



MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Management Financial Report
September 2024

Profit and Loss Statement

Net operating income for September was \$35,514, \$55,511 favorable to budget.

- Total income was \$260,111, \$4,772 favorable to budget, mostly attributed to miscellaneous income for fees billed back to unit owners.
- Total expenses were \$224,597, \$50,738 over budget. The main contributors of higher expenses relative to budget were:
 - Lower wages and employee benefits under budget due to 2 pay cycles in September that offset the negative amount in August.
 - Higher administrative expenses due to legal expenses of \$7,998 related to additional counsel necessary for MCCA concerns, most of which should be recoverable from bill-backs to owners.

Net operating income for September year-to-date was \$71,710, \$50,912 favorable to budget.

- Total income was \$2,316,878, \$13,537 favorable to budget mostly attributed to bill back of fees associated with MCCA concern which is offset by legal expenses.
- Total expenses were \$2,245,169, \$37,375 under budget. The main contributors of lower expenses relative to budget were:
 - Lower wages by \$30,706 due to timing of pay cycle, there was an overage in August that offsets the positive in September.
 - Higher hospitalization expense by \$7,929 due to additional staff enrolled in medical benefits program post budget season.
 - Lower net utilities by \$7,081 due to lower water and sewer costs, offset by higher gas and electric costs relative to budget.
 - Lower net maintenance & repairs by \$10,201 due to timing of certain services being rendered such as carpet repairs, boiler maintenance, suite owner repairs, offset by higher plumbing maintenance and cleaning supplies.
 - Higher contracted services by \$4,526 due to higher than budgeted landscaping, additional repairs to irrigation system, waste removal, cable charges and additional elevator services, partially offset by reduced security and fire safety expenses due to invoice timing.
 - Higher net administrative expenses by \$15,677 due to lower insurance solely due to timing of bills combined with higher legal expenses due to additional counsel related to MCCA concerns, most of which should be recoverable from bill-backs to owners.



MORELAND COURTS
Sophisticated Living in an Architectural Landmark

Capital Expense and Capital Reserve Spending

Budgeted capital expense related to income is \$170,000 and is collected monthly from owners. Budgeted capital reserve related income is \$650,000 and is also collected monthly from owners.

In September, \$5,599 was spent on capital expenses and \$31,868 on capital reserve. Year-to-date, \$106,171 was spent on capital expenses and \$204,254 on capital reserve spending.

For more details on categories of expense/spending, see page 9 of the financial packet.

Balance Sheet and Liquidity

Our ability fund operations, capital expenses and reserve expenses are a function of cash on hand, accounts receivable from owners and additional income to be assessed to owners for the remainder of the year.

At the end of September, cash was \$426,302, of which \$32,305 was operational cash, \$39,973 annual capital cash, \$250,047 was capital reserve cash and the remainder was loan escrow.

At the end of September, accounts receivable from owners was \$168,864. Details on the aging of our accounts receivable can be found on page 10 of the financial packet. Of this net total, three delinquencies account for most of the total. We have received payment for two arrearages in the amount of \$102,618. We are in active foreclosure proceedings for the other account.

With the receipt of the arrearages from two Unit Owners, we believe we will be able to fund our budgeted operational and capital items.

