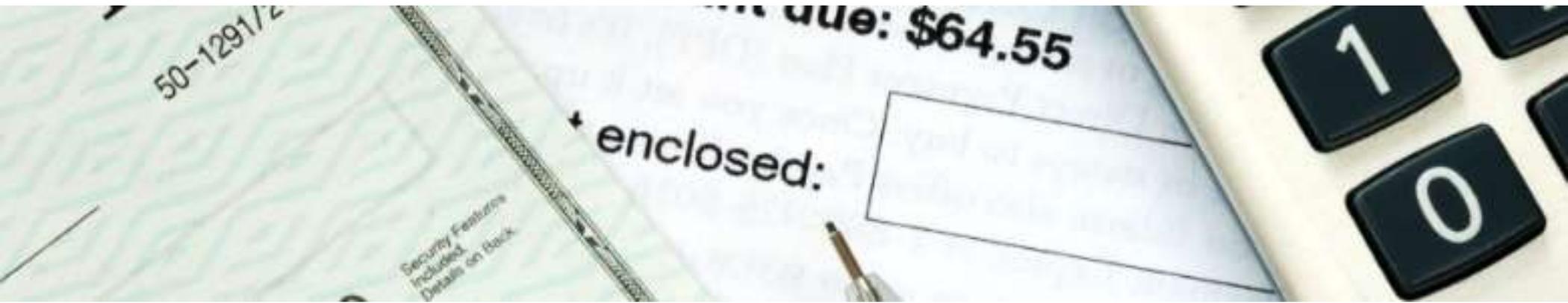




## Changes and Updates: Submitting a Successful 2024 Operating Budget



## Section I: Updates to the Forms and Procedure (and steps describing how to create the BudRep)

# New 2024 Budget Requirements

The following are new requirements for the 2024 budgets:

- The Rent Table will be used for 100% subsidized properties (ex. Project Based Section 8 or Housing Support) and to document new move-in rents when requesting a 2-tiered rent increase
- The Rent Matrix in the BudRep will now be required for all non 100% subsidized properties
- The Budget Notes tab now has four required questions that must be answered for all properties

These updates were made to clarify areas where questions typically arose

# Budget Notes Tab Changes

The four questions added to the Budget Notes tab are:

- Specify Vacancy Rate Used in the budget.
- List the Management Fee amount being charged and specify if it is \$ per unit/month, % of collected income, non-housing income, etc. or a combination of the two. **Note: You will need to specify in the Additional Notes what the income source the percentage is totaling.**
- Are you requesting a 2-tiered rent increase? If yes, complete that section on the Rent Table tab and list the new move-in rents.
- Have you submitted utility allowance backup documentation?

# Minnesota Housing Website



# Minnesota Housing Website



# Minnesota Housing Website

**m MINNESOTA HOUSING**  Partner Login

Home / Rental Housing / Property Managers

## Oversight and Support for Property Managers

Property managers can find forms and resources needed for compliance and reporting including

### Property Management

- [Relevant documents, forms and resources for Property Management](#)

### Inspections and Monitoring

- [Information on monitoring and inspections](#)

### Project Based Section 8 and 811 PRA Contracts

- [Details for Project Based Section 8 and 811 PRA Contracts](#)

### Reporting

- TRACS
- Audits
- Reporting Tools: Budgets & Operating Reports**
- Reporting Systems
- Insurance Claims

Menu

- [Upcoming Events](#)
- [Rent and Income Limits](#)
- [Requests For Action and Change Notifications](#)
- [Supportive Housing](#)
- [Fair Housing](#)
- [Tenant Selection Plan Guidelines](#)
- [HUDClips](#)
- [Violence Against Women Act \(VAWA\)](#)

# Budget and Reporting Tool or BudRep

## Budgets

- [Budget and Reporting Tool or BudRep \(.xlsm\)](#) Revised 8.30.2023 - *If using Firefox, you may be prompted to open the file or save the file. Please use "Save As" option to download these files, rather than "Open."*
- Guidance for Submitting a Successful Budget
  - [Section I - Creating the BudRep \(7:13\) Notes](#)
  - [Section II - Completing the Rent Table \(12:39\) Notes](#)
  - [Section III - Expenses and Submission Instructions \(9:11\) Notes](#)
- Submissions: Budget and Operating data must be submitted via Box.com. Before attempting to upload files to Minnesota Housing, management companies should check their Box.com account to ensure the specific development is currently included. Or, contact Asset Management staff to have the development added.

