MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
July 2025

Profit and Loss Statement

Net operating income for July was $19,459, $13,481 unfavorable to budget.

- Total income for July was $256,349, $1,719 unfavorable to budget.
- Total expenses for July were $236,890, $11,762 over budget. The main contributors of higher expenses relative to budget were:
    - Lower net wages and employee benefits of $8,040 due to staff shortages and lower hospitalization due to changes in personnel coverage.
    - Higher net maintenance and repairs of $2,066 due to higher vehicle expenses for the jeep and other roof repair expenses.
    - Higher net contracted services of $8,541 due to higher security and safety costs that was offset by the amount budgeted in May 2025.
    - Higher net administrative expenses of $12,468 due to initial cost for firm for general manager search and higher legal expenses.

Net operating loss for July year-to-date was $25,286, $1,382 favorable to budget.

- Total income was $1,793,181, $10,587 unfavorable to budget.
- Total expenses were $1,818,467, $11,969 under budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $51,020 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $25,452 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 $5,288 due to higher heating expense, higher maintenance supplies expense, and higher suite owner expense.
    - Lower net major repairs by $4,403 due to lower plumbing and heating expenses.
    - Higher net contracted services of $10,128 due to higher landscaping expenses for additional landscaping on property and additional elevator expense for service to elevators above what is contracted.
    - Higher net administrative expenses of $21,314 due to initial cost for the firm for general manager search and 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 July $2,137 was spent on capital expenses and $8,404 was spent on capital reserve. Year-to-date, $30,559 was spent on annual capital and $172,479 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 July, cash was $632,085, of which $106,065 was operational cash, $89,007 annual capital cash, $332,119 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 July, net accounts receivable was $58,781, of which $95,293 are 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.

There has been no movement since the subsequent sheriff sale on 07/07/2025 on unit 13609-3A. Kaman & Cusimano are awaiting the confirmation of the sale to be docketed before preparing the deed to the new owner and monitoring the distribution of funds. We will not write off any past due balance for this until the transaction is completed and funds distributed. Also, we will not begin collecting HOA fees from the new owner until the deed is transferred. It is likely that we will not collect much of what we were owed, if at all.

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 July 31, 2025

	Amount as of 7/31/2025	Amount as of 12/31/2024	$ Change
ASSETS			
Cash			
1007 Capital Reserve	332,119	332,860	(741)
1013 NCB Loan Escrow Account	104,895	104,268	627
1015 Operating	105,665	47,229	58,436
1018 Annual Capital	89,007	809	88,198
1040 Petty Cash	400	400	-
Total Cash	632,085	485,566	146,520
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	95,293	98,404	(3,111)
1200 Total Accounts Receivable	98,781	101,892	(3,111)
1250 Allowance for Credit Losses	(40,000)	(40,000)	-
Total Accounts Receivable	58,781	61,892	(3,111)
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	19,079	11,236	7,842
1320 Prepaid Elevator Inspections	12,132	18,595	(6,463)
1325 Prepaid Maintenance Contract	3,382	2,802	581
1330 Prepaid Hospitalization	9,610	-	9,610
1340 Prepaid Insurance	19,341	41,812	(22,471)
1350 Prepaid Legal Fees	250	1,125	(875)
1360 Prepaid Taxes	1,685	-	1,685
1370 Prepaid Workers Comp	400	315	85
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	69,018	79,024	(10,005)
Total Other Current Asset	69,018	79,024	(10,005)
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	(69,445)	(65,918)	(3,527)
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	16,904	20,431	(3,527)
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	**1,205,280**	**1,075,403**	**129,877**

