MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
September 2025

Profit and Loss Statement

Net operating loss for September was $16,123, $45,905 unfavorable to budget.

- Total income for September was $254,998, $2,069 unfavorable to budget.
- Total expenses for September were $271,121, $43,835 over budget. The main contributors of higher expenses relative to budget were:
    - Higher expense for uncollectible accounts in the amount of $46,164 due to loss from Sheriff Sale of unit 13609-3A and uncollectible legal fees.
    - Lower net wages and employee benefits of $4,486 due to staff shortages and lower hospitalization due to changes in personnel coverage.
    - Lower net maintenance and repairs of $19,453 due to lower plumbing expenses and reclass of expenses to capital reserve.
    - Higher net contracted services of $9,646 due to higher security and safety costs for repair of camera and extra security for resident safety.
    - Higher net administrative expenses of $20,182 due to higher legal expenses.

Net operating loss for September year-to-date was $73,914, $56,952 unfavorable to budget.

- Total income was $2,306,135, $12,768 unfavorable to budget.
- Total expenses were $2,380,049, $44,184 over budget. The main contributors of lower expenses relative to budget were:
    - Higher expense for uncollectible accounts in the amount of $23,664 due to loss from Sheriff Sale of unit 13609-3A and uncollectible legal fees.
    - Lower net wages and employee benefits of $66,226 due to staff shortages and a credit adjustment for hospitalization due to changes in personnel coverage.
    - Higher net utilities by $28,311 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 $40,019 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 $49,863 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 September $55,570 was spent on capital expenses and $29,337 was spent on capital reserve. Year-to-date, $86,353 was spent on annual capital and $222,550 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 September, cash was $599,201, of which $49,159 was operational cash, $70,049 annual capital cash, $374,918 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 September, net accounts receivable was $25,066, of which $54,921 are accounts receivable from owners. We also had $40,000 in allowance for credit losses which was established at the end of 2024. This $40,000 was used for the shortfall in recovering A/R from unit 13609-3A that was sold in sheriff sale on 07/07/2025.

The amount from the other unit, which we have settled litigation with, has also been 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 September 30, 2025

	Amount as of 9/30/2025	Amount as of 12/31/2024	$ Change
ASSETS			
Cash			
1007 Capital Reserve	374,918	332,860	42,058
1013 NCB Loan Escrow Account	105,075	104,268	807
1015 Operating	48,759	47,229	1,531
1018 Annual Capital	70,049	809	69,240
1040 Petty Cash	400	400	-
Total Cash	599,201	485,566	113,635
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	25,066	98,404	(73,338)
1200 Total Accounts Receivable	28,554	101,892	(73,338)
1250 Allowance for Credit Losses	-	(40,000)	40,000
Total Accounts Receivable	28,554	61,892	(33,338)
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	17,525	11,236	6,289
1320 Prepaid Elevator Inspections	19,511	18,595	916
1325 Prepaid Maintenance Contract	6,595	2,802	3,794
1340 Prepaid Insurance	34,376	41,812	(7,436)
1350 Prepaid Legal Fees	3,100	1,125	1,975
1360 Prepaid Taxes	1,007	-	1,007
1370 Prepaid Workers Comp	400	315	85
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	85,653	79,024	6,630
Total Other Current Asset	85,653	79,024	6,630
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	(70,453)	(65,918)	(4,534)
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	15,896	20,431	(4,534)
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	**1,157,796**	**1,075,403**	**82,393**

