MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
June 2025

Profit and Loss Statement

Net operating income for June was $32,875, $156 unfavorable to budget.

- Total income for June was $255,077, $2,990 unfavorable to budget.
- Total expenses for June were $222,203, $2,834 under budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $6,815 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $2,737 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.
    - Higher net maintenance and repairs of $4,903 due to higher heating expense, higher maintenance supplies expense, and higher suite owner expense.

Net operating loss for June year-to-date was $44,745, $14,863 favorable to budget.

- Total income was $1,536,832, $8,868 unfavorable to budget.
- Total expenses were $1,581,577, $23,731 under budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $42,980 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $24,498 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.
    - Higher net maintenance and repairs of $3,223 due to higher heating expense, higher maintenance supplies expense, and higher suite owner expense.
    - Lower net major repairs by $2,903 due to lower plumbing and heating expenses.
    - Higher net administrative expenses by $8,847 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 June $4,738 was spent on capital expenses and $9,504 was spent on capital reserve. Year-to-date, $28,422 was spent on annual capital and $164,075 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 June, cash was $562,086, of which $76,069 was operational cash, $74,237 annual capital cash, $306,977 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 June, net accounts receivable was $66,780, of which $103,292 is Accounts receivable from owners and $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 our A/R, primarily driven by two units. Subsequent to June 30th there was a sheriff sale of one of the units which was in bankruptcy and foreclosure. It was sold at the auction for $53,100 to Carrington Mortgage Services. The good news is the new owner is responsible for the HOA fees from the date of the sheriff sale on 07/07/2025. The outstanding balance that will be written off to bad debt is 68,360 which includes the prorated amount through July 6,2025. This will exhaust the $40,000 reserve from 2024 and $28,360 of the $30,000 budgeted for bad debt in 2025. 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 are not billed back pending the outcome of the lawsuit. We continue to be in active legal pursuit of this account. Details on the aging of our accounts receivable can be found on page 10 of the financial packet.

Moreland Courts Condominium Association
Balance Sheet
As of June 30, 2025

	Amount as of 6/30/2025	Amount as of 12/31/2024	$ Change
ASSETS			
Cash			
1007 Capital Reserve - National Coop	306,977	332,860	(25,883)
1013 NCB Loan Escrow Account	104,804	104,268	536
1015 Operating - Huntington	75,669	47,229	28,440
1018 Annual Capital - Huntington	74,237	809	73,428
1040 Petty Cash	400	400	-
Total Cash	562,086	485,566	76,520
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	103,292	98,404	4,888
1200 Total Accounts Receivable	106,780	101,892	4,888
1250 Allowance for Credit Losses	(40,000)	(40,000)	-
Total Accounts Receivable	66,780	61,892	4,888
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	16,774	11,236	5,537
1320 Prepaid Elevator Inspections	19,511	18,595	916
1325 Prepaid Maintenance Contract	5,055	2,802	2,254
1330 Prepaid Hospitalization	2,054	-	2,054
1340 Prepaid Insurance	20,431	41,812	(21,382)
1350 Prepaid Legal Fees	375	1,125	(750)
1360 Prepaid Taxes	2,024	-	2,024
1370 Prepaid Workers Comp	-	315	(315)
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	69,362	79,024	(9,662)
Total Other Current Asset	69,362	79,024	(9,662)
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	(68,941)	(65,918)	(3,023)
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	17,408	20,431	(3,023)
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	**1,144,127**	**1,075,403**	**68,723**

