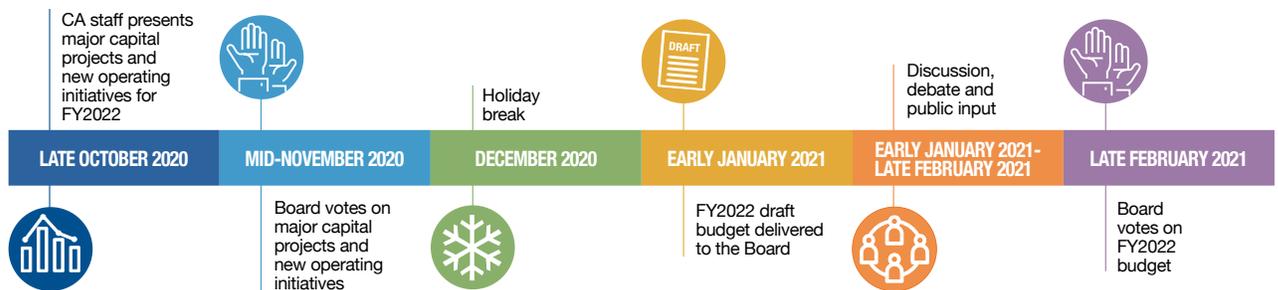


COLUMBIA ASSOCIATION

FY 2022

# Draft Budget Overview

## CA FY2022 Budget Timeline

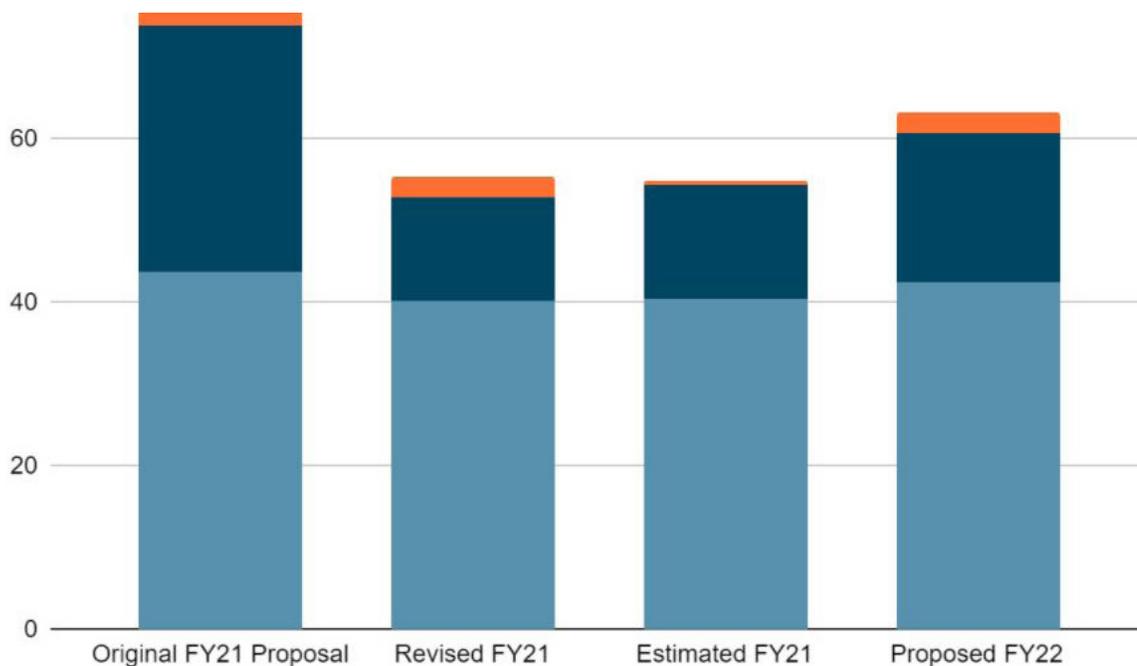


Columbia Association (CA) has released its draft Fiscal Year (FY) 2022 budget. Once approved by the CA Board of Directors (Board), the FY 2022 spending plan will cover the 12-month period from May 1, 2021 to April 30, 2022. Over the next several weeks, the Board will discuss and receive input from the public on the draft FY 2022 budget. The Board is scheduled to vote on a final version of the FY 2022 budget in late February.

## Faced with challenges

CA's proposal emphasizes its ongoing commitment to fiscal discipline and continues its role as a services provider to the greatest number of community stakeholders. While we are optimistic about the year to come, we are realistic about the continued presence of the COVID-19 pandemic and lingering after-effects.

CA is not immune to the effects of the pandemic and the financial challenges that come with it. The impact on income-generating services reduced CA's overall budget by about \$24 million in FY 2021, decreasing from a projected \$80 million to approximately \$56 million when the impacts of the pandemic became fully apparent. For FY 2022, CA projects \$63.6 million in operating income.



