

HOA eNewsletter

January 2026 Issue LXXIII

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President's Message

Happy New Year, Carolina Preserve!

As we begin the new year, we also begin an important transition with our new management company (FSR). Change always brings a learning curve, and some frustration, but it also brings opportunity—and we're starting from a position of strength thanks to the solid foundation built last year.

I'm also pleased to share that FSR has hired a new Lifestyle Director, Taylor Moulton, who will be joining Carolina Preserve starting January 15th. As with any new role, it will take a little time for Taylor to learn the ropes and how FSR operates, but I'm confident you'll see her around the community and getting to know our residents very quickly.

The year ahead the Board will focus on execution and continuity. We will continue open communication, thoughtful planning, and responsible spending, while also ensuring that the decisions we make today serve the long-term health of Bradford Hall and Carolina Preserve. Our goal is simple: no surprises, no shortcuts, and no unnecessary drama—just steady, responsible progress. While there may be a few “issues” along the way, our commitment to transparency and responsible financial management remains unchanged.

We appreciate your patience and cooperation as we work through this transition together. With engaged residents, dedicated volunteers, and a strong partnership with management, I'm confident we're set up for another successful year.

Wishing you all a happy, healthy, and enjoyable start to 2026.

Warm regards,

Bob Muller

President, Carolina Preserve HOA

2026 Board Positions and Duties

Bob Muller - President, Management Company Liaison, Attorney Liaison

Bob Williams - Vice President, Assistant Secretary

Stan Levine - Secretary, ITC Liaison

Ron Lepionka - Treasurer, FC Liaison

John Kasarda - Member at Large, FAC Liaison

Steve Rich - Member at Large, CAC Liaison, LAC Liaison

David Jackson - Member at Large, ARC Liaison, BEC Liaison

6 Jan 2026 Board Meeting

The Board discussed many topics and some of them were:

- Election of CP Board Officers completed
- Appointment of committee liaisons completed
- Charters for 8 committees and 1 Task Force scheduled for 1/27/26
- 3 counselor appointments for 2026 were approved based on the 2025 appointments
- Election of CP's Amberly Master Association (AMA) Board member - Dawn Schildhorn
- Board Operating Procedures update scheduled for 1/27/26
- Plan for asking questions of AMA before and during the meeting on the 15th
- Delegation of Decision Making Authority for administrative decisions – approved for the President and Vice-President
- Plan for providing AMA information to CP residents
- Agendas for Jan 27 Meetings.
- Jan Newsletter production
- Resolution to confirm the CP Fiscal year
- Planning for indoor and outdoor Pool projects
- Scheduling of the Villa Irrigation Town Hall for 2/6 at 1pm
- Set up of a Volunteer Appreciation event
- Set up of an Advisory Committee Town Hall
- Plan for the Facilities Use Policy review

Committee and Task Force Charters

The Board is making a few changes to the standard format for charters.

3 of 8 committee charters have been received so far. The 8 charters will be approved at the next Board Working Meeting on 1/27/26.

The Energy Efficiency Task Force has transitioned into the Facilities Advisory Committee.

The Software Assessment Task Force has completed its task and ended by 12/31/2025.

A Beautification Seasonal Task Force will be formed. The charter is in draft and is scheduled to be approved as a draft at the next Board Working Meeting on 1/27/26. Then Task Force volunteers will be solicited.

KMG/FSR Transition

Staff

Kuester Management Group (KMG) on-site staff have all transitioned to First Service Residential (FSR) except for Lifestyle Director and Compliance Manager. The new Lifestyle Director will be starting on or about 1/15/26. The compliance function is being restructured. FSR is in the process of finding a candidate for a new position.

Challenges

There was a delay in transferring control of the Bradford Hall staff computers which prevented the staff from efficiently performing all of their tasks. The transfer has now been completed.

The transfer of CP information from Kuester (KMG) to First Services Residential (FSR) has been more complex than expected. They are working together to complete the transfer.