# Creating the BudRep: Instructions Worksheet

**Instructions**

8/30/2023

Copy data from a previous year Budget/Report to this one.

**Read me first**

The file you opened is an Excel template. Before you begin save it to your computer as a normal Excel workbook. On the File menu select Save As. Change the name of the file if you wish. In the "Save as type" box select "Microsoft Office Excel Macro Enabled Workbook (\*.xslm) and click "Save".

**Copying data from a previous Budget and Reporting Tool, also called the BudRep, file.**

You may use the button to the right to copy your data from a previous BudRep workbook to this one. Follow the prompt to locate the previous BudRep. After the transfer has been completed save this new BudRep with a new name.

**General Information**

1. These instructions assume you have experience working with spreadsheets. You will need to know how to set print areas, freeze rows and columns on the screen, and know how to enter data into the cells.
2. The spreadsheets are written to take advantage of the capabilities of the latest version of Excel. The version supported is Excel 2010.
3. A color convention has been chosen to help you know where to enter data.  
**Green** means the cell is unprotected and data should be entered.  
**Black** means the cell is protected and contains a formula that can not be changed.  
**Blue** means the cell contains a formula but is unprotected and may be overwritten.
4. The BUDREP worksheet is designed to work from left to right. Begin by completing the Rent Table and Rent Matrix tabs first, the Capital Expenditure Schedule next, and then complete the Budget tab columns from right to left.

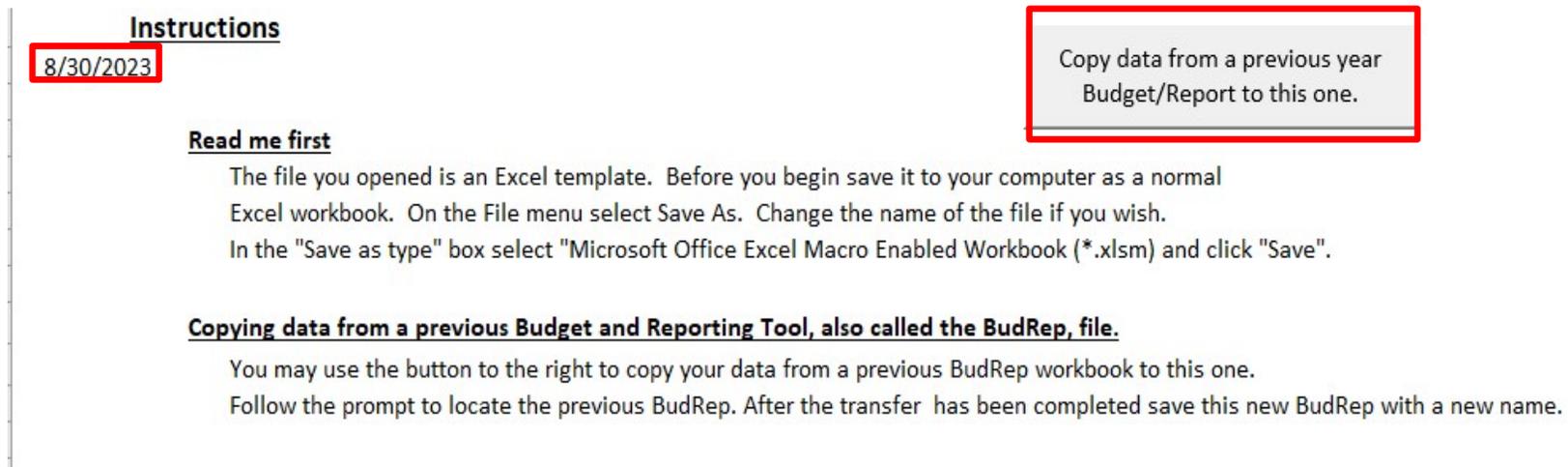
**5. DO NOT ADD OR REMOVE LINES OR COLUMNS FROM THE BUDGET TAB.**

6. An explanation of the lines is included with this workbook. Go to the "Explanations" tab for more detail on what should be included in each line of this report.

