

**NOTICE OF MEETING AND AGENDA**

**GDC BOARD OF DIRECTORS  
OPEN MEETING**

*Begins at 7:45 pm*

**Thursday, May 4, 2023**

VIRTUAL ZOOM MEETING ROOM  
Members & Visitors may attend remotely.

**1. Approval of Agenda**

**2. Visitors (Comment Period)**

**3. For Discussion/Action**

- |  |            |                   |
|--|------------|-------------------|
| a. Approve Minutes of the Open Meeting Held on January 5, 2023 (Attachment #1) | 2 Minutes  | Discussion/Action |
| b. Review GDC's 2022 Year-End Financial Statements (Attachment #2)             | 10 Minutes | Discussion        |
| c. Select a Date for the 2023 Annual Stockholders' Meeting                     | 2 Minutes  | Discussion/Action |
| d. Review Report re: GDC Operations for the Year 2022 (Attachment #3)          | 10 Minutes | Discussion/Action |

**4. Items of Information**

- a. Contracts Approved by the Manager During the First Quarter of 2023

Ed James  
Secretary



# GREENBELT HOMES, INC.

HAMILTON PLACE, GREENBELT, MARYLAND 20770

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



## MANAGER'S MEMORANDUM

TO: GDC Board of Directors  
FROM: Eldon Ralph, General Manager *Eldon Ralph*  
DATE: April 27, 2023  
SUBJECT: Items for the **GDC OPEN** Board Meeting on May 4, 2023

### GDC Open Meeting

3a. Approve Minutes of the Open Meeting Held on January 5, 2023 (Attachment #1)

**Motion: I move that the Board of Directors approve the minutes of the Open Meeting held on January 5, 2023 (as presented/as revised).**

3b. Review GDC's 2022 Year-End Financial Statements (Attachment #2)

GDC's 2022 year-end financial statements are included as Attachment #2 for your review. Joseph Perry, GHI's Finance Director, will present them during the meeting.

3c. Select a Date for the 2023 Annual Stockholders' Meeting

GDC's bylaws stipulate that the Annual Stockholders' meeting shall be held in June of each year, with the exact date set by the GDC Board of Directors, at which meeting they shall elect, by plurality vote, a Board of Directors and Officers and may transact such other business as may come before the meeting.

This item is on the agenda for the Board of Directors to establish a date for the 2023 stockholders' meeting.

**Suggested Motion: I move that the Board of Directors hold the 2023 GDC stockholders' meeting on June 1, 2023, commencing at 7:45 p.m.**

3d. Review Report re: GDC Operations for the Year 2022 (Attachment #3)

GDC's bylaws stipulate that the President shall cause to be submitted a report of the operations of GDC for the year to the Directors at their meeting preceding the annual meeting of the

stockholders, and to the stockholders at their annual meeting. Attachment #3 is the President's report. The 2022 Year-end Financial Statements that the report refers to are included in the Manager's memorandum as Attachment #2.

This item is on the agenda for discussion and action.

**Suggested Motion: I move that the Board of Directors accept the report submitted by the Board President regarding GDC's 2022 operations.**

4. Items of Information

4a. Contracts Approved by the Manager During the First Quarter of 2023

The manager approved the following GDC contracts during the first quarter of 2023:

- a) A three (3)-year contract with Brightview Landscapes LLC. to provide landscape maintenance services within common area grounds of GDC buildings at Parkway Road during January to December 2023, for a total cost of \$2,882.00 with a 5% increase in 2024 and also in 2025.
- b) A contract with North American Construction to clean the gutters on Apartment Buildings at 15-19 and 21-27 Parkway during spring 2023 for a cost of \$3,000, and a contract with DGC Cleaning Services to clean the gutters during fall 2023 for a cost of \$1,500.
- c) A contract with DMA Reserves Inc. to prepare a Capital Improvements Plan for the Parkway Apartment Complex, for a cost of \$3,150.

Draft GDC Board of Directors  
**Open Meeting**  
**(Virtual Zoom)**  
**January 5, 2023**  
**7:45 pm**

Board Members Present: Bilyeu, Brodd, James, Lambert, McKinley, Mortimer, Whipple

Excused Absences: Hess, Luly

Others in Attendance:

Eldon Ralph, General Manager

Joe Perry, Director of Finance

Deanna Washington, Director of Member Services

Jim Morris, Director of Maintenance

Bill Jones, Audit Committee Chair

Grace Fisher, Audit Committee

David Benack, Audit Committee

Molly Lester, [REDACTED]

Ben Fischler, [REDACTED]

Henry Haslinger, [REDACTED]

Claudia Jones, [REDACTED]

Stephanie O'Brien, [REDACTED]

Marcia Aleksiewicz, [REDACTED]

President Brodd called the meeting to order at 7:46 pm.

