



November 2023 XLVI
Carolina Preserve
HOA NEWS

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 Gratefulness
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 Giving
 Celebrating
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 Smiles
 Football
 Apple Pie
 November
 Macy's Parade
 Hugs
 Gobble
 Tradition



1 ~ Have a Happy & Healthy Thanksgiving ~



HOA President's Comments

By Judy Nixon



This month is jam packed with important HOA information! Our virtual Annual Meeting on Tuesday, November 21, 2023, will include an Election by Acclamation of the candidates for the 2024 Carolina Preserve (CP) Board of Directors, Sharon Valvona, Ron Madl, John Kasarda and Stanley Levine. At that same meeting, the voting results for ratifying the CPHOA 2024 Budget, approving IRS 70-604 Revenue Ruling, which allows CPHOA to avoid taxation on excess member income and approving the 2022 Annual Meeting minutes will be presented. The November Annual Meeting also will include a summary of the work the CPHOA undertook during 2023 and its status along with an in-depth Treasurer's report of the fiscal strength of CPHOA. But there's more.

Please join the Board in welcoming Patrick Dzimiri to the CP management staff as the HOA Architectural Compliance Manager for CP. Patrick brings experience in project management and quality and process improvement, ensuring customer service excellence and overall efficiency. In his CP position, he will be responsible for working with ARC to review and approve modification requests, inspecting implementation of those requests and provide ongoing monitoring of residents' compliance with CPHOA governing documents. He also will provide administrative support in responding to resident communications and streamline/computerize the ARC review and compliance process. These compliance and ARC responsibilities were added to the previous Facilities Manager's duties when an Assistant General Manager left several years ago rather than refilling the latter position. Because of ongoing community concerns and complaints about maintenance issues and that properties were not being held accountable for complying with CPHOA rules and guidelines, the Board determined it was advantageous to revert to the original staffing scheme so the Facilities Manager could focus solely on maintenance and project management responsibilities; the ARC Compliance Manager could focus on owner compliance and ARC modifications. We are happy to welcome Patrick to CP and look forward to working with him.

We continue to work with Kuester to find a General Manager and Facilities Manager. In the meantime, Christine has agreed to stay the first two weeks of November. There is already a backup plan in place in the event we do not have a General Manager and/or a Facilities Manager hired by the time she leaves. To all those residents who have stepped up and helped, thank you. To the community, thank you for your patience and support.



I Want to Know . . . Frequently Asked Questions



This recurring HOA Newsletter article addresses frequent questions by Carolina Preserve Residents.

Q: With fewer and fewer people making use of Amberly facilities, is there any way to reduce our dues to Amberly?

A: As part of the Master Amberly Association, we are obliged to pay our dues as required. As to the premise of your question, there is no empirical evidence to support your assertion that fewer CP residents are partaking in Amberly activities and making use of those facilities. In fact, many CP residents participate in Amberly Master programs, use the indoor pickleball courts and take their grandchildren to the fun pool when it is open.

Q: Why do we have so many surprise expenses and budget variances? Shouldn't we have better budgetary control and issue purchase orders?

A: The few projects where costs were above initial estimates, for example the Clock Tower and Pavilion, have been long-term projects spanning multiple years and HOA Boards. Those project costs were impacted by inflation and hidden conditions unknown until construction started and therefore unavoidable. The issue is not better budgetary controls and purchase order issuance, those are set forth in the Finance Policy, such as specific spending authority levels where approvals must be granted before going forward on either budgeted or unbudgeted expenditures. The issue is continuity between Boards. We are currently discussing ways to pass along more detailed information from one Board to the next to provide that continuity.

Q: Why are there no funds in the Budget for improving the Beckingham Loop Park? Currently, the park is below expectations.

A: The Community Park, formerly the Beckingham Loop Park, is based on the Beckingham Loop Task Force recommendations and community input to those recommendations. Not all the task force recommendations were implemented due to cost and unfavorable community input. Based on the foregoing, the 2022 Board did not approve the recommended artificial turf exercise area because it would not be used enough to substantiate the expense and a new park gazebo was tabled due to the expense, possibly requiring additional parking spaces and the new pavilion at Bradford Hall that was being built. In addition, the Board was trying to compromise the desires of some in the community who wanted more amenities in the park and some (nearby homeowners) who did not want as many additions. The current Community Park is the result.



