

STEEPLE RUN HOMEOWNERS' ASSOCIATION
ANNUAL MEETING
01/26/2006

In Attendance: Irene & Rick Cygan, Dan Fox, Therese & Tim Graff, Bill Harfst, Chip Johnson, Jill & Steven Kadish, Chris Kempa, Bill Kulis, George Lang, Linda & Herb LeBlanc, Mike Littrell, Karen & David Malcolm, Jennifer Mark, David Nattrass, Joe O'Malley, Jill & Bruce Peterson, Lori & Junior Pinzon, Michele & Joe Renzy, Ron Rodewald, Ron Rowe, Ron Ryan, Jim Schlough, Sandi Durenberger Schmidt, Nameeta Vedak (24 households represented)

Bill Harfst opened the meeting with introductions of the SRHA Board of Directors and Committee Chairman followed by opening comments.

Treasurer's Report: The Treasurer's Report was presented by Joe O'Malley. Attendees received copies of the checkbook register entries for the fiscal year to date, a summary and a comparison with the previous two fiscal years. Using projected fourth quarter expenses, our yearly net cash flow is anticipated to be -\$49.41, with the deficit being taken from the reserve fund.

Expenses are expected to rise next year because of increases in legal fees, communications, and utilities. Landscaping Maintenance is the largest expense and efforts are being made this spring to lower those costs. Taken against an income of \$5180 (based on the current dues), \$5,550 in projected expenses for the next fiscal year would necessitate using approximately \$350 from the reserve fund to cover the deficit.

A question was raised about the reserve fund which will be drawn from in the fourth quarter and in the next fiscal year. It was suggested that the reserve fund be refunded to residents, including the residents who have moved from the subdivision. This reserve fund had been built-up over the previous 10 years to be used as a cushion for legal obligations. It was also suggested that in future, it be an identifiable contingency. The Board will review these suggestions at the next meeting to determine the appropriate use of these funds.

Communications Report: Communications costs have sharply increased over the previous fiscal year as residents have been receiving minutes from the monthly officers' meetings, a quarterly newsletter, the annual meeting mailing and access to the Steeple Run website. The website is still a work in progress but the minutes and newsletters are already available at www.steeplerun.org. Paper copies will continue to be delivered to the 5 families for which we do not have an email address. The website has been set up by Jane Littrell but any suggestions, concerns or materials to be posted should be submitted to Jill Peterson. Jennifer Mark has volunteered to welcome new residents with our directory, a copy of the covenants and bylaws, and back copies of newsletters and minutes.

Discussion and Vote on the Covenant Updates: George Lang outlined the proposed changes to the Covenants and Bylaws - the six documents on file at the county courthouse would be combined into one document, after all references to SRD and other outdated provisions had been removed. A vote on approving the proposed changes was taken but since there was not a quorum despite the proxy votes submitted beforehand, each household will be visited in the next 30 days to obtain their vote.

There was much discussion of the sixth document, the Fencing Amendment, which was petitioned, approved by the Board and filed at the McHenry County courthouse. Current owners with fences and dog runs that were in compliance with the Covenants and Bylaws at the time they were erected are encouraged to request a waiver for their records and peace of mind.

The Covenants and Bylaws are badly in need of updating; this is a major task and will take much thought, time and input from the residents. It has become obvious that not everyone received a copy of the Covenants and Bylaws when they purchased their homes and that several different versions had been given out by the developer, leading to many misunderstandings. Communication will be especially critical during this updating process, from both the residents to the committee and from the committee to the residents. The Board is soliciting your input on what manner should be used so that all residents have an opportunity to weigh in on the issues facing us during this process. We would also appreciate your thoughts on the actual changes that need to be made to the 1988 Covenants and Bylaws.

Nomination and Election of Phase Directors: New Phase Directors were nominated and elected as follows:

Phase 1 – Ron Rowe

Phase 2 – Steve Kadish

Phase 3 – Dave Nattress

Phase 4 – Therese Graff

Phase 5 – Sandi Durenberger Schmidt

Architectural Review Committee Report: This past year, no new construction, remodeling or pool requests were received. One request was received regarding the exterior antenna rules and its status is pending as the Board reviews it. Four Covenant Waiver requests have been received and are being processed, addressing existing yard fences and dog runs. The Board will act upon these at the next Officers' Meeting.

Landscape Committee Report: Some residents have requested that the Sands Rd. entrance be upgraded to be more similar to the Crystal Lake Ave. entrance. The project could be funded from the reserve, special assessment or an increase in dues. Various plans and the associated costs will be investigated.

The lights illuminating the Crystal Lake Ave. entrance have been replaced or repaired; the remaining non-functioning lamp appears to have an electrical line problem that will have to be handled by a contractor.

Landscaping Maintenance currently is our largest expenditure. This Spring, the services needed will be evaluated and new bids received to lower our costs.

Open Discussion:

A letter has been sent to the Township Road Commissioner concerning the dangerous situation at our Crystal Lake Avenue entrance. Often, when there is an eastbound car waiting to turn left onto northbound Sands Road, the cars inconvenienced by the left turn will pass the turner on the inside, in our right turn lane. Several cars turning into our subdivision have almost been rear-ended as the passing cars do not slow down. By passing in the right turn lane, cars waiting to leave our subdivision are in danger of having the front ends of their vehicle struck. We are awaiting a response from the township.

A resident has requested a question about external TV antennas which has not been resolved at this time. The Board will continue to evaluate the FCC rulings regarding antennas.

Preferred Contractor Program: Recent Snow Removal and Septic Service pump-out results were explained and a survey requesting services and contractors for future analysis were available. The program was enthusiastically received and possible avenues for feedback were explored.

Social Activities Discussion: Steeple Run social activities are organized by residents and financed by participants. Using our SRHA dues to finance social events would result in our having to pay taxes on the dues income at the 30% rate. An interest survey for social activities was distributed to attendees, listing some ideas. The board would like to know which of the activities the residents would like to hold this year. Additional suggestions and volunteers are always welcome. As the ballots are being collected from non-attendees, they will also receive the Social Survey. Jennifer Marks has volunteered to coordinate events for our youngest residents.

Respectfully submitted,
Jill Peterson
Secretary, SRHA