

Ann Arbor Housing Commission

Financial Statement Highlights
For the Period Ending August 31, 2025

Below is a summary of the financial activity for AAHC for the second month of the 2026 fiscal year ending August 31, 2025.

CONSOLIDATED RESULTS	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>YTD Variance</u>
Total Revenue	5,172,595	5,185,440	(12,845)
Total Expenses	5,306,605	5,193,925	(112,680)
Total Net Income	<u>(134,011)</u>	<u>(8,485)</u>	<u>(125,526)</u>

Notable Variances:

- **Revenue** overall is in line with budget.
- Total **Administrative Expenses** are lower than budget which is largely due to only one payroll being included in July expenses due to FY25 year-end accruals. 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 that are expected to come in line with budget.
- **Maintenance Expenses** are below budget as a result of timing differences that are expected to come in line with budget over the next few months.
- **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 were below HAP expense levels.