

Notice of Meeting and Agenda

GHI Board of Directors & Finance Committee

Thursday, August 27, 2020

7:00 p.m.

Virtual Meeting Room

Purpose: Preliminary Discussion re: the GHI 2021 Budget

Agenda Items:

- 1. Consider Expenditures for the following major items:**
 - a) Staff Salaries and Benefits.**
 - b) Real Estate Taxes.**
 - c) Property and Business Owner's Insurance.**
 - d) Trash Collection.**
 - e) Contracted Services and Improvements.**
- 2. Review whether adjustments should be made to Service and Other Income Charges.**
- 3. Discuss other items that should be included in the 2021 budget.**
- 4. Adjournment.**

Information for joining the work session is as follows:

Time: Aug 27, 2020 07:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/88098537752?pwd=d2F2WE1KTW9vOVBrUUUV3UjEzbnkViQT09>

Meeting ID: 880 9853 7752

Passcode: 754983

One tap mobile

+13017158592,,88098537752#,,,,,0#,,754983# US (Germantown)

Dial by your location

+1 301 715 8592 US (Germantown)

Meeting ID: 880 9853 7752

Passcode: 754983

Find your local number: <https://us02web.zoom.us/j/88098537752>

Ed James

Secretary



GREENBELT HOMES, INC.

HAMILTON PLACE, GREENBELT, MARYLAND 20770

Area Code (301) 474-4161 Fax (301) 474-4006



MANAGER'S MEMORANDUM

TO: GHI Board of Directors, Finance Committee

CC: Audit Committee

FROM: Eldon Ralph, General Manager

DATE: August 24, 2020

SUBJECT: Items for the GHI Board of Directors/Finance Committee Work Session on August 27, 2020

On May 21, 2020, GHI's Board of Directors decided that the Board and Finance Committee would meet on August 27th, beginning at 7:00 p.m. to conduct preliminary discussions regarding the GHI 2021 budget. Attachment #1 is the 2020 budget. The work session will be chaired by the Board President and the items to be discussed are as follows:

1. Consider expenditures for the following major items

a) Staff Salaries and Benefits

i. Staff Organizational Structure

A current staff organizational chart is presented in attachment #2.

The 2020 budget includes salaries and benefits for 45.5 regular employees as follows:

Maintenance	27
Homes Improvement	3.5
Technical Services	4
Member Services	3
Finance	4
Management Office	4

The 2020 budget includes funds for a temporary grounds employee who is employed 4 months per year to assist with yard restoration activities during the underground utility repair project. It also includes costs for temporary on-call admin assistants for the

receptionist area and maintenance department as necessary, and overtime costs for maintenance employees.

Because some members have opted to postpone HIP work in their homes due to COVID-19 concerns, the HIP may extend for a few months into 2021. It may be necessary to retain the HIP Director and one HIP Project Manager for that period. Staff will be able to make a more accurate projection about the estimated volume of HIP work during 2021, before the budget is approved by the Board. After the HIP is completed, the organizational structure will comprise 42 full-time employees, which should be sufficient to handle the overall workload, provided job vacancies are filled quickly.

ii. Staff Salaries and Benefit Costs

Budgeted 2020 salaries and benefits are listed in the table below:

	Salaries	Benefits
Administrative	\$ 839,970	\$ 267,710
Maintenance (Charged to GHI Operations)	\$ 1,896,600	\$ 718,100
Maintenance (Charged to Replacement Reserves, HIP, GDC Operations)	\$ 376,300	\$ 131,700
Total	\$ 3,112,870	\$1,117,510

The 2020 General Industry Salary Budget Survey, conducted by Willis Towers Watson Data Services, found companies are projecting average salary increases of 2.8% for all employees in 2021, including exempt, non-management, and management employees. Only 7% of companies are not planning pay increases next year, an indication that many organizations are projecting a turn toward normalcy in 2021 (www.shrm.org). The Willis Towers Watson Data Services General Industry Salary Budget Survey was conducted between April and July 2020 and includes responses from 1,010 companies representing a cross section of industries. The report provides data on actual salary budget increase percentages for the past and current years, along with projected increases for next year.

Earlier this year, the Board approved hiring of a consultant to undertake a review of GHI staff salaries and benefits as compared with similar organizations. We expect to receive the consultant's report by the end of September.

401k Plan Benefits

GHI makes available an employee retirement savings plan to full-time, regular employees who have completed one year of service. GHI matches annual contributions dollar for dollar up to 4% of the employee's salary. The Board of Directors may voluntarily make an additional discretionary contribution of 1% to the accounts of all eligible participants annually. Providing this benefit, allows GHI to

attract and retain good employees. The 2020 annual budget for the 401k benefit is \$129,290.

Health Insurance Benefits

GHI provides Health Maintenance Organization (HMO) coverage to our employees. The current plan is a High Deductible Health Plan (HDHP) that is paired with a Health Savings Account (HSA). Last year, we changed our medical insurance provider from CIGNA to CareFirst/Blue Cross Blue Shield.

At present, GHI funds 85% of the high deductible costs in the amount of approximately \$82,535 per year, by contributing \$1,700 for single coverage and \$3,400 for family coverage per year to employees' Health Savings Accounts. Also, GHI pays 90% of the total premium cost or approximately \$510,000 per year for HMO coverage, and employees pay the remaining 10%.

In speaking with our broker, the projected increase for 2021 is around 15%, but our rates will not be known until sometime in October, since we have a renewal date of December 1st. This year, our broker will solicit bids from other insurance providers including Kaiser Permanente to ascertain whether we could obtain a similar quality of health care coverage at a lower cost. Our insurance broker held a virtual meeting with employees on July 16th to discuss the Kaiser Permanente health care program which is likely to be the lowest-cost option. Thirty-six employees attended the presentation; twenty-eight completed a survey form after the presentation that indicated their preferences as follows:

Yes - 7 employees
No - 14 employees
Maybe - 7 employees

Life and Disability Insurance

GHI maintains life insurance, short and long-term disability insurance for GHI employees with monthly premiums paid in full by GHI. The average monthly cost is \$2,200. The projected increase is around 10%, our broker will solicit bids from other insurance carriers. We continue to place emphasis on health and wellness and work/life balance, including flu vaccines, preventive care, etc.

Dental Insurance

Lincoln Financial has been our dental insurance since 2018. Lincoln Financial offers the staff a broad range of dental providers within its network. The average monthly cost is \$1,710. In speaking with our broker, the projected increase is about 4%. Our broker will solicit bids from other dental insurance companies to obtain a cost savings if the dental, life, and disability insurances are combined.

Vision Insurance

Vision care is self-insured and costs GHI about \$2,100 per year.

b) Real Estate Taxes

The Department of Assessments and Taxation provided new assessments for GHI units in January 2019. The new assessments cover the years 2019 through 2021. Assessments are calculated to be reflective of the market values of homes. For the 2021 budget calculation of real estate taxes, staff will utilize recent sale values to anticipate incremental increases for recently transferred units. The new assessed values provided for 2021 will be used for all other units.

c) Property and Business Owner's Insurance

Current premiums are as follows:

Carrier	Line of Coverage	Premium
Philadelphia	Property/General Liability/B&M/Auto	\$508,558
Philadelphia	Umbrella Liability	\$ 26,390
Chesapeake	Workers' Compensation	\$ 133,641
Continental	Crime, Directors & Officers' Liability	\$ 18,876
Lloyds of London	Cybercrime	\$ 2,970
TOTAL		\$690,435

For 2021, our current insurance broker expects an across the board 5% – 6% premium increase, assuming there are no major insurance claims for the remainder of 2020 or increases in exposure. However, for the workers' compensation policy, the broker suggests budgeting for a 6% increase in the premium to compensate for a payroll increase and an increase in the experience modification (losses) based on a 2020 mid-year projection of 1.68.

A few weeks ago, staff sent a request for proposals to five insurance brokerage firms requesting them to submit bids for GHI's 2021 Property and Business Owner's Coverage. Staff expects that the bids will be reviewed by the Board before the 2021 budget is approved.

d) Trash Collection

An amount of \$452,750 was budgeted for this line item in 2020. The proposed 2021 budget for the City of Greenbelt trash collection service indicates no change in service fee revenues meaning no change for GHI in 2021.

e) Contracted Services and Improvements

i. Major Reduction of Expenditures in 2021:

Budgeted expenditures for the following contracted improvement projects in 2020 are as follows:

Asbestos remediation in 4 crawlspaces	\$38,000
Crawlspace improvements	\$15,600
HIP optional items	\$1,471,320
HIP replacement reserve items	\$2,330,050
HIP addition maintenance reserve items	\$ 150,070
Total	\$4,005,040

Asbestos remediation and crawlspace improvements should be fully completed during 2020 and only a few homes may require HIP improvements in 2021; hence there will be a very significant reduction in expenditures for these projects during 2021.

During 2020, members in the masonry home group contributed \$40,000 towards crawlspace improvement projects. Members in this home group have fully satisfied their financial obligations for the asbestos remediation and crawlspace improvement projects and will make no further contributions to these projects.

In 2020, members in the frame home group contributed \$160,000 and \$60,000 respectively towards crawlspace improvements and asbestos remediation. Staff suggests that the Finance Committee recommend whether a portion of the GHI unreserved operating fund balance should be distributed to the three home groups; to potentially reduce member contributions for crawlspace improvements and asbestos remediation in the frame homes and member contributions to the replacement reserve funds for masonry and larger homes. The consolidated unreserved operating fund portion of members' equity was \$2,196,018 at the end of 2019.

ii. Recommended New Expenditures in 2021:

- Integrated Technology Property Management System: During the past year, a task force has been reviewing several systems and will recommend an integrated system to the Board (before the end of 2020) to replace the Jenark financial system and Micromain computerized maintenance management system. Preliminary costs of two systems being considered are \$23,000 and \$70,000, respectively.
- Hire a contractor to archive and scan all GHI construction drawings.

- Procure document management software and hire an ex-employee for approximately four months to assist with the design and establishment of a proper electronic filing system for all GHI records.