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

LIABILITIES & EQUITY			
Liabilities			
Accounts Payable			
2000 A/P - Operational	37,786	33,245	4,541
2020 A/P - Annual Capital	(8,098)	(10,188)	2,090
2030 A/P - Capital Reserve	(3,132)	4,443	(7,575)
Total Accounts Payable	26,556	27,500	(944)
Other Current Liability			
2100 Security Deposits	3,518	3,878	(360)
2300 Accrued Misc Expense	7,500	-	7,500
2320 Accrued Payroll	50,973	50,973	-
2400 Christmas Fund Payable	5,848	8,643	(2,795)
2410 Centennial Celebration	165	165	-
2415 Centennial History Project Fund Payable	1,341	1,296	45
2405 Centennial Tree Donation	70	970	(900)
2425 Champagne Celebration Fund	300	-	300
Total Other Current Liability	69,715	65,925	3,790
Long Term Liability			
2485 NCB Elevator Rehab Loan	1,208,480	1,388,840	(180,361)
2500 NCB Loan Payable 60 Month	392,765	392,765	-
2700 Due To/From Moreland TCP-MstrPL	30,359	28,853	1,506
Total Long Term Liability	1,631,603	1,810,458	(178,855)
Total Liabilities	1,727,874	1,903,883	(176,009)
Equity			
3200 Owners Equity	(828,480)	(1,246,850)	418,370
3900 Net Income	305,886	418,370	(112,485)
Total Equity	(522,594)	(828,480)	305,886
TOTAL LIABILITIES & EQUITY	**1,205,280**	**1,075,403**	**129,877**

Moreland Courts Condominium Association, Inc.
Statement of Equity
As of July 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	1,784,234	8,250	116,667	415,626	2,324,777
Interest	697			1,917	2,614
Operational Expenditures	1,808,758	9,709			(1,818,467)
Capital Expenditures			30,559		(30,559)
Reserve Fund Expenditures				172,479	(172,479)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	661,657	1,842	70,234	(1,256,327)	(522,594)

	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	(23,827)	(1,459)	86,108	245,064	305,886
Current Balance	661,657	1,842	70,234	(1,256,327)	(522,594)

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

	Operational	Loan Escrow	Annual Capital	Reserve Fund	Total
Cash Flows From Operations:					
Net Income	(24,523)				(24,523)
Guest Suite Net Income	(1,459)				(1,459)
Capital Assessment			116,667	415,626	532,293
Interest Income	70	627		1,917	2,614
Add:					0
Depreciation	3,527				3,527
Due to/from funds	59,375			(59,375)	0
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	3,111				3,111
Prepaid Expenses	10,005				10,005
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	4,541				4,541
Accounts Payable - Capital			2,090		2,090
Accounts Payable - Reserve				(7,575)	(7,575)
Accrued Payroll & Related Taxes	0				0
Security Deposits	(360)				(360)
Accrued Water & Sewer					0
Christmas Fund Payable	(2,795)				(2,795)
Accrued Natural Gas					0
Accrued Other Expenses	6,945				6,945
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan				(178,855)	(178,855)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	58,436	627	118,757	171,738	349,558
Capital expenditures			(30,559)	(172,479)	(203,038)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	58,436	627	88,198	(741)	146,520
Balance January 1, 2025	47,629	104,268	809	332,860	485,566
Balance July 31, 2025	106,065	104,895	89,007	332,119	632,085
bal sheet	106,065	104,895	89,007	332,119	632,085

Moreland Courts Condominium Association
Profit & Loss Budget Performance
July 2025

