



MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
May 2026

Profit and Loss Statement

Net operating income for May was \$33,141, \$10,715 favorable to budget.

- Total income for May was \$267,184, \$1,401 unfavorable to budget.
- Total expenses for May were \$234,043, \$12,116 under budget. The main contributors of the variance in expenses relative to budget were:
 - Lower net wages and employee benefits of \$12,638 due to changes in management staffing.
 - Higher net utilities by \$7,368 due to higher heating costs compared to budget.
 - Higher net maintenance and repairs and major repairs by \$8,246 due to higher boiler and heating expenses.
 - Lower contracted services by \$10,645 due to fire/safety testing typically tested in May but is scheduled for June. An offset will occur in June 2026.

Net operating loss for May year-to-date was \$797, \$99,692 favorable to budget.

- Total income was \$1,338,611, \$4,315 unfavorable to budget.
- Total expenses were \$1,339,408, \$104,007 under budget. The main contributors of lower expenses relative to budget were:
 - Lower net wages and employee benefits of \$92,969 due to changes in staffing and the result of the first pay period of 2026 being paid in 2025. Part of this variance will reverse later in July when there will be three payrolls.
 - Higher net utilities by \$20,355 due to higher water and sewer costs due to dripping of faucets during extremely cold weather and higher heating cost due to colder temperatures later in the season.
 - Lower net maintenance and repairs and major repairs by \$6,875 due to lower major plumbing and boiler and heating repairs.
 - Lower contracted services by \$10,645 due to fire/safety testing typically tested in May but is scheduled for June. An offset will occur in June 2026.

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 \$725,000 and is also collected monthly from owners.



MORELAND COURTS
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In May \$7,791 was spent on annual capital expenses and \$24,415 was spent on capital reserve. Year-to-date, \$42,711 was spent on annual capital expense and \$151,078 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 \$546,205, of which \$25,185 was operational cash, \$110,452 annual capital cash, \$287,351 capital reserve cash and with the remainder loan escrow.

There was an inter-account transfer from Reserve fund to operations in the amount of \$59,375. This will be reversed when we ultimately collect on our A/R balances and/or register a surplus in 2026.

At the end of May, net accounts receivable was \$65,650, of which \$95,018 are accounts receivable from owners. One owner is currently more than 12 months delinquent. A lien has been filed, and the account has entered into the foreclosure process. A second owner was on a payment plan while renting their unit. However, the rental has since ended, and the owner is now non-compliant. A lien has been filed, and we are moving forward aggressively toward foreclosure proceedings since the matter has not been resolved.

Additionally, there are a couple of owners who have reached the 60-day past-due threshold. One has been contacted and advised that the account must be brought current to avoid a lien filing. Another submitted a request to the Board of Directors for a waiver, citing that their unit was uninhabitable for part of the year. This unit owner has since communicated that they will bring their account current in the month of June 2026. 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 May 31, 2026

	Amount as of 5/31/2026	Amount as of 12/31/2025	\$ Change
ASSETS			
Cash			
1007 Capital Reserve	287,351	334,133	(46,782)
1013 NCB Loan Escrow Account	123,217	105,323	17,894
1015 Operating	24,785	73,848	(49,063)
1018 Annual Capital	110,452	47,856	62,596
1040 Petty Cash	400	400	-
Total Cash	546,205	561,560	(15,356)
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	65,650	28,262	37,388
1200 Total Accounts Receivable	69,138	31,750	37,388
Total Accounts Receivable	69,138	31,750	37,388
Other Current Asset			
1300 PREPAID EXPENSES			
1310 Employee Advances	25,046	19,600	5,445
1320 Prepaid Elevator Inspections	27,105	19,511	7,593
1325 Prepaid Maintenance Contract	9,726	2,913	6,813
1330 Prepaid Hospitalization	2,667	-	2,667
1340 Prepaid Insurance	24,974	46,734	(21,759)
1350 Prepaid Legal Fees	2,100	2,725	(625)
1360 Prepaid Taxes	2,677	-	2,677
1370 Prepaid Workers Comp	400	400	-
1300 Other PREPAID EXPENSES	3,139	3,139	-
1300 Total PREPAID EXPENSES	97,834	95,022	2,811
Total Other Current Asset	97,834	95,022	2,811
Fixed Asset			
1700 Furniture & Fixtures	34,890	34,890	-
1750 A/D - Furniture & Fixtures	(34,890)	(34,890)	-
1775 Machinery & Equipment	88,602	86,349	2,253
1776 A/D - Machinery & Equipment	(75,336)	(72,555)	(2,781)
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	13,266	13,794	(528)
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	213,385	213,385	-
Total Other Asset	249,047	249,047	-
TOTAL ASSETS	975,489	951,173	24,317