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

LIABILITIES & EQUITY			
Liabilities			
Accounts Payable			
2000 A/P - Operational	21,797	33,245	(11,448)
2020 A/P - Annual Capital	(4,596)	(10,188)	5,592
2030 A/P - Capital Reserve	22,237	4,443	17,794
Total Accounts Payable	39,438	27,500	11,938
Other Current Liability			
2100 Security Deposits	3,518	3,878	(360)
2300 Accrued Misc Expense	80	-	80
2320 Accrued Payroll	50,973	50,973	-
2400 Christmas Fund Payable	3,615	8,643	(5,028)
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	3,245	-	3,245
Total Other Current Liability	63,007	65,925	(2,918)
Long Term Liability			
2485 NCB Elevator Rehab Loan	1,155,908	1,388,840	(232,932)
2500 NCB Loan Payable 60 Month	392,765	392,765	-
2700 Due To/From Moreland TCP-MstrPL	31,026	28,853	2,173
Total Long Term Liability	1,579,699	1,810,458	(230,760)
Total Liabilities	1,682,143	1,903,883	(221,740)
Equity			
3200 Owners Equity	(828,480)	(1,246,850)	418,370
3900 Net Income	304,133	418,370	(114,237)
Total Equity	(524,347)	(828,480)	304,133
TOTAL LIABILITIES & EQUITY	**1,157,796**	**1,075,403**	**82,393**

Moreland Courts Condominium Association, Inc.
Statement of Equity
As of September 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	2,291,259	14,000	150,000	534,376	2,989,635
Interest	877			2,573	3,450
Operational Expenditures	2,367,674	12,375			(2,380,049)
Capital Expenditures			86,353		(86,353)
Reserve Fund Expenditures				222,550	(222,550)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	609,945	4,926	47,773	(1,186,992)	(524,347)

	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	(75,539)	1,625	63,647	314,399	304,133
Current Balance	609,945	4,926	47,773	(1,186,992)	(524,347)

Moreland Courts Condominium Association, Inc.
Statement of Cash Flows
September 1 through September 30, 2025

	Operational	Loan Escrow	Annual Capital	Reserve Fund	Total
Cash Flows From Operations:					
Net Income	(76,415)				(76,415)
Guest Suite Net Income	1,625				1,625
Capital Assessment			150,000	534,376	684,376
Interest Income	70	807		2,573	3,450
Add:					0
Depreciation	4,534				4,534
Due to/from funds	59,375			(59,375)	0
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	33,338				33,338
Prepaid Expenses	(6,630)				(6,630)
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	(11,448)				(11,448)
Accounts Payable - Capital			5,592		5,592
Accounts Payable - Reserve				17,794	17,794
Accrued Payroll & Related Taxes					0
Security Deposits	(360)				(360)
Accrued Water & Sewer					0
Christmas Fund Payable	(5,028)				(5,028)
Accrued Natural Gas					0
Accrued Other Expenses	2,470				2,470
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan				(230,760)	(230,760)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	1,531	807	155,592	264,608	422,538
Capital expenditures			(86,353)	(222,550)	(308,902)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	1,531	807	69,239	42,059	113,635
Balance January 1, 2025	47,629	104,268	809	332,860	485,566
Balance September 30, 2025	49,159	105,075	70,048	374,919	599,201
bal sheet	49,159	105,075	70,049	374,918	599,201

Moreland Courts Condominium Association
Profit & Loss Budget Performance
September 2025

	September 2025	Budget	(Under)/Over Budget	Jan-Sept. 2025	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	196,080	196,080	0	1,764,717	1,764,717	0	2,352,956
4100 Parking Lot Rental Fees	1,900	1,900	-	17,100	17,100	-	22,800
4150 Natural Gas Surcharge	20,271	20,271	(0)	182,437	182,438	(0)	243,250
4175 Insurance Surcharge	15,713	15,713	0	141,417	141,417	0	188,556
4200 Garage Parking Fees	14,670	15,640	(970)	135,748	140,760	(5,012)	187,680
4300 Late Fees	400	333	67	2,000	3,000	(1,000)	4,000
4400 Common Area Rental Fees	217	217	-	1,953	1,953	-	2,604
4500 Patio Fees	2,551	2,396	155	22,028	21,563	465	28,750
4600 In Suite Repair Income	523	706	(183)	11,468	11,644	(176)	17,055
4700 Garage Services	480	1,000	(520)	3,120	9,000	(5,880)	12,000
4800 Total Miscellaneous Income	856	1,250	(394)	9,271	11,250	(1,979)	15,000
4000 Total INCOME ACCOUNTS	**253,660**	**255,505**	**(1,845)**	**2,291,259**	**2,304,841**	**(13,582)**	**3,074,651**
4900 Bank Interest Income	0	-	0	0	-	0	
4988 Loan Escrow Interest Income	88	-	88	807	-	807	
5005 Returned Check Charges	-	-	-	70	-	70	
	253,748	**255,505**	**(1,757)**	**2,292,135**	**2,304,841**	**(12,706)**	3,074,651
9550 Guest Suite							
9550 Other Guest Suite	1,250	1,563	(313)	14,000	14,063	(63)	18,750
9550 Total Guest Suite	1,250	1,563	(313)	14,000	14,063	(63)	18,750
TOTAL INCOME	**254,998**	**257,068**	**(2,069)**	**2,306,135**	**2,318,904**	**(12,768)**	**3,093,401**

