

AAHC - Business Activities

**Financial Statement Highlights
For the Period Ending August 31, 2023**

Below is a summary of the financial activity for AAHC's Business Affiliates for the second month of FY24 ending August 31, 2023.

AAHDC	YTD Actual	YTD Budget	YTD Variance
Total Revenue	1,119,724	1,373,022	(253,298)
Total Expenses	1,036,465	1,390,020	353,555
Total Net Income	83,259	(16,998)	100,257

AAHDC - Total Cash & Investments: \$ **10,970,280** increase is due to payment of FY24 millage funding from City of Ann Arbor
AAHDC - Unrestricted Cash: \$ **1,555,606** \$100,000 of which has been committed for the park purchase and development on Dexter (next to the West Arbor development).

Please note: The funding and funding methodology for AAHDC has changed from the adoption of the FY24 operating budget for AAHDC as we have received additional funding (Marijuana Excise Tax, additional grants). Due to these changes, we have had to change and update the accounting treatment and process for FY24 making the actual to budget comparison difficult. The proposed budget revision is included on the October 2023 Board meeting agenda for consideration and approval.

COLONIAL OAKS	YTD Actual	YTD Budget	YTD Variance
Total Revenue	111,429	121,264	(9,835)
Total Expenses	114,165	120,111	5,946
Total Net Income	(2,736)	1,153	(3,889)

Operating Cash Balance: \$11,968
Replacement Reserve Balance: \$66,988
Operating Reserve Balance: \$31,224
Anticipated Insurance Renewal Amt CY2024: \$33,823

Revenue:

- The revenue for the property is in line with budget. Occupancy for the property is stable.

Expenses:

- Total **Administrative Expenses** are below budget which is attributable to the FY23 payroll accrual.
- Utility Expenses** are below budget due to the seasonality of these expenses.
- Maintenance Expenses** are slightly over budget mainly due to power washing expense as well as unbudgeted tree removal expenses.
- General Expenses** are in line with budget.

LURIE TERRACE	YTD Actual	YTD Budget	YTD Variance
Total Revenue	233,175	306,870	(73,695)
Total Expenses	224,225	282,342	58,117
Total Net Income	8,950	24,528	(15,578)
Total NOI	49,438		

YTD Debt Service Coverage Ratio (>1.15): 1.61
Replacement Reserve Balance: \$794,660
Insurance Escrow Balance: \$41,891
Regions MIP Reserve: \$5,153
Residual Receipts Reserve: \$51,670

Revenue:

- The Revenue for the property is below budget. This is mainly due to timing differences in the spending and recognition of budgeted Rabhi grant funds that will come back into line in future months. The occupancy for the property is stable.

Expenses:

- Total **Administrative Expenses** are in line with budget.
- Tenant Services Expenses** are over budget due to unbudgeted support service provider expenses provided by Huron Valley PACE which are off-set in the revenue section in the Grant Revenue line item.
- Utility Expenses** are lower than budget mainly due to the seasonal nature of these expenses.
- Maintenance Expenses** are higher than budget mainly due to unbudgeted expenses related to tree trimming and tree removal. This was partially related to severe storms we experienced through the summer.
- General Expenses** are below budget due to timing differences.
- Financing Expenses** are below budget due to the FY23 mortgage interest accrual.
- Non Operating Expenses** represent depreciation and are slightly higher than budget.