2. Review whether adjustments should be made to Service and Other Income Charges

Attachment #3 is the current schedule of service and other income charges. The Finance Committee is currently reviewing the schedule and will make recommendations for changes before the 2021 budget is approved.

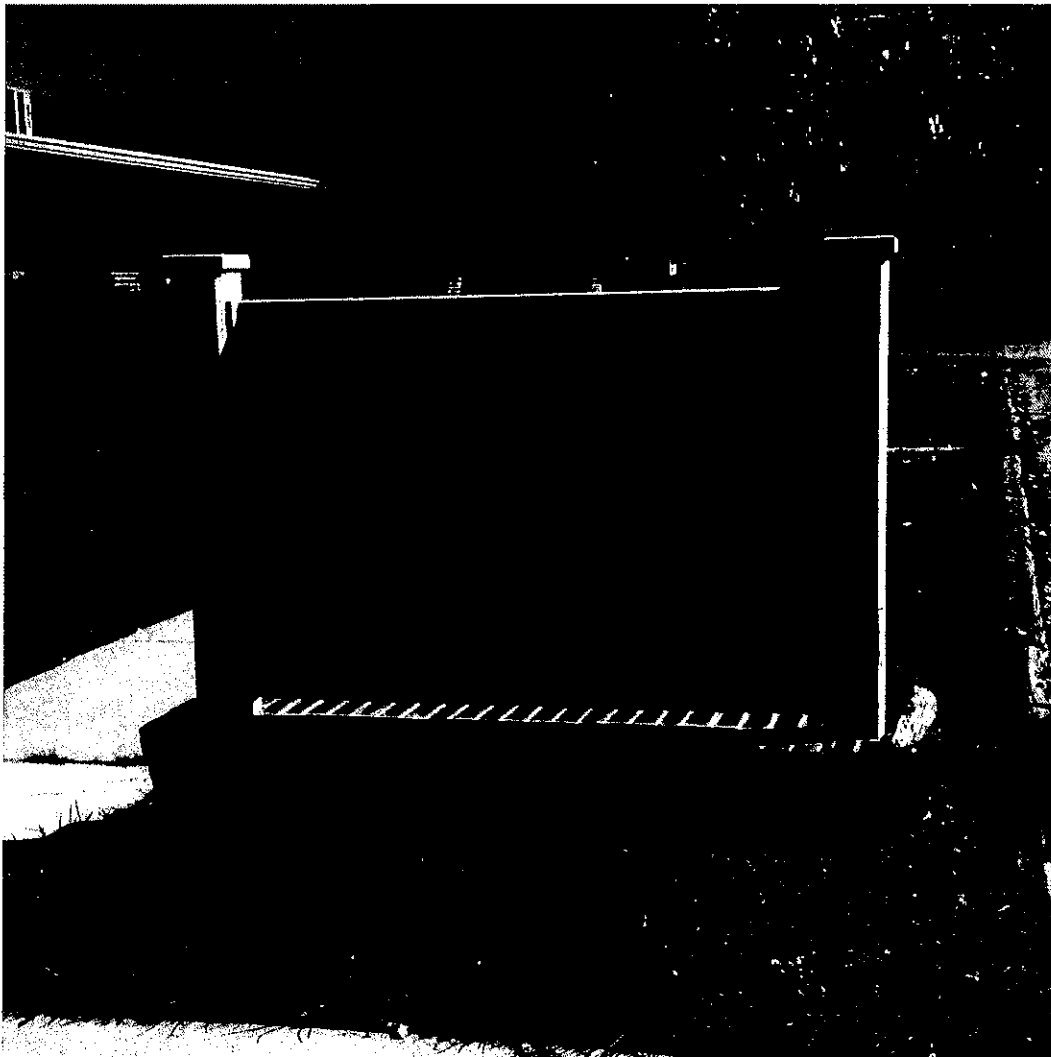
3. Discuss other items that should be included in the 2021 Budget

The Board and Finance Committee should consider any other items (not covered in the 2020 budget) or mentioned above that should be included in the 2021 budget. Some items to consider are as follows:

- Pilot Project for Replacement of Water Supply and Waste Pipes in Frame and Masonry Homes – Having evaluated water supply and waste piping in a sample of approximately 10 percent of frame and masonry homes, Engineering and Technical Consultants Inc. is currently preparing a report which includes design of a pilot study to evaluate methodologies for the repair and replacement of piping systems in frame and masonry homes. Since we have not yet received a report and much planning is required to undertake a pilot project, the Board should consider whether to include monies for this project in the 2021 budget. The expenditure would be financed from the replacement reserves fund.
- Hire a consultant to streamline the member handbook, and information on GHI's website to ensure the information is current and well organized.
- Purchase of notebook-type or small laptops for the Board and Audit Committee members that would reduce the volume of paper materials generated for Board meetings.
- Replacement of the ten chairs around the large table in the Boardroom.

Greenbelt Homes, Inc.

2020 Budget



- **October 10, 2019 - First Presentation to Finance Committee & Board of Directors**
- **November 7, 2019 – First Reading**
- **November 21, 2019 – Second Reading and Approval**

**THIS PAGE LEFT
BLANK
INTENTIONALLY**

GREENBELT HOMES, INC.
2020 BUDGET
TABLE OF CONTENTS

Pages

1 - 3	Board President's 2020 budget letter
4	Important changes to 2020 budget
5	Summary budget overview
6	Summary budget schedule

Supporting Schedules:

Operations

7 - 10	Distribution of 2020 members' charges	Schedule	A
11 - 12	Service and other income	Schedule	B
13 - 14	Real estate taxes	Schedule	C
15 - 16	Insurance	Schedule	D
17 - 20	Administration/Board/Membership	Schedule	E
21 - 22	Maintenance and improvements (routine)	Schedule	F

Home Improvement Program

23	Crawlspace improvements	Schedule	G
24	Optional improvements	Schedule	H
25	H.I.P. contracts		

Reserves

26	Replacement and addition maintenance reserves (routine)		
27	Replacement and addition maintenance reserves (H.I.P.)		
28	Major maintenance, replacement & improvement programs		
29	Analysis of contingency, replacement & addition maintenance reserves	Schedule	I

**THE PRESIDENT'S
MESSAGE GOES HERE!**

**THE PRESIDENT'S
MESSAGE GOES HERE!**

**THE PRESIDENT'S
MESSAGE GOES HERE!**

IMPORTANT CHANGES TO 2020 BUDGET

Real estate taxes have been budgeted to reflect the impact of the loss of the Homestead Tax Credit for units which will not be eligible to receive it in 2020 (pages 11-12). Contracts include asbestos remediation for crawlspace of 4 pilot buildings (page 20). Expenditures for the Homes Improvement Program (pages 21-23) have been broken out for crawlspace improvements, optional improvements, and replacement and addition maintenance reserves.

SIGNIFICANT INCREASES IN EXPENDITURES

Summary Budget (page 4)

- Real estate taxes
- Insurance

Administrative – Schedule E (pages 15-18)

- Telephone & email
- Temp & professional help
- Depreciation

Maintenance Expense – Schedule F (page 19)

- Materials
- Vehicle expense
- Dumpsters

Maintenance - Contract Work (page 20)

- Installation of security systems- administration building
- Landscape maintenance
- Parking lot repairs
- Repairs to exterior walls of masonry homes
- Swale/drainage improvements

Replacement Reserves (page 24)

Contracts

- Underground utilities
- Technical evaluation
- Replace roof-top HVAC units for admin building
- Replace roofs on frame homes
- Replace air conditioning units in larger homes
- Repair retaining wall
- Playground upgrade w/City of Greenbelt

SIGNIFICANT REDUCTIONS IN EXPENDITURES

Summary Budget (page 4)

- Maintenance & improvements
- Crawlspace improvements

Administrative – Schedule E (pages 15-18)

- Legal
- Member expenses

Maintenance Expense – Schedule F (page 19)

- Payroll
- Fringe benefits

Maintenance - Contract Work (page 20)

- Fee for service contracted work
- Asbestos removal in crawlspace of frame units

Replacement Reserves (page 24)

Contracts

- Purchase one van

SUMMARY BUDGET OVERVIEW

The summary budget is a consolidation of income, expenses and equity for all three budget groups. It provides the basis for the cooperative's operations during 2020. All of the other documentation included as part of the budget presentation consists of supporting schedules and backup material. The summary budget identifies total receipts (income), expenses and equity.

As a cooperative operating on a not-for-profit basis, GHI must determine which expenses are necessary, then collect sufficient income to meet those expenses.

In accordance with the bylaws, increases in **membership operating payments** cannot exceed 10% of the prior year's operating payments without membership approval. The increase in membership operating payments for 2020 falls well within this limit and provides for enhanced services and improvements.

This budget reflects an increase in membership operating payments of 3.8%.

Operating payments consists of real estate taxes, trash collection, insurance, administration, maintenance and improvements, crawlspace improvements, asbestos remediation and replacement reserves, less service and other income.