	September 2025	Budget	Under/(Over) Budget	Jan-Sept. 2025	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	46,164	2,500	(43,664)	46,164	22,500	(23,664)	30,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	11,006	13,554	2,548	120,771	135,542	14,771	176,204
5040 WAGES:SwitchBoard (3)	5,975	4,434	(1,541)	52,956	44,342	(8,614)	57,644
5100 WAGES:Garage/Valet Wages (6)	15,989	14,500	(1,489)	135,879	145,001	9,122	188,501
5320 WAGES:Management Staff	26,063	27,574	1,512	259,924	275,744	15,820	358,467
5440 WAGES:Security Wages	25,706	24,302	(1,403)	250,987	243,025	(7,962)	315,932
5480 WAGES:Maintenance Wages (5)	15,056	16,347	1,290	163,020	167,966	4,946	219,005
5000 Total WAGES	**99,794**	**100,712**	**918**	**983,536**	**1,011,619**	**28,083**	**1,315,755**
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	17,001	20,036	3,035	146,931	180,323	33,392	240,431
5600 Total Payroll Taxes	7,752	8,460	708	79,803	84,976	5,173	110,523
5700 EMPLOYEE BENEFITS:Workers Compensation	1,675	1,167	(509)	9,002	10,500	1,498	14,000
5900 EMPLOYEE BENEFITS:Uniforms	-	333	333	4,920	3,000	(1,920)	4,000
5500 Total EMPLOYEE BENEFITS	**26,428**	**29,996**	**3,568**	**240,656**	**278,799**	**38,143**	**368,954**
6000 UTILITIES							
6020 Electricity-Common Area	5,141	4,672	(469)	44,985	43,801	(1,184)	58,401
6120 Natural Gas-Heating	492	550	58	163,698	145,975	(17,723)	206,750
6140 Natural Gas-Hot Water & Dryers	2,680	3,042	362	26,873	27,375	503	36,500
6200 Water	6,429	4,917	(1,512)	48,489	44,250	(4,239)	59,000
6300 Sewer	10,840	9,802	(1,038)	93,883	88,215	(5,668)	117,620
6000 Total UTILITIES	**25,580**	**22,982**	**(2,598)**	**377,927**	**349,616**	**(28,311)**	**478,271**