Moreland Courts Condominium Association**Balance Sheet****As of May 31, 2026****LIABILITIES & EQUITY****Liabilities****Accounts Payable**

2000 A/P - Operational	25,557	77,977	(52,420)
2020 A/P - Annual Capital	38,339	(302)	38,641
2030 A/P - Capital Reserve	(19,023)	3,800	(22,823)

Total Accounts Payable	44,873	81,475	(36,602)
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Other Current Liability

2100 Security Deposits	5,378	5,878	(500)
2320 Accrued Payroll	4,257	25,629	(21,371)
2400 Christmas Fund Payable	7,554	1,046	6,508
2576 Deferred Revenue - Capital	37,161	37,161	-
2410 Centennial Celebration	165	165	-
2415 Centennial History Project Fund Payable	1,341	1,341	-
2405 Centennial Tree Donation	70	70	-
2425 Champagne Celebration Fund	107	107	-

Total Other Current Liability	56,033	71,396	(15,363)
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Long Term Liability

2485 NCB Elevator Rehab Loan	940,881	1,076,168	(135,287)
2500 NCB Loan Payable 60 Month	213,193	213,320	(126)
2700 Due To/From Moreland TCP-MstrPL	51,608	32,027	19,581

Total Long Term Liability	1,205,683	1,321,515	(115,832)
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Total Liabilities	1,306,589	1,474,386	(167,798)
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Equity

3200 Owners Equity	(523,213.66)	(828,479.83)	305,266
3900 Net Income	192,114	305,266	(113,152)

Total Equity	(331,099)	(523,214)	192,114
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TOTAL LIABILITIES & EQUITY

975,489	951,173	24,317
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Moreland Courts Condominium Association, Inc.
Statement of Equity
As of May 31, 2026

	<u>Operational</u>	<u>Guest Suite</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Balance January 1, 2026	618,511	4,751	(15,874)	(1,130,601)	(523,214)
Income	1,332,739	5,475	83,333	302,084	1,723,631
Interest	398			1,282	1,680
Operational Expenditures	1,330,410	8,998			(1,339,408)
Capital Expenditures			42,711		(42,711)
Reserve Fund Expenditures				151,078	(151,078)
Transfer to Reserve Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Balance	<u>621,237</u>	<u>1,228</u>	<u>24,748</u>	<u>(978,312)</u>	<u>(331,099)</u>

	<u>Operational</u>	<u>Guest Suite</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Balance January 1, 2026	618,511	4,751	(15,874)	(1,130,601)	(523,214)
Net Change	<u>2,726</u>	<u>(3,523)</u>	<u>40,622</u>	<u>152,289</u>	<u>192,114</u>
Current Balance	<u>621,237</u>	<u>1,228</u>	<u>24,748</u>	<u>(978,312)</u>	<u>(331,099)</u>

Moreland Courts Condominium Association, Inc.
Statement of Cash Flows
May 1 through May 31, 2026

	<u>Operational</u>	<u>Loan Escrow</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Cash Flows From Operations:					
Net Income	2,329				2,329
Guest Suite Net Income	(3,523)				(3,523)
Capital Assessment			83,333	302,084	385,417
Interest Income	35	362		1,282	1,680
Add:					0
Depreciation	2,781				2,781
Due to/from funds	59,552	17,532	(16,667)	(60,416)	1
Changes in Working Capital:					0
					0
Assets - (increase)/decrease:					0
Accounts Receivable - Owners, net	(37,388)				(37,388)
Prepaid Expenses	(2,811)				(2,811)
Assets - Equipment and Real Property	(2,253)				(2,253)
Other assets					0
Accounts Receivable - 2003 Spec Assess					0
Elevator Mod Loan Funding					0
					0
Liabilities - increase/(decrease):					0
Accounts Payable - Operational	(52,420)				(52,420)
Accounts Payable - Capital			38,641		38,641
Accounts Payable - Reserve				(22,823)	(22,823)
Accrued Payroll & Related Taxes	(21,371)				(21,371)
Security Deposits	(500)				(500)
Accrued Water & Sewer					0
Christmas Fund Payable	6,508				6,508
Accrued Natural Gas					0
Accrued Other Expenses					0
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan				(115,832)	(115,832)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	(49,062)	17,894	105,307	104,295	178,434
Capital expenditures			(42,711)	(151,078)	(193,789)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	(49,062)	17,894	62,596	(46,782)	(15,355)
Balance January 1, 2026	74,248	105,323	47,856	334,133	561,560
Balance May 31, 2026	<u>25,185</u>	<u>123,217</u>	<u>110,452</u>	<u>287,351</u>	<u>546,205</u>
bal sheet	25,185	123,217	110,452	287,351	546,205

