MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
August 2025

Profit and Loss Statement

Net operating loss for August was $32,504, $12,429 unfavorable to budget.

- Total income for August was $257,956, $112 unfavorable to budget.
- Total expenses for August were $290,461, $12,318 over budget. The main contributors of higher expenses relative to budget were:
    - Lower net wages and employee benefits of $10,720 due to staff shortages and lower hospitalization due to changes in personnel coverage.
    - Lower net maintenance and repairs of $4,067 due to lower plumbing expenses.
    - Higher net contracted services of $20,245 due to higher security and safety costs for repair of camera and extra security for resident safety.
    - Higher net administrative expenses of $7,366 due to higher legal expenses.

Net operating loss for August year-to-date was $57,790, $11,047 unfavorable to budget.

- Total income was $2,051,137, $10,699 unfavorable to budget.
- Total expenses were $2,108,928, $349 over budget. The main contributors of lower expenses relative to budget were:
    - Lower net wages and employee benefits of $61,740 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $25,713 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 contracted services of $30,373 due to higher landscaping expenses for additional landscaping on property, additional security and safety expense for camera repairs and extra security for resident safety and additional elevator expense for service to elevators above what is contracted.
    - Higher net administrative expenses of $28,681 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 August $224 was spent on capital expenses and $20,733 was spent on capital reserve. Year-to-date, $30,783 was spent on annual capital and $193,213 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 August, cash was $624,319, of which $55,700 was operational cash, $103,437 annual capital cash, $360,196 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 August, net accounts receivable was $84,876, of which $121,387 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 have settled litigation with, will also be written off to bad debt as part of the settlement. 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 August 31, 2025

	Amount as of 8/31/2025	Amount as of 12/31/2024	$ Change
ASSETS			
Cash			
1007 Capital Reserve	360,196	332,860	27,336
1013 NCB Loan Escrow Account	104,987	104,268	719
1015 Operating	55,300	47,229	8,071
1018 Annual Capital	103,437	809	102,628
1040 Petty Cash	400	400	-
Total Cash	624,319	485,566	138,754
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	121,387	98,404	22,983
1200 Total Accounts Receivable	124,876	101,892	22,983
1250 Allowance for Credit Losses	(40,000)	(40,000)	-
Total Accounts Receivable	84,876	61,892	22,983
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	17,743	11,236	6,507
1320 Prepaid Elevator Inspections	4,753	18,595	(13,841)
1325 Prepaid Maintenance Contract	1,709	2,802	(1,092)
1330 Prepaid Hospitalization	5,179	-	5,179
1340 Prepaid Insurance	18,251	41,812	(23,561)
1350 Prepaid Legal Fees	1,675	1,125	550
1360 Prepaid Taxes	1,346	-	1,346
1370 Prepaid Workers Comp	400	315	85
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	54,196	79,024	(24,828)
Total Other Current Asset	54,196	79,024	(24,828)
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	(69,949)	(65,918)	(4,031)
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	16,400	20,431	(4,031)
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	**1,208,282**	**1,075,403**	**132,879**

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

LIABILITIES & EQUITY			
Liabilities			
Accounts Payable			
2000 A/P - Operational	31,011	33,245	(2,234)
2020 A/P - Annual Capital	(10,110)	(10,188)	78
2030 A/P - Capital Reserve	11,880	4,443	7,437
Total Accounts Payable	32,782	27,500	5,281
Other Current Liability			
2100 Security Deposits	3,518	3,878	(360)
2300 Accrued Misc Expense	7,500	-	7,500
2320 Accrued Payroll	52,326	50,973	1,353
2400 Christmas Fund Payable	3,794	8,643	(4,849)
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	775	-	775
Total Other Current Liability	69,488	65,925	3,564
Long Term Liability			
2485 NCB Elevator Rehab Loan	1,182,252	1,388,840	(206,588)
2500 NCB Loan Payable 60 Month	392,765	392,765	-
2700 Due To/From Moreland TCP-MstrPL	30,692	28,853	1,839
Total Long Term Liability	1,605,709	1,810,458	(204,749)
Total Liabilities	1,707,979	1,903,883	(195,904)
Equity			
3200 Owners Equity	(828,480)	(1,246,850)	418,370
3900 Net Income	328,783	418,370	(89,588)
Total Equity	(499,697)	(828,480)	328,783
TOTAL LIABILITIES & EQUITY	**1,208,282**	**1,075,403**	**132,879**

