

Ann Arbor Housing Commission

Financial Statement Highlights For the Period Ending April 30, 2023

Below is a summary of the financial activity for AAHC for the ten months of FY23 ending April 30, 2023.

CONSOLIDATED RESULTS	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	20,833,964	18,817,602	2,016,362
Total Expenses	20,971,740	18,822,425	(2,149,315)
Total Net Income	<u>(137,776)</u>	<u>(4,823)</u>	<u>(132,953)</u>

Notable Variances:

- **Revenue** overall is higher than budgeted which is mainly the result of higher lease-up in the voucher program, which increases both the HAP and Admin Fee revenue in the **Section 8** programs.
- Total **Administrative Expenses** are in line with budget.
- **Tenant Services Expenses** are on budget.
- **Maintenance Expenses** are over budget due to unbudgeted expenses related to lawn care, purchase of AED units as well as radon mitigation expenses at the Garden Circle property.
- **General Expenses** represent insurance costs which are over budget due to a significant premium increase for CY22 & 23.
- **Housing Assistance Payments** are higher than budget for **Section 8** due to increased lease-up.

Net Operating Income

- * The **net operating loss** is due to higher-than-budgeted HAP and Admin expenses than related revenue in the **Section 8 programs** for which timing is a significant factor, and we expect this to come in line within the remaining few months of the fiscal year.