

Treasurer's Report

Balance Sheet

12/31/2004

Assets

- Current Assets
- Property and Equipment
- Other Assets

As Of 12/31/2004

Current Assets

- Money Market Unrestricted ----- \$ 5,512
- Money Market Restricted – Lake ----- \$ 2,324
- Money Market Restricted – Fish Restoration ----- \$ 1,148
- Money Market Restricted – General Maintenance-- \$13,900
- Money Market Restricted – Private Road ----- \$ 4,808
- Money Market Restricted – Paving ----- \$(1,250)
- Money Market Restricted – Tree Replacement ----- \$ 3,000
- Checking ----- \$31,253
- Accounts Receivable ----- \$41,856

TOTAL CURRENT ASSETS --- \$102,553

As Of 12/31/2004

Property and Equipment

- Furniture and Fixtures ----- \$ 15,000
- Equipment ----- \$ 50,000
- Other Depreciable Property ----- \$186,000
- Building ----- \$266,000
- Land ----- \$ 51,700
- Pool and Pool Equipment ----- \$ 75,000

Total Property and Equipment --\$643,700

As Of 12/31/2004

Other Assets

- Deposit GA Power #BB9367 ----- \$700.00
- Deposit GA Power #GA7945 ----- \$50.00
- Deposit EMC 0695052 ----- \$150.00
- Deposit EMC 0695055 ----- \$150.00
- Deposit EMC 0695053 ----- \$75.00
- Deposit Water - Club House ----- \$210.00
- Deposit Water – East Shore Entrance ----- \$210.00
- Deposit Water - Phase IV Dock ----- \$210.00
- Deposit Water - West Ridge Entrance ----- \$210.00

Total Other Assets ----- \$1955

As Of 12/31/2004

Total Assets

\$748,208

As Of 12/31/2004

Liabilities and Capital

As Of 12/31/2004

Current Liabilities

- Reserve – General Maintenance -----\$13,900
- Reserve – Fish Restocking -----\$ 1,148

Total Current Liabilities -----\$15,048

As Of 12/31/2004

Long Term Liabilities

- Reserve – Lake Maintenance ----- \$ 2,324
- Reserve – Private Road ----- \$ 4,808
- Reserve – Paving ----- \$(1,250)
- Reserve – Tree Replacement ----- \$ 3,000

Total Long Term Liabilities ----- \$ 8,882

As Of 12/31/2004

Capital

- Money Market Unrestricted ----- \$5,512
- Checking ----- \$31,253
- Accounts Receivables ----- \$41,856
- Property and Equipment ----- \$643,700
- Deposits ----- \$1,955

