

**Minutes  
Board of Directors  
GHI Regular Open Session  
November 15, 2017**

Board Members Present: Hess, Holland, James, Jones, Kapfer, McFadden, Seely and Skolnik

Excused Absent: Brodd

Others in Attendance:

Eldon Ralph, General Manager

Tom Sporney, Assistant General Manager

Joe Perry, Director of Finance

Henry Haslinger, Audit Committee

Jacqueline Lilly, Audit Committee

Molly Lester

Mary Salemme

Monica Johnson, Recording Secretary

President Skolnik called the meeting to order at 7:47 p.m.

1. Approval of Agenda

**Motion: The Board of Directors does approve the agenda.**

Moved: Hess

Seconded: James

Carried: 8-0

2. Announcement of an Executive Session Meeting Held on November 15, 2017

GHI's Board of Directors held an Executive Session meeting on November 15, 2017 in the Board Room of the Administration Building. The following motion to call this meeting was made during a prior open meeting on the same date and approved by Directors Hess, Holland, James, Jones, Seely and Skolnik with McFadden abstaining for the following purposes:

1. Approved minutes of the October 19, 2017 Executive Session meeting, and approved minutes of the October 26, 2017 Informal Hearing meeting.
2. Approved Contract with a Reserve Advisor Firm to Revise GHI's Addition Maintenance Reserve Plan - 2<sup>nd</sup> Reading:

**The motion was to authorize the Manager, for second and final reading, to sign a contract with DMA Reserves, to conduct a Replacement Reserve analysis for GHI additions on the addition maintenance program, at a cost of \$9,800, with 10% allowance for contingencies, for a total not to exceed \$10,780.**

3. Approved Contract for Dental Care Benefits for Employees - 1st reading and only reading.

**The motion was to authorize the Manager for first and only reading due to the renewal deadline, to sign a contract with Principal Financial to provide dental insurance to GHI's employees at the rate of \$24.75 per month for employee only coverage, \$46.25 per month for**

**employee plus one coverage, and \$74.92 per month for family coverage, during the period December 1, 2017 to November 30, 2018.**

4. Review M-3 Delinquency and Distressed Units
5. Addressed a Complaint matter.

This closed meeting commenced at 7:10 p.m., with adjournment occurring at 7:31 p.m. (for the regular open session meeting)

*Authority for the above closed meeting was derived from Subtitle 6b of the Maryland Cooperative Housing Corporation Act, § 5-6B-19 “Meetings of cooperative housing corporation open to members of corporation or their agents.” Paragraph (e) (1)*

3. Visitors and Members (Comment Period)

Mary Salemme mentioned that Verizon has a block on addresses in GHI, and would like GHI to address the issue.

4. Approval of Membership Applications

**Motion: I move that the Board of Directors approve the following persons into the cooperative and membership is afforded her at the time of settlement:**

- **Greenbelt Homes, Inc., Sole Owner;**
- **Laurent Rigal, Sole Owner;**
- **Ashley M. Kelly, Sole Owner;**
- **Cheryl L. Malik, Sole Owner;**
- **William F. Arsnow, Sole Owner;**
- **Brian T. Archibald, Jennifer M. Archibald, Tenants by the Entirety;**
- **Nancy L. Feresten, Timothy H. Feresten, Tenants by the Entirety;**
- **Nicole Coates, Sole Owner.**

Moved: James

Seconded: Hess

Carried: 8-0

5. Committee and Homes Improvement Program Reports

**Homes Improvement Program** - Sporney reported that:

Windows / Siding are 100% complete  
 Doors are 86% complete  
 Electrical components are complete  
 Attics are 95% complete  
 Crawlspace are 75% complete

**Bicycle Task Force** – McFadden reported that the Task Force did not meet in November, and that the next scheduled meeting is December 20 at 7pm.

**Architectural Review Committee** – McFadden reported that the Committee has developed the Single Level Living flyer that will be distribute after the holiday season.