Moreland Courts Condominium Association, Inc.
Statement of Equity
As of August 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	2,037,598	12,750	133,333	475,001	2,658,683
Interest	789			2,234	3,023
Operational Expenditures	2,097,866	11,062			(2,108,928)
Capital Expenditures			30,783		(30,783)
Reserve Fund Expenditures				193,213	(193,213)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	626,005	4,990	86,676	(1,217,369)	(499,697)

	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	(59,479)	1,688	102,550	284,023	328,783
Current Balance	626,005	4,990	86,676	(1,217,369)	(499,697)

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

	Operational	Loan Escrow	Annual Capital	Reserve Fund	Total
Cash Flows From Operations:					
Net Income	(60,267)				(60,267)
Guest Suite Net Income	1,688				1,688
Capital Assessment			133,333	475,001	608,334
Interest Income	70	719		2,234	3,023
Add:					0
Depreciation	4,031				4,031
Due to/from funds	59,375			(59,375)	0
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	(22,983)				(22,983)
Prepaid Expenses	24,828				24,828
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	(2,234)				(2,234)
Accounts Payable - Capital			78		78
Accounts Payable - Reserve				7,437	7,437
Accrued Payroll & Related Taxes	1,353				1,353
Security Deposits	(360)				(360)
Accrued Water & Sewer					0
Christmas Fund Payable	(4,849)				(4,849)
Accrued Natural Gas					0
Accrued Other Expenses	7,420				7,420
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan				(204,749)	(204,749)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	8,071	719	133,411	220,548	362,749
Capital expenditures			(30,783)	(193,213)	(223,996)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	8,071	719	102,628	27,336	138,754
Balance January 1, 2025	47,629	104,268	809	332,860	485,566
Balance August 31, 2025	55,700	104,987	103,437	360,196	624,319
bal sheet	55,700	104,987	103,437	360,196	624,319

Moreland Courts Condominium Association
Profit & Loss Budget Performance
August 2025

	August 2025	Budget	(Under)/Over Budget	Jan-August 2025	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	196,080	196,080	-	1,568,637	1,568,637	-	2,352,956
4100 Parking Lot Rental Fees	1,900	1,900	-	15,200	15,200	-	22,800
4150 Natural Gas Surcharge	20,271	20,271	(0)	162,166	162,167	(0)	243,250
4175 Insurance Surcharge	15,713	15,713	0	125,704	125,704	0	188,556
4200 Garage Parking Fees	14,838	15,640	(803)	121,078	125,120	(4,043)	187,680
4300 Late Fees	300	333	(33)	1,600	2,667	(1,067)	4,000
4400 Common Area Rental Fees	217	217	-	1,736	1,736	-	2,604
4500 Patio Fees	2,551	2,396	155	19,477	19,167	310	28,750
4600 In Suite Repair Income	(35)	1,706	(1,741)	10,945	10,939	7	17,055
4700 Garage Services	620	1,000	(380)	2,640	8,000	(5,360)	12,000
4800 Total Miscellaneous Income	910	1,250	(340)	8,415	10,000	(1,585)	15,000
4000 Total INCOME ACCOUNTS	**253,364**	**256,505**	**(3,141)**	**2,037,598**	**2,049,336**	**(11,737)**	**3,074,651**
4900 Bank Interest Income	0	-	0	0	-	0	
4988 Loan Escrow Interest Income	92	-	92	719	-	719	
5005 Returned Check Charges	-	-	-	70	-	70	
	253,456	**256,505**	**(3,049)**	**2,038,387**	**2,049,336**	**(10,949)**	3,074,651
9550 Guest Suite							
9550 Other Guest Suite	4,500	1,563	2,938	12,750	12,500	250	18,750
9550 Total Guest Suite	**4,500**	**1,563**	**2,938**	**12,750**	**12,500**	**250**	18,750
TOTAL INCOME	**257,956**	**258,068**	**(112)**	**2,051,137**	**2,061,836**	**(10,699)**	**3,093,401**