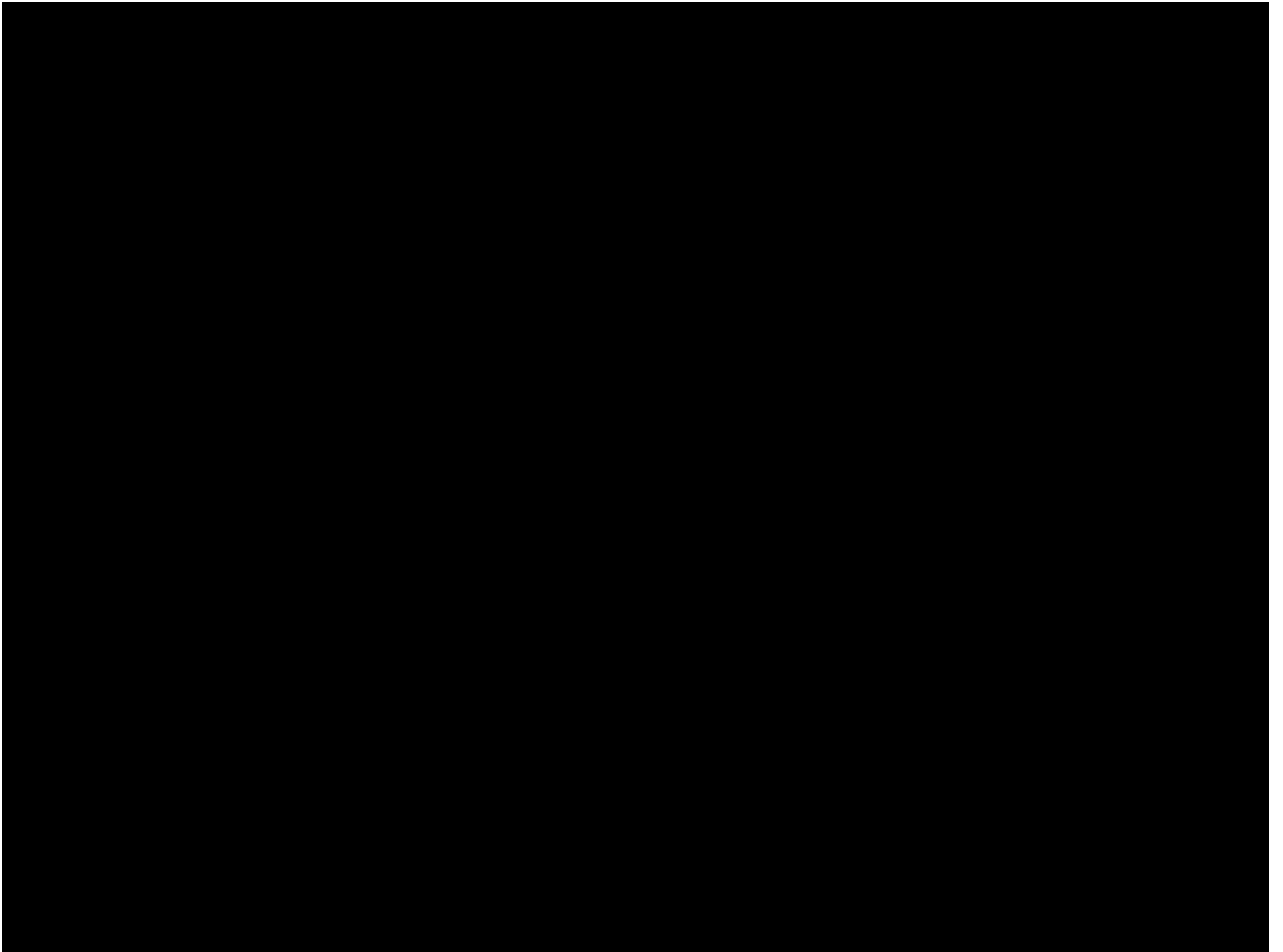
Total Capital ----- \$ 724,277

As Of 12/31/2004

Total Liabilities and Capital

\$748,208

As Of 12/31/2004



**2005 Lake Sovereign
Homeowners Association, Inc
Annual Meeting
February 23, 2005**

It's A Beautiful Day in the Neighborhood



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Photography

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It's A Beautiful Day in the Neighborhood



Won't You Be My Neighbor?



2004 Achievements

- Painted the Club House Exterior/Interior
- Expanded the Club House General Area by 33%
- Enhanced Diversity of Social Events
- Sealed and Re-striped Parking Lots
- Enhanced Pool and Cabana Volunteer Oversight
- Installed Lake Fountain Donated by Neighbors
- Obliterated Lake Weed by Continual Vigilance
- Improved Lake Water Quality with Improved Aeration

Additional 2004 Achievements

- Continued Enhancement of Lake Outfall Areas as Funding Allowed
- Strengthened Efforts with Vacant Lot Owners to Maintain Lots Periodically
- Conducted Owner Survey
- Established successful process for taking legal action to collect maintenance fees from delinquent owners
- Originated Lake Silt Engineering Study
- Established Lake Silt Restitution Committee
- Retained Special Counsel for Lake Silt Restitution Effort

West Ridge Drive During a Power Outage



East Side of Lake During a Power Outage



What Is Happening Financially?

