MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
May 2025

Profit and Loss Statement

Net operating income for May was $31,626, $10,761 favorable to budget.

- Total income for May was $255,195, $4,168 unfavorable to budget.
- Total expenses for May were $223,568, $14,928 under budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $17,217 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net maintenance and repairs of $3,459 due to higher heating expense, higher maintenance supplies expense, and higher suite owner expense.
    - Lower net contracted services by $2,430 due to budgeted amount of security/fire safety testing recorded in May in the amount of $7,560 to be scheduled in June and higher elevator expenses due to additional work performed by Schindler.
    - Higher net administrative expenses by $5,096 due to higher legal expense and higher taxes due to property tax increase.

Net operating loss for May year-to-date was $77,620, $15,019 favorable to budget.

- Total income was $1,281,755, $5,878 unfavorable to budget.
- Total expenses were $1,359,375, $20,897 under budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $36,165 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $21,761 due to higher natural gas costs with more usage of the boilers and higher than budgeted sewer expense due to an adjustment from estimate to actual.
    - Lower net major repairs by $4,540 due to lower plumbing and heating expenses.
    - Higher net contracted services by $2,458 due to additional elevator services performed by Schindler which is offset by security/fire testing that has not been scheduled.
    - Higher net administrative expenses by $10,516 due to higher legal expenses.

Capital Expense and Capital Reserve Spending

Budgeted capital expense related to income is $200,000 and is collected monthly from owners. Budgeted capital reserve related income is $712,500 and is also collected monthly from owners.

In May $8,877 was spent on capital expenses and $13,925 was spent on capital reserve. Year-to-date, $23,684 was spent on annual capital and $154,571 was spent on capital reserve.

For more details on categories of expense/spending, see page 9 of the financial packet.

Balance Sheet and Liquidity

Our ability to fund operations, capital expenses and reserve expenses are a function of cash on hand, Accounts Receivable (A/R) from Owners and additional income to be assessed to Owners for the remainder of the year.

At the end of May, cash was $501,903, of which $35,837 was operational cash, $60,411 annual capital cash, $286,488 was capital reserve cash and the remainder was loan escrow. Operating cash flow will be rectified when we ultimately collect on A/R balances.

At the end of May, net accounts receivable was $72,012, of which $40,000 is the allowance for credit losses which was established at the end of the year to be conservative in allowing for our possible shortfalls in recovering all of our A/R, primarily driven by two units. Accounts receivable from owners was $108,524. Details on the aging of our accounts receivable can be found on page 10 of the financial packet. Of this net total, one delinquency accounts for more than half of the total. The amount from the other unit, which we are currently in litigation with, reflects amounts billed back in legal and enforcement assessments through the date of the lawsuit. Legal and enforcement expenses incurred since the lawsuit are being tracked but are not reflected in our accounting statements and not billed back pending the outcome of the lawsuit. We continue to be in active legal pursuit of both accounts.

Moreland Courts Condominium Association
Balance Sheet
As of May 31, 2025

	Amount as of 5/31/2025	Amount as of 12/31/2024	$ Change
ASSETS			
Cash			
1007 Capital Reserve	286,488	332,860	(46,372)
1013 NCB Loan Escrow Account	119,168	104,268	14,900
1015 Operating	35,437	47,229	(11,791)
1018 Annual Capital	60,411	809	59,602
1040 Petty Cash	400	400	-
Total Cash	501,903	485,566	16,338
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	108,524	98,404	10,120
1200 Total Accounts Receivable	112,012	101,892	10,120
1250 Allowance for Credit Losses	(40,000)	(40,000)	-
Total Accounts Receivable	72,012	61,892	10,120
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	15,289	11,236	4,053
1320 Prepaid Elevator Inspections	4,753	18,595	(13,841)
1325 Prepaid Maintenance Contract	6,458	2,802	3,657
1330 Prepaid Hospitalization	6,954	-	6,954
1340 Prepaid Insurance	21,520	41,812	(20,292)
1350 Prepaid Legal Fees	500	1,125	(625)
1360 Prepaid Taxes	2,363	-	2,363
1370 Prepaid Workers Comp	-	315	(315)
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	60,978	79,024	(18,046)
Total Other Current Asset	60,978	79,024	(18,046)
Fixed Asset			
1700 Furniture & Fixtures	34,890	41,375	(6,484)
1750 A/D - Furniture & Fixtures	(34,890)	(34,890)	-
1775 Machinery & Equipment	86,349	79,865	6,484
1776 A/D - Machinery & Equipment	(68,437)	(65,918)	(2,519)
1800 Automobile & Trucks	32,058	32,058	-
1850 A/D - Automobile & Trucks	(32,058)	(32,058)	-
1860 4X2 Cub Cadet	21,384	21,384	-
1865 A/D - 4X2 Cub Cadet	(21,384)	(21,384)	-
Total Fixed Asset	17,912	20,431	(2,519)
Other Asset			
1215 Note Receivable - Guest Suite	35,481	35,481	-
1600 Deposit Workers Compensation	0	0	-
1650 UPS Deposit	180	180	-
1900 Accrued Interest	392,831	392,831	-
Total Other Asset	428,492	428,492	-
TOTAL ASSETS	**1,081,296**	**1,075,403**	**5,893**