	August 2025	Budget	Under/(Over) Budget	Jan-August 2025	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	-	2,500	2,500	-	20,000	20,000	30,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	17,255	20,331	3,077	109,765	121,988	12,223	176,204
5040 WAGES:SwitchBoard (3)	7,810	6,651	(1,159)	46,981	39,908	(7,074)	57,644
5100 WAGES:Garage/Valet Wages (6)	22,035	21,750	(285)	119,890	130,501	10,611	188,501
5320 WAGES:Management Staff	39,094	41,362	2,268	233,861	248,170	14,308	358,467
5440 WAGES:Security Wages	35,343	36,454	1,111	225,281	218,722	(6,559)	315,932
5480 WAGES:Maintenance Wages (5)	22,730	24,770	2,040	147,964	151,619	3,656	219,005
5000 Total WAGES	**144,267**	**151,318**	**7,051**	**883,742**	**910,908**	**27,165**	**1,315,755**
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	17,718	20,036	2,318	129,930	160,287	30,357	240,431
5600 Total Payroll Taxes	11,171	12,710	1,539	72,051	76,516	4,465	110,523
5700 EMPLOYEE BENEFITS:Workers Compensat	1,675	1,167	(508)	7,327	9,333	2,006	14,000
5900 EMPLOYEE BENEFITS:Uniforms	13	333	320	4,920	2,667	(2,253)	4,000
5500 Total EMPLOYEE BENEFITS	**30,577**	**34,246**	**3,669**	**214,228**	**248,803**	**34,575**	**368,954**
6000 UTILITIES							
6020 Electricity-Common Area	5,369	4,672	(697)	39,844	39,129	(715)	58,401
6120 Natural Gas-Heating	497	550	53	163,206	145,425	(17,781)	206,750
6140 Natural Gas-Hot Water & Dryers	2,189	3,042	853	24,193	24,333	141	36,500
6200 Water	5,968	4,917	(1,052)	42,061	39,333	(2,728)	59,000
6300 Sewer	9,221	9,802	581	83,044	78,413	(4,630)	117,620
6000 Total UTILITIES	**23,244**	**22,982**	**(261)**	**352,347**	**326,634**	**(25,713)**	**478,271**