	September 2025	Budget	Under/(Over) Budget	Jan-Sept. 2025	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	333	333	649	3,000	2,351	4,000
6540 Plumbing Maint & Repairs	(7,504)	2,500	10,004	12,976	22,500	9,524	30,000
6580 Boiler Maint & Repairs (Heating	(6,533)	2,500	9,033	17,422	27,500	10,078	35,000
6590 Garage Supplies (Car Wash)	86	71	(16)	438	638	200	850
6600 Housekeeping Supplies	408	667	259	6,939	6,000	(939)	8,000
6605 Keys & Locks	-	92	92	3,461	825	(2,636)	1,100
6610 De-Icing Agent	-	-	-	2,770	2,000	(770)	4,000
6620 Vehicle and Fuel	25	333	308	3,801	3,000	(801)	4,000
6640 Total Maint, Supplies, Cleaning	1,468	1,667	198	20,420	15,000	(5,420)	20,000
6680 Interior Paint Supplies	262	433	172	2,292	3,900	1,608	5,200
6700 Misc. Contractor Repairs	-	358	358	184	3,225	3,041	4,300
6720 Roof Repairs	-	-	-	1,168	-	(1,168)	
6740 Suite Owner Repairs	1,832	583	(1,248)	11,776	5,250	(6,526)	7,000
6800 Carpet Cleaning/Repairs	103	-	(103)	103	3,750	3,647	7,500
6820 Misc. Equipment and Repair	1,489	542	(947)	1,489	4,875	3,386	6,500
6830 Dryers	-	133	133	-	1,200	1,200	1,600
6900 Tools/Equipment	-	875	875	6,418	7,875	1,457	10,500
6500 Total MAINT & REPAIRS	**(8,365)**	**11,087**	**19,453**	**92,306**	**110,538**	**18,231**	**149,550**
6950 Major Repairs	(6,068)	3,000	9,068	7,971	19,500	11,529	25,000
7000 CONTRACTED SERVICES							
7100 Landscaping	8,295	7,673	(621)	73,356	69,061	(4,295)	92,081
7110 Landscaping - Addt'l	-	-	-	4,804	-	(4,804)	-
7115 Landscaping - Grounds Committee	-	-	-	60	-	(60)	
7120 Landscaping - Irrigation	718	750	32	4,377	7,500	3,123	9,000
7130 Landscaping - Fertilization	-	292	292	311	2,625	2,314	3,500
7200 Security/Fire Safety	-	250	250	16,591	11,810	(4,781)	12,560
7210 Security - Additional	9,461	-	(9,461)	22,334	-	(22,334)	3,500
7300 Exterminating	289	292	2	2,264	2,625	361	
7310 Exterminating - Additional	-	-	-	427	-	(427)	
7400 Waste Removal & Recycling	2,004	1,825	(179)	18,495	17,725	(770)	24,500
7410 Waste Removal - Additional	-	-	-	1,250	-	(1,250)	
7500 Cable TV/Internet	10,937	10,625	(312)	97,918	95,625	(2,293)	127,500
7600 Elevator	7,379	7,917	538	65,492	71,250	5,758	95,000
7610 Elevator - Additional	269	-	(269)	11,040	-	(11,040)	-
7800 Window Cleaning	-	-	-	2,220	1,950	(270)	3,900
7850 Boiler Maintenance	700	783	83	6,300	7,050	750	9,400
7000 Total CONTRACTED SERVICES	**40,052**	**30,407**	**(9,646)**	**327,240**	**287,221**	**(40,019)**	**380,941**

	September 2025	Budget	Under/(Over) Budget	Jan-Sept. 2025	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	335	-	(335)	1,472	1,000	(472)	10,000
8100 Advertising / New Employee Exp	-	-	-	7,613	-	(7,613)	
8120 ADMIN EXPENSES:Computer Services	907	1,208	301	10,428	10,875	447	14,500
8140 ADMIN EXPENSES: Legal Expense	21,523	708	(20,815)	48,915	6,375	(42,540)	8,500
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,500	15,000	500	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	-	563	563	750
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	609	646	37	5,482	5,813	330	7,750
8200 ADMIN EXPENSES:Telephone Expense	1,570	1,518	(52)	14,337	13,661	(676)	18,215
8250 ADMIN EXPENSES:Permits	-	550	550	478	4,600	4,122	6,300
8300 Total ADMIN EXPENSES:Insurance	15,933	15,713	(220)	143,395	141,417	(1,978)	188,556
8400 ADMIN EXPENSES:Other Taxes	339	-	(339)	2,723	1,000	(1,723)	1,000
8440 ADMIN EXPENSES:Payroll Charges	1,397	1,379	(18)	14,778	12,409	(2,369)	16,545
8450 ADMIN EXPENSES:Marketing Expense	-	42	42	-	375	375	500
8460 ADMIN EXPENSES:Office Admin & Supplies	2,640	2,125	(515)	16,526	19,125	2,599	25,500
8461 ADMIN EXPENSES:Bank Service Charge	60	167	107	889	1,500	611	2,000
8470 Total ADMIN EXPENSES:Postage & Shipping	405	533	129	5,803	4,800	(1,003)	6,400
8480 ADMIN EXPENSES:Depreciation Expense	504	389	(115)	4,534	3,498	(1,036)	4,664
8000 Total ADMIN EXPENSES	**46,222**	**25,040**	**(21,182)**	**291,873**	**242,010**	**(49,863)**	**326,180**
9560 Other Guest Suite Expenses	1,313	1,563	249	12,375	14,063	1,687	18,750
9560 Total Guest Suite Expenses	1,313	1,563	249	12,375	14,063	1,687	**18,750**
TOTALEXPENSE	**271,121**	**227,286**	**(43,835)**	**2,380,049**	**2,335,865**	**(44,184)**	**3,093,401**
NET OPERATING INCOME	**(16,123)**	**29,781**	**(45,905)**	**(73,914)**	**(16,962)**	**(56,952)**	**-**
NCB Debt Service Income	25,417	25,417	-	228,750	228,750	-	305,000
NCB Debt Service Expense	25,417	25,417	-	228,750	228,750	-	305,000
Total · Debt Service	-	-	-	-	-	-	-

