

Minutes
GHI Board of Directors
May 10, 2007

Present: Agans, Alpers, Hudson, Lauber, Lewis, McFadden, Moore, Morse, Ready

Others in Attendance:

Gretchen Overdurff, General Manager	Genevieve Courbois, Recording Secretary
Stephen Ruckman, Director of Finance	John Leslie
Eldon Ralph, Director of Physical Services	Allison Hanks Sloane
Joan Krob, Director of Member Services	Steven Bernheisel
Tom Sporney, Staff Engineer	Kevin Hammett
Dianne Wilkerson, Chair, Audit Committee	Chuck Hess
Michael Iacangelo, Audit Committee	Bill Wrigley
Marat Moore, Audit Committee	Ed James

President Lewis called the meeting to order at 7:36 p.m.

1. Approval of Agenda

MOTION: TO APPROVE THE AGENDA.

Moved: Moore

Seconded: Lauber

Carried 8-0

2. Visitors and Members

John Leslie, said that mulberry limbs are overhanging the parking area adjacent to his parking space. Director of Physical Services Ralph said that he would investigate.

Allison Hanks Sloane, said that she has had a number of maintenance issues since moving into GHI two and a half years ago. Given the issues, she questioned the level of scrutiny during the post-inspection, and suggested that it be tightened up. President Lewis said that the Board will address the issue in executive session later in the evening, and if the member is not satisfied, it can subsequently be addressed by a Member Complaints Panel. Ms. Hanks Sloane acknowledged that staff has been responsive to her concerns, and stated that she appreciates the Board's considering this in executive session.

3. Approval of Minutes

MOTION: TO APPROVE THE MINUTES OF APRIL 12, 2007, AS REVISED.

Moved: Moore

Seconded: Alpers

Carried 7-0 with
1 abstention

4. Approval of Membership Applications

MOTION: THAT THE FOLLOWING PROSPECTIVE MEMBERS ARE ACCEPTED INTO THE COOPERATIVE AND MEMBERSHIP AFFORDED HER AT THE TIME OF SETTLEMENT:

- **LYNDIA F. TAYLOR**
- **WILLIAM J. FINERAN**
- **REBECCA N. MOORMAN AND KAREN M. MOORMAN**
- **LYNNE GRAHAM SLATER**
- **ROBB M. LUKES**

Moved: Lauber

Seconded: Moore

Carried 8-0

MOTION: THE BOARD OF DIRECTORS APPROVES THE FOLLOWING MUTUAL OWNERSHIP CONTRACT CHANGE:

- **DORIS CROWE, SOLE OWNER, TO DORIS POLING, SOLE OWNER**

Moved: Lauber

Seconded: Moore

Carried 8-0

5. Committee Reports

Both the Artifacts and Audit Committees presented written reports to the Board as agenda items.

6a. Artifacts Committee Report

Both Steven Bernheisel. and Kevin Hammett, presented the Artifacts Committee report. Mr. Bernheisel began by saying that the committee is faced with the realities of limited storage space and volunteer resources, and the inability to effectively showcase the items, given the space constraints. Based on these factors, the committee is questioning its overall effectiveness. While it is exploring other options, it is not ready to make a formal recommendation at this time. One option, explained Mr. Bernheisel, is relocating the inventory to a location in Edmonston, Maryland which offers similar items. He said that advantages include longer and weekend hours, and plenty of storage space; a disadvantage would be that these uniquely GHI items would physically leave the community.

Mr. Hammett believes the garage has a potential for growth and that interest will be renewed in these original architectural artifacts. While he says that sales are not high, the committee provides an important service -- one that is in some ways intangible and which would not be reflected in sales. Mr. Bernheisel reported sales of \$41 in 2006 and \$0 sales in 2007; the number of visitors varies.

Board suggestions included more publicity, taking more photographs of available items, bringing items/having a table at the yard sale on May 19th, posting to the Yahoo! Freecycle Network for Greenbelt, and ensuring members are aware of the garage at resale. Mr. Hammett noted that the garage maintains a wish list of original items. Audit Committee member Moore offered to take photographs. President Lewis said that the recommendation of the Artifacts Committee will be considered by the next Board.

6b. Audit Committee Report on Delinquency Procedures

The Audit Committee submitted its written report to the Board on the application of GHI's financial delinquency policy as the result of an inquiry from a member. Audit Committee Chair Dianne Wilkerson detailed the methodology used and sources consulted by the committee in undertaking this charge. She outlined GHI's current policy and schedule of actions to be taken by GHI if a member has not paid his or her fee within the ten-day grace period.

During its research of how GHI's financial delinquency policy was applied to the case in question, the Committee determined that GHI applied the policy with leniency. While the financial director inadvertently followed the 1998 policy rather than the revised 2002 policy, the 1998 policy was more lenient. Prior to the May 2006 eviction in question, GHI afforded the member more time to comply than was called for in either policy and sent the member 27 pieces of mail. Audit Committee member Iacangelo explained that the number of letters sent by GHI to the member indicated willingness to work with the member to resolve the situation. Wilkerson emphasized that the member could have stopped eviction proceedings by establishing a payment plan; on the day of the eviction, the member could have paid the amount of the court judgment before the eviction began. Wilkerson concluded by providing statistics on recent and past evictions. Audit Committee member Moore added that there has been a very low number of evictions and the delinquency policy is working well.