	August 2025	Budget	Under/(Over) Budget	Jan-August 2025	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	333	333	649	2,667	2,018	4,000
6540 Plumbing Maint & Repairs	-	2,500	2,500	20,480	20,000	(480)	30,000
6580 Boiler Maint & Repairs (Heating	1,272	500	(772)	23,956	25,000	1,044	35,000
6590 Garage Supplies (Car Wash)	-	71	71	351	567	215	850
6600 Housekeeping Supplies	533	667	133	6,532	5,333	(1,199)	8,000
6605 Keys & Locks	-	92	92	3,461	733	(2,728)	1,100
6610 De-Icing Agent	-	-	-	2,770	2,000	(770)	4,000
6620 Vehicle and Fuel	643	333	(310)	3,776	2,667	(1,110)	4,000
6640 Total Maint, Supplies, Cleaning	1,565	1,667	102	18,952	13,333	(5,618)	20,000
6680 Interior Paint Supplies	-	433	433	2,031	3,467	1,436	5,200
6700 Misc. Contractor Repairs	184	358	175	184	2,867	2,683	4,300
6720 Roof Repairs	-	-	-	1,168	-	(1,168)	
6740 Suite Owner Repairs	135	583	448	9,944	4,667	(5,278)	7,000
6800 Carpet Cleaning/Repairs	-	-	-	-	3,750	3,750	7,500
6820 Misc. Equipment and Repair	-	542	542	-	4,333	4,333	6,500
6830 Dryers	-	133	133	-	1,067	1,067	1,600
6900 Tools/Equipment	689	875	186	6,418	7,000	582	10,500
6500 Total MAINT & REPAIRS	**5,021**	**9,087**	**4,067**	**100,672**	**99,450**	**(1,221)**	**149,550**
6950 Major Repairs	**1,942**	**-**	**(1,942)**	**14,039**	**16,500**	**2,461**	25,000
7000 CONTRACTED SERVICES							
7100 Landscaping	8,295	7,673	(621)	65,061	61,387	(3,674)	92,081
7110 Landscaping - Addt'l	1,393	-	(1,393)	4,804	-	(4,804)	-
7115 Landscaping - Grounds Committee	-	-	-	60	-	(60)	
7120 Landscaping - Irrigation	-	750	750	3,659	6,750	3,091	9,000
7130 Landscaping - Fertilization	-	292	292	311	2,333	2,023	3,500
7200 Security/Fire Safety	5,354	250	(5,104)	16,591	11,560	(5,031)	12,560
7210 Security - Additional	12,874	-	(12,874)	12,874	-	(12,874)	3,500
7300 Exterminating	289	292	2	1,974	2,333	359	
7310 Exterminating - Additional	103	-	(103)	427	-	(427)	
7400 Waste Removal & Recycling	3,079	1,825	(1,254)	16,491	15,900	(591)	24,500
7410 Waste Removal - Additional	-	-	-	1,250	-	(1,250)	
7500 Cable TV/Internet	10,937	10,625	(312)	86,982	85,000	(1,982)	127,500
7600 Elevator	7,379	7,917	538	58,114	63,333	5,220	95,000
7610 Elevator - Additional	100	-	(100)	10,770	-	(10,770)	-
7800 Window Cleaning	150	-	(150)	2,220	1,950	(270)	3,900
7850 Boiler Maintenance	700	783	83	5,600	6,267	667	9,400
7000 Total CONTRACTED SERVICES	**50,652**	**30,407**	**(20,245)**	**287,187**	**256,814**	**(30,373)**	**380,941**

	August 2025	Budget	Under/(Over) Budget	Jan-August 2025	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	935	1,000	65	1,137	1,000	(137)	10,000
8100 Advertising / New Employee Exp	-	-	-	7,613	-	(7,613)	
8120 ADMIN EXPENSES:Computer Services	1,110	1,208	99	9,521	9,667	146	14,500
8140 ADMIN EXPENSES: Legal Expense	8,585	708	(7,877)	27,392	5,667	(21,725)	8,500
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,500	15,000	500	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	-	500	500	750
8180 ADMIN EXPENSES: Bookkeeping/Accountin(	609	646	37	4,873	5,167	294	7,750
8200 ADMIN EXPENSES:Telephone Expense	1,857	1,518	(339)	12,767	12,143	(624)	18,215
8250 ADMIN EXPENSES:Permits	-	550	550	478	4,050	3,572	6,300
8300 Total ADMIN EXPENSES:Insurance	15,933	15,713	(220)	127,462	125,704	(1,758)	188,556
8400 ADMIN EXPENSES:Other Taxes	339	-	(339)	2,384	1,000	(1,384)	1,000
8440 ADMIN EXPENSES:Payroll Charges	1,782	1,379	(403)	13,381	11,030	(2,351)	16,545
8450 ADMIN EXPENSES:Marketing Expense	-	42	42	-	333	333	500
8460 ADMIN EXPENSES:Office Admin & Supplies	959	2,125	1,166	13,886	17,000	3,114	25,500
8461 ADMIN EXPENSES:Bank Service Charge	93	167	74	829	1,333	505	2,000
8470 Total ADMIN EXPENSES:Postage & Shippin(	701	533	(168)	5,398	4,267	(1,132)	6,400
8480 ADMIN EXPENSES:Depreciation Expense	504	389	(115)	4,031	3,109	(921)	4,664
8000 Total ADMIN EXPENSES	**33,406**	**26,040**	**(7,366)**	**245,651**	**216,970**	**(28,681)**	**326,180**
9560 Other Guest Suite Expenses	1,352	1,563	210	11,062	12,500	1,438	18,750
9560 Total Guest Suite Expenses	**1,352**	**1,563**	**210**	**11,062**	**12,500**	**1,438**	**18,750**
TOTAL EXPENSE	**290,461**	**278,143**	**(12,318)**	**2,108,928**	**2,108,579**	**(349)**	**3,093,401**
NET OPERATING INCOME	**(32,504)**	**(20,075)**	**(12,429)**	**(57,790)**	**(46,743)**	**(11,047)**	**-**
NCB Debt Service Income	24,026	24,026	-	192,208	192,208	-	288,312
NCB Debt Service Expense	24,026	24,026	-	192,208	192,208	-	288,312
Total · Debt Service	-	-	-	-	-	-	-