Moreland Courts Condominium Association
Balance Sheet
As of September 30, 2024

	Amount as of 9/30/2024	Amount as of 12/31/2023	\$ Change
ASSETS			
Cash			
1007 Capital Reserve	250,047	224,414	25,633
1013 NCB Loan Escrow Account	103,978	121,595	(17,617)
1015 Operating	31,905	7,295	24,609
1018 Annual Capital	39,973	30,139	9,834
1040 Petty Cash	400	400	-
Total Cash	426,302	383,843	42,459
Accounts Receivable			
1200 Accounts Receivable			
1201 Accounts Receivable-Other	3,488	3,488	-
1200 Other Accounts Receivable	168,864	105,081	63,783
1200 Total Accounts Receivable	172,352	108,569	63,783
Total Accounts Receivable	172,352	108,569	63,783
Other Current Asset			
1300 PREPAID EXPENSES			
1305 Prepaid Holiday Fund	1,746	1,746	-
1310 Employee Advances	11,597	9,572	2,025
1320 Prepaid Elevator Inspections	18,595	24,753	(6,158)
1325 Prepaid Maintenance Contract	6,887	5,200	1,687
1330 Prepaid Hospitalization	14,523	2,454	12,069
1340 Prepaid Insurance	17,157	25,185	(8,028)
1350 Prepaid Legal Fees	1,500	1,125	375
1335 Prepaid License Fees	-	250	(250)
1300 Other PREPAID EXPENSES	3,139	3,088	51
1300 Total PREPAID EXPENSES	75,144	73,373	1,771
Total Other Current Asset	75,144	73,373	1,771
Fixed Asset			
1700 Furniture & Fixtures	41,375	41,375	-
1750 A/D - Furniture & Fixtures	(34,969)	(34,733)	(236)
1775 Machinery & Equipment	79,865	64,442	15,422
1776 A/D - Machinery & Equipment	(62,241)	(59,872)	(2,369)
1800 Automobile & Trucks	32,058	32,058	-
1850 A/D - Automobile & Trucks	(32,635)	(32,281)	(354)
1860 4X2 Cub Cadet	21,384	21,384	-
1865 A/D - 4X2 Cub Cadet	(21,384)	(21,384)	-
Total Fixed Asset	23,452	10,988	12,464
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	600,431	600,431	-
Total Other Asset	636,092	636,092	-
TOTAL ASSETS	1,333,343	1,212,865	120,477

Moreland Courts Condominium Association
Balance Sheet
As of September 30, 2024

LIABILITIES & EQUITY

Liabilities

Accounts Payable

2000 A/P - Operational	20,806	54,692	(33,886)
2020 A/P - Annual Capital	(11,495)	-	(11,495)
2030 A/P - Capital Reserve	16,828	-	16,828

Total Accounts Payable	26,139	54,692	(28,552)
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Other Current Liability

2100 Security Deposits	5,378	12,202	(6,825)
2320 Accrued Payroll	62,881	46,931	15,950
2400 Christmas Fund Payable	10,738	8,530	2,207
2576 Deferred Revenue - Capital	1,277	1,277	-
2415 Centennial History Project Fund Payable	1,251	1,251	-
2405 Centennial Tree Donation	970	720	250

Total Other Current Liability	82,494	70,911	11,583
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Long Term Liability

2485 NCB Elevator Rehab Loan	1,464,435	1,685,259	(220,824)
2500 NCB Loan Payable 60 Month	600,365	600,431	(66)
2700 Due To/From Moreland TCP-MstrPL	28,731	48,422	(19,691)

Total Long Term Liability	2,093,531	2,334,112	(240,582)
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Total Liabilities	2,202,164	2,459,715	(257,551)
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Equity

3200 Owners Equity	(1,246,850)	(1,336,678)	89,828
3900 Net Income	378,028	89,828	288,200

Total Equity	(868,822)	(1,246,850)	378,028
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TOTAL LIABILITIES & EQUITY	1,333,343	1,212,865	120,477
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Moreland Courts Condominium Association, Inc.
Statement of Equity
As of September 30, 2024

	<u>Operational</u>	<u>Guest Suite</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Balance January 1, 2024	650,564	3,480	1,991	(1,902,885)	(1,246,850)
Income	2,304,021	11,910	127,500	487,500	2,930,931
Interest	947			1,743	2,690
Operational Expenditures	2,232,452	12,717			(2,245,169)
Capital Expenditures			106,171		(106,171)
Reserve Fund Expenditures				204,254	(204,254)
Transfer to Reserve Fund	0	0	0	0	0
Current Balance	<u>723,080</u>	<u>2,674</u>	<u>23,320</u>	<u>(1,617,896)</u>	<u>(868,822)</u>

	<u>Operational</u>	<u>Guest Suite</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Balance January 1, 2024	650,564	3,480	1,991	(1,902,885)	(1,246,850)
Net Change	<u>72,517</u>	<u>(807)</u>	<u>21,329</u>	<u>284,989</u>	<u>378,028</u>
Current Balance	<u>723,080</u>	<u>2,674</u>	<u>23,320</u>	<u>(1,617,896)</u>	<u>(868,822)</u>