Moreland Courts Condominium Association
Balance Sheet
As of June 30, 2025

	Amount as of 6/30/2025	Amount as of 12/31/2024	$ Change
LIABILITIES & EQUITY			
Liabilities			
Accounts Payable			
2000 A/P - Operational	35,174	33,245	1,929
2020 A/P - Annual Capital	(8,338)	(10,188)	1,850
2030 A/P - Capital Reserve	(2,800)	4,443	(7,243)
Total Accounts Payable	24,036	27,500	(3,464)
Other Current Liability			
2100 Security Deposits	3,878	3,878	-
2300 Accrued Misc Expense	7,500	-	7,500
2320 Accrued Payroll	50,973	50,973	-
2400 Christmas Fund Payable	6,618	8,643	(2,026)
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	70,544	65,925	4,619
Long Term Liability			
2485 NCB Elevator Rehab Loan	1,234,591	1,388,840	(154,250)
2500 NCB Loan Payable 60 Month	392,765	392,765	-
2700 Due To/From Moreland TCP-MstrPL	30,027	28,853	1,174
Total Long Term Liability	1,657,383	1,810,458	(153,076)
Total Liabilities	**1,751,963**	**1,903,883**	**(151,921)**
Equity			
3200 Owners Equity	(828,480)	(1,246,850)	418,370
3900 Net Income	220,644	418,370	(197,726)
Total Equity	**(607,836)**	**(828,480)**	**220,644**
TOTAL LIABILITIES & EQUITY	**1,144,127**	**1,075,403**	**68,723**

Moreland Courts Condominium Association, Inc.
Statement of Equity
As of June 30, 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	1,529,477	6,750	100,000	356,251	1,992,477
Interest	606			1,635	2,241
Operational Expenditures	1,573,204	8,373			(1,581,577)
Capital Expenditures			28,422		(28,422)
Reserve Fund Expenditures				164,075	(164,075)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	642,362	1,679	55,704	(1,307,581)	(607,836)

	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	(43,122)	(1,623)	71,578	193,811	220,644
Current Balance	642,362	1,679	55,704	(1,307,581)	(607,836)

Moreland Courts Condominium Association, Inc.
Statement of Cash Flows
June 1 through June30, 2025

	Operational	Loan Escrow	Annual Capital	Reserve Fund	Total
Cash Flows From Operations:					
Net Income	(43,728)				(43,728)
Guest Suite Net Income	(1,623)				(1,623)
Capital Assessment			100,000	356,251	456,251
Interest Income	70	536		1,635	2,241
Add:					0
Depreciation	3,023				3,023
Due to/from funds	59,375			(59,375)	0
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	(4,888)				(4,888)
Prepaid Expenses	9,662				9,662
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	1,929				1,929
Accounts Payable - Capital			1,850		1,850
Accounts Payable - Reserve				(7,243)	(7,243)
Accrued Payroll & Related Taxes	0				0
Security Deposits	0				0
Accrued Water & Sewer					0
Christmas Fund Payable	(2,026)				(2,026)
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				(153,076)	(153,076)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	28,439	536	101,850	138,193	269,017
Capital expenditures			(28,422)	(164,075)	(192,497)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	28,439	536	73,428	(25,883)	76,520
Balance January 1, 2025	47,629	104,268	809	332,860	485,566
Balance June 30, 2025	76,068	104,804	74,237	306,977	562,086
bal sheet	76,069	104,804	74,237	306,977	562,086

Moreland Courts Condominium Association
Profit & Loss Budget Performance
June 2025