*Note - Open Space/Facility Services represents less than 1% of income in each budget scenario and is not shown.*

**The chart above shows:**

- The income CA had originally projected during budget preparation for FY 2021.
- The revisions the Board approved once the closure of CA’s facilities was imminent.
- The estimated FY 2021 income based on actual data from May 1, 2020 through October 31, 2020, and projections for the remaining six months of the fiscal year
- The proposed FY 2022 budget

Temporary shutdown measures and operating restrictions that remain in place, as of January 2021, have a significant effect on sports and fitness memberships and user fees (i.e. - personal training, green fees, tennis court time, lessons, leagues, etc.) and community services programming, specifically enrollment in CA’s School Age Services program.

*“We believe that it is safe to say that there will not be a return to ‘normal,’ if ‘normal’ means our pre-COVID experience,” CA President/CEO Milton W. Matthews said. “I believe a post-pandemic CA will emerge and mature over time, perhaps three to four years.”*

Despite the many challenges of FY 2021, CA maintains a positive financial position and remains resourceful to ensure quality services continue in this community.

*“CA is in a sound financial condition. Our cash position is strong, and we have proven yet again that we can produce a budget and successfully execute against it, even in a global pandemic and recession,” Matthews said.*

## Centered on community, focused on the future

---

Decisions have been guided by setting CA and its stakeholders up for success in the future. While there have been tough choices, the team has been guided by CA's mission to engage our diverse community, cultivate a unique sense of place and enhance the quality of life for those who work, visit and live in the Columbia community.

As this pandemic persists, CA - like many individuals, families, businesses and other entities — must continue to make adjustments and adapt quickly. We are still committed to keeping as many services, programs, activities, and facilities operating as possible, while prioritizing safety, fiscal responsibility and accountability to our diverse group of stakeholders.

*Here are some of the ways CA's FY 2022 budget plan is centered on community and focused on the future.*

### **No increase in annual charge rates**

Annual charge income makes up more than 50% of CA's operating revenue. This income source provides CA with a solid foundation to pursue everyday its mission of engaging our diverse community, cultivating a unique sense of place and enhancing quality of life. Yet, we are aware of the ongoing financial hardships that have been inflicted on many in our community by the pandemic and economic downturn. Therefore, the draft budget for FY 2022 is recommending no increase in the annual charge rate (currently at \$0.68 per \$100 of assessed valuation) or the cap, which will remain at 3.5%.

### **Supporting village community associations**

The draft FY 2022 budget includes \$6.1 million in financial support for the ten village community associations ("villages"). That is an increase of \$189,000 over the FY 2021 estimate. There is also more than \$600,000 in capital funds allocated for multiple projects at a number of the 24 buildings (community and neighborhood centers) managed by the villages.

*"Continued investment in our villages is critical to our community's success," CFO Susan Krabbe said. "Even with the constraints CA faces, our team knows these dollars matter to our neighbors."*

### **The return of international and multicultural programming**

There will be a time when travel is once again safe and restriction-free. The FY 2022 draft budget includes funding a full time program manager for the International and Multicultural program. That team member will be charged with re-establishing communications with Columbia's Sister Cities in France, Spain, Ghana, Haiti and China, with the expectation of planning future exchanges.

*"Making the investment to reconnect with Columbia's Sister Cities demonstrates not only our desire to strengthen those relationships, but also our optimism for the return of travel and more meaningful cultural experiences in the future," Community Services Director Michelle Miller said.*

In the meantime, the new program manager will implement local cultural programming, like Cultural Cafes and other community events that celebrate diversity.

### **The return of before-and-after school care at 20 schools**

Many local families rely on CA's school-aged services programming, including all of those parents who enrolled their kids in CA's distance learning support program this year. The proposed investment in before-and-after school care anticipates in-person instruction will resume next fall throughout the Howard County Public School System. Considering that, we are preparing to reopen programs at 20 of the 23 locations CA operated out of prior to COVID-19.

*"We look forward to getting back into most of the schools and once again serving families in all of those locations,"* Community Services Director Michelle Miller said. *"Capacities may still be reduced next fall, but we have learned how to create the safest environment possible for the children who rely on our care and will bring that experience with us into the 2021-2022 school year."*

### **Reopening 15 of our neighborhood pools**

The FY 2022 draft budget includes funding to open 15 neighborhood pools in May. Those pools account for more than 80% of 2019 attendance, ensuring that the vast majority of pool users will be able to visit the same location as they have become accustomed to attending.

As an additional money-saving measure, snack bars will not operate at outdoor pools. Also, outdoor pools will only be open from Memorial Day weekend to Labor Day weekend.

