BROIHAHN
MANAGEMENT & CONSULTING, LLC

October 30, 2023

Rural Development
Michael Ostwald
1400 Independence Ave SW
Washington, DC 20250

RE: Greenspire I/II Apartments, 2024 Budget & Budget Narrative

Dear Michael,

2024 budget has been transmitted via MINC.

BUDGET NARRATIVE

Project Status:

Currently, Greenspire I/II has one vacant unit, and the waiting list is steady at 12, most of which are waiting to sell their house, are not ready to move and with most applicants being younger seniors or young disabled individuals. We are continuing to advertise in special media, websites and outreach to organizations and group who cater to senior or disabled.

Financial Status:

Security deposit account is fully funded, reserve account is up to date with monthly funding, balance is $197,541 at 9/30/23. We are not asking for a rent increase as HUD raised the rents on Greenspire I/II to $810.00 in May of this year.

Changes in Expenses/Income:

Several moderate increases include an increase in insurance, payroll, administrative (to keep up to date with all necessary requirements) and implementing the management fee increase. Higher turn-overs costs are expected, as more units require replacement of carpet & vinyl more often. Normal service increases are anticipated in utilities, audit fees, payroll taxes.

1502 W. Broadway • Suite 302 • Madison • WI • 53713 • Phone: (608) 222-1981 • Fax: (608) 441-8838
E-mail: bmc@bmcmadison.com or sue@bmcmadison.com

Projected Capital Expenditures and Reserve Account Withdrawals:

As done this past year part of the cost to replace the Fire panels will be funded thru the reserve account the rest from operating. Water Heaters are starting to age and need replacement anticipating at least one will need to be replaced. With sale of property renovation work is anticipated to start up again in 2024.

If you have any questions or need additional information, please let me know.

Sincerely,

Kathy M Olson
Broihahn Management

CC: Sue Broihahn
Stoughton Housing Authority

Position 3

Form RD3560-7
(Rev. 05-06)

Multiple Family Housing Project Budget/Utility Allowance

FORM APPROVED
OMB NO. 0575-0189

PROJECT NAME	BORROWER NAME	BORROWER ID AND PROJECT NO.
Greenspire I/II Apartments	Stoughton Housing Authority	58-013-093933423
Loan/Transfer Amount$	Note Rate Payment$	IC Payment$

Reporting Period	Budget Type	Project Rental Type	Profit Type	The following utilities are master metered:	I hereby request ____ units of RA. Current number of RA units: .
x Annual Quarterly Monthly	Initial x Regular Repor Rent Change SMR Other Servicin	Family x Elderly Congregate Group Home Mixed LH	Full Profit Limited Profit x Non-Profit	X Electricity Gas X Water X Sewer Trash Other:	Brrower Accounting Method: Cash X Accrual

