

Ann Arbor Housing Commission

Financial Statement Highlights For the Period Ending August 31, 2023

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

CONSOLIDATED RESULTS	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	4,853,631	3,874,456	979,175
Total Expenses	4,447,535	3,876,752	(570,783)
Total Net Income	<u>406,096</u>	<u>(2,296)</u>	<u>408,392</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 below budget which is mainly the result of the FY23 payroll accruals.
- **Tenant Services Expenses** are related to the Section 8 programs. They are below budget due to timing differences.
- **Maintenance Expenses** are below budget, mainly for the Garden property. This is due to timing differences.
- **General Expenses** represent mainly insurance costs which are slightly higher than budget.
- **Housing Assistance Payments** are higher than budget for **Section 8** due to increased lease-up.

Net Operating Income

- * The **net operating gain** is due to higher-than-budgeted HAP and Admin funding by HUD than related expenses in the **Section 8 programs** for which timing is a significant factor. We expect this to come back into line in future months.