I Want to Know . . . Frequently Asked Questions



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- Q:** In the Budget, have we taken into account that some management positions are/will be open for a while and may cut down on expenses?
- A:** The current openings are expected to be short-term, and we are already in the job search and interview stage. We expect these positions to be filled by the end of the year, which means that Budget salary projections should be accurate.
- Q:** What is the current Budget amount for the new BH locker rooms? Can you explain the individual line items within G&A expenses?
- A:** The locker rooms are budgeted at \$180,000. Some of the individual line items within the G&A are Information Technology projects, management office supplies, licenses/permits/fees, fire suppression costs, office equipment leases, etc. Total G&A expense is budgeted slightly below last year's budget levels.
- Q:** It seems that, if we are going to look at HVAC replacement as a total system project, we will not have enough money in the Budget over 2024 and 2025 to do so. I would suggest that we raise homeowner dues by \$5/month to begin adding reserves to address this need.
- A:** We are in the very preliminary stages of looking at this upcoming project. Once we get experienced vendors to look at our needs, we will get a better feel for the scope of the project. In any case, we do not expect this project to be done all at once; it would span multiple years, and although we will consider your suggestion, it is probably too early to increase dues for this purpose. The 2024 Board will be able to re-address the issue during next year's budget process utilizing more concrete information.
- Q:** Please explain where we are on the Marsalis project.
- A:** The current design plans are with the Town of Cary, and we are waiting for approval. Until we get this approval, we cannot go any further. Once approved, bids will be solicited for the execution of the project, which is when we will get a better idea of the total cost. Until then, we have a \$375,000 holding place for the cost of the project.



I Want to Know. . .

Frequently Asked Questions



This recurring HOA Newsletter article addresses frequent questions by Carolina Preserve Residents.

Q: It appears that the expense budget for classes and seminars is back close to the previous budget, much lower than this year's estimate. Please explain.

A: Yes, the expense budget is back close to last year's budget and below current year estimates, but this is in relation to class/seminar revenues. The net expense is basically the same. We didn't want to assume that the 2023 increase was permanent, but the net expense (revenues minus expenses) is almost the same, whether at the higher or lower levels. .

Q: Where can I see this year's Replacement Study?

A: The study you reference is called the "Reserve" study. It is important to know the title so you can look for the correct document. It can be found on the CP website under "Governance/CP Documents/Financial Documents/Reserves" and is listed as "Reserve Advisors 2023 Study Spreadsheets" and "Reserve Advisors 2023 Study Report".

Q: Where do we send questions about the budget?

A: Questions and comments can be sent to hoa_board@cpamberly.net.



CP News in Brief

November 2023

MONTHLY UPDATES

Vol 2 Issue 10



Carolina Preserve (CP) 2023 Annual Meeting:



On November 21, 2023, from 6:30 to 8:00 pm, the Carolina Preserve Board of Directors will hold its Annual Meeting virtually. Topics for this meeting include the State of Carolina Preserve 2023 and forward looking to 2024, an in-depth Treasurer's Report for 2023, ratification of the 2024 Budget and approval of IRS 70-604 Revenue Ruling, and Election by Acclamation of 2024 Board members. You will have the opportunity to ask questions and offer comments if you choose to do so. There is a lot of important information for you at the Annual Meeting so please be sure to register when the notice goes out and attend.

The CP 2024 Budget:

On October 11, 2023, Jerry Warren, the CP Treasurer, held two presentations of the proposed 2024 Budget, one in-person and the other virtually. Overall, approximately 120 people attended. Jerry provided a PowerPoint that included the proposed 2024 budget, explained the bases and assumptions on which the proposed budget is based and answered questions posed by attendees. The virtual presentation was recorded and is available on the CP website for those who were unable to attend either presentation. Additionally, the 2024 Budget, PowerPoint presentation and FAQs are also posted on the CP website under the "Governance/CP Documents/Financial Documents/2024-2026 Budget". Links to all three were sent out to the community on October 13, 2023, via an Eblast. Owners are invited to continue to submit questions pertaining to the proposed budget and those questions and answers will supplement the existing FAQs on the CP website for community information. Please stay informed and read all the information the Board is providing to you because you will be asked to ratify the 2024 Budget as explained below.