**2020 BUDGET
SUMMARY**

	2019 Yr End Projection	2019 Budget	Proposed 2020 Budget	%	Schedule
RECEIPTS:					
Members' charges:					
Operating charges	\$ 5,207,440	\$ 5,207,440	\$ 5,364,715	3.0%	
Real estate taxes	4,169,220	4,158,375	4,371,073	5.1%	
Crawlspace improvements	160,000	160,000	160,000	0.0%	
Asbestos remediation	100,000	100,000	100,000	0.0%	
Replacement reserves	1,899,233	1,899,233	1,972,057	3.8%	
Total members' charges	<u>11,535,893</u>	<u>11,525,048</u>	<u>11,967,845</u>	3.8%	A
Other income sources:					
Service income	520,904	527,670	542,610	2.8%	B
Other income	349,390	414,030	356,740	-13.8%	B
Total other income sources	<u>870,294</u>	<u>941,700</u>	<u>899,350</u>	-4.5%	
Members' charges and other income	<u>\$ 12,406,187</u>	<u>\$ 12,466,748</u>	<u>\$ 12,867,195</u>	3.2%	
Miscellaneous receipts:					
Addition maintenance reserves	193,930	193,930	197,420	1.8%	I
Optional improvements	1,807,580	1,571,810	1,618,460	3.0%	H
Total receipts	<u>\$ 14,407,697</u>	<u>\$ 14,232,488</u>	<u>\$ 14,683,075</u>		
EXPENSES:					
Real estate taxes	4,169,220	4,158,375	4,371,073	5.1%	C
Trash collection	429,076	452,750	452,750	0.0%	A
Insurance	537,955	481,300	568,140	18.0%	D
Adm/Brd/Memb	1,413,120	1,454,110	1,495,325	2.8%	E
Maintenance & improvements	4,481,200	4,657,230	3,747,850	-19.5%	F
Crawlspace improvements	989,700	1,432,170	17,020	-98.8%	G
Total expenses prior to optional HIP	<u>12,020,271</u>	<u>12,635,935</u>	<u>10,652,158</u>	-15.7%	
Optional improvements	1,807,580	1,571,810	1,618,460	3.0%	H
Total expenses	<u>\$ 13,827,851</u>	<u>\$ 14,207,745</u>	<u>\$ 12,270,618</u>		
EQUITY:					
Replacement reserves	1,899,233	1,899,233	1,972,057	3.8%	I
Addition maintenance reserves	193,930	193,930	197,420	1.8%	I
Total reserves	<u>2,093,163</u>	<u>2,093,163</u>	<u>2,169,477</u>	3.6%	
Total expenses & reserves	<u>\$ 15,921,014</u>	<u>\$ 16,300,908</u>	<u>\$ 14,440,095</u>	-11.4%	
Unreserved operating fund	(221,735)	(1,172,170)	242,980	-120.7%	
Total expense & equity	<u>\$ 15,699,279</u>	<u>\$ 15,128,738</u>	<u>\$ 14,683,075</u>		
Depr - member units	<u>504,000</u>	<u>622,000</u>	<u>693,000</u>	11.4%	

DISTRIBUTION OF 2020 MEMBERS' CHARGES

Schedule A illustrates how total members' charges are distributed among the three budget classes created by GHI's Mutual Ownership Contracts. Since real estate taxes are determined based on the actual real estate tax bill, not all members within the particular budget class (frame, masonry, & larger homes) will increase by the same percentage.

For 2020 the total members' charges are reduced \$882,900 by service and other income (see Schedule B).

ABBREVIATIONS USED IN TEXT

1) GHI =	Greenbelt Homes, Inc.
2) GDC =	Greenbelt Development Corporation
3) ADM =	Administration expense
4) BRD =	Board expense
5) MEMB =	Members expense
6) MAINT=	Maintenance
7) FFS =	Fee For Service
8) RR =	Replacement reserves
9) HIP =	Homes Improvement Program
10) HTC =	Homestead tax credit
11) s/s =	Service side
12) g/s =	Garden side
13) c/a =	Common area
14) EPDM =	Ethylene Propylene Diene Monomer rubber roofing

GREENBELT HOMES, INC.
2020 BUDGET
DISTRIBUTION OF 2020 MEMBERS' CHARGES

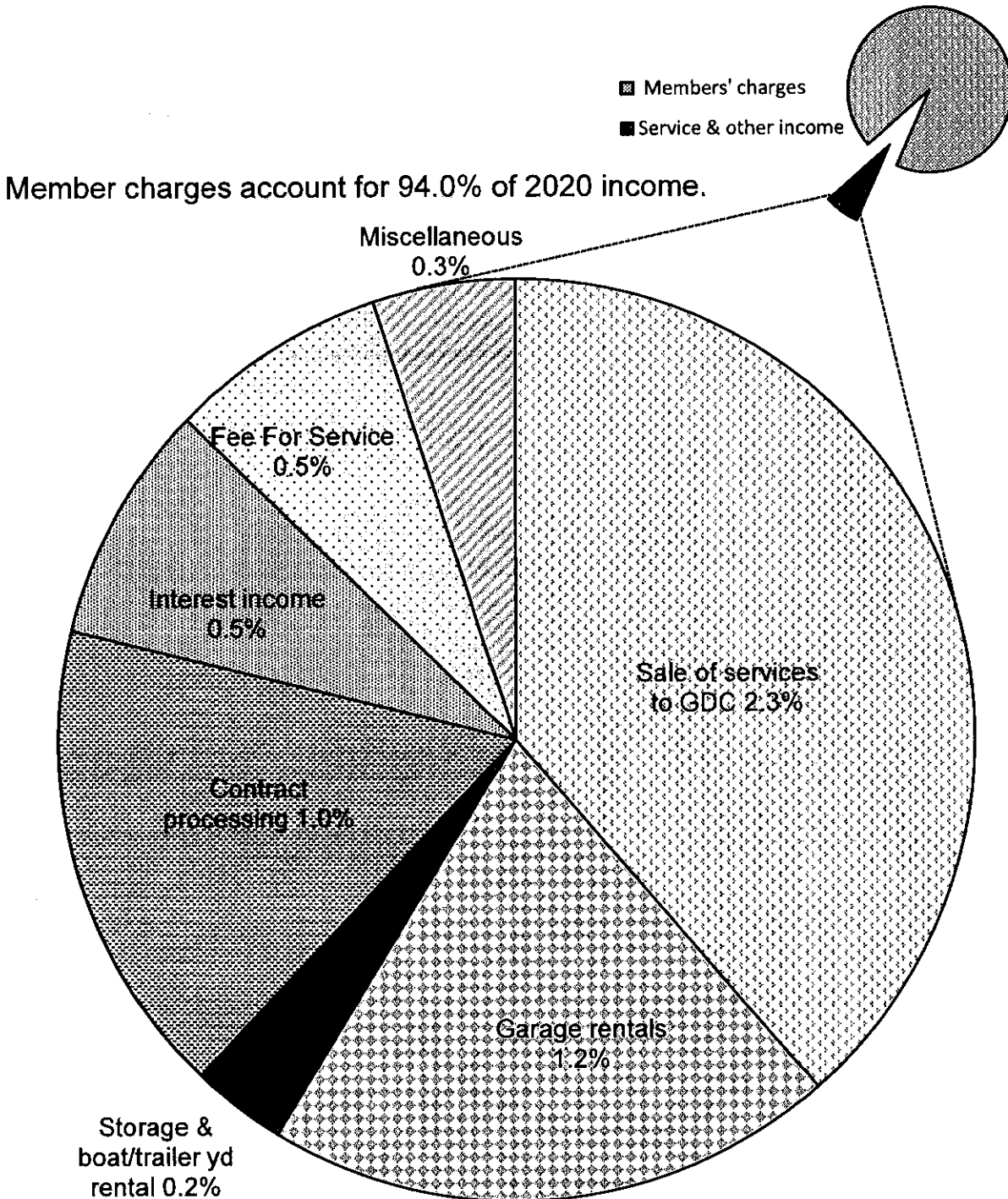
Schedule A

	FRAME HOMES		MASONRY HOMES		LARGER HOMES		TOTAL CHARGES		% Change
	2019	2020	2019	2020	2019	2020	2019	2020	
<u>Routine Operating Payments</u>									
Real estate taxes	\$ 2,239,148	\$ 2,381,260	\$ 1,789,280	\$ 1,849,732	\$ 129,947	\$ 140,081	\$ 4,158,375	\$ 4,371,073 ²	5.1%
Trash collection	280,705	280,705	163,895	163,896	8,150	8,150	452,750	452,750	0.0%
Insurance	298,406	352,247	174,231	205,667	8,663	10,227	481,300	568,140	18.0%
Adm/Brd/Memb	901,548	927,102	526,388	541,308	26,174	26,916	1,464,110	1,495,325	2.8%
Maint and improvements	3,195,758	2,287,267	1,389,944	1,390,282	71,528	70,301	4,657,230	3,747,850	-19.5%
Crawlspace improvements	160,000	160,000	-	-	-	-	160,000	160,000	0.0%
Asbestos remediation	60,000	60,000	40,000	40,000	-	-	100,000	100,000	0.0%
Transfers to reserves (RR)	1,055,125	1,090,999	809,765	844,585	34,343	36,472	1,899,233	1,972,057	3.8%
Allocation of equity (crawlspace)	(896,250)						(896,250)	-	-100.0%
Total charges	7,294,440	7,539,580	4,893,503	5,035,470	278,805	292,147	12,466,748	12,867,195	3.2%
Less service & other income	583,854	557,597	340,895	325,565	16,951	16,188	941,700	899,350	-4.5%
Total operating payments	\$ 6,710,586	\$ 6,981,983	\$ 4,552,608	\$ 4,709,905	\$ 261,854	\$ 275,959	\$ 11,525,048	\$ 11,967,845	3.8%
<u>Addition Maintenance Program</u>									
Transfers to reserves (AM)	111,709	113,719	81,652	83,121	569	579	193,930	197,420	1.8%
<u>Homes Improvement Program</u>									
Optional improvements	1,044,610	985,570	527,200	632,890	-	-	1,571,810	1,618,460	3.0%
Total members' charges	\$ 7,866,905	\$ 8,081,272	\$ 5,161,460	\$ 5,425,916	\$ 262,423	\$ 276,538	\$ 13,290,788	\$ 13,783,725	3.7%
% avg. change in operating payments		4.0%		3.5%		5.4%		3.8%	
% avg. change in members' charges		2.7%		5.1%		5.4%		3.7%	
% average change in real estate taxes ¹		6.3%		3.4%		7.8%		5.1%	
% change in transfer to reserves		3.2%		4.1%		6.1%		3.6%	

