

**Minutes of the
BOARD OF DIRECTORS MEETING
Held: July 25, 2019**

Approved: September 26, 2019

A meeting of the Columbia Association Board of Directors was held on Thursday, July 25, 2019, at Columbia Association headquarters. Present were Chairman Andy Stack, Vice Chair Virginia Thomas, and members Dick Boulton, Renee DuBois, Lin Eagan, Janet Evans, Alan Klein, Milton W. Matthews (arrived at 8:50 p.m.), Nancy McCord, and Shari Zaret. Also present were CA Vice President/CFO Susan Krabbe and General Counsel Sheri Fanaroff. Rafia Siddiqui was absent.

1. Call to Order: The Board of Directors Meeting was called to order at 7:06 p.m. by Chairman Andy Stack. Mr. Stack announced the directors in attendance and reminded attendees that the meeting is being live-streamed and recorded.

2. Announcement of Closed/Special Meetings Held/To Be Held: none

3. Approval of Agenda

Action: Ms. Thomas moved to approve the agenda. Ms. DuBois seconded the motion, which passed unanimously.

4. Disclosure of Conflict of Interest: none

5. Resident Speakout: none

6. Reports/Presentations – Part One

(a) Financial Reports

1. FY 19 Audited Financial Statements
2. FY 19 4th Quarter Financial Report

Audit Committee member Dick Boulton said the committee met with the external auditors, who gave staff high marks for cooperation and professionalism. The Audit Committee recommends that the Board accept the report.

In response to a question from the Board, Ms. Krabbe said tht future financial documents will be posted in a format that Board members can download.

(b) Dashboard and Quarterly Update on Membership Information

Ms. Krabbe gave an overview of dashboard metrics. In response to Board questions, she said:

- The new membership structure went into effect May 1, 2017.
- From 2015 through 2019 some membership rates rose, others dropped, and some remained unchanged.
- CA does market research comparisons at least annually.
- CA continuously monitors residential development in Columbia and surrounding areas.
- Members were surveyed in 2016, which led to the membership restructure.
- Users of CA camps and other programs are surveyed but the response rate is low.

Sport and Fitness Director Dan Burns gave an overview of Clarabridge survey results. He said the overall Net Promoter Score of 41.2 was the highest to date, with increases in almost every metric. In response to Board members' questions, he said:

- CA tries to ensure that people aren't surveyed more than once per quarter. Respondents vary by season – during summers, the surveys are done primarily by users of pools and golf courses. During cooler seasons, more users of fitness centers complete surveys.
- There have been fewer complaints about the refreshment cart at the golf course.

7. Board Action

(a) Consent Agenda

1. Approval of Minutes of June 27, 2019 BOD meeting
2. Approval of Advisory Committee's Proposed Charges for FY 20

Both items were approved by consent.

(b) Board Votes

1. Budget Parameters, Annual Charge Rate and Cap for the Draft FY 21 Budget

Ms. DuBois, who serves on the Audit Committee, spoke about expenses related to Sport and Fitness. Ms. Krabbe noted that the costs of fitness memberships are intentionally lower than they could be in order to enable more residents to join.

Ms. DuBois asked for figures for the past four years re: how much CA has spent as a result of natural disasters and she requested estimates of how much CA should budget for such expenses.

Mr. Boulton moved to approve proposed operating and capital budget parameters for FY 21 and FY 22:

1. \$3 million increase in net assets for operating expenses
2. \$15 million for capital expenditures
3. Inflation rate threshold of 3%
4. Interest rate threshold of 4.5%
5. 2.5% to 3% increase in membership rates
6. Annual charge rate unchanged at \$0.68 per \$100 of assessed valuation
7. Cap of 3.5% on annual assessed valuation increases

Ms. McCord seconded the motion.

Action: Ms. McCord moved to increase the annual charge rate from \$0.68 to \$0.70. Mr. Klein seconded the motion, which failed. Vote: 2-7-0.

For: Ms. McCord and Mr. Klein

Against: Mses. Eagan, Evans, DuBois, Thomas, and Zaret; and Messrs. Boulton and Stack

Abstain: none

Action: Ms. Zaret moved to increase the annual charge rate from \$0.68 to \$0.69. Ms. McCord seconded the motion, which failed. Vote: 3-6-0.

For: Mses. McCord and Zaret, and Mr. Klein

Against: Mses. Eagan, Evans, DuBois, and Thomas; and Messrs. Boulton and Stack

Abstain: none

Action: The Board voted on Mr. Boulton's original motion to approve the budget parameters. The motion passed. Vote: 6-3-0.

For: Mses. Eagan, Evans, DuBois, and Thomas; and Messrs. Boulton and Stack

Against: Mses. McCord and Zaret, and Mr. Klein

Abstain: none

(c) Board Discussion

1. Update on Plans to Renovate Supreme Sports Club – Phase 2

Mr. Burns presented slides showing progress of renovations, most of which are expected to be completed in September.

Mr. Matthews arrived at 8:50 p.m.

2. Development Tracker

Community Planner Jessica Bellah said the public was given the opportunity to question the Department of Planning and Zoning staff during a meeting last night re: Hickory Ridge Village Center. There are no zoning meetings scheduled for August. In response to Board members' questions, she said:

- She will send Board members a link to the Hickory Ridge Village Association website, which lists conditions the village board wants confirmed before they will support the village center redevelopment proposal, including re: apartment building height.

- The Fort Knox Columbia Self Storage project listed on the tracker is not a new facility, but a request to reduce the parking setbacks to allow the owner to create an off-street parking area.

3. Capital Projects and Open Space Updates

Open Space and Facilities Services Director Dennis Matthey displayed slides showing replaced boardwalks, renovated pool areas, open space management and community engagement. He also showed a video featuring Landscape Manager Brian Wood. In answer to a Board member's question, he said CA is experimenting with planting perennial plants in some open space areas instead of annuals.

4. Tying Advisory Committees' Proposed Charges for FY2020 to One or More Strategic Priorities in CA's Strategic Plan for 2020-2024

Board members discussed whether advisory committees should have measurable goals linked to CA's strategic priorities, or whether they should focus on making suggestions on things CA should do in furtherance of the strategic plan. Board members agreed to share the strategic plan with the committees for which they are liaisons and encourage the committees to indicate in their annual reports how their activities align with the strategic plan.

8. Chairman's Remarks:

Mr. Stack submitted a written report. Ms. Evans noted that the Art Center Advisory Committee meeting was moved to September.

9. Reports/Presentations – Part Two

(a) President's Report

Milton Matthews submitted a written report.

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

Lin Eagan submitted a written report.

10. Tracking Forms

(a) Tracking Form for Board Requests

Mr. Klein asked that the list of Board-related policies be shared with all board members.

(b) Tracking Form for Resident Requests

11. Potential New Topics

The "Potential new topics" part of Board meetings may be used to vet topics for future meeting agendas. Criteria need to be set for determining which items get added. All Board members will soon receive a timeline of some of the topics that need to be addressed during upcoming meetings, such as budget deliberations.

The Board will consider adding a stretching break during BOD meetings.

12. Talking Points: The Talking Points were read by Recording Secretary Valerie Montague.

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

Respectfully submitted,
Valerie Montague
Recording Secretary