LANSBROOK MASTER ASSOCIATION, INC.

Board Meeting Minutes

Monday, July 27, 2026 at 7:00 pm

Via Zoom Meeting (Meeting ID 307 337 0525/Passcode 388432)

Call to Order – The Lansbrook Master Association, Inc. Meeting was called to order by President Thiel at 7:00 pm. Board members President Brian Thiel, Vice President Ron Shultz, Treasurer Tom Lango, Secretary Scott Tillesen, Director Ken Kunsman, Director Michael Perenich, and Director George Fitzgerald were present.

Director of Campus Services Daniel Reid and Property Manager Loreall Jarrett, LCAM, were present.

President Thiel confirmed that the signs were posted throughout the campus 48 hours in advance of meeting.

Approve Meeting Minutes

MOTION: Director Fitzgerald made a motion to approve the prior meeting minutes for May 18,2026 and June 22, 2026. Secretary Tillesen seconded the motion. The motion was approved unanimously.

Treasurer's Report – Treasurer Lango presented the report for the record. The report is incorporated by reference. Vice President Shultz motioned to accept the report. Director Kunsman seconded the motion. The motion was approved unanimously.

Director of Campus Services' Report – Daniel Reid gave an update of current projects being completed. Daniel discussed the Repeater Tower Project, the status of the remodel of the Ladies' Lakefront Park restroom, and disconnecting the Berisford HOA entrance from reclaimed water.

Resident Comments

Aylesford resident Lori Suellau made comment to remind the Master Association of its responsibility for landscaping the Aylesford berm.

New Business

Men's Soccer – The Board reaffirmed its commitment to the 1 to 2 resident to guest ratio and agreed to reduce the size of Saturday and Sunday morning games to no more than 8v8.

Contracts

MOTION: Vice President Shultz motioned to approve $5,650 from the Reserve for Attic Rat to install Wi-Fi at both parks. President Thiel seconded the motion. The motion was approved unanimously.

MOTION: President Thiel motioned to approve $2,500 for Precision Courts to add two pickleball exit gates and $3,500 to repaint the basketball lines. Both projects from the Reserve. Secretary Tillesen seconded the motion. The motion was approved unanimously.

MOTION: President Thiel motioned to approve no more than $12,000 for palm trimming by Bay Area Grounds. Director Perenich seconded the motion. The motion was approved unanimously.

MOTION: President Thiel motioned to approve $4,000 for two trees to be removed by Bay Area Grounds. Treasurer Lango seconded the motion. The motion was approved unanimously.

Adjournment

MOTION: Vice President Schultz motioned to adjourn. Director Fitzgerald seconded the motion. The motion was approved unanimously at 8:05 pm.

Submitted,

Loreall Jarrett, LCAM
Castle Management LLC

Approved: 8/25/26

Brian Thiel, President
Lansbrook Master Association Inc.

Date

Treasurer's Report - June 2026

Lansbrook Master Association, Inc.

Based on June 30, 2026 Financial Statements

Executive Summary

- The Association remains financially stable with sufficient operating liquidity and reserve cash, although cash balances continued to decline during June due to planned operating activity, reserve projects, and the continued impact of insurance/prepaid timing.
- June produced a reported positive monthly result of approximately $6,183, improving the year-to-date operating deficit from approximately $82,919 at May 31 to approximately $76,736 atJune 30.
- Revenue remains essentially on plan year-to-date, with total revenue of approximately $621,650 versus budget of $621,300.
- The June financials include a material number of reclassifications between GL accounts to correct prior-period Castle posting errors. This improves the accuracy of several categories, but also reinforces the concern that the original reporting process lacked adequate review before issuance.
- Repairs and Maintenance Gls remain the largest year-to-date variance, but the underlying story is mixed. Several items are timing or accounting-related, while irrigation, general repairs, tree replacement, and maintenance supplies remain the primary operating watch areas.
- Irrigation and General Repairs & Maintenance continues to be a true operational watch area tied to aging infrastructure, with YTD spend of approximately $33,103 versus budget of $27,498 for irrigation repairs and
  $35,181 versus budget of $10,002 for general.
- Reserve activity remains significant, particularly related to pickleball courts and other capital items. Reserve funding continues monthly as planned, but reserve balances should continue to be compared against the reserve study and the remaining expected reserve items.

Metric	June / YTD Result	Treasurer Commentary
Total Assets	$588,256	Down from prior month, driven by operating and reserve cash usage.
Operating Cash	$160,816	Still sufficient, but lower than earlier-year levels.
Reserve Cash	$314,692	Healthy, but reserve project activity continues to reduce cash.
Total Revenue YTD	$621,650 vs. $621,300 budget	Revenue remains on plan.