	August 2025	Budget	Under/(Over) Budget	Jan-August 2025	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8500 CAPITAL INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	-	133,333	133,333	-	200,000
TOTAL OTHER INCOME	**16,667**	**16,667**	-	**133,333**	**133,333**	-	**200,000**
OTHER EXPENSE							
8650 Annual Capital Expense							
8822 Annual Capital Expense:Laundry Room Reno	99	-	(99)	99	-	(99)	
8850 Annual Capital Expense:Suite Owner Major R	-	-	-	2,600	-	(2,600)	
8860 Annual Capital Expense: Entrances & Lightin(	-	-	-	8,392	-	(8,392)	
8900 Annual Capital Expense: Heating System Maj	-	-	-	2,841	-	(2,841)	
8920 Annual Capital Expense: Electrical Major Rep	-	-	-	7,818	-	(7,818)	
8930 Annual Capital Expense: Marble Restoration	-	-	-	8,886	-	(8,886)	
8802 Annual Capital Expense: Consulting	125	-	(125)	147	-	(147)	
8650 Other Annual Capital Expense	-	-	-	-	-	-	
8650 Total Annual Capital Expense	**224**	**16,667**	**16,443**	**30,783**	**133,333**	**102,550**	200,000
NET INCOME ANNUAL CAPITAL	**16,443**	-	**16,443**	**102,550**	-	**102,550**	-
8575 CAPITAL INCOME:RESERVE FUND	59,375	59,375	0	475,001	475,000	1	712,500
8600 CAPITAL INCOME:Interest Income	317	-	317	2,234	-	2,234	-
	59,692	**59,375**	**317**	**477,235**	**475,000**	**2,235**	**712,500**
9110 Capital Reserve							
9107 Reserve - Masonry & Lintel	-	-	-	13,280	-	(13,280)	
9106 Reserve - Hot Water Tanks	13,376	-	(13,376)	13,376	-	(13,376)	
9105.1 Reserve - Elevator Rehab: Rehab Loan Inte	5,388	-	(5,388)	46,333	-	(46,333)	
9105 Other Reserve - Elevator Rehab	1,969	-	(1,969)	1,969	-	(1,969)	
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	-	-	-	14,850	-	(14,850)	
9110 Other Capital Reserve	-	-	-	-	-	-	
9110 Total Capital Reserve	**20,733**	**59,375**	**38,642**	**193,213**	**475,000**	**281,787**	**712,500**
NET INCOME CAPITAL RESERVE	**38,959**	-	**38,959**	**284,023**	-	**284,023**	-
NET INCOME	**22,897**	**(20,075)**	**42,972**	**328,783**	**(46,743)**	**375,526**	-