6. For Action or Discussion6a. Approve Minutes of the Special Open Session Meeting Held on October 19, 2017

**Motion: I move that the Board of Directors approve the minutes of the Special Open Session meeting that was held on October 19, 2017 as presented.**

Moved: James

Seconded: Hess

Carried: 7-0-1

Abstained: Holland

6b. Approve Minutes of the Regular Open Session Meeting Held on October 19, 2017

**Motion: I move that the Board of Directors approve the minutes of the Regular Open Session meeting that was held on October 19, 2017 as presented.**

Moved: James

Seconded: Hess

Carried: 7-0-1

Abstained: Holland

6c. Petition for Changes to GHI Rules on Doors

Last October 5<sup>th</sup>, the Board of Directors decided not to approve a request from Ms. Lisa Anderson (the member of 46- E Ridge Rd) to install a non-conforming exterior front door with rounded features and stained glass.

Prior to the Board's review, the Architectural Review Committee passed a motion by a vote of 7-0-1 to recommend to the Board of Directors that an exception not be granted to allow installation of the non-conforming entry door.

Ms. Anderson subsequently posted an 'petition' to change the existing rules about doors that obtained forty-three signatures in favor of her request.

**Motion: I move that the Board of Directors direct the Architectural Review Committee to reevaluate GHI's current rules regarding doors and recommend by January 31, 2018 what changes (if any) should be made to those rules.**

Moved: Holland

Seconded: McFadden

Carried: 8-0

6d. Finance Committee's Recommendation re: Increase of Addition Maintenance Contributions for 2018

*No Action taken.*

6e. Finance Committee's Recommendation re: Member Contributions for Remediation of Asbestos in Crawlspace of Frame Units

With regard to the costs remediating asbestos in crawlspaces of frame units, estimated to be \$1.79 to \$1.97 million, the Finance Committee recognizes that GHI currently has sufficient liquid assets to cover those costs. Hence, those funds can be utilized and be repaid through contributions from

members in frame homes over the next 13 years. The Finance Committee also recognizes 2018 is the third year of the step increase for crawlspace improvement charges. As a result the Finance Committee is making the following recommendation to the Board of Directors:

*The Finance Committee recommends the Board of Directors set a charge averaging \$5 per month per for frame units, for asbestos remediation, in 2018. We further recommend that the charge increase to averaging \$10 per month in 2019, and \$15 per month in 2020 and additional years until the cost plus a reasonable annual interest is fully paid off. These charges will be implemented utilizing the 50/50 formula which is the same formula used for the general coop fees.*

*Notes: We estimate this will take 13 years total, 11 years will be averaging \$15 per month.*

**Motion: I move that the Board of Directors accept the Finance Committee's recommendation regarding member contributions to finance the asbestos remediation project in crawlspaces of frame homes and stipulate that the contributions shall be in accordance with the following conditions:**

- An average contribution of \$5 per month per member in 2018.
- An average contribution of \$10 per month per member in 2019.
- An average contribution of \$15 per month per member in 2020 and additional years until the cost for the project including interest is fully paid off.
- Members shall make the above contributions on the basis of the 50/50 formula that is used for general coop fees.

Moved: Hess

Seconded: Jones

Carried: 8-0

6f. Review 2018 GHI Budget - 2nd reading

The Board reviewed a draft budget on November 2, 2017 with various staff salary increase scenarios, and adopted a budget that included a 3% salary increase for first reading, in the amount of \$13,358,932, with depreciation of members' homes in the amount of \$610,000.

**Motion: I move that the Board of Directors adopt the 2018 operating budget for Greenbelt Homes Inc., for second reading in the amount of \$ 13,352.312.00 with depreciation of members' homes in the amount of \$ 610,000.00.**

Moved: Hess

Seconded: Jones

Carried: 8-0

6g. Zoning Task Force's Comments re: the Comprehensive Review Draft of the New P.G. County Zoning Ordinance

A comprehensive review draft of the new P.G. County Zoning Ordinance was released in early October, 2017. It can be viewed at <http://zoningpgc.pgplanning.com/wp-content/uploads/2017/09/Comprehensive%20Draft%20Zoning%20-%20Public%20-%20CLEAN.pdf>. Hard copies are also available at the public library. Final public feedback regarding the Comprehensive Review Draft is due by December 15th.

GHI's zoning taskforce comprised of Stefan Brodd, Aaron Marcavitch, Molly Lester, Sabrina Barron, Linda Seely and Eldon Ralph, has reviewed the Comprehensive Draft and are preparing comments regarding the new zoning ordinance's potential impacts on GHI, which will be provided to the Board prior to the Board meeting.