PART I - CASH FLOW STATEMENT

	CURRENT BUDGET	Projected	PROPOSED BUDGET	COMMENTS or (YTD)
BEGINNING DATES>	5/1/2023	2023	1/1/2024	(- -)
ENDING DATES>	12/31/2023		12/31/2024	(- -)
OPERATIONAL CASH SOURCES				
1. RENTAL INCOME	622,080	558,336	622,080	
2. RHS RENTAL ASSISTANCE RECEIVED				
3. APPLICATION FEES RECEIVED				
4. LAUNDRY AND VENDING	2,800	3,180	3,000	
5. INTEREST INCOME	12	32	35	Operations only
6. TENANT CHARGES	850	293	300	NSF/Late fees
7. OTHER - PROJECT SOURCES				
8. LESS *(Vacancy and Contingency Allowance)*	(37325)	(40013)	(37325)	6% vacancy
9. LESS *(Agency Approved Incentive Allowance)*				
10. SUB-TOTAL *[(1 thru 7) - (8 & 9)]*	588,417	521,828	588,090	
NON-OPERATIONAL CASH SOURCES				
11. CASH - NON PROJECT				
12. AUTHORIZED LOAN *(Non-RHS)*				
13. TRANSFER FROM RESERVE	22,115	12,850	12,850	
14. SUB-TOTAL *(11 thru 13)*	22,115	12,850	12,850	
15. **TOTAL CASH SOURCES** *(10+14)*	610,532	534,678	600,940	
OPERATIONAL CASH USES				
16. TOTAL O & M EXPENSES *(From Part II)*	510,296	387,821	460,984	
17. RHS DEBT PAYMENT	9,239	9,239	9,239	
18. RHS PAYMENT *(Overage)*				
19. RHS PAYMENT *(Late Fee)*				
20. REDUCTION IN PRIOR YEAR PAYABLES				
21. TENANT UTILITY PAYMENTS				
22. TRANSFER TO RESERVE	68,656	68,656	70,716	**New reserve amt**
23. RETURN TO OWNER/NP ASSET MGMT. FEE				
24. SUB-TOTAL *(16 thru 23)*	588,191	465,716	540,939	
NON-OPERATIONAL CASH USES				
25. AUTHORIZED DEBT PAYMENT (Non-RHS)				
26 ANNUAL CAPITAL BUDGET *(From Part III, Lines 4 - 6)*	22,115	12,850	12,850	
27. MISCELLANEOUS				
28. SUB-TOTAL *(25 thru 27)*	22,115	12,850	12,850	
29. **TOTAL CASH USES** *(24 + 28)*	610,306	478,566	553,789	
30. **NET CASH (DEFICIT)** *(15-29)*	226	56,112	47,151	
CASH BALANCE				
31. BEGINNING CASH BALANCE	27,424	29,465	27,424	
32. ACCRUAL TO CASH ADJUSTMENT				
33. ENDING CASH BALANCE (30+31+32)	27,650	85,577	74,575	

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0033. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

PART II - OPERATING AND MAINTENANCE EXPENSE SCHEDULE

	CURRENT BUDGET	Projected 2023	PROPOSED BUDGET	COMMENTS or (YTD)
1. MAINTENANCE AND REPAIRS PAYROLL	30,212	24,711	40,404	$30.00 hr/ 30 wk
2. MAINTENANCE AND REPAIRS SUPPLY	12,000	8,260	8,500	Cost of supplies up for unit turnovers
3. MAINTENANCE AND REPAIRS CONTRACT	10,000	5,143	5,000	Contracted help
4. PAINTING	350	15	2,600	Units
5. SNOW REMOVAL	10,200	10,997	10,500	
6. ELEVATOR MAINTENANCE/CONTRACT	12,500	14,632	15,445	Elev phones & service
7. GROUNDS	21,388	19,261	20,065	Payroll inc,mowing & fert/weed control
8. SERVICES	10,000	12,572	13,500	salt,pest control,cleaning
9. ANNUAL CAPITAL BUDGET *(From Part V-Operatin*	167,885	78,500	98,973	
10. OTHER OPERATING EXPENSES *(Itemize)*				
11. SUB-TOTAL MAINT. & OPERATING *(1 thru 10)*	274,535	174,091	214,987	
12. ELECTRICITY *If master metered check box on front.*	35,000	27,900	29,016	
13. WATER	10,738	10,160	10,500	
14. SEWER	7,484	7,833	8,000	
15. FUEL *(Oil/Coal/Gas)*				
16. GARBAGE & TRASH REMOVAL	4,399	4,823	5,085	3% increase
17. OTHER UTILITIES				
18. SUB-TOTAL UTILITIES *(12 thru 17)*	57,621	50,716	52,601	
19. SITE MANAGEMENT PAYROLL	28,574	27,419	37,128	$21/hr/30/hr wk & $19.5/hr/10/ hr wk
20. MANAGEMENT FEE	53,568	50,880	59,136	$72/unit/mo +$ 5 add on
21. PROJECT AUDITING EXPENSE	14,700	10,931	16,100	Increase + sale
22. PROJECT BOOKKEEPING/ACCOUNTING				
23. LEGAL EXPENSES	200		500	
24. ADVERTISING	4000	4,263	4500	Ads,brochures
25. TELEPHONE & ANSWERING SERVICE	2688	2,555	1800	New contract
26. OFFICE SUPPLIES	700	1,435	1280	$20 max per unit
27. OFFICE FURNITURE & EQUIPMENT	175	350	500	
28. TRAINING EXPENSE	500	1,103	1200	Conferences, seminars
29. HEALTH INS. & OTHER EMP. BENEFITS	500			
30. PAYROLL TAXES	7954	5,709	9054	Rate adjustment
31. WORKER'S COMPENSATION	2598	1,990	2951	Rate adjustment
32. OTHER ADMINISTRATIVE EXPENSES *(Itemize)*	7000	5,738	6500	Cred reports, mileage,softw,rent
33. SUB-TOTAL ADMINISTRATIVE *(19 thru 32)*	123,157	112,373	140,649	23% $143,078
34. REAL ESTATE TAXES	36,392	33020	34,012	PILOT
35. SPECIAL ASSESSMENTS				
36. OTHER TAXES, LICENSES & PERMITS				
37. PROPERTY & LIABILITY INSURANCE	18413	17,621	18,555	
38. FIDELITY COVERAGE INSURANCE	178	0	180	
39. OTHER INSURANCE				
40. SUB-TOTAL TAXES & INSURANCE *(34 thru 39)*	54,983	50,641	52,747	
41. TOTAL O&M EXPENSES *(11+18+33+40)*	510,296	387,821	460,984	