Net Income/ (Loss)	$6,183 June;($76,736) YTD	June improved the YTD deficit, largely due to reclassifications and lower current-month R&M.
Total Expenses YTD	$698,386 vs. $621,300 budget	YTD expense variance remains unfavorable by approximately $77,086.

Balance Sheet and Cash Position

As of June 30, 2026, the Association reported total assets of approximately $588,256, including operating cash of approximately $160,816 and reserve cash of approximately $314,692. The operating cash position remains sufficient for current obligations, but the decline in cash should be transparently noted and monitored.

The reduction in cash is not, by itself, a liquidity concern. It reflects a combination of timing, operating disbursements, reserve project spending, and the prior insurance policy issue that caused a material cash outflow

now held as prepaid insurance. Prepaid insurance at June 30 remains approximately $66,741, which will amortize into expense over the applicable policy periods.

There is also a due-to/from reserve balance of approximately $25,316. This includes the earlier Board-approved transfer and several items paid from operating that were identified as reserve expenses, including the SafeCircuit reclass, restroom-related expense, and American Swing Products activity. This should be reconciled and cleared appropriately between operating and reserve funds and has been approved to do that in July.

Income Statement Overview

Revenue remains the cleanest part of the financial picture. Through June, total revenue is approximately $621,650 versus a budget of $621,300, a favorable variance of approximately $350. Maintenance fees and reserve contributions are tracking as expected.

Total expenses are approximately $698,386 year-to-date versus budget of $621,300, producing an unfavorable expense variance of approximately $77,086. The reported year-to-date deficit is approximately $76,736. While this remains unfavorable, the June result improved from the May deficit as several large reclassifications were recorded.

Category	YTDActual	YTD Budget	Variance	Commentary
Administrative	$13,861	$12,228	($1,633)	Slightly unfavorable; includes June administrative items and setup/training-related costs.
Insurance	$33,920	$36,900	$2,980 favorable	Favorable to budget YTD, but monthly run-rate now reflects the corrected insurance policy treatment.
Contract Services	$261,252	$260,466	($786)	Essentially in line with budget overall.
Repairs & Maintenance	$255,653	$170,862	($84,791)	Primary driver of YTD unfavorable position.
Utilities	$56,000	$63,144	$7,144 favorable	Continues to run favorable overall.
Reserves	$77,700	$77,700	$0	Monthly reserve funding remains on plan.

Financial Reporting and Castle Reclassification Issues

June saw a material number of reclassifications between GL accounts to correct items that were posted incorrectly in prior periods. This is an important improvement over the May package, but it also confirms the concern raised last month: several of these variances were preventable and required substantial Treasurer and Board-level review to identify and correct.

The June financials are more useful than the May financials because many of the reclasses have now been posted. However, the Association should not lose sight of the core issue: the Board and community rely on accurate financial statements to make spending and project decisions. When material coding errors remain uncorrected or are corrected only after escalation, it creates unnecessary confusion around available budget, year-to-date performance, and whether the Association can responsibly move forward with planned work.

Reclassification/ Adjustment	Approx. Amount	Impact
RedTree/ Flowers/ Plants-Sod/ Tree Replacement reclass	$31,111	Corrects prior miscoding in 700155 Flowers and moves activity to the more appropriate landscape accounts, including 700150 and 700230.
SafeCircuit reclass from General R&M to Reserves	$11,975	Removes a reserve-funded item from operating repairs and records the due-to/from reserve impact.
SiteOne reclass from Landscaping to Fertilizer/Pest Control	$2,326	Corrects treatment of SiteOne activity and improves 700100 / 700131 reporting.
Speedy Pete pressure washing reclass	$5,300	Moves activity from General R&M to Pressure Cleaning.
Solitude Lake Management reclass / prepaid treatment	$309 / $206 prepaid	Moves fountain-related activity out of General R&M and properly recognizes prepaid portion.

Key Variance and Account Review

700130 Landscape - Mulch and Pinestraw

This account remains significantly over budget year-to-date at approximately $55,890 against an annual budget of $35,000. The key explanation remains unchanged from May: approximately $21,390 of this amount relates to 2025 mulch and pinestraw invoices that were paid in February 2026 rather than accrued and recognized properly in 2025. The 2026 planned mulch and pinestraw work of approximately $34,500 has also now posted. This means the account will appear approximately $20,890 over its full-year budget, but the overage is driven by the failure to properly accrue or pay the 2025 invoices in the correct fiscal period, not by excess 2026 mulch activity alone.