Homeowner Account Setup

First Service Residential (FSR) has set up payment methods for some of the accounts for the 1360 homes. To log into your account and set up your account payment method go to:

<https://carolinapreserve.connectresident.com/>

Amberly Information

Amberly Community Forum

1/15/26 – 6pm – 7pm

This forum is intended to provide homeowners from all subdivisions an opportunity to engage directly with the Master Association Board. Please share perspectives, ask questions, and gain a better understanding of issues affecting our shared community in a respectful and well-structured setting.

The link to attend is: <https://kuester.zoom.us/j/81498427982?pwd=...y2OzFBE5.1>, Meeting ID: 814 9842 7982, Passcode: Amberly

The link to request speaking at the meeting is: [January 2026 Community Forum sign up link - Intellistack](#)

The link to submit questions in advance is: [Questions and Answers Forum - Intellistack](#)

Some of the questions that have been submitted are:

1. What were the key reasons why previous versions of the By-Laws were not approved i.e. what were the sticking points.
2. Did all of the Board members approve of the By-Laws version that was sent to the Lawyer? If not, then who did not approve it?
3. Do the Finance Committee members have full access to ALL of the Kuester Amberly financial records and information? If not then why not?
4. Why aren't all of the Amberly documents accessible through the website and residents have to submit a form to request them?
5. Why aren't all of the redacted contracts available to the residents through the website?
6. Does Amberly have independent full editable access storage of all Amberly records, documents and information outside of Kuester. If not then what happens if Amberly changes management companies?

7. Why aren't all Amberly Board Working sessions available for residents to watch (online)?
8. Does Amberly have a Strategic Plan? If so, then how do residents see it? If not then why not?
9. Can a sub-association Board get a listing of the sub-association members that have access to the Amberly Recreation Center so that Amberly membership can be increased?
10. Who is the Amberly Newsletter sent to? Do all of the Board members provide input and approve its release (why is the email titled "President's Report" but the document is titled "Amberly Master Board Newsletter")?
11. Do all official Board (or Board member) communications with Amberly residents get approved by the Board? If not then why not?
12. Have all of the Amberly board members taken the new board member training available through CAI?
13. The Amberly Board President sent out a public notice to Amberly Residents with a statement that needs clarification - What specific provisions in the draft Amberly By-Laws proposed amendments are in conflict with what specific statements in the Master Declaration?
14. The Amberly Board President sent out a public notice to Amberly Residents with a statement that needs clarification - What specific sections of the North Carolina General Statutes that are being quoted do not apply to the Amberly Master Association and what specific detrimental unintentional legal consequences would result?
15. The Amberly Board President sent out a public notice to Amberly Residents with a statement that needs clarification - What specifically needs to be done to make a complete and proper petition for a special meeting?
16. We know you held an event with a bouncy house and that you were informed well before that event that a bouncy house is not covered by the Master's insurance. So how did you mitigate the risk?

Did you get the Vendor to add the Master and all Sub Associations as a named insured on their policies? Is there a Hold Harmless clause in the Vendor's contract? Please provide evidence of any mitigation efforts you took to protect AMA.

17. Previous Audit reports – 2022 and 2023 – have stated in the Notes that there was over \$3 million in uninsured funds. The 2024 Draft audit report is silent on the issue. Please provide an explanation of these uninsured funds, and what changed such that the 2024 Draft audit report no longer includes a Note about them. Did the auditor miss this issue? Most importantly, has this \$3 million oversight been remedied and all funds are now held in insured accounts. Please provide evidence that this has been remediated.
18. I received a draft of the 2024 Audit report in which the auditor provided a statement to the effect that they could not complete the audit, or give an opinion, as they did not have confirmation from the bank on over \$1 million. Did they ever receive confirmation? Did they ever issue a final Audit report? If so, is there an opinion included in the report and what type of opinion is it? If you have received a final audit report, please provide it.
19. You have approximately \$1.2 million in Capital Reserves. You continue to add to that amount. As you should know, money set aside in reserves can only be used for the purpose for which the reserve was created, or you may be subject to some tax ramifications. In effect, that \$1.2 million is “dead money” until a project is identified and initiated. So, what is the purpose of the Capital Reserve and what projects do you have in the plans that require the need for such a large amount?
20. Typically, Replacement Reserves are evaluated on a “Percent of Fully Funded” basis. What Percentage of Fully Funded is the Replacement Reserve for AMA?
21. Please provide me with the latest statements from your Fidelity Investment accounts and any other investment accounts you may have.

