

**Minutes of the  
BOARD OF DIRECTORS MEETING  
Held: April 23, 2020**

Approved: May 28, 2020

A virtual meeting of the Columbia Association Board of Directors was held on Thursday, April 23, 2020. Participating were Chairman Andy Stack, Vice Chair Virginia Thomas, and members Dick Boulton, Renee DuBois, Lin Eagan, Janet Evans, Alan Klein, Milton W. Matthews, Nancy McCord, Rafia Siddiqui, and Shari Zaret. Other participants were CA Vice President/CFO Susan Krabbe, Director of Finance/Treasurer Lynn Schwartz, and Director, Office of Internal Audit Jackie Tuma.

**1. Call to Order:** The Board of Directors Meeting was called to order at 7:05 p.m. by Chairman Andy Stack. Mr. Stack read prepared remarks outlining how the meeting would be conducted. He then proceeded with a roll call to determine which Directors and CA senior staff members were participating. Mr. Stack noted that only audio of the meeting was being broadcast.

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

CA's **Board of Directors** held a virtual closed work session on April 6, 2020. Members participating were Chairman Andy Stack, Vice Chair Virginia Thomas, and members Dick Boulton, Renee DuBois, Lin Eagan, Janet Evans, Alan Klein, Milton W. Matthews, Nancy McCord, Rafia Siddiqui, and Shari Zaret. The vote to close the meeting was 8-2-0.

For: Messrs. Stack and Klein, and Mmes. Eagan, Evans, McCord, Siddiqui, Thomas, and Zaret  
Against: Mr. Boulton and Ms. DuBois  
Abstain: none

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111(4)(i), Discussion of matters pertaining to employees and personnel; and (iv), Consultation with staff personnel, consultants, attorneys, board members or other persons in connection with pending or potential litigation or other legal matters. The work session was closed from 4:05 p.m. until 4:50 p.m. to discuss issues related to the corona virus pandemic.

CA's **Board of Directors** held a virtual closed work session on April 16, 2020. Members participating were Chairman Andy Stack, Vice Chair Virginia Thomas, and members Dick Boulton, Renee DuBois, Lin Eagan, Janet Evans, Alan Klein, Milton W. Matthews, Nancy McCord, Rafia Siddiqui, and Shari Zaret (joined at 4:37 p.m.). The vote to close the meeting was 6-3-0.

For: Mr. Stack and Mmes. Eagan, Evans, McCord, Siddiqui, and Thomas  
Against: Messrs. Boulton and Klein and Ms. DuBois  
Abstain: none

The closed meeting was authorized under the Maryland Homeowners Act, Md. Code, Real Property §11B-111(4)(i), Discussion of matters pertaining to employees and personnel; and (iv), Consultation with staff personnel, consultants, attorneys, board members or other persons in connection with pending or potential litigation or other legal matters. The work session was closed from 4:34 p.m. until 5:28 p.m. to discuss issues related to the corona virus pandemic.

**3. Approval of Agenda**

**Action:** Ms. Thomas moved to approve the agenda. Ms. Evans seconded the motion, which was approved unanimously.

#### 4. Resident Speakout:

Due to limitations on the ability for people to call in to the virtual meeting, a verbal resident speakout was not held. Instead, residents were encouraged to send their comments to CA's Board of Directors at [Board.Members.FY20@columbiaassociation.org](mailto:Board.Members.FY20@columbiaassociation.org).

#### 5. Consent Agenda

- (a) Approval of Minutes – March 26, 2020 BOD Meeting

The minutes were approved by consent. A typographical error on line 53 was subsequently corrected.

#### 6. Board Votes

- (a) Proposed Modifications to the FY 2021 Capital Budget

Ms. Krabbe reviewed the changes made to reduce the FY 2021 capital budget, originally approved for \$15M in February 2020, to \$8M. Reductions were made to category I, II, and III projects, with priority funding provided for projects needed for legal or safety reasons, income-producing facilities, and upgrades to quality of service. The Board discussed the changes, and then requested Ms. Krabbe review the proposed modifications to the FY 2021 operating budget, prior to a vote.

