

MINNESOTA HOUSING FINANCE AGENCY
OPERATING COSTS REPORT FOR F.Y. 2012 AND BUDGET PLAN FOR F.Y. 2013
SUBMITTED PURSUANT TO M.S. 462A.20, Subd. 4
DATED: FEBRUARY 15, 2013
(Dollars in Thousands)

<u>Operating Costs</u>	FY 2012		FY 2013			Under (Over) Budget	Estimated Yr over Yr Increase (Decrease) in Expendits			
	Budgeted Expendits	Actual Expendits	Budgeted Expendits	Actual Expendits through 12/31/2011	Estimated Expendits for the Full Year					
Salaries and Benefits (NOTE A)	18,881	17,978	19,699	8,916	19,045	654	1,067			
Rents and Utilities	1,229	1,263	1,221	604	1,210	11	(53)			
Repairs, Alterations, Maintenance	59	25	72	10	40	32	15			
Printing and Advertising	317	183	324	39	181	143	(2)			
Professional/Technical Services (NOTE B)	1,848	876	2,040	517	1,300	740	424			
Computer and Systems Services	937	1,135	1,120	457	1,120	0	(15)			
Communications	231	250	230	73	189	41	(61)			
Travel and Subsistence, Instate	199	154	190	80	173	17	19			
Travel and Subsistence, Out of State	160	96	176	54	142	34	46			
Supplies	350	256	363	56	259	104	3			
Equipment	341	586	287	63	250	37	(336)			
Employee Development	308	202	388	103	284	104	82			
Other Operating Costs	252	286	273	185	282	(9)	(4)			
State Indirect Cost Billings	158	158	159	0	159	0	1			
Attorney General Costs	<u>342</u>	<u>338</u>	<u>342</u>	<u>169</u>	<u>338</u>	<u>4</u>	<u>0</u>			
Total, Agency Operating Costs	25,612	23,786	26,884	11,326	24,972	1,912	1,186			
<u>Assistance Provided</u>		<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
Total Assistance Provided by the Agency (NOTE C)		533,983	637,314	717,616	744,983	669,756	444,237	717,375	726,979	638,307
Operating Costs as a % of Assistance Provided		3.78%	3.16%	2.96%	3.06%	3.58%	5.67%	3.41%	3.21%	3.73%

FOOTNOTES TO OPERATING COSTS REPORT FOR F.Y. 2012 AND BUDGET PLAN FOR F.Y. 2013

THE FOLLOWING COMPARISONS ARE BETWEEN THE ESTIMATED EXPENDITURES FOR FY 2013 AND THE ACTUAL EXPENDITURES FOR FY 2012. THE EXPENDITURE CATEGORIES NOTED ARE THOSE FOR WHICH THE YEAR-OVER-YEAR CHANGE EXCEEDS 0.5% OF THE CURRENT YEAR'S TOTAL BUDGET.

NOTE A, Salaries and Benefits. The increase in salaries is due directly to an increase in the number of FTEs.

NOTE B, Professional & Technical Services. The increase in the Professional and Technical account is due directly to the increase in the number of contractors hired for specific information technology initiatives which are necessary to support new ways in which Minnesota Housing must interface with its investors following the great recession and to meet increasing federal compliance requirements.

NOTE C, Assistance Provided. The assistance provided figures are from the Agency's annual Program Assessment Report that is submitted to the Legislature each year. The assistance figures are for a federal fiscal year ended September 30.