700155 Flowers and 700150 Plants/ Sod / Miscellaneous

The June reclassifications materially improved this reporting. Flowers is now approximately $6,525 year-to-date against a YTD budget of approximately $7,002, which is much more consistent with the intended use of this account: Blue Wall seasonal flower installations. Plants/ Sod/ Miscellaneous is now approximately $22,100 year-to-date against a YTD budget of approximately $29,250, which better reflects where general plantings and landscape enhancements should be recorded. This correction was important because the May financials significantly distorted these two categories.

700151 Leaf Removal

Leaf Removal posted $14,100 in June. This is not necessarily a spending problem; it is a timing issue. The annual budget is spread evenly across twelve months, but the invoice posts all at once. The account is now fully spent for the year and should not create further expense pressure if no additional leaf removal work is required.

700210 Tree Trimming and 700230 Tree Replacement

Tree Trimming remains a timing-related variance, with approximately $30,600 spent year-to-date against a YTD budget of approximately $23,748 and an annual budget of $47,500. Tree Replacement now shows approximately $16,200 against an annual budget of $12,000 following reclassification activity. This appears to be a true variance or project decision area to watch, rather than a simple monthly timing issue.

701020 Irrigation Repairs & Maintenance

Irrigation continues to be a true operating pressure. June irrigation expense was approximately $5,460, bringing year-to-date spending to approximately $33,103 versus budget of approximately $27,498. The trend continues to support the view that this is not merely a timing issue; it is consistent with the broader concern around aging irrigation infrastructure and recurring repair needs.

702000 General Repairs & Maintenance

General Repairs & Maintenance improved materially in June due to reclassifications, including the movement of SafeCircuit activity to reserves and pressure washing to the proper account. The account is now approximately

$35,181 year-to-date versus budget of approximately $10,002, still unfavorable by approximately $25,179. This remains an area for continued review, but June's cleanup makes the account more meaningful than it was in May.

702014 Maintenance Supplies and 702140 Pressure Cleaning

Maintenance Supplies remains significantly over budget at approximately $11,377 year-to-date versus budget of approximately $1,248, and should be reviewed for underlying drivers. Pressure Cleaning is now approximately $6,050 year-to-date against an annual budget of $7,000 after the Speedy Pete reclass, leaving approximately $950 remaining for the year.

Insurance

Insurance is now being recognized at a higher monthly run-rate following the correction of the previously mishandled insurance policy. Although the category remains favorable year-to-date versus budget, the June and May expense levels are more representative of the go-forward monthly cost than the lower amounts reported earlier in the year.
Prepaid insurance remains on the balance sheet and will continue to be amortized over the applicable policy terms.

Reserves and Long-Term Planning

Reserve contributions continue to post as planned at $12,950 per month, totaling $77,700 through June. Reserve cash at June 30 is approximately $314,692. Current-year reserve expenses are approximately $170,394 on the balance sheet, reflecting significant capital activity during the first half of the year.

The pickleball court project remains the most important reserve planning watch area. The reserve study contemplated court repairs at a level exceeding $200,000, but the work performed to date represents Phase 1 of a broader multi-phase approach and involved creating new courts rather than simply repairing existing courts. Future reserve planning should continue to compare actual project scope, remaining phases, and available reserve balances against the reserve study.

Outlook and Forward View

- The Association remains financially stable, but year-to-date results are still unfavorable primarily due to Repairs & Maintenance and several timing/prior-period issues.
- June was a cleanup month. The reclassifications improved the financial statements, but they also highlight ongoing concerns with Castle's accounting controls and review process.
- Operating cash remains adequate, but the downward trend in cash should continue to be disclosed and monitored.
- The Board should continue to focus on true operating pressures: irrigation infrastructure, General R&M, maintenance supplies, and any remaining landscape/tree project decisions.

- Reserve spending should be compared against the reserve study and the remaining scope of the pickleball court phases.
- The Board should continue pressing for timely invoice processing, accurate accruals, and confirmation that all material reclasses have been completed before future financial packages are released.

Treasurer Closing Comment

Overall, the June financial statements are improved from May because a number of material reclassifications were finally posted. However, the need for those corrections remains a significant concern. The Association is financially strong, but strong financial condition does not eliminate the need for accurate, timely, and reliable financial reporting.

Draft for Board Review-June 2026 Treasurer Report