PART III - ACCOUNT BUDGETING/STATUS

	CURRENT BUDGET	Projected 2023	PROPOSED BUDGET	COMMENTS or (YTD)
RESERVE ACCOUNT:				
1. BEGINNING BALANCE	434,536	166,820	220,758	
2. TRANSFER TO RESERVE	66,656	66,788	70,716	
TRANSFER FROM RESERVE:				
3. OPERATING DEFICIT				
4. BUILDING REPAIR & IMPROVEMENTS	177,672	12,850	12,850	
5. EQUIPMENT REPAIR & REPLACEMENTS				
6. OTHER NON-OPERATING EXPENSES				
7. TOTAL *(3 thru 6)*	177,672	12,850	12,850	
8. ENDING BALANCE *[(1+2)-7]*	323,520	220,758	278,624	

GENERAL OPERATING ACCOUNT:*		
BEGINNING BALANCE		
ENDING BALANCE		
REAL ESTATE TAX AND INSURANCE ESCROW ACCOUNT:*		
BEGINNING BALANCE		
ENDING BALANCE		
TENANT SECURITY DEPOSIT ACCOUNT:*		
BEGINNING BALANCE		
ENDING BALANCE		

(*Complete upon submission of actual expenses.)

NUMBER OF APPLICANTS ON THE WAITING LIST		RESERVE ACCT. REQ. BALANCE	
NUMBER OF APPLICANTS NEEDING RA.....		AMOUNT AHEAD/BEHIND.....	

PART V - ANNUAL CAPITAL BUDGET, Greenspire I/II

	Proposed Number of Units/Items	Proposed from Reserve	Actual from Reserve	Proposed from Operating	Actual from Operating	Actual Total Cost	Total Actual Units/Items
Appliances:							
Range	3			$2,876			
Refrigerator	3			$3,892			
Range Hood	4			$640			
Washers and Dryers	1			$1,950			
Other:Disposal	5			$435			
Carpet and Vinyl:							
1 BR	4			$11,940			
2 BR							
Other: Common area	1						
Cabinets:							
Kitchens	4						
Bathrooms	4						
Other:							
Doors:							
Exterior	4						
Interior	4						
Other: Patio	4						
Window Coverings:							
List: Blinds	5						
Other:							
Heating and Air Conditioning:							
Htg.-elec. Baseboard				$2,000			
Air Conditioning							
Other: stairwell heater							
Plumbing:							
Water Heater	1			$10,400			
Bath Sinks/vanity	4						
Kitchen Sinks/counte	4						
Faucets	5			$300			
Toilets	5			$710			
Other: Tub conver	2						
Major Electrical:							
List: Fire system		$12,850		$16,738			
Other: interior lighting							
Exterior lighting	4			$10,500			
Structures:							
Windows	4			$9,112			
Screens							
Walls: painting/carpe							
Roofing/Gutters	2						
Siding							
Window washing	4			$3,000			
Other:							
Paving:							
Asphalt							
Concrete							
Seal and Stripe							
Other:							
Landscape and Grounds:							
Landscaping				$7,400			
Lawn Equipment							
Fencing							
Recreation Area				$3,000			
Signs							
Accessibility features:							
Detail:Grab bars	4			$2,500			
Detail:							
Other:							
Site Management							
Common Area							
Other:Furniture				$7,500			
List: water softener				$4,080			
TOTAL CAPITAL EXPENSES:		**$12,850**		**$98,973**			