	July 2025	Budget	(Under)/Over Budget	Jan-July 2025	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	196,080	196,080	-	1,372,558	1,372,558	-	2,352,956
4100 Parking Lot Rental Fees	1,900	1,900	-	13,300	13,300	-	22,800
4150 Natural Gas Surcharge	20,271	20,271	(0)	141,896	141,896	(0)	243,250
4175 Insurance Surcharge	15,713	15,713	0	109,991	109,991	0	188,556
4200 Garage Parking Fees	15,135	15,640	(505)	106,240	109,480	(3,240)	187,680
4300 Late Fees	100	333	(233)	1,300	2,333	(1,033)	4,000
4400 Common Area Rental Fees	217	217	-	1,519	1,519	-	2,604
4500 Patio Fees	2,551	2,396	155	16,926	16,771	155	28,750
4600 In Suite Repair Income	1,350	1,706	(355)	10,980	9,233	1,747	17,055
4700 Garage Services	600	1,000	(400)	2,020	7,000	(4,980)	12,000
4800 Total Miscellaneous Income	841	1,250	(409)	7,505	8,750	(1,245)	15,000
4000 Total INCOME ACCOUNTS	**254,758**	**256,505**	**(1,747)**	**1,784,234**	**1,792,831**	**(8,596)**	**3,074,651**
4900 Bank Interest Income	0	-	0	0	-	0	
4988 Loan Escrow Interest Income	91	-	91	627	-	627	
5005 Returned Check Charges	-	-	-	70	-	70	
	254,849	**256,505**	**(1,656)**	**1,784,931**	**1,792,831**	**(7,900)**	3,074,651
9550 Guest Suite							
9550 Other Guest Suite	1,500	1,563	(63)	8,250	10,938	(2,688)	18,750
9550 Total Guest Suite	**1,500**	**1,563**	**(63)**	**8,250**	**10,938**	**(2,688)**	18,750
TOTAL INCOME	**256,349**	**258,068**	**(1,719)**	**1,793,181**	**1,803,768**	**(10,587)**	**3,093,401**

	July 2025	Budget	Under/(Over) Budget	Jan-July 2025	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	-	2,500	2,500	-	17,500	17,500	30,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	13,067	13,554	488	92,510	101,656	9,146	176,204
5040 WAGES:SwitchBoard (3)	5,001	4,434	(567)	39,171	33,256	(5,915)	57,644
5100 WAGES:Garage/Valet Wages (6)	14,627	14,500	(127)	97,856	108,751	10,895	188,501
5320 WAGES:Management Staff	26,063	27,574	1,512	194,767	206,808	12,041	358,467
5440 WAGES:Security Wages	26,433	24,302	(2,131)	189,938	182,269	(7,669)	315,932
5480 WAGES:Maintenance Wages (5)	14,465	16,347	1,882	125,234	126,849	1,616	219,005
5000 Total WAGES	**99,656**	**100,712**	**1,056**	**739,475**	**759,590**	**20,114**	**1,315,755**
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	14,743	20,036	5,293	112,212	140,251	28,039	240,431
5600 Total Payroll Taxes	7,753	8,460	707	60,880	63,806	2,926	110,523
5700 EMPLOYEE BENEFITS:Workers Compensation	409	1,167	758	5,652	8,167	2,515	14,000
5900 EMPLOYEE BENEFITS:Uniforms	107	333	226	4,907	2,333	(2,574)	4,000
5500 Total EMPLOYEE BENEFITS	**23,012**	**29,996**	**6,984**	**183,651**	**214,557**	**30,906**	**368,954**
6000 UTILITIES							
6020 Electricity-Common Area	5,263	4,964	(299)	34,475	34,457	(19)	58,401
6120 Natural Gas-Heating	503	550	47	162,709	144,875	(17,834)	206,750
6140 Natural Gas-Hot Water & Dryers	2,386	3,042	656	22,004	21,292	(712)	36,500
6200 Water	4,991	4,917	(74)	36,093	34,417	(1,676)	59,000
6300 Sewer	11,085	9,802	(1,283)	73,823	68,612	(5,211)	117,620
6000 Total UTILITIES	**24,228**	**23,274**	**(954)**	**329,103**	**303,652**	**(25,452)**	**478,271**