	June 2025	Budget	(Under)/Over Budget	Jan-June 2025	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	196,080	196,080	-	1,176,478	1,176,478	-	2,352,956
4100 Parking Lot Rental Fees	1,900	1,900	-	11,400	11,400	-	22,800
4150 Natural Gas Surcharge	20,271	20,271	(0)	121,625	121,625	(0)	243,250
4175 Insurance Surcharge	15,713	15,713	0	94,278	94,278	0	188,556
4200 Garage Parking Fees	15,135	15,640	(505)	91,105	93,840	(2,735)	187,680
4300 Late Fees	-	333	(333)	1,200	2,000	(800)	4,000
4400 Common Area Rental Fees	217	217	-	1,302	1,302	-	2,604
4500 Patio Fees	2,396	2,396	0	14,375	14,375	0	28,750
4600 In Suite Repair Income	1,843	1,706	137	9,630	7,528	2,102	17,055
4700 Garage Services	300	1,000	(700)	1,420	6,000	(4,580)	12,000
4800 Total Miscellaneous Income	850	1,250	(400)	6,664	7,500	(836)	15,000
4000 Total INCOME ACCOUNTS	**254,704**	**256,505**	**(1,801)**	**1,529,477**	**1,536,326**	**(6,849)**	**3,074,651**
4900 Bank Interest Income	0	-	0	0	-	0	
4988 Loan Escrow Interest Income	88	-	88	536	-	536	
5005 Returned Check Charges	35	-	35	70	-	70	
	254,827	**256,505**	**(1,678)**	**1,530,082**	**1,536,326**	**(6,243)**	3,074,651
9550 Guest Suite							
9550 Other Guest Suite	250	1,563	(1,313)	6,750	9,375	(2,625)	18,750
9550 Total Guest Suite	**250**	**1,563**	**(1,313)**	**6,750**	**9,375**	**(2,625)**	18,750
TOTAL INCOME	**255,077**	**258,068**	**(2,990)**	**1,536,832**	**1,545,701**	**(8,868)**	**3,093,401**

	June 2025	Budget	Under/(Over) Budget	Jan-June 2025	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	-	2,500	2,500	-	15,000	15,000	30,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	12,576	13,554	978	79,443	88,102	8,659	176,204
5040 WAGES:SwitchBoard (3)	4,730	4,434	(295)	34,170	28,822	(5,348)	57,644
5100 WAGES:Garage/Valet Wages (6)	13,765	14,500	735	83,228	94,251	11,022	188,501
5320 WAGES:Management Staff	26,063	27,574	1,512	168,705	179,234	10,529	358,467
5440 WAGES:Security Wages	25,522	24,302	(1,220)	163,505	157,966	(5,538)	315,932
5480 WAGES:Maintenance Wages (5)	14,278	16,347	2,068	110,769	110,503	(266)	219,005
5000 Total WAGES	**96,934**	**100,712**	**3,778**	**639,820**	**658,878**	**19,058**	**1,315,755**
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	16,773	20,036	3,263	97,470	120,216	22,746	240,431
5600 Total Payroll Taxes	7,538	8,460	922	53,127	55,346	2,219	110,523
5700 EMPLOYEE BENEFITS:Workers Compensation	1,675	1,167	(508)	5,243	7,000	1,757	14,000
5900 EMPLOYEE BENEFITS:Uniforms	972	333	(639)	4,800	2,000	(2,800)	4,000
5500 Total EMPLOYEE BENEFITS	**26,959**	**29,996**	**3,037**	**160,640**	**184,561**	**23,922**	**368,954**
6000 UTILITIES							
6020 Electricity-Common Area	4,787	4,672	(115)	29,212	29,493	281	58,401
6120 Natural Gas-Heating	3,889	600	(3,289)	162,206	144,325	(17,881)	206,750
6140 Natural Gas-Hot Water & Dryers	2,918	3,042	124	19,618	18,250	(1,368)	36,500
6200 Water	5,042	4,917	(125)	31,102	29,500	(1,602)	59,000
6300 Sewer	9,133	9,802	669	62,738	58,810	(3,928)	117,620
6000 Total UTILITIES	**25,769**	**23,032**	**(2,737)**	**304,876**	**280,378**	**(24,498)**	**478,271**