- Maintenance Fees Remain the Same for the Past Three Years
- Reserve Funding Continues as a Focus to Maintain Common Amenities on a Maintenance Schedule
- Diligence to Convert Every Property to a Revenue Producing Property at the Earliest Allowable Date
- Resale Property Closing Dates are Continually Monitored for Initiation Fee Collections
- Revenue Producing Properties Are Ahead of Budget for 2005
- Frugal Management of Daily Expenses Continues
- Continue to Manage with Volunteer Management “Company”

How Does the Association Income Look?

<u>Income</u>	<u>2004</u>	<u>2005</u>
• Initiation Fees	\$ 10,000	\$ 6,000
• Maintenance Fees	\$123,989	\$132,825
• Other Income	\$ 1,858	\$ 1,475

How Do the Expense Categories Compare '04 to '05?

<u>Category</u>	<u>2004</u>	<u>2005</u>
• Landscape Maintenance	37%	37%
• Reserve Funding	19%	16%
• Insurance	8%	9%
• Repairs & Maintenance	8%	6%
• Lake	5%	7%
• Utilities	7%	7%
• Legal	6%	3%
• Pool	4%	5%
• Tennis	2%	6%
• Other	4%	4%

What are the Plans for 2005?

- Focus on restitution from lake silt contributors
- Monitor new silt deposit potential contributors
- Improve lake outfall areas with some additional landscaping
- Strengthen pool gate security/pool filter equipment
- Resurface tennis courts/enhance security
- Work diligently to turn vacant properties to revenue producers
- Continue efforts to maintain vacant lots
- Apply owner survey suggestions for event diversity
- Practical owner covenant compliance
- Work with Sixes Road Community to form Master Association

Keep These on the Lake



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To Keep Our Shoes and Walks Clean!!!



How's the Neighborhood Shaping Up?

Properties Paying Fees	<u>2003</u>	<u>2004</u>	<u>2005</u>
Homes/Investor Lots	106	113	120 (est)
Developer Lots	10	6	0

Total Lots Eligible to Pay Fees With Build Out = 128

Forecast Revenues for Total Build Out \$147,200

Budgeted 2005 Revenues 132,825

Shortfall in 2005 from Total Revenues \$ 14,375

Thanks to Our Volunteer Households

Addington

Aebi

Akridge

Amaya

Arteburn

Bagwell

Baker

Beer

Breeden

Breitbarth

Brown

Bruton

Chandler

Cole

Copeland D

Copeland G

Corpus

Del Rosso

Dempsey

Derr

Dodge

Dudek

Dyskow

Evans

Forman/Sebastio

Gearhart

Gehl

Graves

Gross

Gunnin

Hodgson

Horihan

Huckaby

Hudson

Kays

Keller

Krueger

Lareau

Lea

LeCher

Lewis

Lin

Maciel

McGrew

Merchant/Kirk

Merendo

Merolla

Monahan

Murdock

Nacon

Nitti

Osborne

Pauline

Pesta

Pinion M

Sousa

Stone

Taylor

Tooker

Wagner

Walker

Williams

Willis

Yungerberg

Zarvou

VOLUNTEER TO SERVE!

