



Legislation Text

File #: 24-0890, **Version:** 1

Resolution to Approve the FY25 Ann Arbor Housing Commission Agency-Wide Operating Budget

The Housing Commission's fiscal year begins July 1st and ends June 30th of each year; and the Commission has prepared an initial Ann Arbor Housing Commission operating budget for FY25 (July 1, 2024 thru June 30, 2025).

The proposed budget document includes all of the HUD program cost centers for the AAHC on the left side of the budget spreadsheet (in light blue background). The budget also includes the AAHC's affiliated business entities on the right side of the budget sheet. The AAHDC (in darker blue background), Lurie Terrace, Siller Terrace and Colonial Oaks (with yellow background) are affiliated entities and they are reported on the AAHC's audit, but the tax credit properties called Maple Tower, River Run, West Arbor and Swift Lane (with green background) are audited separately as separate legal entities.

- The Ann Arbor Housing Development Corporation (AAHDC) is a separate legal entity from the AAHC and the AAHDC Board must adopt the AAHDC budget. HUD considers the AAHDC an affiliated business entity of the AAHC so it is included in the AAHC budget and audit even though it also must file a 990 as a separate 501c3.
- The AAHDC budget includes \$6.9 million of Affordable Housing Millage, \$1.2 million of County Mental Health Millage, \$885,000 of Marijuana Rebate funding as well as miscellaneous grant funding from HUD, MSHDA and the DDA.
- The Ann Arbor Affordable Housing Corporation, DBA Lurie Terrace, is a separate legal entity from the AAHC and the AAHC Board must adopt the AAHC budget. HUD considers the AAHC an affiliated business entity of the AAHC so it is included in the AAHC budget and audit even though it also must file a 990 as a separate 501c3.
- The federal government has adopted the federal FY24 budget, which covers July to Dec 2024 of the AAHC's budget. This budget reflects the budget information provided by HUD.
- The Board already approved the tax credit properties Maple Tower, River Run, West Arbor and Swift Lane budgets at a separate board meeting because their fiscal year differs from AAHC's and is January to December.
- The cash-flow from the tax credit properties are restricted. Most of the cash-flow will go to the AAHDC, however, not until after the audit is complete for these properties. The cash-flow will be distributed as agreed to in the development agreement with the equity investor.

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Approved by: Jennifer Hall, Executive Director, Ann Arbor Housing Commission

WHEREAS, the Housing Commission's fiscal year begins July 1st and ends June 30th of each year; and

WHEREAS, the Commission has prepared an initial agency wide operating budget for FY25 (July 1, 2024 thru June 30, 2025); and

WHEREAS, the Commission staff is presenting this budget to the Board of Commissioners for its review prior to the start of FY25; and

WHEREAS, the Commission staff has prepared such budget by estimating revenues and expenses based on current year-to-date actual financial data for the previous 12 months and historical financial data; and

WHEREAS, the Commission staff will be preparing monthly agency wide financial reports for the Board comparing year-to-date actuals to budget and also intends to revise the budget as needed; and

NOW THEREFORE BE IT RESOLVED, that the Ann Arbor Housing Commission Board approve the Ann Arbor Housing Commission's Agency Wide FY25 operating budget as attached hereto.