Moreland Courts Condominium Association, Inc.
Statement of Cash Flows
January 1 through September 30, 2024

	<u>Operational</u>	<u>Loan Escrow</u>	<u>Annual Capital</u>	<u>Reserve Fund</u>	<u>Total</u>
Cash Flows From Operations:					
Net Income	71,569				71,569
Guest Suite Net Income	(807)				(807)
Capital Assessment			127,500	487,500	615,000
Interest Income	1	947		1,743	2,690
Add:					0
Depreciation	2,959				2,959
Due to/from funds	54,167			(54,167)	0
Changes in Working Capital:					0
					0
					0
Assets - (increase)/decrease:					
Accounts Receivable - Owners, net	(63,783)				(63,783)
Prepaid Expenses	(1,771)				(1,771)
Assets - Equipment and Real Property	(15,422)				(15,422)
Other assets	-				0
Accounts Receivable - 2003 Spec Assess					0
Elevator Mod Loan Funding					0
					0
					0
Liabilities - increase/(decrease):					
Accounts Payable - Operational	(33,886)				(33,886)
Accounts Payable - Capital			(11,495)		(11,495)
Accounts Payable - Reserve				16,828	16,828
Accrued Payroll & Related Taxes	15,950				15,950
Security Deposits	(6,825)				(6,825)
Accrued Water & Sewer					0
Christmas Fund Payable	2,207				2,207
Accrued Natural Gas					0
Accrued Other Expenses	250				250
Deferred Interest Assessment					0
Deferred Revenue					0
Debt Service payments					0
Default Contingency					0
Elevator Acceleration - NCB Loan		(18,564)		(222,018)	(240,582)
Funds held for Debt Payoff NCB					0
Net Cash provided/(used) by activities	24,609	(17,617)	116,005	229,887	352,884
Capital expenditures			(106,171)	(204,254)	(310,425)
Cash Transfer - Year End Surplus					0
Net increase/(decrease) in Cash	24,609	(17,617)	9,834	25,633	42,459
Balance January 1, 2024	7,695	121,595	30,139	224,414	383,843
Balance September 30, 2024	32,304	103,978	39,973	250,047	426,302
bal sheet	32,305	103,978	39,973	250,047	426,302

Moreland Courts Condominium Association
Profit & Loss Budget Performance
September 2024

	September 2024	Budget	(Under)/Over Budget	Jan-Sept. 2024	Budget	(Under)/Over Budget	Annual Budget
INCOME							
4000 INCOME ACCOUNTS							
4050 Maintenance Fees	197,651	197,651	(0)	1,778,856	1,778,857	(1)	2,371,809
4100 Parking Lot Rental Fees	1,700	1,700	-	15,300	15,300	-	20,400
4150 Natural Gas Surcharge	19,464	19,464	(1)	175,177	175,180	(3)	233,573
4175 Insurance Surcharge	13,639	13,639	(0)	122,748	122,748	(0)	163,664
4200 Garage Parking Fees	15,135	15,640	(505)	138,595	140,760	(2,165)	187,680
4300 Late Fees	500	333	167	3,500	3,000	500	4,000
4400 Common Area Rental Fees	217	285	(68)	1,973	2,565	(592)	3,420
4500 Patio Fees	2,108	2,108	0	18,975	18,975	0	25,300
4600 In Suite Repair Income	720	706	14	15,336	11,644	3,692	17,055
4700 Garage Services	540	1,000	(460)	6,672	9,000	(2,328)	12,000
4800 Total Miscellaneous Income	6,340	1,250	5,090	26,889	11,250	15,639	15,000
4000 Total INCOME ACCOUNTS	258,013	253,776	4,237	2,304,021	2,289,279	14,742	3,053,901
4900 Bank Interest Income	0	-	0	1	-	1	
4988 Loan Escrow Interest Income	98	-	98	947	-	947	
9550 Guest Suite	258,111	253,776	4,335	2,304,968	2,289,279	15,690	3,053,901
9550 Other Guest Suite	2,000	1,563	438	11,910	14,063	(2,153)	18,750
9550 Total Guest Suite	2,000	1,563	438	11,910	14,063	(2,153)	18,750
TOTAL INCOME	260,111	255,339	4,772	2,316,878	2,303,341	13,537	3,072,651