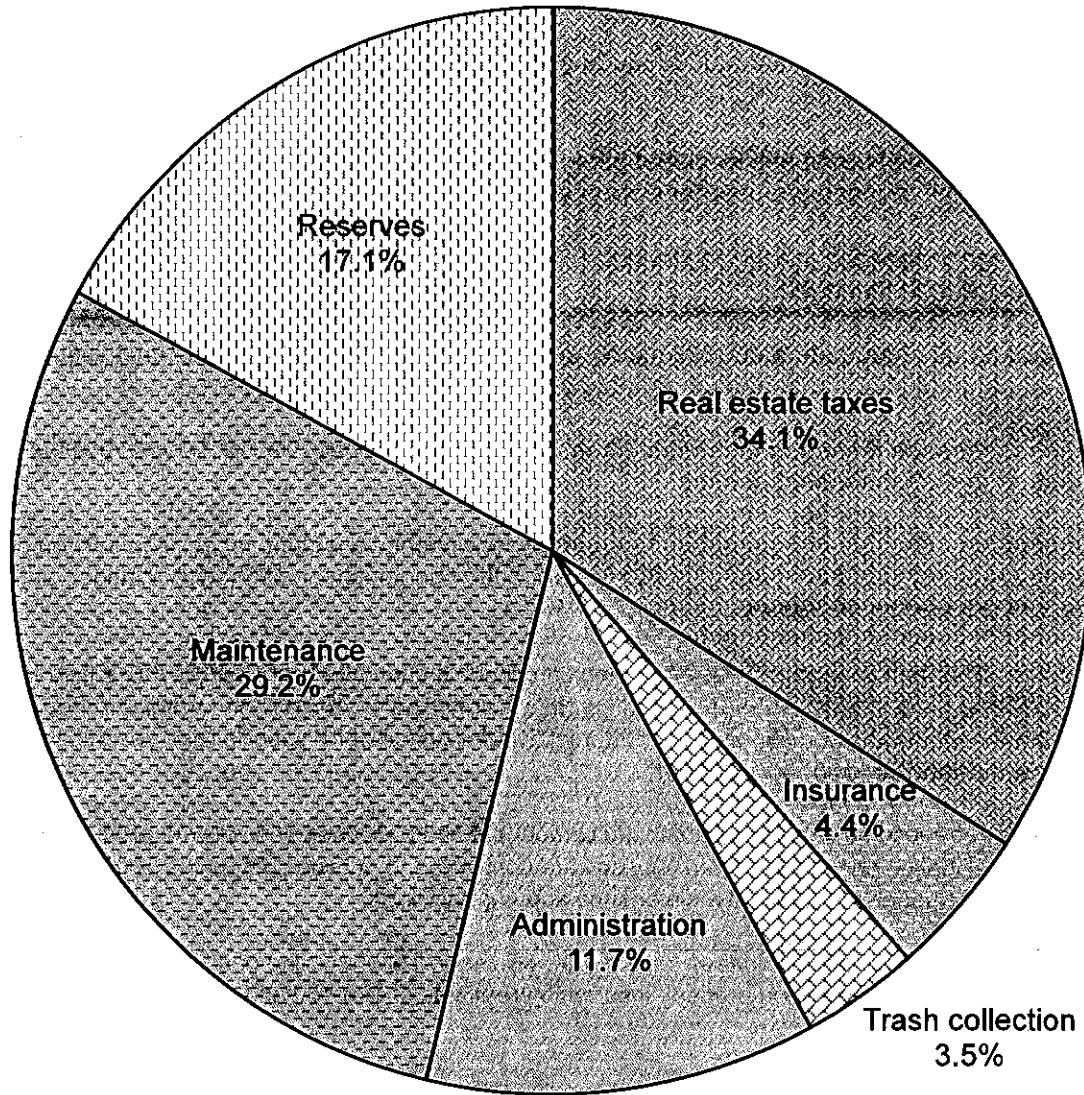
¹ The variation in percent change between home groups reflects the impact of actual assessed values of homes and the HTC for members who are eligible. The 2020 budgeted real estate taxes by home group are a summation of individual unit real estate taxes for that particular home group and include the benefit of any HTC. Not all members within a home group are impacted equally.

² In 2020 the cooperative will continue to receive the benefit of the Homestead Tax Credit (HTC) for members who are eligible. If the entire cooperative did not receive the benefit of the HTC, GHI's real estate taxes would have increased by 13.2% or \$334,101 for the 2020 budget (see page 10).

2020 BUDGET INCOME



2020 BUDGET EXPENSES AND RESERVES



GREENBELT HOMES, INC.
2020 BUDGET
SERVICE AND OTHER INCOME NARRATIVE

SERVICE INCOME

Service income of Schedule B is derived from 3 sources: sale of services to Greenbelt Development Corporation, rental garages, rental of boiler room storage, and rented space in the boat/trailer yards.

Sale of services to GDC - GDC will continue to pay its portion of the annual audit, insurance, and a management fee to GHI.

Garage rentals - The 2020 month rent for closed garages increased from \$52 to \$55/month; open garages remain the same at \$32/month; and garages used for storage also remain the same at \$108/month.

Boiler room storage units at 8,9, and 10 Southway and 14 Ridge have four units each. The monthly rent for 2020 remains unchanged at \$110/month.

Boat/trailer yard rental - Boat/trailer slots (\$27/month) and canoes slots (\$5/month) remain unchanged.

OTHER INCOME

Other income of Schedule B consists of contract processing, interest income, Fee For Service revenue and miscellaneous income from various activities.

Contract processing - Consists of membership fees paid by new members and the processing fees on resales. The 2020 budget reflects administrative fees of \$1,060 (seller), \$685 (membership) \$85 (MOC change), and a \$510 transfer fee and is based on 85 resales.

Interest income - This item consists of interest earned on accounts and investments net of those held for specific reserves. Corporate bond interest \$144K less bond premium amortization of \$19K, the Vanguard Federal Money Market and bond mutual funds \$153K, and other interest \$3K less interest for specific reserves \$201K result in interest income available for operations of \$80K.

Fee For Service - This income consists of an hourly component charged when services are provided by in-house staff and an administration component when services are contracted to outside companies. Expense relating to FFS activities have been budgeted in general maintenance and contract work.

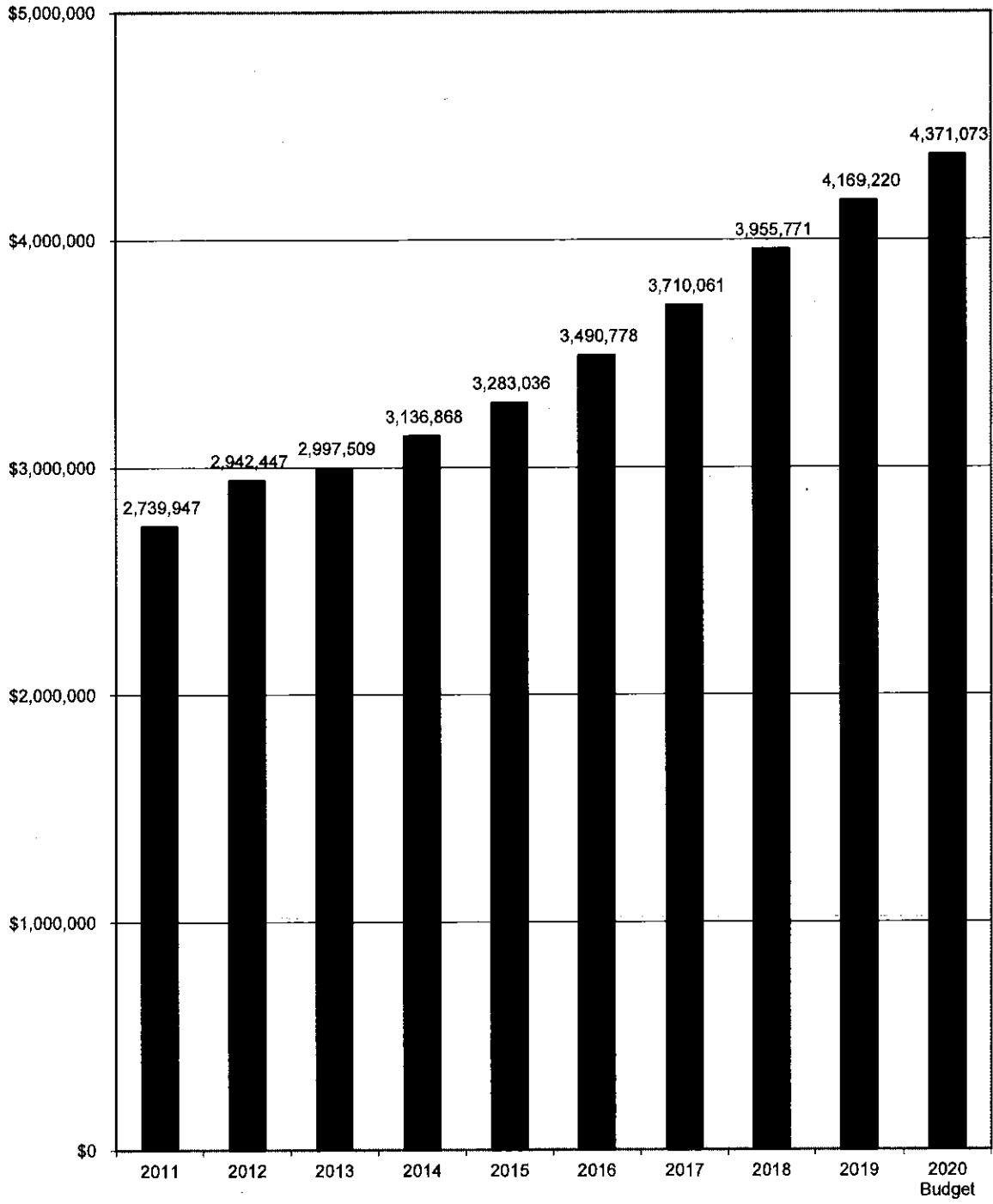
Miscellaneous - This item includes sublease fees of \$3K, proceeds from recycling of scrap metal of \$3K, late fees paid by members of \$21K, savings on property insurance premiums of \$16,450 and various other miscellaneous receipts of \$3K.