	July 2025	Budget	Under/(Over) Budget	Jan-July 2025	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	333	333	649	2,333	1,685	4,000
6540 Plumbing Maint & Repairs	1,897	2,500	604	20,480	17,500	(2,980)	30,000
6580 Boiler Maint & Repairs (Heating	1,272	500	(772)	22,684	24,500	1,816	35,000
6590 Garage Supplies (Car Wash)	96	71	(26)	351	496	145	850
6600 Housekeeping Supplies	751	667	(85)	5,999	4,667	(1,332)	8,000
6605 Keys & Locks	22	92	70	3,461	642	(2,820)	1,100
6610 De-Icing Agent	-	-	-	2,770	2,000	(770)	4,000
6620 Vehicle and Fuel	1,658	333	(1,325)	3,133	2,333	(799)	4,000
6640 Total Maint, Supplies, Cleaning	2,441	1,667	(774)	17,387	11,667	(5,720)	20,000
6680 Interior Paint Supplies	453	433	(19)	2,031	3,033	1,003	5,200
6700 Misc. Contractor Repairs	-	358	358	-	2,508	2,508	4,300
6720 Roof Repairs	1,168	-	(1,168)	1,168	-	(1,168)	
6740 Suite Owner Repairs	75	583	509	9,809	4,083	(5,726)	7,000
6800 Carpet Cleaning/Repairs	-	-	-	-	3,750	3,750	7,500
6820 Misc. Equipment and Repair	-	542	542	-	3,792	3,792	6,500
6830 Dryers	-	133	133	-	933	933	1,600
6900 Tools/Equipment	1,321	875	(446)	5,729	6,125	396	10,500
6500 Total MAINT & REPAIRS	**11,153**	**9,087**	**(2,066)**	**95,651**	**90,363**	**(5,288)**	**149,550**
6950 Major Repairs	**-**	**1,500**	**1,500**	**12,097**	**16,500**	**4,403**	25,000
7000 CONTRACTED SERVICES							
7100 Landscaping	8,295	7,673	(621)	56,766	53,714	(3,052)	92,081
7110 Landscaping - Addt'l	73	-	(73)	3,411	-	(3,411)	-
7115 Landscaping - Grounds Committee	60	-	(60)	60	-	(60)	
7120 Landscaping - Irrigation	1,871	1,000	(871)	3,659	6,000	2,341	9,000
7130 Landscaping - Fertilization	-	292	292	311	2,042	1,731	3,500
7200 Security/Fire Safety	8,995	1,600	(7,395)	11,236	11,310	74	12,560
7300 Exterminating	579	292	(287)	1,685	2,042	357	3,500
7310 Exterminating - Additional	324	-	(324)	324	-	(324)	
7400 Waste Removal & Recycling	1,209	1,825	616	13,412	14,075	663	24,500
7410 Waste Removal - Additional	-	-	-	1,250	-	(1,250)	
7500 Cable TV/Internet	10,863	10,625	(238)	76,045	74,375	(1,670)	127,500
7600 Elevator	7,379	7,917	538	50,735	55,417	4,682	95,000
7610 Elevator - Additional	-	-	-	10,670	-	(10,670)	-
7800 Window Cleaning	200	-	(200)	2,070	1,950	(120)	3,900
7850 Boiler Maintenance	700	783	83	4,900	5,483	583	9,400
7000 Total CONTRACTED SERVICES	**40,548**	**32,007**	**(8,541)**	**236,535**	**226,407**	**(10,128)**	**380,941**