PART VI -- SIGNATURES, DATES AND COMMENTS

Warning:	Section 1000 of Title 18, United States Code provides: "Whoever, in any matter within the jrisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE

10/31/23
(DATE)

(Signature of Borrower or Borrower's Representative)

AGENT
(Title)

AGENCY APPROVAL *(Rural Development Approval Official):*	DATE:

COMMENTS:

PART IV - RENT SCHEDULE AND UTILITY ALLOWANCE

A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE:

UNIT DESCRIPTION			Rental Rates			POTENTIAL INCOME FROM EACH RATE			Utility
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	Allowance
1 BR	1040 & 1070	31	810	927	810	301,320	344,844	156,612	$55
1 BR	1070-205	1	810	927		9,720	11,124	0	$58
1 BR	1050 & 1060	32	810	933	810	311,040	358,272	211,968	$58
					PROPOSED RENT TOTALS:	622,080	714,240	368,580	
						BASIC	NOTE	HUD	

B. PROPOSED RENTS - Effective Date: 01/01/2023

UNIT DESCRIPTION			RENTAL RATES			POTENTIAL INCOME FROM EACH RATE			Utility
BR SIZE	UNIT TYPE	NUMBER	BASIC	NOTE RATE	HUD	BASIC	NOTE RATE	HUD	Allowance
1 BR	1040 & 1070	31	810	927	810	301,320	344,844	161,076	$55
1 BR	1070-205	1	810	927		9,720	11,124	0	$58
1 BR	1050 & 1060	32	810	933	810	311,040	358,272	222,336	$58
					PROPOSED RENT TOTALS:	622,080	714,240	383,412	
						BASIC	NOTE	HUD	

C. PROPOSED UTILITY ALLOWANCE - Effective Date: 01/01/23

MONTHLY DOLLAR ALLOWANCES

BR SIZE	UNIT TYPE	NUMBER	ELECTRIC	GAS	WATER	SEWER	TRASH	OTHER	TOTAL
1 BR	1040 & 1070	31	$55						$55
1 BR	1070-205	1	$58						$58
1 BR	1050 & 1060	32	$58						$58

Fill-A-Form

Transfer Confirmation

Printable Copy

User **MA254808** has successfully submitted a Proposed Budget for GREENSPIRE I &II with the following information:

Date of Transfer:	10/31/2023
Site ID:	58653
Fiscal Year:	2024
Date:	01/01/2024

THIS DOES NOT MEAN THE TRANSACTION HAS BEEN ACCEPTED.

To confirm the status, review transactions through the Review Transactions link in MINC. An email message will also be sent with the status of this transmission.

Print Close

Last Modified: 7/13/2023

Kathy Olson

From: mfh2@stl.usda.gov
Sent: Tuesday, October 31, 2023 10:04 AM
To: Kathy Olson
Subject: USDA Budget Xactns for MA254808 site 58653

########### PLEASE DO NOT REPLY TO THIS MAILBOX ############

Your private comment will not reach the intended recipient.
Contact your local USDA servicing office for assistance.
Refer to your MINC web pages for transaction detail.

Budget Mail Listing 10/31/2023 10:04

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Transaction Id: 16814209
Project Name: GREENSPIRE I &II
Budget Action: PROPOSED BUDGET (3560 series)
Status: ACCEPTED

ADDENDUM TO MANAGEMENT PLAN
Greenspire Apartments
January 1, 2024

Compensation:

The on-site manager is compensated for duties described in the position description. Hours worked are 30 per week. The position is compensated at $21.00 per hour. Part-time office help is compensated at $19.50 per hour for 20 hours per week.