22. Do you have a Financial Policy that provides the types of costs you charge to reserves vs. operating, the roles of various parties in the budget process, the purpose of your various reserves, your authorization for expenditure, your investment policies and types of investments in which you can participate and guidelines for management of your operating reserve? If not, what are your plans to develop such a policy and by when?
23. Your operating reserve (sometimes called operating contingency or members' equity) was \$162,365 at December 31, 2024, which is down significantly from the \$552,460 at December 31, 2022. This 2024 amount represents less than 10% of regular Master assessments (not counting Parcel assessments). The AICPA recommends non-profits retain 2-6 months of operating expenses. Being an HOA your revenue stream is more secure than most non-profits, so I would suggest that 2-3 months of operating expenses would be adequate. That being said, 2-3 months would be between approximately \$350,000-\$500,000. It appears that your operating reserve is about half of the minimum it should be. Do you have guidelines in place to monitor the level of operating reserves you have and, if not, why not? Also, if not, what plans do you have to develop those guidelines and a timeline for which to get the operating reserve up to a more reasonable amount? Also, with the operating reserve so low, why do you think it is prudent to continue to fund the Capital Reserve?
24. Your prior Audit Reports have stated that it is your policy to pay taxes from operating funds. In 2025, you paid taxes, along with penalties and interest, out of reserve funds. Was this an oversight or a change in accounting policy? If a change in accounting policy, was it documented, along with the reasons for it, and provided to your auditors? If it was a change in policy, could you provide me with the documentation you prepared?
25. When was the last time you had an independent expert evaluate the adequacy of the property and contents values in your insurance policies as opposed to just increasing the values by some arbitrary inflation factor? When was the last time you conducted an

inventory of contents and a revaluation of those contents to replacement cost for insurance valuation purposes? How do you know you are adequately insured? Can you provide a copy of your insurance policies?

26. What metrics does the Board use to monitor the financial stability of AMA?
27. In July or August, the Board passed new by-laws by written consent, although those by-laws were not filed. Why were they not filed? If some members of the Board believe that proper procedure was not followed, please provide, SPECIFICALLY, what procedures were improperly followed.
28. On multiple occasions in the last few months, Dawn Schildhorn of CP attempted to convene a special meeting but the Board president would not recognize or schedule these attempts, and that proper procedure was not followed. Please provide, SPECIFICALLY, what procedures were improperly followed and how those procedures differed from a December special meeting request by the Board President which was scheduled.
29. Why isn't the Document Request Form available clearly on the website?
30. Why aren't the minutes of the 11/6/25, 11/20/25, and the December Board meetings available on the Amberly Website?
31. Why isn't the Amberly Communications Policy signed or dated?
32. Why does the Amberly Communications Policy require written mailed requests but the Board allows for electronic form submissions?
33. I understand that the Amberly Board held a Meeting on August 7, 2025 and there were decisions made. However, there are no minutes of that meeting on the website. Why isn't it posted? Please provide me with a copy of the minutes and also post them on the website.

Amberly Sub-Association Boards Meeting

2/24/26 – 6pm

This meeting is intended as a collaborative step forward to hear from all sub association boards on their goals in developing a governing document grounded in mutual respect, transparency, and synergy among all communities. Gathering input will ensure that we are representing the entire community prior to engaging legal counsel again.

Misc Topics

Phone System

Proper phones had not been ordered previously. The Board and Staff are working the issue.

Facilities Use Policy

The Board has solicited input from residents including committees, clubs, and others. The Board has received many suggested changes and comments. The resident input/review period ends on 1/26/26. The Board plans to make a decision on the next steps in the process at the next Board Working Meeting on 1/27/26.

By-Laws

The By-Laws has been reviewed by residents and the attorney. It is going through a Board review period. The Board plans to make a decision on the next steps in the process at the next Board Working Meeting on 1/27/26.

Board recently approved documents

3 Counselor Appointments

Resolution authorizing the President and the Vice President to make administrative decisions

Resolution confirming that the CP Fiscal Year starts on January 1

Resolution electing Dawn Schildhorn to be the CP member on the Amberly Board.