Ratification of the CP 2024 Budget:

Every year owners vote to ratify the budget for the next year. Carolina Preserve sent to all owners the week of October 23rd, the 2024 budget and a ballot to vote on the budget, vote on IRS 70-604 Revenue Ruling, which allows the HOA to avoid taxation on excess member income, and vote to approve the 2022 Annual Meeting minutes. The ballot and accompanying documents were sent electronically to owners who have current emails on file. To those who blocked HOA emails or do not have current emails on file, hard copies of the ballot and accompanying documents were mailed first class. The Annual Meeting will **not** be rescheduled if owners do not receive the hard copies by November 21st. Hard copies are also available at Bradford Hall. Voting is by paper ballot, **only owners** may vote and there can only be **one vote per property**. Balloting accomplishes multiple goals; it establishes quorum for the Annual Meeting (although quorum is not required), it determines if the 2024 budget is ratified and whether the IRS ruling, and 2022 Annual Meeting minutes are approved. Pursuant to NC

CP News in Brief

statute, the budget is ratified and approved unless a majority of the total CP membership (681 owners) reject the budget. If the budget is rejected, the 2023 budget continues in effect. Voting on these matters is an important CP owner responsibility. Please take the time to review the budget and Annual Meeting documentation and then VOTE. Ballots must be **received** no later than 5:00 pm on November 15, 2023. Owners can drop them in the secure ballot box inside Bradford Hall or email them to gm@cpamberly.net.

Just What is the Amberly Master Property Owners Association?

Carolina Preserve (CP) is one of seven sub-associations that make up the Amberly Property Owners Association (Amberly). A member from each sub-association is appointed by their respective Board of Directors to the Amberly Board of Directors to represent their sub-association. The Amberly Board of Directors' responsibilities, among many, include managing the affairs of the Master Association, and adopting annual budgets, which establish each sub-association's contributions for common expenses to provide for the operation, care, upkeep and maintenance of all of the areas of common responsibility. Those areas generally include the Amberly clubhouse, pools, the amphitheater grassy area and common area streets, natural areas and landscaping. Carolina Preserve pays less than what other sub-associations pay in monthly Amberly Master dues assessments because at the outset, it was determined CP residents would use Amberly Master less because of CP's own clubhouse and facilities availability. Additionally, several years ago the CP Board of Directors was able to reach agreement with the Master Association to contract directly for perimeter landscaping services and responsibility and upkeep of the lake fountain was allocated to Amberly Master and the other sub-associations. Thus, most of CP dues to Amberly go to the operation, administration, maintenance and provision of Amberly social and recreational programs, facilities, and amenities.

What does that mean? Those "free" classes at Amberly are not free, they are paid for from your Amberly dues portion of your monthly HOA dues. Your Amberly dues also go to the upkeep and recent renovations of the clubhouse and other facilities such as improved parking lot lighting, repair and painting of the amphitheater pergola, exterior and interior clubhouse painting, expansion of the strength training room, gym lighting improvements, to name a few. Some CP residents ask if they can "opt" out of paying Amberly dues because they don't use the Amberly clubhouse. The answer is no. Every owner in every sub-association is required to pay their portion of the Amberly dues pursuant to the Amberly Master Declaration of Covenants and as explained above, CP residents pay less than other sub-association residents. We encourage everyone to take advantage of the "twofer" because CP residents have access to great amenities, programs and facilities at both CP and Amberly that can provide different experiences depending on your skill level and interests.

2023 Financials At A Glance

By Jerry Warren, HOA Treasurer

| OPERATIONS (\$000'S) | | | | |
|----------------------|---------------|---------|--------------|------------------|
| | September YTD | | | Full Year Budget |
| | Actuals | Budget | B/(W) Budget | |
| Income | 3,713 | 3,676 | 38 | 4,900 |
| Uses: | | | | |
| Reserves | (631) | (603) | (29) | (875) |
| Expenses | (3,068) | (3,097) | 29 | (4,046) |
| Net | 14 | (24) | 38 | (21) |