	June 2025	Budget	Under/(Over) Budget	Jan-June 2025	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	333	333	649	2,000	1,351	4,000
6540 Plumbing Maint & Repairs	7,152	2,500	(4,652)	18,583	15,000	(3,583)	30,000
6580 Boiler Maint & Repairs (Heating	1,272	500	(772)	21,413	24,000	2,587	35,000
6590 Garage Supplies (Car Wash)	43	71	28	255	425	170	850
6600 Housekeeping Supplies	1,478	667	(811)	5,247	4,000	(1,247)	8,000
6605 Keys & Locks	11	92	81	3,440	550	(2,890)	1,100
6610 De-Icing Agent	-	-	-	2,770	2,000	(770)	4,000
6620 Vehicle and Fuel	-	333	333	1,475	2,000	525	4,000
6640 Total Maint, Supplies, Cleaning	1,884	1,667	(217)	14,946	10,000	(4,946)	20,000
6680 Interior Paint Supplies	812	433	(379)	1,578	2,600	1,022	5,200
6700 Misc. Contractor Repairs	-	358	358	-	2,150	2,150	4,300
6740 Suite Owner Repairs	988	583	(405)	9,735	3,500	(6,235)	7,000
6800 Carpet Cleaning/Repairs	-	-	-	-	3,750	3,750	7,500
6820 Misc. Equipment and Repair	-	542	542	-	3,250	3,250	6,500
6830 Dryers	-	133	133	-	800	800	1,600
6900 Tools/Equipment	351	875	524	4,408	5,250	842	10,500
6500 Total MAINT & REPAIRS	**13,990**	**9,087**	**(4,903)**	**84,498**	**81,275**	**(3,223)**	**149,550**
6950 Major Repairs	**3,137**	**1,500**	**(1,637)**	**12,097**	**15,000**	**2,903**	25,000
7000 CONTRACTED SERVICES							
7100 Landscaping	8,425	7,673	(752)	48,471	46,041	(2,431)	92,081
7110 Landscaping - Addt'l	615	-	(615)	3,338	-	(3,338)	-
7120 Landscaping - Irrigation	-	2,500	2,500	1,788	5,000	3,212	9,000
7130 Landscaping - Fertilization	-	292	292	311	1,750	1,439	3,500
7200 Security/Fire Safety	1,157	250	(907)	2,241	9,710	7,469	12,560
7300 Exterminating	-	292	292	1,106	1,750	644	3,500
7400 Waste Removal & Recycling	2,146	1,825	(321)	12,203	12,250	47	24,500
7410 Waste Removal - Additional	-	-	-	1,250	-	(1,250)	
7500 Cable TV/Internet	10,863	10,625	(238)	65,182	63,750	(1,432)	127,500
7600 Elevator	7,379	7,917	538	43,356	47,500	4,144	95,000
7610 Elevator - Additional	-	-	-	10,670	-	(10,670)	-
7800 Window Cleaning	-	-	-	1,870	1,950	80	3,900
7850 Boiler Maintenance	700	783	83	4,200	4,700	500	9,400
7000 Total CONTRACTED SERVICES	**31,285**	**32,157**	**871**	**195,988**	**194,401**	**(1,587)**	**380,941**