GREENBELT HOMES, INC.
2020 BUDGET
SERVICE AND OTHER INCOME

Schedule B

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
<u>Service Income</u>				
Sale of services to GDC	\$ 325,650	\$ 325,650	\$ 341,930	5.0%
Garage rentals	168,050	172,870	173,480	0.4%
Storage & boat/trailer yd rental	27,204	29,150	27,200	-6.7%
Total service income	<u>\$ 520,904</u>	<u>\$ 527,670</u>	<u>\$ 542,610</u>	2.8%
 <u>Other Income</u>				
Contract processing	\$ 142,250	\$ 171,230	\$ 151,640	-11.4%
Interest income	113,780	58,000	80,000	37.9%
Fee For Service	57,000	139,800	78,650	-43.7%
Miscellaneous	36,360	45,000	46,450	3.2%
Total other income	<u>\$ 349,390</u>	<u>\$ 414,030</u>	<u>\$ 356,740</u>	-13.8%

REAL ESTATE TAXES



GREENBELT HOMES, INC.
2020 BUDGET
REAL ESTATE TAXES

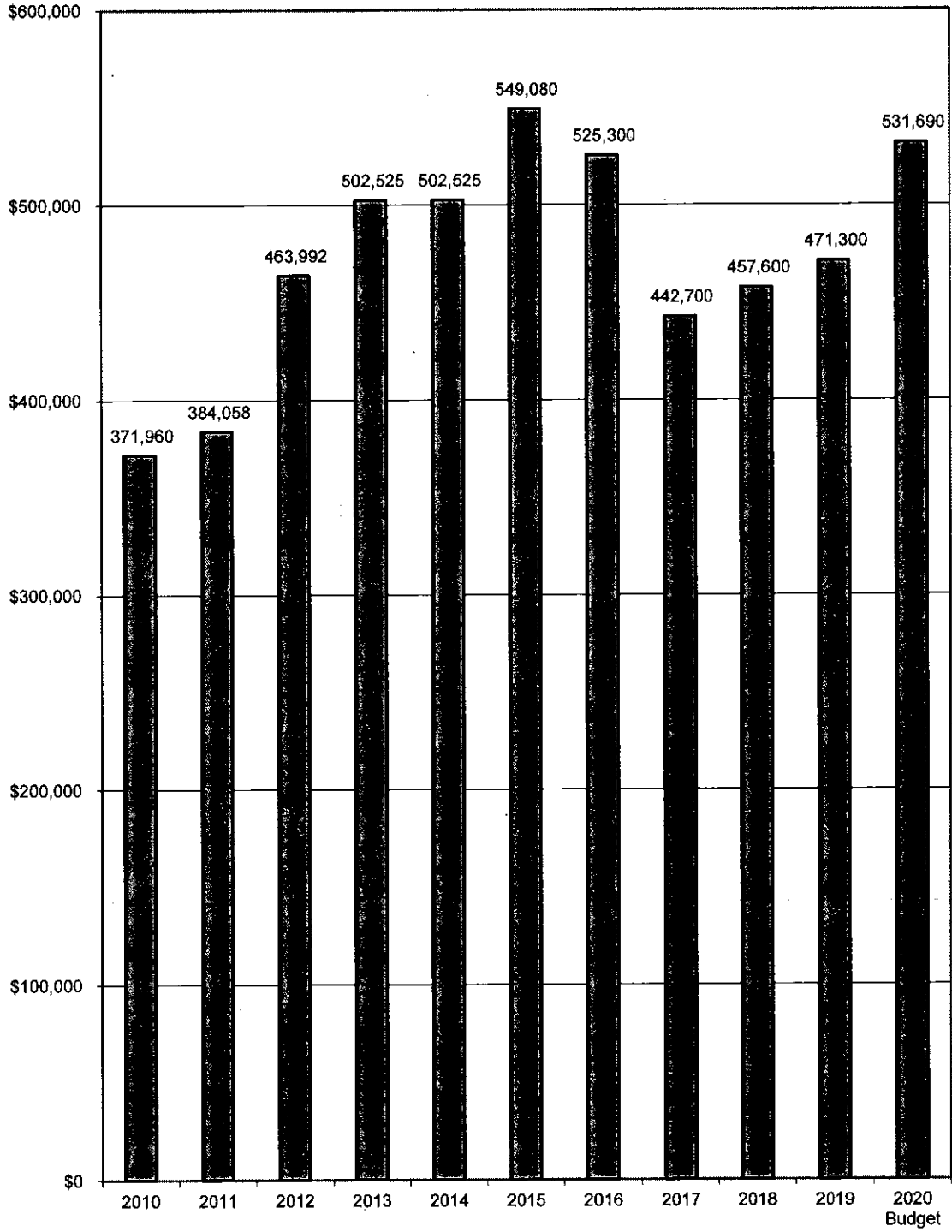
Schedule C

	<u>2019 Actual</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
Real estate assessment	\$ 228,380,684	\$ 224,146,600	\$ 235,427,180	5.0%
Tax rate (per \$100 assessed)	1.9971	2.0531	1.9986	-2.7%
Total real estate tax	<u>\$ 4,169,220</u>	<u>\$ 4,158,375</u>	<u>\$ 4,371,073</u>	5.1%
Taxes excluding HTC	\$ 4,561,007	\$ 4,601,954	\$ 4,705,265	
Savings from HTC	\$ 391,788	\$ 443,579	\$ 334,192	

If the cooperative were not eligible to receive the HTC, GHI's real estate taxes would have been \$4,705,265 for the 2020 budget. The HTC assisted in reducing GHI's total real estate taxes by \$334,101. Individual member real estate tax responsibility will vary due to several factors including timing of eligibility of the HTC and assessed home value. Not all members within a home group are impacted equally.

<u>Historic Data</u>	<u>Tax Rates per \$100</u>	<u>Assessment</u>
2011 Actual	1.8771	246,014,521
2012 Actual	1.8996	227,193,562
2013 Actual	1.9306	181,553,126
2014 Actual	1.9481	182,462,318
2015 Actual	2.0001	183,318,500
2016 Actual	1.9981	198,919,264
2017 Actual	1.9931	214,528,737
2018 Actual	1.9881	223,047,200
2019 Actual	1.9971	228,380,684
2020 Budget	1.9986	\$ 235,427,180

TOTAL INSURANCE



GREENBELT HOMES, INC.
2020 BUDGET
INSURANCE

Schedule D

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
<u>INSURANCE</u>				
Hazard & extended coverage (General liability, umbrella, D&O liability, and property damage)	\$ 512,955	\$ 471,300	\$ 531,690	12.8%
Uninsured losses	<u>25,000</u>	<u>10,000</u>	<u>36,450</u>	264.5%
Total to insurance (Does not include vehicle & workers' compensation)	<u>537,955</u>	<u>481,300</u>	<u>568,140</u>	18.0%
* Vehicle (included in vehicle expense)	49,460	49,460	51,930	5.0%
* Workers' compensation (included in fringe benefits)	<u>74,480</u>	<u>52,980</u>	<u>133,640</u>	152.2%
TOTAL	<u>\$ 661,895</u>	<u>\$ 583,740</u>	<u>\$ 753,710</u>	29.1%

* These items are included in maintenance schedules.

GREENBELT HOMES, INC.
2020 BUDGET
ADMINISTRATION/BOARD/MEMBER EXPENSE NARRATIVE

Schedule E – Provides a list of expenses of the administrative staff, Board of Directors, elected and appointed committees, and membership activities and services.

Payroll - Administration – (Increased from 2019 budget of \$815,500 to \$839,970). This item reflects a 3% salary increase at existing staff levels.

Fringe Benefits – (Increased from 2019 budget of \$256,470 to \$267,710). This item is based on calculations of 2020 health insurance premiums after changing healthcare providers from Cigna to Kaiser Permanente. Also included is a 4% increase for dental, and 5% for life, and short and long-term disability premiums. GHI employees contribute 10% of the cost of their medical/dental insurance premiums.

Office Equipment, Supplies & Postage – (Decreased from 2019 of \$39,500 to \$37,700). Items included in this category: member communications, computer supplies, technical service supplies, postage, and in-house printing on GHI equipment.

Copier Expense – (Decreased from 2019 budget of \$15,000 to \$14,900). This item reflects our current copier contracts and usage levels.

Telephone & Email – (Increased from 2019 budget of \$18,000 to \$23,800). This item reflects the costs associated with current communication services provided by the following: Mitel (\$11.5K), Answer MTI (\$8K), Verizon (\$1.5K), ATT (\$2K).

Hiring and Training – (No change from 2019 budget of \$28,000). This item includes advertising costs to fill vacant positions of \$12,000, classes, seminars and workshops for maintenance and administrative personnel of \$9,500. Also included are pre-employment and random drug screening totaling \$1,000 as well as staff incentive awards of \$5,500.

Temporary and Professional Help – (Increased from the 2019 budget of \$22,000 to \$33,500). This amount consists of \$8,500 for payroll services, \$2,000 for temporary help, \$5,000 for industrial hygienist services, \$4,000 for drainage & swale engineering services and \$14,000 for salary and benefits review.

Legal – (Decreased from 2019 budget of \$47,000 to \$40,000). This item includes \$10,000 for legal fees associated with zoning rewrites, \$5,000 for negotiations with WSSC for underground pipe replacement, and \$25,000 for various legal issues encountered by the cooperative.

Audit – (Increased from 2019 budget of \$18,500 to \$19,425). This reflects the anticipated cost of accounting and tax services.

Association Dues and Conferences – (Decreased from 2019 budget of \$3,200 to \$2,500). This item includes the following memberships: Community Association Managers International Certification Board \$350, the Community Association Institute (CAI) \$850, and the National Association of Housing Cooperatives (NAHC) \$1,300.

Staff Events – (Increased from 2019 budget of \$5,500 to \$6,500). This item includes quarterly events promoting staff safety, emergency awareness, and planning (up \$1K). This item also includes the company picnic, holiday party, and other staff events.