Moreland Courts Condominium Association
Balance Sheet
As of May 31, 2025

	Amount as of 5/31/2025	Amount as of 12/31/2024	$ Change
LIABILITIES & EQUITY			
Liabilities			
Accounts Payable			
2000 A/P - Operational	38,553	33,245	5,307
2020 A/P - Annual Capital	(10,235)	(10,188)	(48)
2030 A/P - Capital Reserve	(13,918)	4,443	(18,361)
Total Accounts Payable	14,400	27,500	(13,101)
Other Current Liability			
2100 Security Deposits	4,378	3,878	500
2300 Accrued Misc Expense	7,500	-	7,500
2320 Accrued Payroll	50,973	50,973	-
2400 Christmas Fund Payable	7,098	8,643	(1,545)
2410 Centennial Celebration	165	165	-
2415 Centennial History Project Fund Payable	1,341	1,296	45
2405 Centennial Tree Donation	70	970	(900)
Total Other Current Liability	71,525	65,925	5,600
Long Term Liability			
2485 NCB Elevator Rehab Loan	1,260,586	1,388,840	(128,255)
2500 NCB Loan Payable 60 Month	392,765	392,765	-
2700 Due To/From Moreland TCP-MstrPL	44,780	28,853	15,927
Total Long Term Liability	1,698,130	1,810,458	(112,328)
Total Liabilities	1,784,055	1,903,883	(119,828)
Equity			
3200 Owners Equity	(828,480)	(1,246,850)	418,370
3900 Net Income	125,721	418,370	(292,649)
Total Equity	(702,759)	(828,480)	125,721
TOTAL LIABILITIES & EQUITY	**1,081,296**	**1,075,403**	**5,893**

Moreland Courts Condominium Association, Inc.
Statement of Equity
As of May 31, 2025

	Operational	Guest Suite	Annual Capital	Reserve Fund	Total
Balance January 1, 2025	685,484	3,301	(15,874)	(1,501,391)	(828,480)
Income	1,274,773	6,500	83,333	296,876	1,661,482
Interest	482			1,387	1,870
Operational Expenditures	1,352,309	7,066			(1,359,375)
Capital Expenditures			23,684		(23,684)
Reserve Fund Expenditures				154,571	(154,571)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	608,430	2,736	43,775	(1,357,700)	(702,759)

	Operational	Guest Suite	Annual Capital	Reserve Fund	Total
Balance January 1, 2025	685,484	3,301	(15,874)	(1,501,391)	(828,480)
Net Change	(77,054)	(566)	59,649	143,691	125,721
Current Balance	608,430	2,736	43,775	(1,357,700)	(702,759)

Moreland Courts Condominium Association, Inc.
Statement of Cash Flows
May 1 through May 31, 2025

	Operational	Loan Escrow	Annual Capital	Reserve Fund	Total
Cash Flows From Operations:					
Net Income	(77,536)				(77,536)
Guest Suite Net Income	(566)				(566)
Capital Assessment			83,333	296,876	380,209
Interest Income	35	447		1,387	1,870
Add:					0
Depreciation	2,519				2,519
Due to/from funds	44,923	14,452		(59,375)	0
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	(10,120)				(10,120)
Prepaid Expenses	18,046				18,046
Assets - Equipment and Real Property					0
Other assets					0
Accounts Receivable - 2003 Spec Assess					0
Elevator Mod Loan Funding					0
					0
Liabilities - increase/(decrease):					0
Accounts Payable - Operational	5,307				5,307
Accounts Payable - Capital			(48)		(48)
Accounts Payable - Reserve				(18,361)	(18,361)
Accrued Payroll & Related Taxes	0				0
Security Deposits	500				500
Accrued Water & Sewer					0
Christmas Fund Payable	(1,545)				(1,545)
Accrued Natural Gas					0
Accrued Other Expenses	6,645				6,645
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan				(112,328)	(112,328)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	(11,791)	14,899	83,286	108,200	194,594
Capital expenditures			(23,684)	(154,571)	(178,256)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	(11,791)	14,899	59,602	(46,372)	16,338
Balance January 1, 2025	47,629	104,268	809	332,860	485,566
Balance May 31, 2025	35,837	119,167	60,411	286,488	501,903
bal sheet	35,837	119,168	60,411	286,488	501,903

