/2022 meeting, and was signed by the County Executive on 3/10/2022.

C. HEARING CHART

Hearing Date – Time	Bill Number	Title	Cross-filed Bill
2/15/22 – 1:00 p.m.	HB 8	Labor and Employment – Family and Medical Leave Insurance Program – Establishment (Time to Care Act of 2022)	SB 275
1/18/22 – 1:00 p.m.	HB 26	Real Property - Regulation of Common Ownership Community Managers	---
1/25/22 – 1:00 p.m.	HB 93	Candidates for Offices of Municipalities and Common Ownership Communities - Reports of Donations and Disbursements	---
1/13/22 – 1:00 p.m.	HB 107	Cooperative Housing Corporations, Condominiums, and Homeowners Associations - Reserve Studies - Statewide	---
1/13/22 – 1:00 p.m.	HB 140	Real Property - Condominiums and Homeowners Associations - Governing Bodies and Annual Meetings	---
2/2/22 – 1:00 p.m.	HB 303	Public Safety - Maryland Swimming Pool and Spa Standards - Adoption	SB 319
3/22/22 – 1:00 p.m.	HB 615	Real Property - Condominiums and Homeowners Associations - Dispute Settlement	---
2/22/22 – 1:00 p.m.	HB 698	Labor and Employment - State Minimum Wage Rate - Increase	SB 721
3/1/22 – 1:00 p.m.	HB 1060	Residential Owners in Common Ownership Communities Bill of Rights	---
3/4/22 – 1:00 p.m.	HB 1147	Real Property - Cooperative Housing Corporations, Condominiums, and Homeowners Associations - Virtual Meetings	---
3/1/22 – 1:00 p.m.	HB 1247	Howard County - Property Tax - Credit for Seniors to Offset Property Tax Rate Increase Ho. Co. 10-22	---
n/a – bill withdrawn	SB 139	Public Health - Semipublic Pools - Lifeguards	---
2/10/22 – 1:00 p.m.	SB 275	Labor and Employment – Family and Medical Leave Insurance Program – Establishment (Time to Care Act of 2022)	HB 8
2/17/22 – 1:00 p.m.	SB 294	Health - Automated External Defibrillator, First Aid, and CPR - Requirements for Health Clubs	---
2/10/22 – 1:00 p.m.	SB 319	Public Safety - Maryland Swimming Pool and Spa Standards - Adoption	HB 303
3/10/22 – 1:00 p.m.	SB 721	Labor and Employment - State Minimum Wage Rate - Acceleration	HB 698
9/20/21 – 7:00 p.m.	CB64-2021	Howard County Council – Specimen Trees	---
9/20/21 – 7:00 a.m.	CB66-2021	Howard County Council – Forest Conservation Act removal of exemptions	---
10/18/21 – 7:00 p.m.	CB78-2021	Howard County Council – Forest Conservation Act tree “lookback” provision	---
10/18/21 – 7:00 p.m.	CB79-2021	Howard County Council – Forest Conservation Act enforcement measures	---
11/15/21 – 7:00 p.m. 11/17/21 – 6:00 p.m.	CB82-2021	Howard County Council – Local Minimum Wage	---
11/15/21 – 7:00 p.m.	CB88-2021	Howard County Council – Historic Structure Maintenance	---
11/15/21 – 7:00 p.m.	CB89-2021	Howard County Council – Forest Conservation Act tree “lookback” provision	---
1/18/22 – 7:00 p.m.	CB10-2022	Howard County Council – Recall of Employees after COVID-19 Lay-Offs	---
2/22/22 – 7:00 p.m.	CB14-2022	Howard County Council - Forest Conservation Plan Requirements	---

Board Request Tracking Log
FY 2022
As of March 18, 2022

	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	Andy Stack	Impact upon CA if the Complete Streets Design Manual is approved	10/14/2021	TBD by the President/CEO	TBD	E-mail to BOD dated 11/24/2021
3	Andy Stack	Impact upon CA of Howard County Council bills re: preserving the tree canopy and specimen trees	10/14/2021	TBD by the President/CEO	TBD	E-mail to BOD dated 11/24/2021
4	CA BOD	Impact upon CA if Howard County increases the minimum wage	October 2021	Administrative Services Divisions	Early November (anticipated)	Information provided at 11/11/2021 BOD Mtg
5	CA BOD	Sheraton/Lake Kittamaqundi Pathway Connection Easement Request	October 2021	Community Operations	TBD	E-mail to BOD dated 11/24/2021
6	CA BOD	Impact of Milk Producers construction on the environment and schools	October 2021	Community Operations	TBD	E-mail to BOD dated 11/24/2021
7	Shari Zaret	Send latest ten-year financial plan to the BOD	11/11/2021	Senior Vice President, Admin Services	12/11/2021	E-mail to BOD dated 12/17/2021
8	Jessamine Duvall	Would like a copy of the grants policy, application, and any reporting requirements. Would be helpful to have a history of who has received grants from CA and amounts over the past 5-10 years and/or the complete history of funding of the IAT by CA.	12/10/2021	Community Programs and Services; Senior Vice President, Admin Services	1/31/2022	Email to BOD dated 1/7/2022 providing information in BOD Info shared drive in a folder entitled "IAT agreements."
9						
10						
11						
12						