GREENBELT HOMES, INC.
2020 BUDGET
ADMINISTRATION/BOARD/MEMBER EXPENSE NARRATIVE (cont.)

Board/Audit/Committees – (Increased from 2019 budget of \$47,840 to \$53,120). Architectural Review Committee increased from \$1,025 to \$1,050; Audit Committee \$7,500; Bicycle Committee \$1,500; Communications Committee increased from \$500 to \$600; Companion Animal decreased from \$585 to \$470; Finance Committee \$350; Long range planning decreased from \$3,440 to \$2,185; Member Outreach increased from \$3,500 to \$4,000; Nominations and Elections increased from \$1,550 to \$1,650; Record Retention Task Force added \$650; Storm Water Task Force added \$1,325; Woodlands \$3,300; stipends for Board and Audit Committee \$19,340; Board strategic planning and training decreased from \$6,000 to \$5,000; stipend for staff meals when attending evening meetings \$4,200.

Member Expenses – (Decreased from 2019 budget of \$25,500 to 12,000). This line items consists of the annual meeting \$6,000; News Review ads \$3,000; townhall meetings (2) \$1,500; and staff stipend for meals & travel associated with these meetings \$1,500.

Utilities – (No change from 2019 budget of \$32,000). This item includes heat, electricity and water for the office buildings and assumes the full year benefit from the power purchase agreement.

Personal Property Taxes – (Decreased from 2019 budget of \$6,000 to \$4,500).

Depreciation – (Increased from 2019 budget of \$7,300 to \$12,050). This item reflects additional depreciation for computer upgrades, a key security system (maintenance) as well as a document imaging system. These will be capitalized and depreciated beginning in 2020.

Other – (Increased from 2019 budget of \$6,750 to \$7,850). This item includes fees to professional organizations to maintain staff designations and professional relationships, bank service charges and a corporate membership to the Greenbelt Aquatic Center to be shared by GHI staff.

Information Technology Services – (Decreased from 2019 budget of \$59,950 to \$59,800). This item includes outsourced support, maintenance and remote backup services for computer software including MicroMain and Jenark, a human resources information system and web hosting.

**THIS PAGE LEFT
BLANK
INTENTIONALLY**

GREENBELT HOMES, INC.
2020 BUDGET
ADMINISTRATION/BOARD/MEMBERSHIP EXPENSE SUMMARY

Schedule E

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
EXPENSES				
Payroll-Administration	\$ 797,400	\$ 815,500	\$ 839,970	3.0%
Fringe benefits	241,800	256,570	267,710	4.3%
Office equipment/supplies/postage	39,400	39,500	37,700	-4.6%
Copier expense	19,000	15,000	14,900	-0.7%
Telephone & email	25,000	18,000	23,800	32.2%
Hiring and training	27,800	28,000	28,000	0.0%
Temp & professional help	40,000	22,000	33,500	52.3%
Legal	23,000	47,000	40,000	-14.9%
Audit	18,500	18,500	19,425	5.0%
Association dues & conferences	3,100	3,200	2,500	-21.9%
Staff events	5,500	5,500	6,500	18.2%
Board/Audit/Committees	39,000	47,840	53,120	11.0%
Member expenses	24,750	25,500	12,000	-52.9%
Utilities	33,200	32,000	32,000	0.0%
Personal property taxes	4,420	6,000	4,500	-25.0%
Depreciation	6,000	7,300	12,050	65.1%
Other	6,750	6,750	7,850	16.3%
Information technology services	58,500	59,950	59,800	-0.3%
Total Administration	<u>\$ 1,413,120</u>	<u>\$ 1,454,110</u>	<u>\$ 1,495,325</u>	2.8%

GREENBELT HOMES, INC.
2020 BUDGET
ROUTINE MAINTENANCE & IMPROVEMENTS EXPENSE SUMMARY

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
Payroll - maintenance	\$ 1,885,500	\$ 2,041,500	\$ 1,896,600	-7.1%
Fringe benefits	709,400	743,800	718,100	-3.5%
Materials	235,000	235,000	255,000	8.5%
Subtotal	<u>2,829,900</u>	<u>3,020,300</u>	<u>2,869,700</u>	-5.0%
Contract work	<u>1,457,000</u>	<u>1,538,730</u>	<u>687,450</u>	-55.3%
Vehicle expense	118,000	100,000	110,000	10.0%
Dumpsters	34,000	35,000	39,000	11.4%
Uniforms	15,500	16,000	17,000	6.3%
Sub-meter court lighting	8,800	8,300	8,800	6.0%
Depreciation	<u>18,000</u>	<u>18,500</u>	<u>15,900</u>	-14.1%
Total Maintenance	<u>\$ 4,481,200</u>	<u>\$ 4,736,830</u>	<u>\$ 3,747,850</u>	-20.9%

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
<u>Schedule F-1</u>				
<u>FRAME HOMES</u>				
Total frame expenses	<u>\$ 2,778,344</u>	<u>\$ 3,195,758</u>	<u>\$ 2,287,267</u>	-28.4%
<u>MASONRY HOMES</u>				
Total masonry expenses	<u>1,622,194</u>	<u>1,389,944</u>	<u>1,390,282</u>	0.0%
<u>LARGER HOMES</u>				
Total larger homes expenses	<u>80,662</u>	<u>71,528</u>	<u>70,301</u>	-1.7%
Total Maintenance	<u>\$ 4,481,200</u>	<u>\$ 4,657,230</u>	<u>\$ 3,747,850</u>	-19.5%

GREENBELT HOMES, INC.
2020 BUDGET
PROPOSED CONTRACTS (ROUTINE MAINTENANCE)

	Budget 2019	Budget 2020	% Change
Maintenance - Contract Work (Schedule F, Line 4)			
Asbestos tile removal (masonry homes)	\$ 2,000	\$ 2,000	0.0%
Bathtub reglazing (40)	18,000	18,000	0.0%
Fire & burglar alarm system monitoring & repairs	1,800	1,800	0.0%
Fire extinguisher servicing (administration building)	650	650	0.0%
Fee for service contracted work	76,200	26,000	-65.9%
Gutter cleaning (Spring and Fall)	60,000	60,000	0.0%
Installation of security system admin. building	45,000	80,000	77.8%
Janitorial services (administration building)	29,690	23,000	-22.5%
Landscape maintenance	55,140	67,000	21.5%
Parking lot repairs (minor repairs)	35,000	40,000	14.3%
Pest extermination	35,000	36,000	2.9%
Planting of trees at former landfill site	6,000	-	-100.0%
Power cleaning of storm mains	5,000	5,000	0.0%
Repairs HVAC units in administration building	5,000	-	-100.0%
Repairs HVAC units at larger homes	5,000	5,000	0.0%
Repairs to exterior walls of masonry homes	50,000	75,000	50.0%
Structural repairs to 8-Q Laurel Hill Rd	8,000	-	-100.0%
Swale/drainage improvements	45,000	50,000	11.1%
Asbestos removal in crawlspace of frame units (2020 - 4 pilot buildings)	896,250	38,000	-95.8%
Tree maintenance & fertilization	160,000	160,000	0.0%
Total	\$ 1,538,730	\$ 687,450	-55.3%

GREENBELT HOMES, INC.
2020 BUDGET
HOMES IMPROVEMENT PROGRAM - CRAWLSPACE IMPROVEMENTS

Schedule G

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
Crawlspace Improvements				
Payroll - crawlspace improvements	\$ 146,000	\$ 154,870	\$ 1,050	-99.3%
Fringe benefits	51,100	54,200	370	-99.3%
Subtotal	<u>197,100</u>	<u>209,070</u>	<u>1,420</u>	-99.3%
Contract work	<u>792,600</u>	<u>1,223,100</u>	<u>15,600</u>	-98.7%
Total crawlspace improvements	<u>\$ 989,700</u>	<u>\$ 1,432,170</u>	<u>\$ 17,020</u>	-98.8%

Schedule G-1

	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
Crawlspace Improvements by Homes Group				
<u>FRAME HOMES</u>				
Total crawlspace improvements - Frame	<u>\$ 23,652</u>	<u>\$ 1,429,830</u>	<u>\$ -</u>	N/A
<u>MASONRY HOMES</u>				
Total crawlspace improvements - Masonry	<u>966,048</u>	<u>2,340</u>	<u>17,020</u>	>100.0%
Total crawlspace improvements	<u>\$ 989,700</u>	<u>\$ 1,432,170</u>	<u>\$ 17,020</u>	-98.8%

GREENBELT HOMES, INC.
2020 BUDGET
HOMES IMPROVEMENT PROGRAM - OPTIONAL IMPROVEMENTS

Schedule H

Optional Improvements	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
Payroll - optional improvements	\$ 106,810	\$ 92,880	\$ 95,640	3.0%
Fringe benefits	57,510	50,010	51,500	3.0%
Subtotal	<u>164,320</u>	<u>142,890</u>	<u>147,140</u>	3.0%
Contract work	<u>1,643,260</u>	<u>1,428,920</u>	<u>1,471,320</u>	3.0%
Total optional improvements	<u>\$ 1,807,580</u>	<u>\$ 1,571,810</u>	<u>\$ 1,618,460</u>	3.0%

Schedule H-1

Optional Improvements by Home Group	<u>2019 Yr End Projection</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
<u>FRAME HOMES</u>				
Total optional improvements - frame	<u>\$ 1,201,300</u>	<u>\$ 1,044,610</u>	<u>\$ 985,570</u>	-5.7%
<u>MASONRY HOMES</u>				
Total optional improvements - masonry	<u>\$ 606,280</u>	<u>\$ 527,200</u>	<u>\$ 632,890</u>	20.0%
Total optional improvements	<u>\$ 1,807,580</u>	<u>\$ 1,571,810</u>	<u>\$ 1,618,460</u>	3.0%

GREENBELT HOMES, INC.
2020 BUDGET
PROPOSED CONTRACTS (HOMES IMPROVEMENT PROGRAM - ALL)