Moreland Courts Condominium Association
Profit & Loss Budget Performance
May 2025

	May 2025	Budget	(Under)/Over Budget	Jan-May 2025	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	196,080	196,080	-	980,398	980,398	-	2,352,956
4100 Parking Lot Rental Fees	1,900	1,900	-	9,500	9,500	-	22,800
4150 Natural Gas Surcharge	20,271	20,271	(0)	101,354	101,354	(0)	243,250
4175 Insurance Surcharge	15,713	15,713	0	78,565	78,565	0	188,556
4200 Garage Parking Fees	15,090	15,640	(550)	75,970	78,200	(2,230)	187,680
4300 Late Fees	300	333	(33)	1,200	1,667	(467)	4,000
4400 Common Area Rental Fees	217	217	-	1,085	1,085	-	2,604
4500 Patio Fees	2,396	2,396	0	11,979	11,979	0	28,750
4600 In Suite Repair Income	929	3,000	(2,071)	7,787	5,822	1,965	17,055
4700 Garage Services	240	1,000	(760)	1,120	5,000	(3,880)	12,000
4800 Total Miscellaneous Income	1,338	1,250	88	5,814	6,250	(436)	15,000
4000 Total INCOME ACCOUNTS	**254,473**	**257,800**	**(3,326)**	**1,274,773**	**1,279,820**	**(5,048)**	**3,074,651**
4988 Loan Escrow Interest Income	96	-	96	447	-	447	
5005 Returned Check Charges	-	-	-	35	-	35	
	254,570	**257,800**	**(3,230)**	**1,275,255**	**1,279,820**	**(4,565)**	3,074,651
9550 Guest Suite							
9550 Other Guest Suite	625	1,563	(938)	6,500	7,813	(1,313)	18,750
9550 Total Guest Suite	**625**	**1,563**	**(938)**	**6,500**	**7,813**	**(1,313)**	18,750
TOTAL INCOME	**255,195**	**259,362**	**(4,168)**	**1,281,755**	**1,287,633**	**(5,878)**	**3,093,401**

	May 2025	Budget	Under/(Over) Budget	Jan-May 2025	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	-	2,500	2,500	-	12,500	12,500	30,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	11,114	13,554	2,440	66,867	74,548	7,681	176,204
5040 WAGES:SwitchBoard (3)	5,065	4,434	(631)	29,440	24,388	(5,052)	57,644
5100 WAGES:Garage/Valet Wages (6)	12,414	14,500	2,086	69,463	79,751	10,288	188,501
5320 WAGES:Management Staff	26,063	27,574	1,512	142,642	151,659	9,017	358,467
5440 WAGES:Security Wages	22,503	24,302	1,799	137,982	133,664	(4,319)	315,932
5480 WAGES:Maintenance Wages (5)	18,037	16,347	(1,691)	96,491	94,156	(2,335)	219,005
5000 Total WAGES	**95,197**	**100,712**	**5,515**	**542,886**	**558,166**	**15,280**	**1,315,755**
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	10,419	20,036	9,617	80,697	100,180	19,483	240,431
5600 Total Payroll Taxes	7,393	8,460	1,067	45,589	46,886	1,298	110,523
5700 EMPLOYEE BENEFITS:Workers Compensation	-	1,167	1,167	3,568	5,833	2,266	14,000
5900 EMPLOYEE BENEFITS:Uniforms	483	333	(149)	3,828	1,667	(2,161)	4,000
5500 Total EMPLOYEE BENEFITS	**18,294**	**29,996**	**11,701**	**133,681**	**154,566**	**20,885**	**368,954**
6000 UTILITIES							
6020 Electricity-Common Area	4,769	4,672	(97)	24,425	24,820	395	58,401
6120 Natural Gas-Heating	7,921	5,300	(2,621)	158,317	143,725	(14,592)	206,750
6140 Natural Gas-Hot Water & Dryers	2,686	3,042	355	16,700	15,208	(1,492)	36,500
6200 Water	4,178	4,917	739	26,060	24,583	(1,476)	59,000
6300 Sewer	8,518	9,802	1,284	53,605	49,008	(4,597)	117,620
6000 Total UTILITIES	**28,072**	**27,732**	**(340)**	**279,107**	**257,345**	**(21,761)**	**478,271**