**Motion: I move that the Board of Directors amend the Zoning Task Force’s comments, deleting the definition of “ Lot, Record – Housing Cooperative and Development Lot – Housing Cooperative”, and deleting the words “and parcel of land” from the definition of “Housing Cooperative”, regarding the impacts of Prince George’s County proposed new zoning ordinance on GHI and authorize GHI’s President to submit the comments to the GHI Zoning Attorney for review and comment back to the Board.**

Moved: Kapfer

Seconded: Seely

Carried: 8-0

6h. Attorney's Opinion re: Fiduciary Standard that the Investment Committee is Required to Meet with Respect to Investments

GHI’s 2016-17 Audit Committee included the following statement in its annual report to the Board of Directors:

D. Fiduciary Rule Governing GHI Investments. At the November 2016 Investment Committee meeting, the Audit Committee Chair inquired as to the fiduciary standard the Investment Committee is required to meet with respect to investments (Prudent Person Rule or Prudent Investor Rule) and what state and federal regulations the Committee follows in accordance with the Investment Committee Charter and Investment Policy. (Investment decisions are evaluated differently under the Prudent Person Rule, as opposed to the Prudent Investor Rule). The Investment Committee Chair was unable to definitively identify the fiduciary standard and was unable to identify any regulations the Committee monitors. The Cooperative would benefit from the Committee having a better understanding of its fiduciary duties and any regulations it is required to follow. Last August 3<sup>rd</sup>, the Board decided that the Manager should obtain a legal opinion on this issue.

**By Consensus: To send to the Auditor Firm.**

**Motion: I move to extend the meeting 15 minutes to discuss Item 6i.**

Moved: Hess

Seconded: Kapfer

Carried: 8-0

6i. Review 3rd Quarter Financial Statements

Joe Perry (GHI’s Director of Finance) presented GHI’s 2017 third quarter financial statements and answered questions from the Board.

**Items of Information:**

7a. Meeting that the Legislative Government Affairs Committee Held with State Legislators on November 1, 2017

A report from Aaron Marcavitch, the Chair of the Legislative Government Affairs Committee (LGAC) about the meeting between the LGAC and four State Legislators that took place on November 1, 2017.

7b. Holiday Party on Friday, December 15<sup>th</sup>

This year, a staff “holiday” taskforce recommended a different type of event as compared to prior years. Staff members and their spouses or partners will undertake a Spirit of Washington Friday Winter Lights Dinner Cruise along the Potomac. Thirty-two staff members will be participating. GHI will cover the costs for the employees; while employees will pay the costs for their spouses/partners. The cost is \$99.36 per person. Boarding is at: 600 Water Street SW, Washington DC. The boarding time is 7.00 p.m. and the cruise times will be from 8.00 p.m. to 11.00 p.m. A bus will transport participants from the GHI compound to the boarding location.

Staff welcomes the participation of Board/Audit Committee members and their partners and spouses; those wishing to attend should inform and send their payments to Maesha McNeill by November 27, 2017.

7c. Staff’s Response to a Member Inquiry During the November 2, 2017 Board Meeting

During the November 2<sup>nd</sup> Board meeting, Mr. Henry Haslinger queried why the windows on his addition were not replaced during the HIP; while the windows on another member’s addition were replaced.

Staff investigated this matter and found that the windows installed in Mr. Haslinger’s addition are considered non-standard style windows for GHI homes, and would not be covered by the addition maintenance program or replaced by GHI during the HIP.

7d. Board 12 Month Action Plan and Committee Task List7e. Monthly GHI and City Calendars7f. President’s Items

Skolnik mentioned that he would be away from December 8 thru January 11. Vice President Brodd would chair the next meeting.

7g. Board Members’ Items

Hess mentioned that he would not be attending the December 21 or the January 4 board meeting.

Kapfer mentioned that he would not be attending the December 7 board meeting.

Holland mentioned that Communications Committee would be meeting on November 27, and the IT Task Force on November 28.

Jones requested that the Board Meeting Procedures be placed on an agenda.

7h. Audit Committee’s Items

None

7i. Manager's Items

Ralph mentioned that he would be on vacation the week of November 20.

Perry mentioned that he would be in Haiti the first week of December.

**Motion: To adjourn.**

Moved: Hess

Seconded: McFadden

Carried: 8-0

The meeting adjourned at 10:20 p.m.

Ed James  
Secretary