	September 2024	Budget	Under/(Over) Budget	Jan-Sept. 2024	Budget	Under/(Over) Budget	Annual Budget
EXPENSE							
4999 Uncollectible Accounts Expense	-	1,667	1,667	-	15,000	15,000	20,000
5000 WAGES							
5020 WAGES:Housekeeping Wages (4)	12,263	21,442	9,179	131,516	142,946	11,431	185,830
5040 WAGES:SwitchBoard (3)	6,226	10,769	4,543	72,882	71,792	(1,091)	93,329
5100 WAGES:Garage/Valet Wages (6)	12,421	23,608	11,187	133,944	157,384	23,441	204,600
5320 WAGES:Management Staff	26,080	37,008	10,928	251,683	246,720	(4,963)	320,736
5440 WAGES:Security Wages	23,877	35,584	11,707	237,677	237,224	(453)	308,391
5480 WAGES:Maintenance Wages (5)	17,349	25,088	7,739	166,446	168,786	2,340	219,162
5000 Total WAGES	98,215	153,498	55,283	994,146	1,024,852	30,706	1,332,048
5486 Management Bonus Pool							40,000
5500 EMPLOYEE BENEFITS							
5520 Hospitalization	20,244	19,584	(660)	184,183	176,254	(7,929)	235,005
5600 Total Payroll Taxes	7,570	8,949	1,379	80,228	80,543	314	107,390
5700 EMPLOYEE BENEFITS:Workers Compensation	2,147	1,250	(897)	8,982	11,250	2,268	15,000
5900 EMPLOYEE BENEFITS:Uniforms	198	333	136	2,038	3,000	962	4,000
5500 Total EMPLOYEE BENEFITS	30,158	30,116	(42)	275,431	271,046	(4,384)	361,395
6000 UTILITIES							
6020 Electricity-Common Area	4,419	4,160	(259)	37,738	39,000	1,262	52,000
6120 Natural Gas-Heating	466	2,083	1,617	140,212	136,018	(4,194)	198,573
6140 Natural Gas-Hot Water & Dryers	2,571	2,917	346	24,415	26,250	1,835	35,000
6200 Water	5,951	5,086	(865)	44,587	45,773	1,186	61,030
6300 Sewer	10,801	10,252	(549)	85,274	92,266	6,992	123,021
6000 Total UTILITIES	24,208	24,498	290	332,226	339,306	7,081	469,624