Instructions | Explanations | RentTable | RentMatrix | CapEx | Budget | Budget Notes | Actual | Actual Notes | 258 A | 258 B | 258 C | 258 D | OpSub

# Check your BudRep Version

- Be sure to use the BudRep dated 2023
- Follow steps to copy data from a previous BudRep file
- Submitting an old BudRep will require resubmission of budget



The screenshot shows a document titled "Instructions" with a date "8/30/2023" in a red box. A red-bordered box contains the text "Copy data from a previous year Budget/Report to this one." Below the title, there are sections for "Read me first" and "Copying data from a previous Budget and Reporting Tool, also called the BudRep, file." The "Read me first" section provides instructions on saving the Excel template. The "Copying data" section explains how to use a button to transfer data from a previous BudRep file.

**Instructions**

8/30/2023

**Copy data from a previous year Budget/Report to this one.**

**Read me first**

The file you opened is an Excel template. Before you begin save it to your computer as a normal Excel workbook. On the File menu select Save As. Change the name of the file if you wish. In the "Save as type" box select "Microsoft Office Excel Macro Enabled Workbook (\*.xlsm) and click "Save".

**Copying data from a previous Budget and Reporting Tool, also called the BudRep, file.**

You may use the button to the right to copy your data from a previous BudRep workbook to this one. Follow the prompt to locate the previous BudRep. After the transfer has been completed save this new BudRep with a new name.

# Does your Fiscal Year Begin in a Month Other Than January?

## **SPECIAL INSTRUCTION FOR ENTERING A NON-CALENDAR ACCOUNTING PERIOD**

Before you begin any entry, go to the ACTUAL spreadsheet near cell H-2. If you are using an accounting period that does not begin in January, click on the box labeled "Use NON-CALENDAR Accounting Year". In cell H-3, enter the number of the calendar month that is the first month of the accounting year. For example, October would be entered as "10"; April as "4"; etc. In cell I-4, enter the year of the first month in the accounting year.

If you use the NON-CALENDAR Accounting Year, you must use the manual GPR entry on the Rent Table. Note that the year appears on line 56 above the month. Enter the monthly GPR in the appropriate year and month.

The budget will be organized in calendar order. When you begin to enter actual data enter it in the correct calendar month. For example, if you are entering October actuals use the column labeled "Oct".

# Existing Developments – Change to New Budget Year

- Go to 'Budget' tab
- Click 'Create a BudRep for next year'

Sample Apartments		Budget City		Create a BUDREP for next year.		Proposed Budget	
Year:	2023	Actual (Most recent FORM 256)	Estimate (Remainder of year)	2022 Estimate	2023 Proposed Budget	\$ Change Est./Pro.	% Change Est./Pro.
Rent, sq.ft.:	17,650						
Rooms:	100.5						
Units:	20						
Last Year Economic Occupancy:				3.5%			
Current Year # of Vacant Units:					4.9%		
Current Economic Vacancy:							
8 - Commercial Vacancy	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
9 - Misc. Unrealized Income	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
10 - Employee Rent Credits	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
11 - Out of Service Units	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
12 - Rental Concession Adjustments	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
13 Total Rental Loss (Lines 6 -12)	\$3,212	\$4,249	\$7,461	\$10,894	\$3,433	\$46.0%	
14 Net Rental Income (Line 5 less 13)	\$140,278	\$67,519	\$207,797	\$210,038	\$2,241	1.1%	
15 - Bad Debt	\$25	\$336	\$361	\$825	\$464	128.5%	
16 Net Rental Collections (Line 14 less 15)	\$140,253	\$67,183	\$207,436	\$209,213	\$1,777	0.9%	
17 Tenant Fees	\$344	\$100	\$444	\$520	\$76	17.1%	
18 Other Income (specify in notes)	\$463	\$200	\$663	\$600	(\$63)	-9.5%	
19 Forfeited Security Deposits	\$720	\$246	\$966	\$800	(\$166)	-17.2%	
20 Interest Income (incl. escrows & reserves)	\$213	\$0	\$213	\$0	(\$213)	-100.0%	
21 Total Other Income (Lines 17 - 20)	\$1,740	\$546	\$2,286	\$1,920	(\$366)	-16.0%	
22 Total Revenue (Lines 17, 21)	\$141,993	\$67,729	\$209,722	\$211,133	\$1,411	0.7%	
23 Advertising and Marketing	\$1,931	\$738	\$2,669	\$2,900	\$231	8.7%	
24 Property Management Fee	\$9,161	\$4,073	\$13,234	\$12,681	(\$553)	-4.2%	
25 Professional Fees (specify in Notes)	\$7,597	\$0	\$7,597	\$7,975	\$378	5.0%	
26 Applicant Screening/Collection Exp.	\$458	\$146	\$602	\$627	\$25	4.2%	
27 Site Office Expense	\$1,508	\$780	\$2,288	\$2,415	\$127	5.6%	
28 On-Site Management Payroll	\$15,595	\$8,999	\$24,594	\$26,074	\$1,480	6.0%	
29 Other Administration	\$1,315	\$885	\$2,200	\$2,941	\$741	33.7%	
30 Total Administration (Lines 23 - 29)	\$37,563	\$15,621	\$53,184	\$55,613	\$2,429	4.6%	
31 Elevator Maint/Contract	\$0	\$0	\$0	\$0	\$0	0.0%	
32 Security	\$0	\$0	\$0	\$0	\$0	0.0%	
33 Rubbish Removal	\$5,048	\$2,236	\$7,284	\$8,200	\$916	12.6%	
34 Other Contract Services	\$661	\$349	\$1,010	\$1,045	\$35	3.5%	
35 Unique Operating Expenses (specify in notes)	\$0	\$0	\$0	\$0	\$0	0.0%	
36 Maintenance/Janitor Supplies	\$1,300	\$697	\$1,997	\$2,395	\$398	19.9%	
37 Grounds Maintenance	\$3,744	\$1,445	\$5,189	\$5,600	\$411	7.9%	
38 Snow Removal	\$2,472	\$1,000	\$3,472	\$4,120	\$648	18.7%	
39 Heat & A/C Repair Services	\$0	\$64	\$64	\$200	\$136	212.5%	
40 General Repair Services	\$4,730	\$936	\$5,666	\$7,350	\$1,684	29.7%	
41 Paint/Decorating Materials	\$3,060	\$1,564	\$4,624	\$5,050	\$426	9.2%	
42 Maintenance & Jan. Payroll	\$2,751	\$4,854	\$7,605	\$15,810	\$8,205	107.9%	
43 Other Maint. & Operatio	\$1,818	\$218	\$2,036	\$1,000	(\$1,036)	-50.9%	