[Click here for more details about what pools CA plans to reopen in the summer.](#)

### **Establishing a "rainy day" or cash reserve fund**

This budget plan includes the creation of a cash reserve fund, with an initial amount of \$2 million. There will be a suggested timeline for the Board to review, evaluate and approve a "rainy day" fund policy. There's more about the reserve fund parameters established in the latest budget in the CA Budget Breakdown.

### **Ceasing operations of Haven on the Lake**

Effective May 1, 2021, CA will no longer operate Haven on the Lake in the building owned by Howard Hughes Corporation on the Downtown Lakefront.

*"We are certainly saddened to have to let this wonderful resource go, but the cost of operating Haven on the Lake — paired with the effect of the pandemic on the overall budget — has become too much to sustain,"* CFO Susan Krabbe said.

*"We understand this unique facility means a lot to the members who utilize its services,"* Sports & Fitness Director Dan Burns said. *"Our team members will work hard to offer as many comparable services as possible at other CA facilities to best serve those individuals."*

### **Ongoing investment in Open Space**

Along with a major stream restoration project continuing across our community (which is entirely funded by the state), CA will continue to invest in the maintenance, upkeep and improvement of its more than 3,600 acres of Open Space, including more than 100 miles of pathways. Routine work will return to pre-COVID levels. That includes response to both urgent and non-urgent work orders, attention to the lakefront areas and mowing in all areas, as well as other priority tasks.

*“The Open Space team has worked incredibly hard over the past year,”* Open Space and Facility Services Director Dennis Matthey said. *“Despite the obstacles we have faced, crews have removed and replaced unsafe tot lot equipment, installed new bridges, maintained pathways and green space, and provided other areas where this community could safely leave their homes. I am pleased to see that more routine levels of upkeep should begin to return, allowing neighbors and visitors to enjoy our Open Space even more in the months to come.”*

Additionally, CA’s Energy Manager will lead efforts to ensure CA’s energy systems and other physical assets are operating as sustainably as possible. That will be supported by nearly \$450,000 in capital investments that are allocated to building energy retrofits, watershed improvements and “going green” initiatives.

CA also has committed nearly \$1 million for pathway renovations and bridge/boardwalk replacements. You can read more about Open Space capital projects that have been approved for FY 2022 in this article.

### **Ongoing commitment to the arts**

Throughout the challenges of physical distancing and indoor capacities, the Columbia Art Center continues to provide classes and workshops with some of the most experienced instructors in the area.

*“While we have certainly had to make some adjustments, the Columbia Art Center continues to be a place where this community can celebrate creativity,”* Columbia Art Center Liz Henzey said. *“For many of us, the pandemic has forced that creativity to a whole new level. We are thrilled to continue our support of artists at all levels and to be a hub of expression that is so important to the Columbia community.”*

Additionally, CA is optimistic that we will be able to gather again next summer for the Summer Lakefront Festival. That free entertainment is also included in FY 2022 budget proposal.

*“The Lakefront Festival has been a longstanding tradition in this community, one that CA has proudly supported,”* Community Services Director Michelle Miller said. *“While there may still be restrictions to adhere to and limitations to respect, the thought of once again gathering together in the heart of Downtown Columbia is an exciting one.”*

## What happens now?

CA is hosting a Virtual Town Hall via Zoom on Thursday, January 21, starting at 7pm. You can participate by registering with your questions (by January 17) or catch the live stream on YouTube.

The Board will meet periodically from now through late February to discuss FY 2022 budget issues, and all of them are open to the public. That includes the following work sessions and meetings:

- **Thursday, January 14** - Work session
- **Thursday, January 28** - Regular meeting followed by a work session
- **Thursday, February 11** - Work session
- **Thursday, February 18** - Work session
- **Thursday, February 25** - Board discussion and vote on the FY22 Budget

Along with the upcoming Virtual Town Hall, there are a number of ways you can stay updated on the process and have your voice heard:

- Review meeting agendas and documents on our Board of Directors page.  
Watch the discussions and decisions in real time by subscribing to our CA Live Stream YouTube page.
- Get involved with Resident Speakout. You can submit something in writing or speak on the virtual platform.
- CA periodically publishes Board of Directors-related articles on our website. These are also included in newsletters and on social media.
- Send an email to the Board of Directors at [board.members.fy21@columbiaassociation.org](mailto:board.members.fy21@columbiaassociation.org).

*"We welcome everyone's feedback on these difficult decisions. From the beginning, CA has been a major contributor to the quality of life in the Columbia community, while being held accountable for our spending,"* President/CEO Milton W. Matthews said. *"We hope you see a continuation of that commitment to you in this FY 2022 draft budget."*

To access all of the FY 2022 Budget Materials, please visit [columbiaassociation.org/about-us/financials/financial-reports/#fy2022budgetmaterials](https://columbiaassociation.org/about-us/financials/financial-reports/#fy2022budgetmaterials).

