Ann Arbor Housing Commission

Financial Statement Highlights
For the Period Ending December 31, 2025

Below is a summary of the financial activity for AAHC for the first half of the 2026 fiscal year ending December 31, 2025.

CONSOLIDATED RESULTS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	16,346,110	15,555,320	790,790
Total Expenses	16,384,648	15,598,059	(786,589)
Total Net Income	(38,538)	(42,739)	4,201

Notable Variances:

- Combined **revenue** overall is in line with budget.
- Total **Administrative Expenses** are slightly lower than budget which is largely due to lower than budgeted administrative salary expenses which is mainly due to vacant positions in both the Central Office. Other variances in this expense category are related to timing differences which
are expected to come in line over the next few months.
- **Tenant Services Expenses** are below budget as a result of timing differences.
- **Maintenance Expenses** are higher than budget due costs in the Garden project not having been budgeted as we expected for the property to be transferred out of public housing to Colonial Oaks, which has been approved by HUD but the process has not been completed as of yet.
- **General Expenses** are in line with budget.
- **Housing Assistance Payments** are higher than budget for **Section 8** mainly due to higher lease-up in specialty voucher programs as well as increasing unit rents in the community which are driving the amounts of subsidies paid to landlords up.

Net Operating Income

* The **net operating loss** is due to **Section 8 programs** (specifically for the MTW and HCV programs) for which HAP revenues received from HUD have been below HAP expense levels for this fiscal year despite an additional disbursement for HAP revenue in December. The loss is mitigated by a gain in the **Central Office Cost Center** which is the result of slightly higher revenues combined with lower than budgeted expenses, specifically in administrative salaries as mentioned above.