	May 2025	Budget	Under/(Over) Budget	Jan-May 2025	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	254	333	80	649	1,667	1,018	4,000.00
6540 Plumbing Maint & Repairs	1,286	2,500	1,214	11,431	12,500	1,069	30,000.00
6580 Boiler Maint & Repairs (Heating	2,782	500	(2,282)	20,141	23,500	3,359	35,000.00
6590 Garage Supplies (Car Wash)	-	71	71	212	354	143	850.00
6600 Housekeeping Supplies	1,286	667	(619)	3,769	3,333	(436)	8,000.00
6605 Keys & Locks	-	92	92	3,429	458	(2,971)	1,100.00
6610 De-Icing Agent	-	-	-	2,770	2,000	(770)	4,000.02
6620 Vehicle and Fuel	60	333	273	1,475	1,667	192	4,000.00
6640 Total Maint, Supplies, Cleaning	3,532	1,667	(1,866)	13,062	8,333	(4,729)	20,000.00
6680 Interior Paint Supplies	-	433	433	766	2,167	1,401	5,200.00
6700 Misc. Contractor Repairs	-	358	358	-	1,792	1,792	4,300.00
6740 Suite Owner Repairs	3,348	583	(2,764)	8,747	2,917	(5,830)	7,000.00
6800 Carpet Cleaning/Repairs	-	-	-	-	3,750	3,750	7,500.00
6820 Misc. Equipment and Repair	-	542	542	-	2,708	2,708	6,500.00
6830 Dryers	-	133	133	-	667	667	1,600.00
6900 Tools/Equipment	-	875	875	4,057	4,375	318	10,500.00
6500 Total MAINT & REPAIRS	**12,547**	**9,087**	**(3,459)**	**70,507**	**72,188**	**1,680**	**149,550**
6950 Major Repairs	**-**	**1,500**	**1,500**	**8,960**	**13,500**	**4,540**	25,000.00
7000 CONTRACTED SERVICES							
7100 Landscaping	8,375	7,673	(701)	40,046	38,367	(1,679)	92,081.00
7110 Landscaping - Addt'l	1,167	-	(1,167)	2,724	-	(2,724)	0.00
7120 Landscaping - Irrigation	1,788	2,000	212	1,788	2,500	712	9,000.00
7130 Landscaping - Fertilization	-	292	292	311	1,458	1,148	3,500.00
7200 Security/Fire Safety	-	7,560	7,560	1,084	9,460	8,376	12,560.00
7300 Exterminating	-	292	292	1,106	1,458	352	3,500.00
7400 Waste Removal & Recycling	1,876	1,825	(51)	10,057	10,425	368	24,500.00
7410 Waste Removal - Additional	1,250	-	(1,250)	1,250	-	(1,250)	
7500 Cable TV/Internet	10,863	10,625	(238)	54,318	53,125	(1,193)	127,500.00
7600 Elevator	7,379	7,917	538	35,978	39,583	3,606	95,000.00
7610 Elevator - Additional	3,439	-	(3,439)	10,670	-	(10,670)	0.00
7800 Window Cleaning	1,650	1,950	300	1,870	1,950	80	3,900.00
7850 Boiler Maintenance	700	783	83	3,500	3,917	417	9,400.00
7000 Total CONTRACTED SERVICES	**38,487**	**40,917**	**2,430**	**164,702**	**162,244**	**(2,458)**	**380,941**