	Budget 2019	Budget 2020	% Change
<u>Crawlspace Improvements - Contract Work</u> (Schedule G, Line 3)			
<u>Frame Homes</u>			
Contract work	\$ 1,221,100	\$ -	-100.0%
<u>Masonry Homes</u>			
Contract work (2020 - 5 units Woodland Way)	2,000	15,600	>100.0%
Total crawlspace contract work	<u>\$ 1,223,100</u>	<u>\$ 15,600</u>	-98.7%
<u>Optional Improvements Frame Homes - Contract Work</u> (Schedule H, Line 3)			
Attic perimeter sealing	\$ 22,310	\$ 21,480	-3.7%
Attic insulate/seal hatch	11,580	11,140	-3.8%
1" polyisocyanurate on walls	194,360	132,860	-31.6%
Attic to R-38	127,790	123,550	-3.3%
Seal s/s trash closet	3,900	3,525	-9.6%
Close through-wall A/C	26,690	20,920	-21.6%
Bath exhaust fan (basic w/ time controller)	49,880	59,920	20.1%
Storm doors	29,780	53,595	80.0%
Peephole	1,120	1,015	-9.4%
Knocker	1,280	1,120	-12.5%
Mail slot	5,230	4,580	-12.4%
Kick plate	2,210	1,940	-12.2%
Split system heat pump	416,400	414,740	-0.4%
Thermostat (programmable)	31,450	14,250	-54.7%
Permits	14,700	13,445	-8.5%
Radiant ceiling heater (bath)	7,180	7,430	3.5%
Radiant ceiling heater (kitchen)	5,870	4,420	-24.7%
Total	<u>951,730</u>	<u>889,930</u>	-6.5%
<u>Optional Improvements Masonry Homes - Contract Work</u> (Schedule H, Line 3)			
Attic perimeter sealing	\$ 6,560	\$ 7,605	15.9%
Attic insulate/seal hatch	2,940	3,560	21.1%
Vinyl siding & 2" polyisocyanurate on walls	42,500	37,915	-10.8%
Attic to R-38	40,690	47,155	15.9%
Close through-wall A/C	17,240	32,500	88.5%
Bath exhaust fan (basic w/ time controller)	26,800	31,805	18.7%
Storm doors	16,820	41,340	>100.0%
Peephole	630	645	2.4%
Knocker	720	720	0.0%
Mail slot	2,960	2,955	-0.2%
Kick plate	1,250	1,250	0.0%
Casement window (for all upgrades)	40,140	40,505	0.9%
Split system heat pump	244,100	307,925	26.1%
Thermostat (programmable)	17,770	9,040	-49.1%
Permits	8,300	8,525	2.7%
Radiant ceiling heater (bath)	5,890	4,960	-15.8%
Radiant ceiling heater (kitchen)	1,880	2,985	58.8%
Total	<u>477,190</u>	<u>581,390</u>	21.8%

GREENBELT HOMES, INC.
2020 BUDGET
RESERVES

The 2020 budget will continue to fund the reserves as set forth in the 1987 policy adopted by the Board of Directors. Schedule I illustrates the activity taking place in the reserves during the Homes Improvement Program. Suggested Replacement Reserve expenditures detailed below are categorized based on the August 2013 Reserve study and adjusted to date.

In 1987, the Board adopted the goal of having the total Contingency Reserve equal to 10% of the operating budget. In 1993 the Board voted to maintain the Contingency Reserve balance of the 29 larger homes at 35% of their portion of the operating budget. Frame and Masonry contingency funds will be utilized to cover deficits resulting from asbestos remediation. Large homes are expected to be fully funded.

Suggested Replacement Reserve Expenditures:

	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
1) In House			
a) Baseboard heaters	\$ 3,800	\$ 3,400	-10.5%
b) Ceiling heaters	17,770	15,315	-13.8%
c) Frame porch decks	1,630	3,855	>100.0%
d) Water heaters replacements	92,460	87,715	-5.1%
e) Masonry porch roofs	4,040	1,760	-56.4%
f) Underground utility yard restorations	13,660	10,770	-21.2%
g) Sump pumps	15,130	13,705	-9.4%
Subtotal	<u>148,490</u>	<u>136,520</u>	-8.1%
2) Contracts			
a) Underground sewer replacement	260,000	290,000	11.5%
b) Technical evaluation - supply waste pipes	-	61,500	N/A
c) Purchase one van	28,000	-	-100.0%
d) Sidewalk replacement	50,000	50,000	0.0%
e) Replace roof-top HVAC units for admin building	-	180,000	N/A
f) Replace roofs on frame homes (64)	120,000	165,120	37.6%
g) Replace air conditioning in larger homes (4)	-	9,600	N/A
h) Repair retaining wall @ 2 Plateau	-	80,000	N/A
i) Playground upgrade w/City (GHI portion @ 25%)	-	16,735	N/A
Subtotal	<u>458,000</u>	<u>852,955</u>	86.2%
Total suggested replacement reserve expenditures	<u>\$ 606,490</u>	<u>\$ 989,475</u>	63.1%

Suggested addition maintenance reserve expenditures:

	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	
1) In House	\$ 13,670	\$ 7,610	-44.3%
2) Contracts (roof replacements)	23,000	20,000	-13.0%
Total suggested addition maintenance expenditures	<u>\$ 36,670</u>	<u>\$ 27,610</u>	-24.7%

GREENBELT HOMES, INC.
2020 BUDGET
RESERVES - HOMES IMPROVEMENT PROGRAM

<u>Replacement reserve expenditures related to the Homes Improvement Program</u>	<u>2019 Budget</u>	<u>Proposed 2020 Budget</u>	<u>% Change</u>
1) Staff costs	\$ 262,390	\$ 202,070	-23.0%
2) Contracts			
Window replacement (111 masonry) (113-2019)	452,770	342,680	-24.3%
Window replacement (175 frame) (200-2019)	674,860	568,680	-15.7%
Door replacement (111 masonry) (113-2019)	235,800	196,030	-16.9%
Door replacement (175 frame) (200-2019)	399,600	334,700	-16.2%
Siding replacement (175 frame) (200-2019)	710,690	621,950	-12.5%
Baseboard replacement (286 homes) (313-2019)	<u>283,500</u>	<u>266,010</u>	-6.2%
Total HIP contract expenditures & staff costs	<u>\$ 3,019,610</u>	<u>\$ 2,532,120</u>	-16.1%
Total replacement reserve and HIP expenditures	<u>\$ 3,626,100</u>	<u>\$ 3,521,595</u>	
<u>Addition maintenance reserve expenditures related to the Homes Improvement Program</u>			
1) Staff costs	\$ 22,000	\$ 9,690	-56.0%
2) Contracts			
Window replacement	53,360	49,080	-8.0%
Door replacement (covered by AMP)	38,380	31,815	-17.1%
Siding replacement	47,630	65,740	38.0%
Baseboard heaters	17,900	3,435	-80.8%
Crawlspace improvements	<u>160,740</u>	<u>-</u>	-100.0%
Total HIP contract expenditures-additions w/staff	<u>\$ 340,010</u>	<u>\$ 159,760</u>	-53.0%
Total addition maint. reserve and HIP addition maint. expend.	<u>\$ 376,680</u>	<u>\$ 187,370</u>	