On-site maintenance manager is compensated for duties described in the position description. Hours worked are 30 per week. The position is compensated at $30.00 per hour.

Greenspire I/II & III Apartments
1040-1070, 1050 -1060, 924 & 1046 Jackson St., Stoughton WI 53589

Transition Plan – January 2024

Common areas –1040, 1050, 1060, 1070 *Completed: Lower floor June-Sept 2018 (MPR), upper floor – 2024 - 2025*

- Community rooms - When replacement is needed but no later than 2018, sliding glass doors will be replaced either with French doors and lever handles or other possible solutions, eliminating the threshold.
- Common Area Restrooms - Although each building has one "accessible restroom, in the buildings with additional restrooms, on an as needed basis, toilets will be replaced with high-rise units.
- Kitchen areas are going to be modified, no longer will have stoves. Will be replaced with workspace

Common areas – 924 & 1046

- Replacement of door closures –. *Completed 2019 (924) & 2018 (1046)*
- Community room kitchen do not have accessible features such as accessible controls for the vent hood, counters and sink heights, minimum turning radius for wheelchairs, and cabinet at accessible height. ***Completion date: 2024 (924) and 2024 (1046)***

Apartments - 1070, 1040, 1050, 1060, 924 & 1046 ***Completion date: Ongoing***

- When needed, toilets will be replaced with high-rise toilets.
- All reasonable accommodation requests will be reviewed and approved, if possible.
- Window replacement in 924 & 1046

Exterior entryways -

- Hallway railings will be replaced.
  Completed all of bldg. 1040 (2022), will complete all bldgs. by 2025

Exterior – ***Completion date: 2023***

- Retaining wall @ 1060 & 1046 – completed: 2019
- Drainage pipe under 1046 sidewalk needs inlet and outlet cleared for property drainage.

Parking lot – ***Completion date 2022***

- Striped and repainted in October 2022

5-YEAR CAPITAL PLAN

Greenspire I/II
PROPERTY

Broihahn Management
MANAGER

	2024		2025		2026		2027		2028	
SITE	OPERATING	RESERVES	OPERATING	RESERVES	OPERATING	RESERVES	OPERATING	RESERVES	OPERATING	RESERVES
DUMPSTER ENCLOSURE						10000				
PROJECT SIGN										
PARKING LOT										
ASPHALT (SEALING)								12000		
PAVING										
LIGHTING	10500					5000				
EXTERIOR DOORS										
INTERIOR DOORS										
ROOF										
GUTTERS/FACIA										
EXTERIOR WALLS										
STORAGE SHED										20000
PATIO	3000				3360				3360	
WINDOWS	9112				5000				5000	
Window Washing	3000		3000		3000		3000		3000	
HVAC										
SMOKE & FIRE SYSTEM	16738	12850								
EMERGENCY LIGHTS										
HEATING	2000				2500				3000	
WATER HEATERS	10400			10000		10000		10000		10000
Ceiling fans - common			1000		1000		1000		1000	
Water Softener	4080									
ACCESSIBILITY										
COMMON AREA										
WASHERS/DRYERS	1950									4200
FURNITURE/APPLIANCES	7500									
FLOORING								5600		5600
Landscaping	7400				2000				2000	
Painting - common area							2000			
ACCESSIBILITY				2500				2700		2800
DWELLING UNITS										
LIVING ROOM FLOORING	6000		2700		2800		3000		3100	
BEDROOM FLOORING	4000		1070		1090		1200		1210	
KITCHEN/BATH FLOORING	1940		1070		1090		1200		1210	
RANGE	2876		2179		2201		2224		2247	
RANGEHOOD	640		132		134		136		138	
REFRIGERATOR	3892		747		1514		767		1574	
COUNTERTOP/CABINETS										
COUNTERTOP/SINK	435									
TOILET	710		330		330		330		330	
TUB/SHOWER						2000				2000
VANITIES										
INTERIOR DOORS										
PAINTING			2000		2000		2000		2000	
Faucets	300		140		150		160		170	
Blinds				1000						3000
ACCESSIBILITY	2500				2500				2500	
TOTAL	98973	12850	14368	13500	30669	27000	17017	30300	31839	47600