	June 2025	Budget	Under/(Over) Budget	Jan-June 2025	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	100	-	(100)	100	-	(100)	10,000
8100 Advertising / New Employee Exp	113	-	(113)	113	-	(113)	
8120 ADMIN EXPENSES:Computer Services	30	1,208	1,178	6,558	7,250	692	14,500
8140 ADMIN EXPENSES: Legal Expense	125	708	583	16,397	4,250	(12,147)	8,500
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,500	15,000	500	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	-	375	375	750
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	609	646	37	3,655	3,875	220	7,750
8200 ADMIN EXPENSES:Telephone Expense	1,577	1,518	(59)	9,635	9,108	(528)	18,215
8250 ADMIN EXPENSES:Permits	-	-	-	-	3,500	3,500	6,300
8300 Total ADMIN EXPENSES:Insurance	15,933	15,713	(220)	95,597	94,278	(1,319)	188,556
8400 ADMIN EXPENSES:Other Taxes	339	-	(339)	1,706	1,000	(706)	1,000
8440 ADMIN EXPENSES:Payroll Charges	1,158	1,379	221	9,628	8,273	(1,356)	16,545
8450 ADMIN EXPENSES:Marketing Expense	-	42	42	-	250	250	500
8460 ADMIN EXPENSES:Office Admin & Supplies	1,680	2,125	445	9,888	12,750	2,862	25,500
8461 ADMIN EXPENSES:Bank Service Charge	116	167	51	631	1,000	369	2,000
8470 Total ADMIN EXPENSES:Postage & Shipping	537	533	(3)	3,856	3,200	(656)	6,400
8480 ADMIN EXPENSES:Depreciation Expense	504	389	(115)	3,023	2,332	(691)	4,664
8000 Total ADMIN EXPENSES	**22,821**	**24,490**	**1,669**	**175,287**	**166,440**	**(8,847)**	**326,180**
9560 Guest Suite Expenses							
9560 Other Guest Suite Expenses	1,307	1,563	255	8,373	9,375	1,002	18,750
9560 Total Guest Suite Expenses	1,307	1,563	255	8,373	9,375	1,002	**18,750**
TOTAL EXPENSE	**222,203**	**225,036**	**2,834**	**1,581,577**	**1,605,308**	**23,731**	**3,093,401**
NET OPERATING INCOME	**32,875**	**33,031**	**(156)**	**(44,745)**	**(59,607)**	**14,863**	**-**
NCB Debt Service Income	24,026	24,026	-	144,156	144,156	-	288,312
NCB Debt Service Expense	24,026	24,026	-	144,156	144,156	-	288,312
Total · Debt Service	-	-	-	-	-	-	-

	June 2025	Budget	Under/(Over) Budget	Jan-June 2025	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	-	100,000	100,000	-	200,000
TOTAL OTHER INCOME	**16,667**	**16,667**	**-**	**100,000**	**100,000**	**-**	**200,000**
OTHER EXPENSE							
8650 Annual Capital Expense							
8850 Annual Capital Expense:Suite Owner Major Repairs	-	-	-	2,600	-	(2,600)	
8860 Annual Capital Expense: Entrances & Lighting	-	-	-	6,277	-	(6,277)	
8900 Annual Capital Expense: Heating System Major Repa	2,841	-	(2,841)	2,841	-	(2,841)	
8920 Annual Capital Expense: Electrical Major Repairs	1,896	-	(1,896)	7,818	-	(7,818)	
8930 Annual Capital Expense: Marble Restoration	-	-	-	8,886	-	(8,886)	
8650 Other Annual Capital Expense	-	-	-	-	-	-	
8650 Total Annual Capital Expense	4,738	16,667	11,929	28,422	100,000	71,578	200,000
NET ANNUAL CAPITAL INCOME	**11,929**	**-**	**11,929**	**71,578**	**-**	**71,578**	**-**
8500 CAPITAL INCOME							
8575 CAPITAL INCOME:RESERVE FUND	59,375	59,375	0	356,251	356,250	1	712,500
8600 CAPITAL INCOME:Interest Income	248	-	248	1,635	-	1,635	-
	59,623	**59,375**	**248**	**357,886**	**356,250**	**1,636**	**712,500**
9110 Capital Reserve							
9107 Reserve - Masonry & Lintel	-	-	-	13,280	-	(13,280)	
9105 Total Reserve - Elevator Rehab	5,620	-	(5,620)	35,441	-	(35,441)	
9116 Reserve - Fire Stairs	-	-	-	4,706	-	(4,706)	
9118 Reserve - Security System	3,292	-	(3,292)	3,292	-	(3,292)	
9125 Reserve - Grounds Repair & Restoration	-	-	-	16,195	-	(16,195)	
9150 Total Reserve - Other	592	-	(592)	592	-	(592)	
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	**9,504**	**59,375**	**49,871**	**164,075**	**356,250**	**192,175**	**712,500**
NET CAPITAL RESERVE INCOME	**50,119**	**-**	**50,119**	**193,811**	**-**	**193,811**	**-**
NET INCOME	**94,923**	**33,031**	**61,892**	**220,644**	**(59,607)**	**280,251**	**-**