MAJOR MAINTENANCE, REPLACEMENT AND IMPROVEMENT PROGRAMS

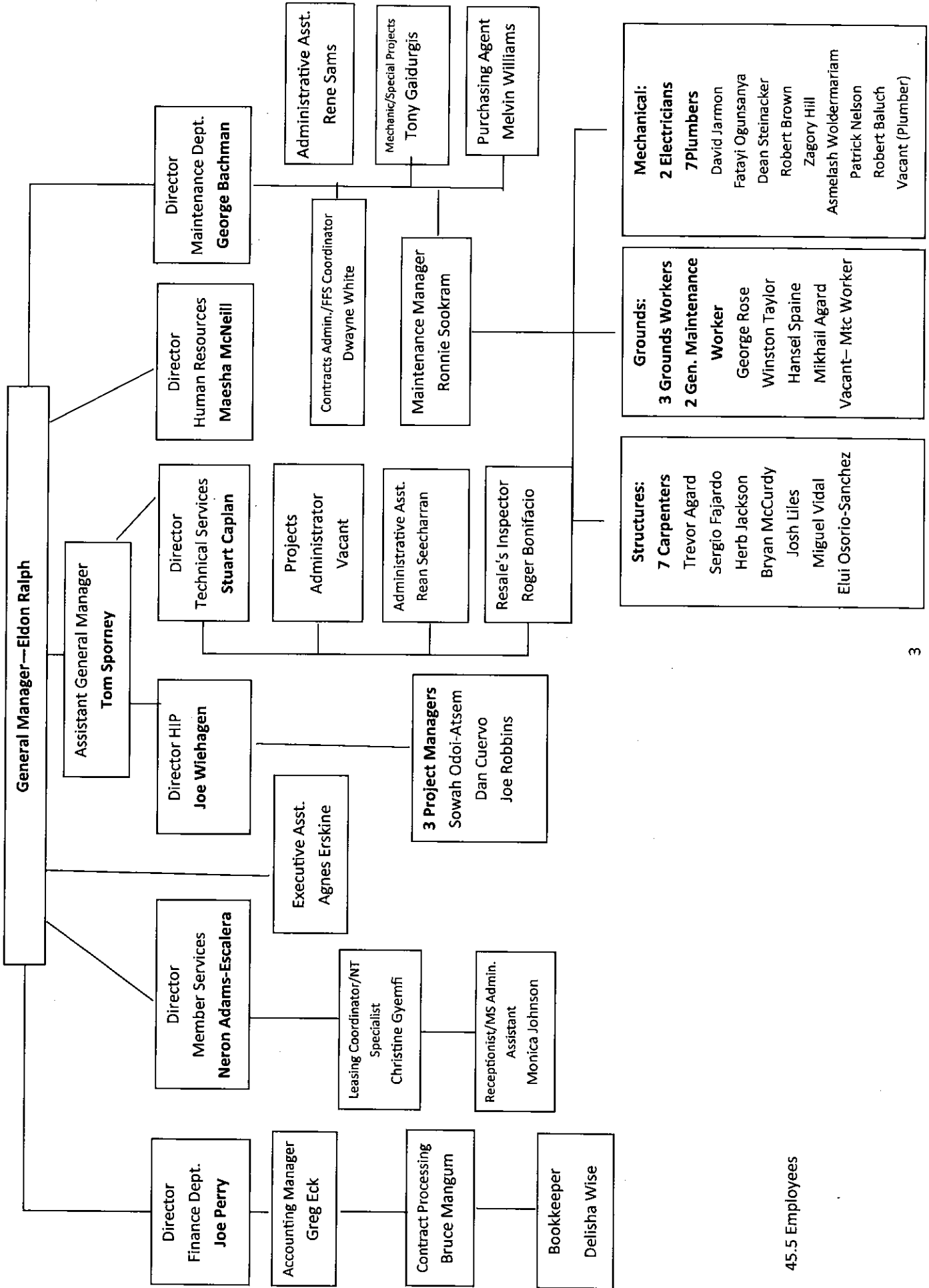
2020	2021	2022	2023	2024	Through 2028
Air Condensing Units for Larger Homes (RR)				Air Condensing Units for Larger Homes (RR)	Air Condensing Units for Larger Homes (RR)
	Roofs for Rental Garages (RR)	Roofs for Rental Garages (RR)			
	Roofs for Block Homes (RR)	Roofs for Block Homes (RR)	Roofs for Block Homes (RR)	Roofs for Block Homes (RR)	Roofs for Block Homes (RR)
Roofs for Frame Homes (RR)	Roofs for Frame Homes (RR)	Roofs for Frame Homes (RR)	Roofs for Frame Homes (RR)	Roofs for Frame Homes (RR)	Roofs for Frame Homes (RR)
					Electric wiring Masonry and Frame Homes (RR)
					Water/waste piping for Masonry and Frame Homes (RR)
Forecast Replacements for Homes Improvement Program 2020					
Baseboard heaters for frame & masonry homes (RR)					
Doors & windows for frame & masonry homes (RR)					
Vinyl Siding Replacements for Frame homes (RR)					
The following programs occur annually from 2020 through 2028					
Replacement of porch decks for frame homes (RR)					
Water heater replacement (RR)					
Replacement of ceiling heaters (RR)					
Replacement of porch roofs for masonry homes (RR)					
Replacement of crawlspace sump pumps (RR)					
Underground sewer pipe replacement (RR)					
Swale/drainage improvements					
Sidewalk repair (RR)					
Parking lot reconstruction (RR); parking lot repairs, sealing and striping					
Replacement of retaining walls					
Crawlspace inspections of masonry and frame homes					
Gutter cleaning (Spring and Fall)					
Bathtub re-glazing					
Tree maintenance					
Pest and animal control					

(RR) - Program funded through the Replacement Reserve.

GREENBELT HOMES, INC.
2020 BUDGET
ANALYSIS OF REPLACEMENT, ADDITION MAINTENANCE & CONTINGENCY RESERVES

	(1)	(2)	(3)	(4)	(5)	(6)	Schedule I (7)
	Beginning Balance 12/31/2018	2019 Budgeted Collections	2019 Projected Expenditures	Projected Balance 12/31/2019	2020 Budgeted Collections	2020 Budgeted Expenditures	Projected Balance 12/31/2020
Frame Homes							
Contingency	\$ -			\$ -			\$ -
Interest		\$ 146,835			\$ 122,960		
Replacement HIP			(2,129,560)			\$ (1,822,034)	
Replacement (routine)	6,186,135	1,055,125	\$ (419,738)	4,838,797	1,090,999	(691,281)	3,539,441
	<u>6,186,135</u>	<u>1,201,960</u>	<u>(2,549,298)</u>	<u>4,838,797</u>	<u>1,213,959</u>	<u>(2,513,315)</u>	<u>3,539,441</u>
Masonry Homes							
Contingency	314,957	40,000		354,957	40,000		394,957
Interest		50,844			\$ 33,450		
Replacement HIP			(890,050)			(710,086)	
Replacement (routine)	1,987,588	809,765	(178,097)	1,780,050	844,585	(260,143)	1,687,856
	<u>2,302,545</u>	<u>900,609</u>	<u>(1,068,147)</u>	<u>2,135,007</u>	<u>918,035</u>	<u>(970,229)</u>	<u>2,082,813</u>
Larger Homes							
Contingency	99,397			99,397			99,397
Interest		6,628			\$ 7,920		
Equity allocation		18,933					
Replacement HIP			-			-	
Replacement (routine)	293,853	34,343	(8,655)	345,102	36,472	(38,051)	351,443
	<u>393,250</u>	<u>59,904</u>	<u>(8,655)</u>	<u>444,499</u>	<u>44,392</u>	<u>(38,051)</u>	<u>450,840</u>
Summary							
Contingency	414,354	40,000	-	454,354	40,000	-	494,354
Interest		204,307			164,330		164,330
Equity allocation		18,933			-		-
Replacement HIP			(3,019,610)			(2,532,120)	
Replacement (routine)	8,467,576	1,899,233	(606,490)	6,963,949	1,972,057	(989,475)	5,578,741
	<u>\$ 8,881,930</u>	<u>\$ 2,162,473</u>	<u>\$ (3,626,100)</u>	<u>\$ 7,418,303</u>	<u>\$ 2,176,387</u>	<u>\$ (3,521,595)</u>	<u>\$ 6,237,425</u>
Additions							
Interest		\$ 14,560			\$ 26,180		
Replacement HIP			\$ (340,010)			\$ (159,760)	
Replacement (routine)	\$ 1,280,206	193,930	\$ (36,670)	\$ 1,112,016	197,420	\$ (27,610)	\$ 1,148,246
	<u>\$ 1,280,206</u>	<u>\$ 208,490</u>	<u>\$ (376,680)</u>	<u>\$ 1,112,016</u>	<u>\$ 223,600</u>	<u>\$ (187,370)</u>	<u>\$ 1,148,246</u>

Greenbelt Homes, Inc.—Organizational Chart 8/24/2020



45.5 Employees

Finance
Committee
Recommendations

Summary Fee Schedule

GHI	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Storage Canoe (monthly)	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Storage lot (monthly)	\$ 27	\$ 27	\$ 27	\$ 25	\$ 25
Open garage (monthly)	\$ 32	\$ 32	\$ 32	\$ 30	\$ 30
Closed garage (monthly)	\$ 55	\$ 52	\$ 52	\$ 48	\$ 48
Storage garage (monthly)	\$ 108	\$ 108	\$ 108	\$ 100	\$ 100
Storage boiler (monthly)	\$ 110	\$ 110	\$ 110	\$ 110	\$ 100
Late fee (current month only) (at max)	5%	5%	5%	5%	5%
Returned check fee (at max)	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
Admin fee (intent to sell) to increase by \$40 annually 2018,19,20	\$ 1,060	\$ 1,020	\$ 980	\$ 940	\$ 940
Membership fee (new member) to increase by \$30 annually 2018,19,20	\$ 685	\$ 655	\$ 625	\$ 595	\$ 595
Admin fee (membership change) to increase by \$20 annually 2018,19,20	\$ 510	\$ 490	\$ 470	\$ 450	\$ 450
Admin fee (MOC add) to increase by \$3 annually 2018,19,20	\$ 85	\$ 81	\$ 78	\$ 75	\$ 75
Termite Inspection	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Credit check (per applicant)	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Sublease Fee (no charge for credit rpt)	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Re-key charge (new lock)	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Assignment fee (4-24 months)	\$1,400- \$5,800	\$1,400- \$5,800	\$1,400- \$5,800	\$1,400- \$5,800	n/a
Cut new key (existing lock)	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Fee for Service (handy man) (hrly)	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Fee for Service (skilled labor) (hrly)	\$ 70	\$ 70	\$ 70	\$ 70	\$ 60
Fee for Service (landscaping) (hrly)	\$ 45	\$ 45	\$ 45	\$ 45	\$ 45
Fee for Service (correct violation) (hrly)	\$ 75	\$ 75	\$ 75	\$ 75	\$ 65
Re-inspection fee	\$ 75	\$ 60	\$ 60	\$ 60	\$ 60
Lockout fee	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Duplicate 1098 (current yr/prior yrs)	\$10/\$25	\$10/\$25	\$10/\$25	\$10/\$25	\$10/\$25
Permit (initial charge)	\$ 75	\$ -	\$ -	\$ -	\$ -
Submeter credit (members)	\$ (5)	\$ (3)	\$ (3)	\$ (3)	\$ (3)
Parkway					
Efficiencies	\$809 leased/ \$841 Mo2Mo	\$ 809	\$ 770	\$ 770	\$ 751
1 Bedroom	\$998 leased/ \$1,038 Mo2Mo	\$ 998	\$ 950	\$ 950	\$ 900
1 Bedroom/open porch	\$1031 leased/ \$1,072 Mo2Mo	\$ 1,031	\$ 982	\$ 982	\$ 929
1 Bedroom/enclosed porch	\$1092 leased/ \$1,136 Mo2Mo	\$ 1,092	\$ 1,040	\$ 1,040	\$ 983
Late fee (current month only) (at max)	5%	5%	5%	5%	5%
Returned check fee (at max)	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
Earnest Deposit	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Credit & Criminal Report	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Lockout fee (during business hrs)	\$ 35	\$ 35	\$ 35	\$ 35	\$ 35
Lockout fee (after business hrs)	\$ 75	\$ 50	\$ 50	\$ 50	\$ 50
Entry door new key	\$ 75	\$ 50	\$ 50	\$ 50	\$ 50
Apt. door new key	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15

The Finance Committee recommends the following increases for the 2020 budget year.

Based on approved 2019 budget. Additional 4% charged for month-to-month leases at Parkway Apartments.