	September 2025	Budget	Under/(Over) Budget	Jan-Sept. 2025	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8500 CAPITAL INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	0	150,000	150,000	0	200,000
TOTAL OTHER INCOME	**16,667**	**16,667**	**0**	**150,000**	**150,000**	**0**	**200,000**
OTHER EXPENSE							
8650 Annual Capital Expense							
8801 Annual Capital Expense:Landscaping Improvemer	3,274	-	(3,274)	3,274	-	(3,274)	
8820 Annual Capital Expense: Gallery Renovations	3,718	-	(3,718)	3,718	-	(3,718)	
8822 Annual Capital Expense:Laundry Room Renovatio	688	-	(688)	787	-	(787)	
8850 Annual Capital Expense:Suite Owner Major Repai	-	-	-	2,600	-	(2,600)	
8860 Annual Capital Expense: Entrances & Lighting	23,566	-	(23,566)	31,957	-	(31,957)	
8900 Annual Capital Expense: Heating System Major R	-	-	-	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	-	-	-	147	-	(147)	
8949 Annual Capital Expense: Building 12 Renovations	24,324	-	(24,324)	24,324	-	(24,324)	
8650 Total Annual Capital Expense	**55,570**	**16,667**	**(38,903)**	**86,353**	**150,000**	**63,647**	200,000
NET INCOME ANNUAL CAPITAL	**(38,903)**	**-**	**(38,903)**	**63,647**	**-**	**63,647**	**-**
8575 CAPITAL INCOME:RESERVE FUND	59,375	59,375	0	534,376	534,375	1	712,500
8600 CAPITAL INCOME:Interest Income	339	-	339	2,573	-	2,573	-
	59,714	**59,375**	**339**	**536,949**	**534,375**	**2,574**	**712,500**
9110 Capital Reserve							
9107 Reserve - Masonry & Lintel	-	-	-	13,280	-	(13,280)	
9106 Reserve - Hot Water Tanks	-	-	-	13,376	-	(13,376)	
9105 Total Reserve - Elevator Rehab	6,171	-	(6,171)	54,473	-	(54,473)	
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	9,594	-	(9,594)	88,214	-	(88,214)	
9123 Reserve - Major Plumbing Repairs	13,572	-	(13,572)	28,422	-	(28,422)	
9110 Total Capital Reserve	**29,337**	**59,375**	**(29,337)**	**222,550**	**534,375**	**(222,550)**	**712,500**
NET INCOME CAPITAL RESERVE	**30,377**	**-**	**29,676**	**314,399**	**-**	**225,123**	**-**
NET INCOME	**(24,650)**	**29,781**	**(54,431)**	**304,133**	**(16,962)**	**321,095**	**-**