



August 7, 2017

**MINUTES
AUDIT COMMITTEE MEETING
Held: Wednesday, July 26, 2017**

Participants: Nancy McCord, Audit Committee Chair
Janet Evans, Audit Committee
Gregg Schwind, Audit Committee
James Young, Audit Committee (via conference call)
Ed Berman, Audit Committee (arrived 7:55pm)
Milton W. Matthews, President/CEO
Jackie Tuma, Chief Staff Liaison and Director of Internal Audit

Also present: Daniel O’Shea, Partner, CohnReznick LLP
Lee Brody, Manager, CohnReznick LLP (via conference call)
Jared Holeman, Senior Accountant, CohnReznick LLP
Andrew Stack, Chair, Board of Directors
Dick Boulton, CA Board of Directors
Virginia Thomas, CA Board of Directors
Susan Krabbe, Vice President/Chief Financial Officer

The meeting was called to order by Ms. McCord at 7:30 p.m.

Mr. Schwind moved to approve the agenda and Ms. Evans seconded. The agenda was approved with a vote of 4-0-0.

For:	Ms. McCord, Ms. Evans, Mr. Schwind and Mr. Young
Against:	None
Abstain:	None

There were no “resident speakout” requests.

Mr. Young moved to approve the draft minutes from the June 26, 2017 meeting and Ms. Evans seconded. The minutes were approved as presented with a vote of 4-0-0.

For:	Ms. McCord, Ms. Evans, Mr. Schwind and Mr. Young
Against:	None
Abstain:	None

Mr. Berman joined the meeting at 7:55pm.

Ms. Krabbe presented the FY17 fourth quarter Financial Report. Mr. Schwind requested that the definition of “memberships” (page 3) be expanded to clarify that it relates to individual facilities. Ms. Thomas asked how much CA is paid by Howard County for mowing on its behalf.

Mr. Schwind moved to provide the FY17 fourth quarter Financial Report to the Board of Directors. Ms. Evans seconded the motion, and it passed 5-0-0.

For: Ms. McCord, Ms. Evans, Mr. Schwind, Mr. Young, and Mr. Berman
Against: None
Abstain: None

Mr. O’Shea presented the draft audited financial statements for the year ended April 30, 2017 for Columbia Association, Inc. Mr. Holeman then presented the draft audited financial statements for the year ended December 31, 2016 for the Columbia Association, Inc. Incentive Savings Plan and Trust. For both audits, the independent auditor’s report, statements and footnotes were reviewed, notable line items and changes from the prior year were discussed, and questions from the committee were answered. It was clarified that a limited-scope audit was performed for the Incentive Savings Plan.

Mr. Schwind moved to provide the independent audit reports of CA’s financial statements for FY17 to the Board of Directors. Mr. Berman seconded the motion, and it passed 5-0-0.

For: Ms. McCord, Ms. Evans, Mr. Schwind, Mr. Young, and Mr. Berman
Against: None
Abstain: None

Mr. Schwind moved to provide the independent audit reports of CA’s Incentive Savings Plan and Trust for the calendar year 2016 to the Board of Directors. Mr. Berman seconded the motion, and it passed 5-0-0.

For: Ms. McCord, Ms. Evans, Mr. Schwind, Mr. Young, and Mr. Berman
Against: None
Abstain: None

At 9:22 p.m., Mr. Berman moved to close the meeting pursuant to HOA Section 11B-111.(4)(i, iv) to discuss CohnReznick LLP’s review of internal controls and other communication with Internal Audit. Ms. Evans seconded the motion which passed with a vote of 5-0-0.

For: Ms. McCord, Ms. Evans, Mr. Schwind, Mr. Young, and Mr. Berman
Against: None
Abstain: None

The meeting continued in closed session.

At 10:20 p.m. the open meeting reconvened.

The committee tracking form was reviewed.

The Audit Committee Responsibilities Checklist was reviewed. Mr. Young asked that at the next meeting, the committee discuss how item #20 (regularly report to the Board of Directors about Audit Committee activities, issues, and related recommendations) is accomplished. Mr. Berman asked that the checklist have an indicator of the tasks that should be accomplished at each meeting.

At 10:35 p.m., the meeting was adjourned by unanimous consent.