	July 2025	Budget	Under/(Over) Budget	Jan-July 2025	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	102	-	(102)	202	-	(202)	10,000
8100 Advertising / New Employee Exp	7,500	-	(7,500)	7,613	-	(7,613)	
8120 ADMIN EXPENSES:Computer Services	1,853	1,208	(645)	8,411	8,458	47	14,500
8140 ADMIN EXPENSES: Legal Expense	2,410	708	(1,702)	18,807	4,958	(13,849)	8,500
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,500	15,000	500	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	-	438	438	750
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	609	646	37	4,264	4,521	257	7,750
8200 ADMIN EXPENSES:Telephone Expense	1,275	1,518	243	10,910	10,625	(284)	18,215
8250 ADMIN EXPENSES:Permits	478	-	(478)	478	3,500	3,022	6,300
8300 Total ADMIN EXPENSES:Insurance	15,933	15,713	(220)	111,529	109,991	(1,538)	188,556
8400 ADMIN EXPENSES:Other Taxes	339	-	(339)	2,045	1,000	(1,045)	1,000
8440 ADMIN EXPENSES:Payroll Charges	1,971	1,379	(592)	11,599	9,651	(1,948)	16,545
8450 ADMIN EXPENSES:Marketing Expense	-	42	42	-	292	292	500
8460 ADMIN EXPENSES:Office Admin & Supplies	3,039	2,125	(914)	12,927	14,875	1,948	25,500
8461 ADMIN EXPENSES:Bank Service Charge	105	167	62	735	1,167	431	2,000
8470 Total ADMIN EXPENSES:Postage & Shipping	841	533	(308)	4,697	3,733	(964)	6,400
8480 ADMIN EXPENSES:Depreciation Expense	504	389	(115)	3,527	2,721	(806)	4,664
8000 Total ADMIN EXPENSES	**36,958**	**24,490**	**(12,468)**	**212,245**	**190,930**	**(21,314)**	**326,180**
9560 Other Guest Suite Expenses	1,336	1,563	226	9,709	10,938	1,228	18,750
9560 Total Guest Suite Expenses	**1,336**	**1,563**	**226**	**9,709**	**10,938**	**1,228**	**18,750**
TOTAL EXPENSE	**236,890**	**225,128**	**(11,762)**	**1,818,467**	**1,830,436**	**11,969**	**3,093,401**
NET OPERATING INCOME	**19,459**	**32,939**	**(13,481)**	**(25,286)**	**(26,668)**	**1,382**	**-**
NCB Debt Service Income	24,026	24,026	-	168,182	168,182	-	288,312
NCB Debt Service Expense	24,026	24,026	-	168,182	168,182	-	288,312
Total · Debt Service	-	-	-	-	-	-	-

	July 2025	Budget	Under/(Over) Budget	Jan-July 2025	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8500 CAPITAL INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	-	116,667	116,667	-	200,000
TOTAL OTHER INCOME	**16,667**	**16,667**	**-**	**116,667**	**116,667**	**-**	**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	2,115	-	(2,115)	8,392	-	(8,392)	
8900 Annual Capital Expense: Heating System Major Re	-	-	-	2,841	-	(2,841)	
8920 Annual Capital Expense: Electrical Major Repairs	-	-	-	7,818	-	(7,818)	
8930 Annual Capital Expense: Marble Restoration	-	-	-	8,886	-	(8,886)	
8802 Annual Capital Expense: Consulting	22	-	(22)	22	-	(22)	
8650 Other Annual Capital Expense	-	-	-	-		-	
8650 Total Annual Capital Expense	**2,137**	**16,667**	**14,530**	**30,559**	**116,667**	**86,108**	200,000
NET ANNUAL CAPITAL INCOME	**14,530**	**-**	**14,530**	**86,108**	**-**	**86,108**	-
8575 CAPITAL INCOME:RESERVE FUND	59,375	59,375	0	415,626	415,625	1	712,500
8600 CAPITAL INCOME:Interest Income	282	-	282	1,917	-	1,917	-
	59,658	**59,375**	**283**	**417,543**	**415,625**	**1,918**	**712,500**
9110 Capital Reserve							
9107 Reserve - Masonry & Lintel	-	-	-	13,280	-	(13,280)	
9105 Total Reserve - Elevator Rehab	5,504	-	(5,504)	40,945	-	(40,945)	
9116 Reserve - Fire Stairs	-	-	-	4,706	-	(4,706)	
9118 Reserve - Security System	-	-	-	3,292	-	(3,292)	
9125 Reserve - Grounds Repair & Restoration	-	-	-	16,195	-	(16,195)	
9150 Total Reserve - Other	-	-	-	592	-	(592)	
9121 Reserve - Major Heating System Repairs	-	-	-	78,620	-	(78,620)	
9123 Reserve - Major Plumbing Repairs	2,900	-	(2,900)	14,850	-	(14,850)	
9110 Other Capital Reserve	-	-	-	-	-	-	
9110 Total Capital Reserve	**8,404**	**59,375**	**50,971**	**172,479**	**415,625**	**243,146**	**712,500**
NET CAPITAL RESERVE INCOME	**51,253**	**-**	**51,253**	**245,064**	**-**	**245,064**	**-**
NET INCOME	**85,242**	**32,939**	**52,302**	**305,886**	**(26,668)**	**332,554**	**-**