# Existing Developments – Change to New Budget Year

- Change date to next calendar year
- Populates Columns C, D, and E in Budget tab

Sample Apartments 2023		Create a BUDREP for next year.			Proposed Budget		
Year:	2024	Actual Most recent FORM 256)	Estimate (Remainder of year)	2023 Estimate	2024 Proposed Budget	\$ Change Est./Pro.	% Change Est./Pro.
Rent sq ft.:	17,650						
Rooms:	100.5						
Units:	20						
Last Year Economic Occupancy:				2.6%			
Current Year # of Vacant Units:					0.0%		
Current Economic Vacancy:							
1	Apartment Rent Potential	\$127,092	\$90,780	\$217,872	\$217,872	\$0	0.0%
2	Parking/Garage Rent Potential	\$1,740	\$1,275	\$3,015	\$0	(\$3,015)	-100.0%
3	Commercial Rent Potential	\$0	\$0	\$0	\$0	\$0	0.0%
4	Miscellaneous Rent Potential	\$0	\$0	\$0	\$0	\$0	0.0%
5	Gross Potential Rent (Lines 1-4)	\$128,832	\$92,055	\$220,887	\$217,872	(\$3,015)	-1.4%
6	- Apartment Vacancy	\$1,169	\$4,539	\$5,708	\$0	(\$5,708)	-100.0%
7	- Parking/Garage Vacancy	\$0	\$75	\$75	\$0	(\$75)	-100.0%
8	- Commercial Vacancy	\$0	\$0	\$0	\$0	\$0	0.0%
9	- Misc. Unrealized Income	\$0	\$0	\$0	\$0	\$0	0.0%
10	- Employee Rent Credits	\$0	\$0	\$0	\$0	\$0	0.0%
11	- Out of Service Units	\$0	\$0	\$0	\$0	\$0	0.0%
12	- Rental Concession Adjustments	\$0	\$0	\$0	\$0	\$0	0.0%
13	Total Rental Loss (Lines 6 -12)	\$1,169	\$4,614	\$5,783	\$0	(\$5,783)	-100.0%
14	Net Rental Income (Line 5 less 13)	\$127,663	\$87,441	\$215,104	\$217,872	\$2,768	1.3%
15	- Bad Debt	\$2,142	\$0	\$2,142	\$0	(\$2,142)	-100.0%
16	Net Rental Collections (Line 14 less 15)	\$125,521	\$87,441	\$212,962	\$217,872	\$4,910	2.3%
17	Tenant Fees	\$226	\$217	\$443	\$0	(\$443)	-100.0%
18	Other Income (specify in notes)	\$0	\$250	\$250	\$0	(\$250)	-100.0%
19	Forfeited Security Deposits	\$340	\$333	\$673	\$0	(\$673)	-100.0%
20	Interest Income (incl. escrows & reserves)	\$2,072	\$0	\$2,072	\$0	(\$2,072)	-100.0%
21	Total Other Income (Lines 17 - 20)	\$2,638	\$800	\$3,438	\$0	(\$3,438)	-100.0%
22	Total Revenue (Lines 17, 21)	\$128,159	\$88,241	\$216,400	\$217,872	\$1,472	0.7%
23	Advertising and Marketing	\$1,552	\$1,208	\$2,760	\$0	(\$2,760)	-100.0%
24	Property Management Fee	\$7,999	\$5,246	\$13,245	\$0	(\$13,245)	-100.0%
25	Professional Fees (specify in Notes)	\$9,109	\$3,323	\$12,432	\$0	(\$12,432)	-100.0%
26	Applicant Screening/Collection Exp.	\$218	\$261	\$479	\$0	(\$479)	-100.0%
27	Site Office Expense	\$1,411	\$1,006	\$2,417	\$0	(\$2,417)	-100.0%
28	On-Site Management Payroll	\$14,060	\$10,884	\$24,924	\$0	(\$24,924)	-100.0%