1. Approval of Agenda

**Motion: To approve the agenda as presented.**

Moved: James

Seconded: Whipple

Carried: 7-0

2. Visitors (Comment Period)

None

3. For Discussion/Action

3a. Approve Minutes of the Open Meeting Held on October 20, 2022 (Attachment #1)

**Motion: I move that the Board of Directors approve the minutes of the Open Meeting held on October 20, 2022, as presented.**

Moved: James

Seconded: Bilyeu

Carried: 7-0

3b. Approve Minutes of the Open Meeting Held on November 3, 2022 (Attachment #2)

**Motion: I move that the Board of Directors approve the minutes of the Open Meeting held on November 3, 2022, as presented.**

Moved: James

Seconded: McKinley

Carried: 7-0

3c. Approve Minutes of the Open Meeting Held on November 17, 2022 (Attachment #3)

**Motion: I move that the Board of Directors approve the minutes of the Open Meeting held on November 17, 2022, as presented.**

Moved: James

Seconded: Mortimer

Carried: 7-0

3d. Review GDC's 2022 3rd Quarter Financial Statements (Attachment #4)

GDC's 2022 3rd Quarter Financial Statements are submitted as Attachment #4 for your review.

This item is on the agenda for discussion.

GHI Finance Director Joe Perry presented the statements and responded to questions.

**Motion: To adjourn.**

Moved: McKinley

Seconded: Bilyeu

Carried: 7-0

The meeting adjourned at 8:02 pm.

Ed James  
Secretary

**Greenbelt Development Corporation  
Financial Statements  
December 2022**

Greenbelt Development Corporation  
Balance Sheet  
As of 12/31/2022

Item 3b. Attachment #2

CURRENT ASSETS:		
Cash	\$ 376,936	
Accounts receivable (net)	(3,541)	
Intercompany receivable (GHI)	<u>46,877</u>	
	420,272	
Total current assets		\$ 420,272
LAND	26,573	
PROPERTY & EQUIPMENT		
Buildings & improvements (net )	217,166	
Boiler equipment (net)	<u>131,962</u>	
Total property and equipment	349,129	
OTHER ASSETS:		
Prepaid expenses	<u>3,425</u>	
Total land, property, equipment & other assets		<u>379,127</u>
TOTAL ASSETS		<u>\$ 799,399</u>
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Accounts payable & accrued expenses	\$ 135,359	
Deposits & deferred revenue	<u>94,084</u>	
Total current liabilities	229,443	
Total liabilities		\$ 229,443
EQUITY		
Capital stock	150	
Accumulated equity	550,598	
Net Income	<u>19,208</u>	
Total equity		<u>569,956</u>
TOTAL LIABILITIES & EQUITY		<u>\$ 799,399</u>

**Greenbelt Development Corporation**  
**Income Statement**  
**For the Period Ending 12/31/2022**

	Year-To-Date <u>Actuals</u>	Year-To-Date <u>Budgets</u>	Y-T-D Dollar <u>Variance</u>	Y-T-D % <u>Variance</u>
<b>INCOME</b>				
Rental Income	\$ 659,820	\$ 659,820	\$ (0)	0.0% tried to zero ou
Vacancy Loss	<u>(17,176)</u>	<u>(25,730)</u>	<u>8,554</u>	<u>-33.2%</u>
	642,643	634,090	8,553	1.3%
<b>OTHER INCOME</b>				
Garage Fee Income	44,470	44,470	-	0.0%
Other Income	<u>6,526</u>	<u>8,000</u>	<u>(1,474)</u>	<u>-18.4%</u>
Total Income	<u>693,640</u>	<u>686,560</u>	<u>7,080</u>	<u>1.0%</u>
<b>EXPENSES:</b>				
Contract Work	(A) 68,198	66,570	1,628	2.4%
Materials	(B) 63,426	54,590	8,836	16.2%
Electricity	(C) 20,291	15,000	5,291	35.3%
Gas	18,377	16,700	1,677	10.0%
Water	(D) 26,479	16,500	9,979	60.5%
Licenses/Permits	7,200	7,200	-	0.0%
Insurance	23,530	23,530	0	0.0%
Telephone	2,057	1,200	857	71.4%
Real Estate Taxes	(E) 67,175	90,000	(22,825)	-25.4%
Labor	108,258	108,000	258	0.2%
Management Fee	202,260	202,260	-	0.0%
Legal/Professional	8,085	8,100	(16)	-0.2%
Bad Debts Expense	(F) 16,550	3,500	13,050	>100%
Interest Expense	708	0	708	>100%
Depreciation	37,542	38,170	(628)	-1.6%
Miscellaneous	0	100	(100)	-100.0%
Total Operating Expense	<u>670,135</u>	<u>651,420</u>	<u>18,715</u>	<u>2.9%</u>
Taxes	4,297	2,900	1,397	>100%
Net Income	<u>\$ 19,208</u>	<u>\$ 32,240</u>	<u>\$ (13,032)</u>	<u>-40.4%</u>



**Greenbelt Development Corporation  
Notes to Income Statement  
For the Period Ending 12/31/2022**

**(A) Contract Work (Up 2.4%) \$ 1,628**

Contract work for 2022 consisted of the following components:

	<u>Actual</u>	<u>Annual Budget</u>
● Janitorial	\$16,605	\$18,000
● Fire protection	1,075	1,850
● Boiler maintenance & repair	15,829	6,000
● Home inspection (lead testing)	3,561	4,720
● Solid Waste Disposal	2,527	5,300
● Chemical management	2,480	2,400
● Landscape work	5,368	6,500
● Unit patch, paint and renovation	13,039	14,000
● Bathtub reglazing	1,914	1,500
● Parking Lot Repairs	5,800	-
● Vinyl composition hallways	-	6,300
Total contract work	<u>\$68,198</u>	<u>\$66,570</u>

**(B) Materials (Up 16.2%) \$ 8,836**

The unfavorable variance is due to higher costs of materials used in maintenance of the parkway apartments.

**(C) Electricity (Up 35.3%) \$ 5,291**

The unfavorable variance is due to an increase in rates compared to 2021. Rates increased by 9%.

**(D) Water (Up 60.5%) \$ 9,979**

The unfavorable variance is due to an increase in both rates and usage compared to 2021. Rates increased 6% and usage increased 10%.

**(E) Real Estate Taxes (Down 25.4%) \$ (22,825)**

This favorable variance reflects the actual bill significantly less than the budgeted amount.

**(F) Bad debts (Up >100%) \$ 13,050**

This unfavorable variance is due to the write off of uncollectible accounts. In these cases staff will seek to collect through a collection agency or attorney to recover a portion of the bad debt.

**Greenbelt Development Corporation**  
**President's Report for 2022**

This report presents the major activities that the Board of Directors and staff accomplished during 2022 on behalf of Greenbelt Development Corporation (GDC). GDC continues to be in a strong financial position, with a net income of \$ 19,208 earned in 2022, no outstanding loans, cash assets of \$376,936 and a total equity of \$569,956 at the end of 2022. GDC's financial statements as of December 31, 2022 are attached.

**Major Activities**

1. The 2022 annual meeting of the stockholders was held via internet audio/video conference on June 2<sup>nd</sup>. Stockholders elected a new Board of Directors for the 2022-2023 term, comprised of Directors Erin Bilyeu, Stefan Brodd, Chuck Hess, Edward James , Denna Lambert, Jason Luly, Deborah McKinley, Heather Mortimer, and James Whipple. The new Board elected the following officers for the 2022-23 term, during its first meeting on June 2, 2022.
  - Stefan Brodd – President
  - Deborah McKinley – Vice President
  - Chuck Hess – Treasurer
  - Ed James – Secretary
  
2. The GDC Board of Directors held a strategic planning meeting on January 27, 2022 and later requested specific actions to be taken on three items that resulted in the following outcomes:
  - a) Funds were included in the 2023 budget for hiring an engineering firm, to evaluate the condition of water supply, waste pipe and heating pipe systems at the GDC Parkway Apartments and recommend appropriate repair and/or replacement options for the existing piping.
  
  - b) USI Insurance Services, the insurance broker for Greenbelt Homes Inc. (GHI), advised that there would be no financial benefit to either GDC or GHI, if GDC's insurance coverage were decoupled from GHI's; hence, GDC will continue to be insured under GHI's policy, for a cost of \$23,530 in 2023.
  
  - c) GDC's legal counsel advised that GHI could continue to loan funds to GDC in the future, based on GHI's investment policy and the State of Maryland's prudent person and prudent investor rules. Such loans would not be considered an "investment" in the conventional sense, and should be managed by the Board and Management, rather than by GHI's investment advisor.
  
3. Operational Matters re: GDC's Parkway Apartments During 2022

- a) Leasing and occupancy statistics were as follows:
- Tenant move-ins processed – 11.
  - Tenant move-outs processed – 12.
  - Average turnover period for a vacant unit – 60.2 days
  - Average monthly occupancy ratio – 95.37%.
  - Loss of income due to vacant apartments - \$17,176 (33.2% below budget)
  - Evictions – 1 tenant was evicted due to financial delinquency.
- b) Maintenance Operations
- A contractor was hired to repair crumbling balconies at two apartments for a cost of \$11,960.
  - Roofs were replaced on both buildings at 15-19 Parkway and 21-27 Parkway for a total cost of \$140,500.
  - The Board approved a new 3-year contract with a janitorial cleaning company to clean interior common areas of the Parkway Apartment Buildings commencing on September 1, 2022, at a cost of \$22,279 during the first year, with cost increases of 3% during the second and third years of the contract.
  - GHI's maintenance staff completed a total of 492 work orders during 2022.
4. On November 17, 2022, the Board of Directors considered and approved a 2023 budget of in the amount of \$739,660 with an 8% increase in rental fees for tenants in GDC's Parkway Apartments. The Board also authorized Board President Brodd to sign an Agreement between GDC and Greenbelt Homes Inc. (GHI), which included a compensation amount of \$376,980 to be paid to GHI during 2023, for its services to GDC.

Respectfully submitted,

Stefan Brodd

President, Greenbelt Development Corporation