**Note B/(W) means: B is a positive number: higher income or lower expenses
(W) Is a negative number: lower income or higher Expenses**

| RESERVES + EQUITY (\$000'S) | | | | | | |
|-----------------------------|-------------|-------|-------|----------|--------------------|----------------------|
| | Replacement | Villa | IIF | Painting | Oper Resv (Equity) | Tot Reserves +Equity |
| 12/31/2022 | 1,050 | 310 | 102 | 41 | 638 | 2,141 |
| Contributions | 580 | - | 38 | 14 | 14 | 646 |
| Interest | 17 | 5 | 1 | 1 | - | 24 |
| Expenses | (499) | (24) | (138) | (7) | - | (668) |
| 9/30/2023 | 1,148 | 291 | 3 | 49 | 651 | 2,142 |

Treasurer's Comments

By Jerry Warren, HOA Treasurer

September revenues were \$412K, \$4K over Budget primarily due to \$3K higher resale fees and \$1K interest income. Expenses were \$20K over Budget due to \$12K higher tennis court maintenance expenses (resurfacing in September rather than May budget), \$6K higher landscape expenses, \$5K higher utilities, \$4K higher stormwater/retaining wall/slope stabilization, and \$10K increase in funding for the IIF Reserve (final Pavilion costs), offset by -\$7K other maintenance expenses, -\$3K lower G&A, and -\$7K other miscellaneous expenses. This resulted in monthly net of -\$14K, \$16K under Budget for September but still \$38K favorable YTD. As mentioned previously, these variances are primarily due to timing differences as they swing positive and negative month to month. Our re-forecast for the year is now slightly above Budget.

Resale fees were \$3K over Budget in September with six home sales. Resales are also \$3K over Budget on a YTD basis. So far there have been five resales in October month-to-date.

The Replacement reserve is now at \$1,148K, up \$70K from last month. This month's major expense items were \$20K for stormwater management and \$2K for fitness equipment repairs. Also, \$27K was spent from the IIF reserve for final costs of the Pavilion and \$4K from the Villa reserve for sprinkler maintenance..



Architectural Submissions

Everything you need to know for Architectural Submissions

A box labeled ARC Modification Request and Fast Tracks is beside the front entrance at Bradford Hall.



Note: All Modification Requests to be placed on the agenda for consideration MUST be turned in at Bradford Hall by Wednesday 12 noon, seven days before the scheduled meeting.

Meetings are held twice a month on the 2nd & 4th Wednesdays

Please note the box is for architectural requests only – no other forms of communication will be accepted through this box.

Community Service at CP

By Tom Croft, CP Resident

NW Community Church Volunteers Serve at Carolina Preserve

It was on a beautiful Saturday morning, October 21, that volunteers visited their Carolina Preserve (CP) neighbors to help with tasks that typically require “heavy lifting or ladder work”. This was the second time this year that we resumed this caring tradition at CP after COVID. During 2023 we have served more than 70 residents. It is a privilege for NW to share its blessings with residents through serving. It is good to see that word of this service is spreading around CP. For several residents this was the first time they requested service.

Besides doing a lot of tasks that morning, some residents shared a snippet of their life stories of joys and hurdles. Volunteers with children add a dimension to the conversation that the residents enjoy. The whole experience is positive and rewarding.



Ron Oliveri, CP HOA Board member, shared words of gratitude for our volunteering which in many cases brightens a resident's day. Recall that Ron was the Board Liaison for the recent Volunteerism Task Force and could speak to the challenges and rewards of volunteering.

We plan to return to CP next Spring to continue serving. Spread the word to other residents in need. Look for an article in the Lifestyle Newsletter and the form submission box in the Bradford Hall lobby for the specific date.





CP Dedicated Volunteers

By Jeff Diton



When defining a word, my favorite teacher of all-time – Mrs. Weinstein of P.S. 208 in Brooklyn - taught me never to use said word in its definition. I hope I am not disappointing Mrs. Weinstein with this article when we recognize the **Volunteer Task Force** (VTF) as this month's CP Dedicated Volunteers. Ironically, the idea to recognize dedicated volunteers in the HOA newsletter was one of the recommendations from this task force!

The Volunteer Task force consisted of **Liz Diton** (Chair), **Bernadette Spampinato** (Secretary), **Melva Brown**, **Carole Katz**, and **Marie Milazzo**, with **Ron Oliveri** (Board Liaison), and **Christine Hast** (Kuester) providing support. The task force went “above and beyond” in several different ways. The first way was in the process they followed. Not content to brainstorm ideas amongst themselves, the Task Force started with a focused set of 30 interviews representing a cross section of our community –residents who often volunteered to residents who seldom volunteered. Using information gleaned from these interviews, the task force designed a survey that was sent to 1800 residents soliciting suggestions. While the task force did the majority of the work, their recommendations represented the collective input of over 300 residents.

