

## Ann Arbor Housing Commission

### Financial Statement Highlights For the Period Ending November 30, 2018

Below is a summary of the financial activity for AAHC for the first five months of FY19, ending November 30, 2018.

<b>CONSOLIDATED RESULTS</b>	<b><u>YTD Actual</u></b>	<b><u>YTD Budget</u></b>	<b><u>YTD Variance</u></b>
<b>Total Revenue</b>	6,573,644	6,273,010	300,634
<b>Total Expenses</b>	6,725,641	6,277,819	(447,822)
<b>Total Net Income</b>	<u>(151,997)</u>	<u>(4,809)</u>	<u>(147,188)</u>

#### Notable Variances:

- Revenue overall is higher than budgeted which is mainly the result of increased **Voucher Program** rent subsidies. In addition the **Continuum of Care** program includes partial grants now administered by other non-profits. **Both of these programs are** largely pass-through funding which means the expenses for these programs are also higher than budgeted because they are primarily rent payments to landlords.
- Total **Administrative Expenses** are higher than budget due to several factors including higher than budgeted staff training, overtime, consultant, legal and office supplies expenses.
- **Tenant Services Expenses** are below budget which is related to the **Continuum of Care** program for pass-through payments to non-profit providers. The rent subsidies are paid in advance and the support services are paid retroactively.
- **Utilities, Total Maintenance and Total General Expenses** are over budget because the budget assumed that the remaining public housing portfolio (**West and East AMP**) would have been converted under RAD to Swift Lane and were, therefore, not included in the AAHC budget. Conversion will be in Jan 2019.
- Total **Housing Assistance Payments** are higher than budgeted for **Section 8** as well as **Continuum of Care** and are off-set by higher than budgeted revenue in related to this category.

#### Net Operating Income

- \* **Net loss overall** is higher than budgeted and is primarily from **Section 8** as well as **Public Housing**. As mentioned above, public housing was not included in this budget because it was assumed to have been converted. The loss reflected for **Section 8** is related to the administrative portion of the program and is due to lower administrative fee payments received from HUD.