Ann Arbor Housing Commission

Financial Statement Highlights
For the Period Ending May 31, 2020

Below is a summary of the financial activity for AAHC for the evelen months of FY20 ending May 31, 2020.

CONSOLIDATED RESULTS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	18,427,759	14,568,576	3,859,183
Total Expenses	18,116,937	14,566,923	(3,550,014)
Total Net Income	310,822	1,653	309,169

Notable Variances:

- Revenue overall is higher than budgeted in several areas:
  - **Central Office** - due to additional City support for mental health and non-profit support services. Also, capital grant funding that is being passed through to River Run and Maple Tower for much needed building improvements at Baker Commons and Miller Manor as well as unbudgeted revenue related to a City-owned property affordable housing study/analysis and additional funding from the DDA for Community Engagement. Lastly, we also received additional revenue from the City related to COVID-19 for eviction prevention.
  - **Section 8 Voucher Program** - due to higher HAP and Admin Fee funding from HUD as a result of special vouchers awarded late last year/early this year and additional shortfall funding received.
- Total **Administrative Expenses** are higher than budgeted. This is mainly due to consultant expenses in Central Office which are related to the City-owned property affordable housing study and are off-set by the additional unbudgeted revenue mentioned above.
- **Tenant Services Expenses** are below budget which is due to timing differences between receiving revenue from the City and getting billed for services by nonprofits
- Total **Housing Assistance Payments** are higher than budgeted for **Section 8.** As indicated in the revenue section, for the **Section 8** program, the higher HAP expenses are in part due to the additional new FUP and NED vouchers that were recently awarded, but also because of increased subsidy levels as a result of higher rents in the community.
- Total **Non-Operating Items** include transfers to the Swift Lane project as well as transfers to the River Run and Maple Tower properties for the funding of their major building improvements mentioned above.

Net Operating Income

* The **net gain overall** is higher than budgeted and is mainly from COCC where the gain is mainly attributable to the timing differences between revenue and tenant services expenses which is expected to come largely in line by fiscal year end. The gain is reduced by the loss in the Section 8 program and is related to HAP revenue received which fell short of the HAP amounts paid to landlords through May.