Speaking of recommendations, the sheer number of recommendations to increase volunteerism in our Community far exceeded the Board's expectations. We would have been happy with half a dozen solid suggestions – the VTF provided sixteen excellent recommendations to the Board. The recommendations have been discussed in detail at recent open board meetings, but several that stand out are suggestions to frequently acknowledge volunteer efforts (such as this recurring article in the monthly HOA Newsletter), the creation of an Annual Volunteer Forum (which is now part of the Lifestyle Advisory Committee's charter), and the creation of a new and improved Volunteer Form and Database. This last item is especially impactful – the form now resides on the main page of Club Express (scroll down to the bottom right side), and is presented at all future New Resident Orientation Workshops. The form does not obligate any resident at the time of completion, rather it provides a database of potential volunteers categorized by areas they are interested in. Please consider adding your name and interests to the database. Special thanks to Glenda Hunter and the IT Committee for their help implementing and maintaining the database.

As with any task force, there are always lessons learned and “aha” moments. Several that the VTF shared with me include, while we have many residents who graciously volunteer their time, we also have an “insatiable appetite” for activity, which generates a need for more volunteerism. This isn’t a bad thing – our appetite for activity is what makes Carolina Preserve a great place to live, but residents have to step up to support all the activities we have, and want to have, here. Several of the original residents in CP talked about how in the beginning, everyone was in the same boat and eager to be part of our new Community. Almost all of the early residents were actively engaged in clubs, events, and committees. The VTF saw it as their challenge to revitalize this sense of engagement in the community. The VTF also noticed how other volunteer groups have evolved - such as the creative ways Carolina Preserve University is bringing classes to our community - and believe the whole community needs to evolve to keep the spirit of engagement alive. Finally, as with every Task Force I’ve spoken to, all VTF members stressed how much fun it was, how great it was to make new friends, and what a great feeling of pride they had in helping make Carolina Preserve a great place to live.

Congratulations again to our Dedicated Volunteers - **Liz Diton, Bernadette Spampinato, Melva Brown, Carole Katz, and Marie Milazzo**. Your work, not only on this project but the tremendous amount of volunteering you all do for Carolina Preserve will hopefully encourage others to do the same. Volunteerism is possibly the most important factor in our community being such a wonderful place to live. Thank you again for volunteering on this Task Force, and delivering a job well done.

Learn more about CP volunteer opportunities!



2023 Committees

Architectural Review Committee

Steve Botha | John Bongino | Elizabeth Diton | Bill Gurecki
Claire Hammitt | Ken Merten
Board Liaison: David Jackson | Staff Liaison: Patrick Dzimiri

Club & Group Advisor Committee

Wanda Abel | Claudia Clissold | Joel Glassman | Cynthia Jackson
Cara Lehman | Francine McElhinney | Marie Milazzo
Paulette Shekell | Sandra Stein
Board Liaison: David Jackson | Staff Liaison: Laurene Adkins

Finance Committee

Dennis Curtin | Steve Harrison | Dennis Hefner | Rahul Parikh
Paul Wolf | Ted Young
Board Liaison: Jerry Warren | Staff Liaison: Christine Hast

Information Technology Committee

Jean Curtin | Dennis Curtin | Alan DeCrane | Brian Dos Santos
Margaret Horst | Amy Levine | Robert Willenberg
Board Liaison: Sharon Valvona | Staff Liaison: Glenda Hunter

Lifestyle Advisory Committee

Harlean Botha | Alora Burton | Marianne Frisch
Jackie Millslagle | Louise Stanley | David Streifford
Gayle Streifford | Lynnette Womble
Board Liaison: Jeff Diton | Staff Liaison: Terrie Murray

2023 Board

**Judith Nixon
President**

**David Jackson
Vice President**

**Sharon Valvona
Secretary**

**Jerry Warren
Treasurer**

**Jeff Diton
Assistant Secretary**

**Ron Oliveri
Member at Large**

Mark Your Calendar

**HOA BOD Annual Meeting
November 21 | 6:30pm
Virtual**

**HOA BOD Open Working
Meeting
December 19 | 11:00am
Ballrooms**