	September 2024	Budget	Under/(Over) Budget	Jan-Sept. 2024	Budget	Under/(Over) Budget	Annual Budget
6500 MAINT & REPAIRS							
6520 Electrical Maint & Repairs	-	375	375	2,102	3,375	1,273	4,500
6540 Plumbing Maint & Repairs	-	2,083	2,083	20,091	18,750	(1,341)	25,000
6580 Boiler Maint & Repairs (Heating)	3,029	2,500	(529)	25,798	27,500	1,702	35,000
6590 Garage Supplies (Car Wash)	230	83	(147)	591	750	159	1,000
6600 Housekeeping Supplies	221	667	446	5,261	6,000	739	8,000
6605 Keys & Locks	-	100	100	894	900	6	1,200
6610 De-Icing Agent	-	-	-	1,194	2,250	1,056	4,500
6620 Vehicle and Fuel	172	333	161	2,490	3,000	510	4,000
6640 Total Maint, Supplies, Cleaning	1,130	1,542	411	15,016	13,875	(1,141)	18,500
6680 Interior Paint Supplies	635	417	(219)	3,924	3,750	(174)	5,000
6700 Misc. Contractor Repairs	375	333	(42)	3,924	3,000	(924)	4,000
6720 Roof Repairs	220	-	(220)	495	-	(495)	7,500
6740 Suite Owner Repairs	833	625	(208)	3,167	5,625	2,458	7,500
6800 Carpet Cleaning/Repairs	-	-	-	-	3,750	3,750	-
6820 Misc. Equipment and Repair	-	542	542	4,587	4,875	288	6,500
6830 Dryers	699	117	(582)	2,195	1,050	(1,145)	1,400
6900 Tools/Equipment	107	917	810	4,769	8,250	3,481	11,000
6500 Total MAINT & REPAIRS	7,551	10,633	2,982	95,499	106,700	10,201	144,600
6950 Major Repairs	-	-	-	17,370	15,000	(2,370)	20,000
7000 CONTRACTED SERVICES							
7100 Landscaping	7,597	7,408	(189)	65,614	66,671	1,058	88,895
7110 Landscaping - Addtl'	-	-	-	1,315	-	(1,315)	-
7120 Landscaping - Irrigation	3,432	617	(2,816)	9,605	5,550	(4,055)	7,400
7130 Landscaping - Fertilization	310	250	(60)	2,794	2,250	(544)	3,000
7200 Security/Fire Safety	1,594	100	(1,594)	10,231	11,200	969	11,500
7300 Exterminating	351	283	(68)	2,810	2,550	(260)	3,400
7400 Waste Removal & Recycling	2,152	3,300	1,148	16,554	16,875	321	22,500
7410 Waste Removal - Additional	-	-	-	625	-	(625)	-
7500 Cable TV	10,370	10,296	(74)	93,990	92,663	(1,327)	123,551
7600 Elevator	6,921	7,750	829	68,444	69,750	1,306	93,000
7800 Window Cleaning	-	-	-	2,090	1,850	(240)	3,700
7850 Boiler Maintenance	700	783	83	6,864	7,050	186	9,400
7000 Total CONTRACTED SERVICES	33,528	30,787	(2,741)	280,936	276,409	(4,526)	366,346

	September 2024	Budget	Under/(Over) Budget	Jan-Sept. 2024	Budget	Under/(Over) Budget	Annual Budget
8000 ADMIN EXPENSES							
8060 Resident Events	-	-	-	2,554	1,000	(1,554)	13,000
8120 ADMIN EXPENSES:Computer Services	879	1,208	329	10,356	10,875	519	14,500
8140 ADMIN EXPENSES: Legal Expense	7,998	708	(7,290)	33,529	6,375	(27,154)	8,500
8160 ADMIN EXPENSES: Audit Expense	-	-	-	14,800	15,000	200	15,000
8170 ADMIN EXPENSES: Consulting Fees	-	63	63	150	563	413	750
8180 ADMIN EXPENSES: Bookkeeping/Accounting Exp	509	646	37	5,338	5,813	474	7,750
8200 ADMIN EXPENSES:Telephone Expense	2,038	1,407	(631)	11,959	12,664	705	16,885
8250 ADMIN EXPENSES:Permits	-	500	500	3,765	4,500	735	6,000
8300 Total ADMIN EXPENSES:Insurance	14,536	13,639	(897)	117,166	122,748	5,582	163,664
8400 ADMIN EXPENSES:Other Taxes	-	-	-	-	1,000	1,000	1,000
8440 ADMIN EXPENSES:Payroll Charges	788	1,065	277	9,982	9,582	(400)	12,776
8450 ADMIN EXPENSES:Marketing Expense	-	83	83	-	750	750	1,000
8460 ADMIN EXPENSES:Office Admin & Supplies	2,217	2,125	(92)	17,104	19,125	2,021	25,500
8461 ADMIN EXPENSES:Bank Service Charge	50	208	158	801	1,875	1,074	2,500
8470 Total ADMIN EXPENSES:Postage & Shipping	132	533	402	5,382	4,800	(582)	6,400
8480 ADMIN EXPENSES:Depreciation Expense	329	389	60	2,959	3,498	539	4,664
8000 Total ADMIN EXPENSES	29,575	22,574	(7,001)	235,844	220,167	(15,677)	299,889
9560 Guest Suite Expenses							
9560 Other Guest Suite Expenses	1,262	1,563	300	12,717	14,063	1,346	18,750
9560 Total Guest Suite Expenses	1,262	1,563	137	12,717	14,063	(3,498)	-
TOTAL EXPENSE	224,997	275,335	50,738	2,245,169	2,282,543	37,375	3,072,651
NET OPERATING INCOME	35,514	(19,997)	55,511	71,710	20,798	50,912	-
NCB Debt Service Income	24,026	24,026	-	216,234	216,234	-	288,312
NCB Debt Service Expense	24,026	24,026	-	216,234	216,234	-	288,312
Total - Debt Service	-	-	-	-	-	-	-

