

Ann Arbor Housing Commission

Financial Statement Highlights
For the Period Ending July 31, 2020

Below is a summary of the financial activity for AAHC for the first month of FY21 ending July 31, 2020.

CONSOLIDATED RESULTS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	1,753,268	1,631,611	121,657
Total Expenses	1,606,428	1,635,174	28,746
Total Net Income	146,840	(3,563)	150,403

Notable Variances:

- Revenue overall is higher than budgeted which is mainly the result of higher HAP and Admin Fee funding received from HUD in the **Section 8** program. The higher Admin Fee funding includes revenue received as part of the CARES Act in response to the COVID-19 pandemic.
- Total **Administrative Expenses** are lower than budgeted. This is mostly due to lower than budgeted administrative salaries. At this time, the City is not paying into the pension fund and has reduced VEBA contributions as part of cost containment measures related to COVID-19 resulting in lower expenses.
- **Tenant Services Expenses** are below budget mainly due to timing differences between actual and budget.
- **Maintenance Expenses** are in line with budget.
- **General Expenses** are higher than budgeted due to expenditures related to COVID-19. These expenses are off-set by CARES Act revenue received from HUD.
- **Housing Assistance Payments** are higher than budgeted for **Section 8**. This is in part due to the lease-up of new special purpose vouchers. Additionally, we have been experiencing increased subsidy levels that are attributable to the reduction of tenant income due to the COVID-19 pandemic as well as higher rents in the community.

Net Operating Income

- * The **net operating gain** is mainly due to the increased revenue for both HAP and Admin Fee revenue in the **Section 8** program, but also due to lower overall expenses due to timing differences in **Central Office**.