# New Development – First Budget

	A	B	C	D	E	F	G	H	I	J	K
1		<b>Sample Apartments</b>						<input type="checkbox"/> Use NON-CALENDAR Accounting Year			
2		<b>D2023</b>		<b>Budget City</b>							
3		Year:	2024					First Month of Accounting Cycle:	1	January	
4		Rent. Sq. Ft.:	17,650					Year of First Month of Acc. Cycle:	2024		
5		Rooms:	101					Accounting Method:	Accrual		
6		Units:	20								
7			January	February	March	April	May	June	July	August	Sept

Instructions | Explanations | RentTable | RentMatrix | CapEx | Budget | Budget Notes | **Actual** | Actual Notes | 258 A | 258 B | 258 C | 258 D | OpSubsidy | YEP | +

If this is your first budget for a new development:

1. Go to the 'Actual' tab
2. Enter the first month of the accounting cycle
3. If 'NON-CALENDAR Accounting Year' – check box
4. Enter the year of the first month of accounting cycle

# For More Information

## Contact your assigned Asset Manager

**Asset Management Team** 

Asset managers are responsible for the physical, financial and operational oversight of our affordable multifamily rental housing. They work with property owners, property managers, service providers and other funding partners.

**Multifamily Portfolio Manager**

**Eric Thiewes**  
[eric.thiewes@state.mn.us](mailto:eric.thiewes@state.mn.us)  
651.296.6527

<a href="mailto:brenda.beyer@state.mn.us">brenda.beyer@state.mn.us</a> 651.297.5137	<a href="mailto:shelley.bork@state.mn.us">shelley.bork@state.mn.us</a> 651.284.0259	<a href="mailto:earl.erlendsson@state.mn.us">earl.erlendsson@state.mn.us</a> 651.296.0754
<a href="mailto:taisa.griffith@state.mn.us">taisa.griffith@state.mn.us</a> 651.296.9823	<a href="mailto:zahra.hassan@state.mn.us">zahra.hassan@state.mn.us</a> 651.296.7611	<a href="mailto:lenee.hoffman@state.mn.us">lenee.hoffman@state.mn.us</a> 651.296.7684
<a href="mailto:lori.limoges-green@state.mn.us">lori.limoges-green@state.mn.us</a> 651.297.4294	<a href="mailto:matt.obrien@state.mn.us">matt.obrien@state.mn.us</a> 651.297.3540	<a href="mailto:caryn.polito@state.mn.us">caryn.polito@state.mn.us</a> 651.297.3123
<a href="mailto:tina.rogney@state.mn.us">tina.rogney@state.mn.us</a> 651.296.9831	<a href="mailto:jennifer.wille@state.mn.us">jennifer.wille@state.mn.us</a> 651.296.9821	