Moreland Courts Condominium Association
Profit & Loss Budget Performance

May 2026

INCOME

4000 INCOME ACCOUNTS

4050 Maintenance Fees
4100 Parking Lot Rental Fees
4150 Natural Gas Surcharge
4175 Insurance Surcharge
4200 Garage Parking Fees
4300 Late Fees
4400 Common Area Rental Fees
4500 Patio Fees
4600 In Suite Repair Income
4700 Garage Services
4800 Total Miscellaneous Income

4000 Total INCOME ACCOUNTS

4900 Bank Interest Income
4988 Loan Escrow Interest Income
5005 Returned Check Charges

9551 Guest Suite: Guest Suite Rental Income

9550 Total Guest Suite

TOTAL INCOME

May 2026	Budget	(Under)/Over Budget	Jan-May 2026	Budget	(Under)/Over Budget	Annual Budget
203,267	203,267	-	1,016,334	1,016,334	(0)	2,439,202
1,900	1,900	-	9,500	9,500	-	22,800
22,489	22,489	(0)	112,444	112,444	(0)	269,865
17,313	17,313	(0)	86,563	86,563	(0)	207,752
14,803	15,370	(568)	73,453	76,850	(3,397)	184,440
400	333	67	1,900	1,667	233	4,000
217	217	-	1,085	1,085	-	2,604
2,551	2,551	0	12,754	12,754	0	30,610
806	1,500	(694)	3,239	7,500	(4,261)	18,000
460	833	(373)	2,240	4,167	(1,927)	10,000
1,902	1,250	652	13,227	6,250	6,977	15,000
266,106	267,023	(917)	1,332,739	1,335,114	(2,375)	3,204,273
0	-	0	0	-	0	
79	-	79	362	-	362	
-	-	-	35	-	35	
266,184	267,023	(838)	1,333,136	1,335,114	(1,978)	3,204,273
1,000	1,563	(563)	5,475	7,813	(2,338)	18,750
1,000	1,563	(563)	5,475	7,813	(2,338)	18,750
267,184	268,585	(1,401)	1,338,611	1,342,926	(4,315)	3,223,023

EXPENSE	May 2026	Budget	Under/(Over) Budget	Jan-May 2026	Budget	Under/(Over) Budget	Annual Budget
4999 Uncollectible Accounts Expense	-	4,167	4,167	1,851	20,833	18,983	50,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	13,640	13,688	48	66,812	75,282	8,470	177,941
5040 WAGES:SwitchBoard (3)	5,119	5,348	228	24,981	29,411	4,430	69,514
5100 WAGES:Garage/Valet Wages (6)	14,911	15,349	438	79,640	84,419	4,779	199,536
5320 WAGES:Management Staff	23,200	29,692	6,492	142,752	163,306	20,554	385,989
5440 WAGES:Security Wages	22,095	24,022	1,927	109,782	132,122	22,340	312,294
5480 WAGES:Maintenance Wages (5)	15,046	15,140	94	77,048	87,519	10,471	203,319
5000 Total WAGES	94,011	103,239	9,227	501,015	572,059	71,044	1,348,593
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	17,253	18,646	1,393	76,171	93,230	17,060	223,753
5600 Total Payroll Taxes	7,428	8,672	1,244	44,544	48,053	3,509	113,282
5700 EMPLOYEE BENEFITS:Workers Compensation	-	1,125	1,125	3,354	5,625	2,271	13,500
5900 EMPLOYEE BENEFITS:Uniforms	683	333	(350)	2,581	1,667	(915)	4,000
5500 Total EMPLOYEE BENEFITS	25,365	28,776	3,411	126,650	148,575	21,925	354,535
6000 UTILITIES							
6020 Electricity-Common Area	2,204	4,800	2,596	22,038	25,500	3,462	60,000
6120 Natural Gas-Heating	14,415	4,000	(10,415)	166,180	160,000	(6,180)	231,506
6140 Natural Gas-Hot Water & Dryers	2,820	3,197	377	17,083	15,983	(1,100)	38,359
6200 Water	5,197	5,167	(30)	31,192	25,833	(5,358)	62,000
6300 Sewer	10,509	10,613	104	64,245	53,067	(11,178)	127,360
6000 Total UTILITIES	35,145	27,777	(7,368)	300,738	280,383	(20,355)	519,225