- (b) Proposed Modifications to the FY 2021 Operating Budget

Ms. Krabbe presented two scenarios for revisions to the FY 2021 operating budget, originally approved in February 2020 at \$79,683M in projected income; \$76,682M in projected expenses; and an increase in net assets of \$3.0M. Proposed Scenario 1 reflected a phased-in reopening beginning July 1, 2020, with projected total income of \$66,348M; total operating expenses of \$66,101M; and an increase in net assets of \$247K. Proposed Scenario 2 reflected a phased-in reopening beginning September 1, 2020, with projected total income of \$60,030M; total operating expenses of \$59,996M; and an increase in net assets of \$34K.

The Board discussed the two scenarios and requested information on the assumptions used in developing them.

**Action:** Ms. Siddiqui made a motion to adopt the proposed modifications to the FY 2021 Capital Budget. Ms. McCord seconded the motion, which was approved by a vote of 9-1-0.

For: Messrs. Boulton, Klein, and Stack; and Mmes. Eagan, Evans, McCord, Siddiqui, Thomas, and Zaret

Against: Ms. DuBois

Abstain: none

**Action:** Ms. Thomas made a motion to adopt Proposed Scenario 1 of the FY 2021 Operating Budget.

Mr. Boulton seconded the motion, which failed by a vote of 4-5-1.

For: Messrs. Boulton and Stack, and Mmes. Siddiqui and Thomas

Against: Mr. Klein and Mmes. DuBois, Eagan, Evans, and Zaret

Abstain: Ms. McCord

**Action:** Ms. Evans made a motion to adopt Proposed Scenario 2 of the FY 2021 Operating Budget. Ms. DuBois seconded the motion, which passed by a vote of 8-1-1.

For: Messrs. Boulton and Klein, and Mmes. DuBois, Eagan, Evans, McCord, Thomas, and Zaret

Against: Mr. Stack

Abstain: Ms. Siddiqui

The FY 2021 operating budget will be reviewed during the first quarter.

- (c) Amendments to the Management Contract

Ms. Tuma reviewed the proposed amendments to the management contract, which were suggested to allow the village community associations to plan for lost and reduced revenue, as well as lower expenditures. The

first amendment would waive the FY 2020 excess cash reserves requirement; the second would increase the threshold for village-funded repairs and maintenance from \$1,000 to \$2,000. The Board discussed both amendments.

**Action:** Ms. DuBois made a motion to increase the threshold for village-funded repairs and maintenance from \$1,000 to \$2,000. Mr. Stack seconded the motion, which passed by a vote of 9-1-0.

For: Messrs. Boulton, Klein, and Stack; and Mmes. DuBois, Eagan, Evans, Siddiqui, Thomas, and Zaret

Against: Ms. McCord

Abstain: none

**Action:** Ms. McCord made a motion to waive the FY 2020 excess cash requirement. Ms. Siddiqui seconded the motion. Before a vote could be taken, Ms. DuBois offered a friendly amendment to waive the village cap on reserves for the entirety of the management contract. Mr. Klein seconded the friendly amendment, which was accepted by Ms. McCord.

The Board discussed both the original motion and the friendly amendment. At the conclusion of the discussion, Ms. DuBois withdrew the friendly amendment. The original motion by Ms. McCord was approved unanimously.

#### **7. Chairman's Report**

Mr. Stack called the Board's attention to his written report. He also thanked Ms. Siddiqui for her service on the Board. In response, Ms. Siddiqui read a prepared statement regarding her term on the Board and thanked Board members and staff for their help during the year.

#### **8. Reports/Presentations**

Mr. Stack called the Board's attention to the written report from the CA representatives to the Inner Arbor Trust Board of Directors.

#### **9. Proposed New Topics**

- (i) Waive the village cap on reserves for the remainder of the management contract, including a review of inequities in amounts of cash available to different villages due to different facilities
- (ii) A Board subcommittee to assemble a list of topics to be covered in all Board orientation sessions

**10. Talking Points:** The Talking Points were read by Recording Secretary Janet Loughran.

**11. Adjournment:** Without objection, the meeting was adjourned at 9:19 p.m.

Respectfully submitted,

Janet F. Loughran  
Executive Assistant to the President/CEO