	May 2025	Budget	Under/(Over) Budget	Jan-May 2025	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	-	-	-	-	-	-	10,000.00
8120 ADMIN EXPENSES:Computer Services	1,128	1,208	80	6,528	6,042	(486)	14,500.00
8140 ADMIN EXPENSES: Legal Expense	2,401	708	(1,693)	16,272	3,542	(12,730)	8,500.00
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,500	15,000	500	15,000.00
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	-	313	313	750.00
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	609	646	37	3,046	3,229	184	7,750.00
8200 ADMIN EXPENSES:Telephone Expense	2,458	1,518	(940)	8,058	7,590	(469)	18,215.00
8250 ADMIN EXPENSES:Permits	-	-	-	-	3,500	3,500	6,300.00
8300 Total ADMIN EXPENSES:Insurance	15,933	15,713	(220)	79,664	78,565	(1,099)	188,556.00
8400 ADMIN EXPENSES:Other Taxes	1,367	-	(1,367)	1,367	1,000	(367)	1,000.00
8440 ADMIN EXPENSES:Payroll Charges	2,136	1,379	(758)	8,470	6,894	(1,576)	16,545.00
8450 ADMIN EXPENSES:Marketing Expense	-	42	42	-	208	208	500.00
8460 ADMIN EXPENSES:Office Admin & Supplies	2,312	2,125	(187)	8,208	10,625	2,417	25,500.00
8461 ADMIN EXPENSES:Bank Service Charge	149	167	17	515	833	319	2,000.00
8470 Total ADMIN EXPENSES:Postage & Shipping	589	533	(56)	3,320	2,667	(653)	6,400.00
8480 ADMIN EXPENSES:Depreciation Expense	504	389	(115)	2,519	1,943	(576)	4,664.00
8000 Total ADMIN EXPENSES	**29,586**	**24,490**	**(5,096)**	**152,466**	**141,950**	**(10,516)**	**326,180**
9560 Guest Suite Expenses							
9560 Other Guest Suite Expenses	1,386	1,563	176	7,066	7,813	747	18,750.00
9560 Total Guest Suite Expenses	1,386	1,563	176	7,066	7,813	747	**18,750**
TOTAL EXPENSE	**223,568**	**238,496**	**14,928**	**1,359,375**	**1,380,271**	**20,897**	**3,093,401**
NET OPERATING INCOME	**31,626**	**20,866**	**10,761**	**(77,620)**	**(92,638)**	**15,019**	**-**
NCB Debt Service Income	24,026	24,026	-	120,130	120,130	-	288,312
NCB Debt Service Expense	24,026	24,026	-	120,130	120,130	-	288,312
Total · Debt Service	-	-	-	-	-	-	-

	May 2025	Budget	Under/(Over) Budget	Jan-May 2025	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	-	83,333	83,333	-	200,000
TOTAL OTHER INCOME	**16,667**	**16,667**	**-**	**83,333**	**83,333**	**-**	**200,000**
OTHER EXPENSE							
8650 Annual Capital Expense							
8850 Annual Capital Expense:Suite Owner Major Repairs	2,600	-	(2,600)	2,600	-	(2,600)	
8860 Annual Capital Expense: Entrances & Lighting	6,277	-	(6,277)	6,277	-	(6,277)	
8920 Annual Capital Expense: Electrical Major Repairs	-	-	-	5,922	-	(5,922)	
8930 Annual Capital Expense: Marble Restoration	-	-	-	8,886	-	(8,886)	
8650 Other Annual Capital Expense	-	-	-	-	-	-	
8650 Total Annual Capital Expense	8,877	16,667	7,790	23,684	83,333	59,649	200,000
NET ANNUAL CAPITAL INCOME	**7,790**	**-**	**7,790**	**59,649**	**-**	**59,649**	**-**
8500 CAPITAL INCOME							
8575 CAPITAL INCOME:RESERVE FUND	59,375	59,375	0	296,876	296,875	1	712,500
8600 CAPITAL INCOME:Interest Income	248	-	248	1,387	-	1,387	-
TOTAL CAPITAL RESERVE INCOME	**59,623**	**59,375**	**248**	**298,263**	**296,875**	**1,388**	**712,500**
9110 Capital Reserve							
9107 Reserve - Masonry & Lintel	6,295	-	2,660	13,280	-	9,646	
9105 Total Reserve - Elevator Rehab	5,735	-	(5,735)	29,821	-	(29,821)	
9116 Reserve - Fire Stairs	-	-	-	4,706	-	(4,706)	
9125 Reserve - Grounds Repair & Restoration	1,895	-	(1,895)	16,195	-	(16,195)	
9121 Reserve - Major Heating System Repairs	-	-	-	78,620	-	(78,620)	
9123 Reserve - Major Plumbing Repairs	-	-	-	11,950	-	(11,950)	
9110 Other Capital Reserve	-	-	-	-	-	-	
9110 Total Capital Reserve	13,925	59,375	45,450	154,571	296,875	142,304	**712,500**
NET CAPITAL RESERVE INCOME	**45,698**	**-**	**45,698**	**143,691**	**-**	**143,691**	**-**
NET INCOME	**85,114**	**20,866**	**64,249**	**125,721**	**(92,638)**	**218,359**	**-**