	May 2026	Budget	Under/(Over) Budget	Jan-May 2026	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	250	250	175	1,250	1,075	3,000
6540 Plumbing Maint & Repairs	1,053	2,500	1,447	12,181	12,500	319	30,000
6580 Boiler Maint & Repairs (Heating)	9,870	500	(9,370)	19,393	23,500	4,107	35,000
6590 Garage Supplies (Car Wash)	126	71	(55)	602	354	(248)	850
6600 Housekeeping Supplies	718	667	(51)	3,003	3,333	331	8,000
6605 Keys & Locks	-	92	92	188	458	271	1,100
6610 De-Icing Agent	-	400	400	3,709	2,000	(1,709)	4,800
6620 Vehicle and Fuel	243	417	174	1,700	2,083	383	5,000
6640 Total Maint, Supplies, Cleaning	2,685	2,083	(602)	9,093	10,417	1,324	25,000
6680 Interior Paint Supplies	242	417	174	944	2,083	1,139	5,000
6700 Misc. Contractor Repairs	824	250	(574)	5,129	1,250	(3,879)	3,000
6720 Roof Repairs	-	-	-	778	-	(778)	-
6740 Suite Owner Repairs	2,450	583	(1,867)	5,782	2,917	(2,866)	7,000
6800 Carpet Cleaning/Repairs	670	375	(295)	3,647	1,875	(1,772)	4,500
6820 Misc. Equipment and Repair	-	396	396	1,531	1,979	448	4,750
6830 Dryers	-	133	133	1,405	667	(739)	1,600
6900 Tools/Equipment	872	875	3	3,113	4,375	1,262	10,500
6500 Total MAINT & REPAIRS	19,754	10,008	(9,746)	72,372	71,042	(1,330)	149,100
6950 Major Repairs	-	1,500	1,500	6,795	15,000	8,205	25,000
7000 CONTRACTED SERVICES							
7100 Landscaping	5,757	5,000	(757)	24,944	25,000	56	60,000
7110 Landscaping - Addtl'l	-	-	-	1,325	-	(1,325)	-
7120 Landscaping - Irrigation	-	750	750	2,211	3,750	1,539	9,000
7130 Landscaping - Fertilization	707	292	(415)	3,115	1,458	(1,657)	3,500
7200 Security/Fire Safety	1,410	7,560	6,150	3,037	9,460	6,423	12,560
7300 Exterminating	289	292	2	1,862	1,458	(403)	3,500
7400 Waste Removal & Recycling	2,119	2,188	68	12,412	10,938	(1,474)	26,250
7410 Waste Removal - Additional	-	-	-	625	-	(625)	-
7500 Cable TV/Internet	11,487	11,439	(48)	57,599	57,194	(405)	137,265
7600 Elevator	5,518	8,379	2,861	34,210	41,895	7,684	100,547
7610 Elevator - Additional	-	-	-	2,251	-	(2,251)	-
7800 Window Cleaning	-	1,950	1,950	220	1,950	1,730	3,900
7850 Boiler Maintenance	700	783	83	4,602	3,917	(685)	9,400
7000 Total CONTRACTED SERVICES	27,987	38,632	10,645	148,413	157,019	8,606	365,922

	May 2026	Budget	Under/(Over) Budget	Jan-May 2026	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	581	-	(581)	1,958	-	(1,958)	10,000
8100 Advertising / New Employee Exp	2,540	2,040	(500)	10,808	10,200	(608)	20,400
8120 ADMIN EXPENSES:Computer Services	973	1,208	236	5,138	6,042	904	14,500
8140 ADMIN EXPENSES: Legal Expense	1,175	833	(342)	7,946	4,167	(3,780)	10,000
8160 ADMIN EXPENSES: Audit Expense	-	-	-	15,750	15,000	(750)	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	900	313	(588)	750
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	609	646	37	4,156	3,229	(926)	7,750
8200 ADMIN EXPENSES:Telephone Expense	942	1,583	641	4,397	7,917	3,520	19,000
8250 ADMIN EXPENSES:Permits	-	-	-	68	3,200	3,132	5,000
8300 Total ADMIN EXPENSES:Insurance	17,058	17,313	254	85,291	86,563	1,272	207,752
8400 ADMIN EXPENSES:Other Taxes	-	175	175	-	875	875	2,100
8440 ADMIN EXPENSES:Payroll Charges	2,400	1,583	(817)	9,224	7,917	(1,307)	19,000
8460 ADMIN EXPENSES:Office Admin & Supplies	2,252	2,167	(86)	9,157	10,833	1,676	26,000
8461 ADMIN EXPENSES:Bank Service Charge	181	133	(48)	675	667	(8)	1,600
8470 Total ADMIN EXPENSES:Postage & Shipping	252	583	331	2,033	2,917	883	7,000
8480 ADMIN EXPENSES:Depreciation Expense	591	504	(87)	2,781	2,519	(261)	6,046
8000 Total ADMIN EXPENSES	29,556	28,831	(725)	160,282	162,358	2,075	371,898
8499 Contingency	188	1,667	1,479	12,294	8,333	(3,960)	20,000
9571 Guest Suite Expense - Other	2,036	1,563	(474)	8,998	7,813	(1,186)	18,750
9560 Total Guest Suite Expenses	2,036	1,563	(474)	8,998	7,813	(1,186)	18,750
TOTAL EXPENSE	234,043	246,159	12,116	1,339,408	1,443,415	104,007	3,223,023
NET OPERATING INCOME(LOSS)	33,141	22,426	10,715	(797)	(100,489)	99,692	-