Director Ready questioned the timing of this report's release. Wilkerson explained that the Committee held its report in abeyance for most of the year as legal counsel representing Greenbelt Homes in litigation with the member asked that the report not be released until litigation had ended. Director Ready also inquired about the nature of the discrepancy in the number of evictions included in the original draft of this report (1 eviction) and the current draft (4 evictions.) Wilkerson responded that the additional eviction statistics were brought to the Committee's attention in recent research. Member Bill Wrigley voiced his concern about this statistical error. Director Alpers responded that with the installation of a new software system in the financial department, staff has had to maintain both the old and new financial databases; once staff is solely using the new software, statistical tracking will be easier.

6c. Proposed Revisions to Investment Policies

Director Alpers presented the Investment Committee's revised Investment Policy for Board consideration. She explained that draft revisions were made to the policy in order to preclude equity investments, and to reduce GHI's exposure to higher risk investment. She said that the revised policy places more restrictions on the investment policy and provides clarification.

Director Ready felt that Board members should have been provided with a copy of the original for comparison. Investment Committee member Hess explained the current investment vehicles and existing policy. Director Ready suggested that Investment Committee proposed actions be presented to the Board for consideration; Hess responded the Board has vested the Investment Committee with the power to act on purchase of investments and that these decisions are often time-sensitive. President Lewis added that the make-up of the committee requires a majority of Board member representation. Director Ready suggested that the Board be presented with reports on Investment Committee actions.

MOTION: TO APPROVE THE REVISED INVESTMENT POLICY.

Moved: Alpers

Seconded: McFadden

Withdrawn

MOTION: TO TABLE FURTHER CONSIDERATION OF THE REVISED INVESTMENT POLICY PENDING REVIEW OF THE ORIGINAL DOCUMENT.

Moved: Hudson

Seconded: Ready

Carried 7-0 with
1 opposed6d. Board Task List

The Board reviewed and discussed the Board Task List. Director Lauber questioned an ad hoc committee listed under the Marketing Committee. President Lewis said this will be changed. In response to a Board question, Director of Physical Services Ralph said the Sustainable Design and Practices Committee is finalizing its report on heating for the Board meeting in June.

7. Items of Information

No discussion.

8. President

President Lewis appointed Helen Cornejo to the Yard Line Committee, and accepted the resignation of Molly Lester from ARC. She is hopeful the bench and plaque dedication for Joyce Abell will take place Memorial Day weekend. She reported that the room was packed for candidates' night and that 9 impressive candidates are running for 6 seats on the Board. She attended the recent Marketing Committee meeting regarding the qualifying debt ratio.

9. Board Members

Director Ready said that after her service with the Board is completed she will continue to serve on the Yard Line committee. She mentioned that after she leaves GHI, she hopes to be able to rent the guest house as a frequent visitor; she is aware she will need to ask for an exception.

Director Hudson said that he has enjoyed working with the Board and loves GHI. He expressed his disappointment with the Board in that things did not get done, e.g., installation of utility panel screening, elimination of non-enforced rules, selection of three acceptable prototype sheds. He concluded, "our record hasn't been good."

Director Lauber reported that the Marketing Committee met with loan officers about the qualifying debt ratio. She noted that Committee members expressed concern for potential members who qualify as members with the exception of financials.

Director Alpers thanked the Board for voicing their concerns and subsequently tabling the Investment Committee discussion.

Director Agans thanked Staff Engineer Tom Sporney and Paul Hill for their recent assistance.

Director McFadden was encouraged by the recent Marketing Committee meeting on qualifying debt ratios and supports making GHI ownership more attainable for potential members who do

not qualify financially. She said that the Greenbelt Chesapeake Climate Action Network would like to develop a relationship with the Board and GHI committees.

Director Moore expressed his appreciation for being able to serve on the Board and said that he has learned a lot about GHI and the city.

Audit Committee member Moore recognized Director Ready for her input and historical knowledge, Director Moore for his humor, and Director Hudson for addressing challenges.

10. Manager

General Manager Overdurff recognized the Board as an exceptional group of people, and thanked everyone for their contributions. On behalf of staff, she expressed her appreciation for the Board's support, cooperation, respect, and professionalism.

Director of Physical Plant Operations Ralph recognized Board members for their huge investment of time and service on the Board. He said that members are deeply indebted to Board members for their dedication and hard work in making the Cooperative what it is.

MOTION: TO RECESS TO EXECUTIVE SESSION.

Moved: Moore

Seconded: Lauber

Carried 8-0

The meeting recessed at 9:00 p.m.

Dorothy Lauber
Secretary