	September 2024	Budget	Under/(Over) Budget	Jan-Sept. 2024	Budget	Under/(Over) Budget	Annual Budget
OTHER INCOME							
8500 CAPITAL INCOME							
8550 CAPITAL INCOME: Capital Assessment	14,167	14,167	-	127,500	127,500	0	170,000
TOTAL OTHER INCOME	14,167	14,167	-	127,500	127,500	0	170,000
OTHER EXPENSE							
8650 Annual Capital Expense	-	-	-	1,199	-	(1,199)	-
8705 Annual Capital Expense: Other Capital Expense	-	-	-	47	-	(47)	-
8810 Annual Capital Expense: Architectural Expense	4,043	-	(4,043)	11,473	-	(11,473)	-
8815 Annual Capital Expense: Exterior Renovations	-	-	-	15,924	-	(15,924)	-
8820 Annual Capital Expense: Gallery Renovations	-	-	-	3,425	-	(3,425)	-
8850 Annual Capital Expense: Suite Owner Major Repairs	546	-	(546)	21,693	-	(21,693)	-
8860 Annual Capital Expense: Entrances & Lighting	1,010	-	(1,010)	8,801	-	(8,801)	-
8870 Annual Capital Expense: Landmark - Interior Design	-	-	-	2,900	-	(2,900)	-
8940 Annual Capital Expense: West Garage Major Repairs	-	-	-	39,500	-	(39,500)	-
8948 Annual Capital Expense: Masonry Repairs	-	-	-	790	-	(790)	-
8871 Annual Capital Expense: Landmark Exterior Design	-	-	-	420	-	(420)	-
8652 Annual Capital Expense: Break Room	-	-	-	-	-	-	-
8650 Total Annual Capital Expense	5,599	14,167	8,567	106,171	127,500	21,329	170,000
NET ANNUAL CAPITAL INCOME	8,567	-	8,567	21,329	-	21,329	-
8575 CAPITAL INCOME: RESERVE FUND	54,167	54,167	-	487,500	487,500	0	650,000
8600 CAPITAL INCOME: Interest Income	248	-	248	1,743	-	1,743	-
NET ANNUAL CAPITAL INCOME	54,415	54,167	248	489,243	487,500	1,743	650,000
9110 Capital Reserve	-	-	-	14,444	-	14,444	-
9107 Reserve - Masonry & Lintel	-	-	-	11,260	-	11,260	-
9106 Reserve - Hot Water Tanks	6,749	-	(6,749)	65,722	-	(65,722)	-
9105 Total Reserve - Elevator Rehab	9,887	-	(9,887)	9,887	-	(9,887)	-
9116 Reserve - Fire Stairs	13,252	-	(13,252)	25,002	-	(25,002)	-
9118 Reserve - Security System	-	-	-	2,835	-	(2,835)	-
9125 Reserve - Grounds Repair & Restoration	-	-	-	18,731	-	(18,731)	-
9114.2 RESERVE - West Garage Roof	-	-	-	4,750	-	(4,750)	-
9150 Total Reserve - Other	-	-	-	21,563	-	(21,563)	-
9121 Reserve - Major Heating System Repairs	1,980	-	(1,980)	30,060	-	(30,060)	-
9123 Reserve - Major Plumbing Repairs	31,868	54,167	22,299	204,254	487,500	283,246	650,000
9110 Total Capital Reserve	22,547	-	22,547	284,989	-	284,989	-
NET CAPITAL RESERVE INCOME	66,628	(19,997)	86,625	378,028	20,798	357,230	-