	May 2026	Budget	Under/(Over) Budget	Jan-May 2026	Budget	Under/(Over) Budget	Annual Budget
CAPITAL INCOME							
8500 CAPITAL INCOME							
8550 CAPITAL INCOME:Capital Assessment	16,667	16,667	-	83,333	83,333	-	200,000
TOTAL CAPITAL INCOME	16,667	16,667	-	83,333	83,333	-	200,000
OTHER EXPENSE							
8650 Annual Capital Expense							
8820 Annual Capital Expense: Gallery Renovations	5,287	-	(5,287)	23,422	-	(23,422)	
8822 Annual Capital Expense:Laundry Room Renovations	-	-	-	10,000	-	(10,000)	
8859 Annual Capital Expense: Back Line Doors	408	-	(408)	4,458	-	(4,458)	
8860 Annual Capital Expense: Entrances & Lighting	-	-	-	994	-	(994)	
8880 Annual Capital Expense:Landscape Front Entrances	2,097	-	(2,097)	2,097	-	(2,097)	
8957 Annual Capital Expense: Management Office Improv	-	-	-	1,741	-	(1,741)	
8650 Other Annual Capital Expense	-	-	-	-	-	-	
8650 Total Annual Capital Expense	7,791	16,667	8,875	42,711	83,333	40,622	200,000
NET CAPITAL INCOME (LOSS)	8,875	-	8,875	40,622	-	40,622	-
RESERVE INCOME							
8575 CAPITAL INCOME:RESERVE FUND	60,417	60,417	0	302,084	302,083	1	725,000
8600 CAPITAL INCOME:Interest Income	239	-	239	1,282	-	1,282	
TOTAL RESERVE INCOME	60,655	60,417	239	303,366	302,083	1,283	725,000
9110 Capital Reserve							
9108 Reserve - Window Restoration/Painting/Repair	-	833	833	-	4,167	4,167	
9107 Reserve - Masonry & Lintel	-	2,500	2,500	-	12,500	12,500	
9106 Reserve - Hot Water Tanks	-	-	-	12,075	-	(12,075)	
9105 Total Reserve - Elevator Rehab	4,316	33,250	28,934	22,789	166,250	143,461	
9116 Reserve - Fire Stairs	-	2,500	2,500	-	12,500	12,500	
9118 Reserve - Security System	-	2,083	2,083	-	10,417	10,417	
9119 Reserve - West Gallery Floor	-	-	-	750	-	(750)	
9125 Reserve - Grounds Repair & Restoration	2,316	167	(2,149)	2,316	833	(1,482)	
9150 Total Reserve - Other	-	208	208	-	1,042	1,042	
9121 Reserve - Major Heating System Repairs	17,783	2,083	(15,700)	50,067	10,417	(39,650)	
9123 Reserve - Major Plumbing Repairs	-	4,167	4,167	6,290	20,833	14,543	
9134 Reserve - West Garage Painting	-	4,167	4,167	56,791	20,833	(35,958)	
9110 Other Capital Reserve	-	8,458	8,458	-	42,292	42,292	
9110 Total Capital Reserve Expense	24,415	60,417	36,001	151,078	302,084	151,006	725,000
NET RESERVE INCOME(LOSS)	36,240	0	36,240	152,289	(0)	152,289	-
NET INCOME	78,257	22,426	55,831	192,114	(100,489)	292,603	-