Architectural Review

Common Grounds

Communications

Lake

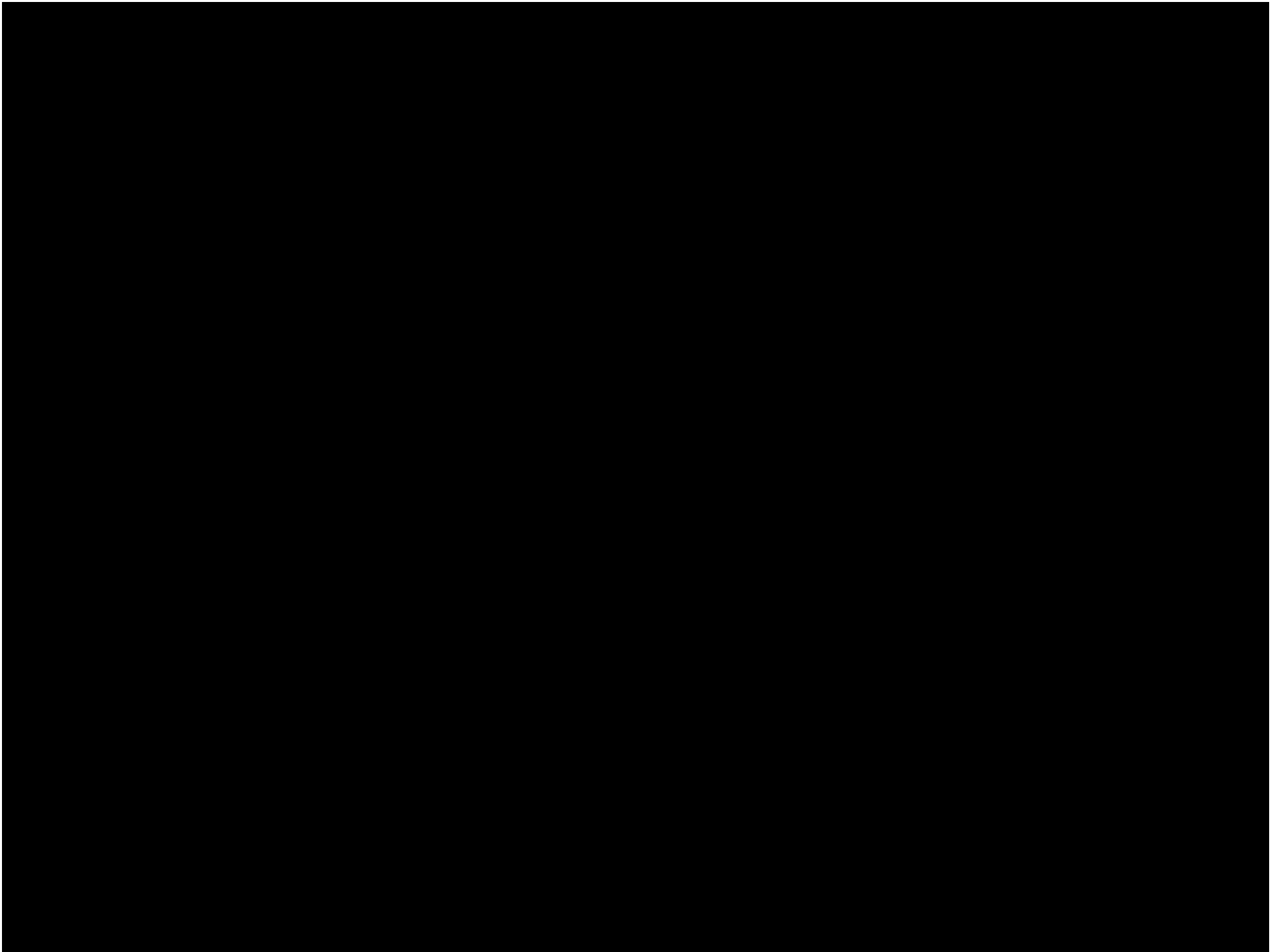
Pool

Community Relations

Social

Another Beautiful Day in the Neighborhood!





Lake Committee Report 2004

2004 Accomplishments

- Lake Maintenance
 - Upgraded Functional Aeration
 - Added Decorative Aeration—Donations
 - Cleaned Lake During Severe Rainfalls
 - Expanded Volunteer Base—Successful Work Day

2004 Accomplishments

- Lake Security and Safety
 - Implemented Lake Use Regulations
 - Implemented Boat Identification Program
 - Performed Periodic Fecal Coli Form Testing

2004 Accomplishments

- Wildlife Management
 - Performed Electroshock Fish Analysis
 - Added Grass Carp– 200 @ 12 inches
 - Attempted Nuisance Animal Control

2004 Accomplishments

- Long Range Planning
 - Performed Sedimentation Study
 - Included Baseline Mapping of Lake

2005 Goals

- Lake Maintenance
 - Control Algae and Weed Growth
 - Maintain Lake Following Severe Rainfalls
- Improve Lake Security and Safety
 - Possible Boating Safety Course
 - Possible CPR Course

2005 Goals

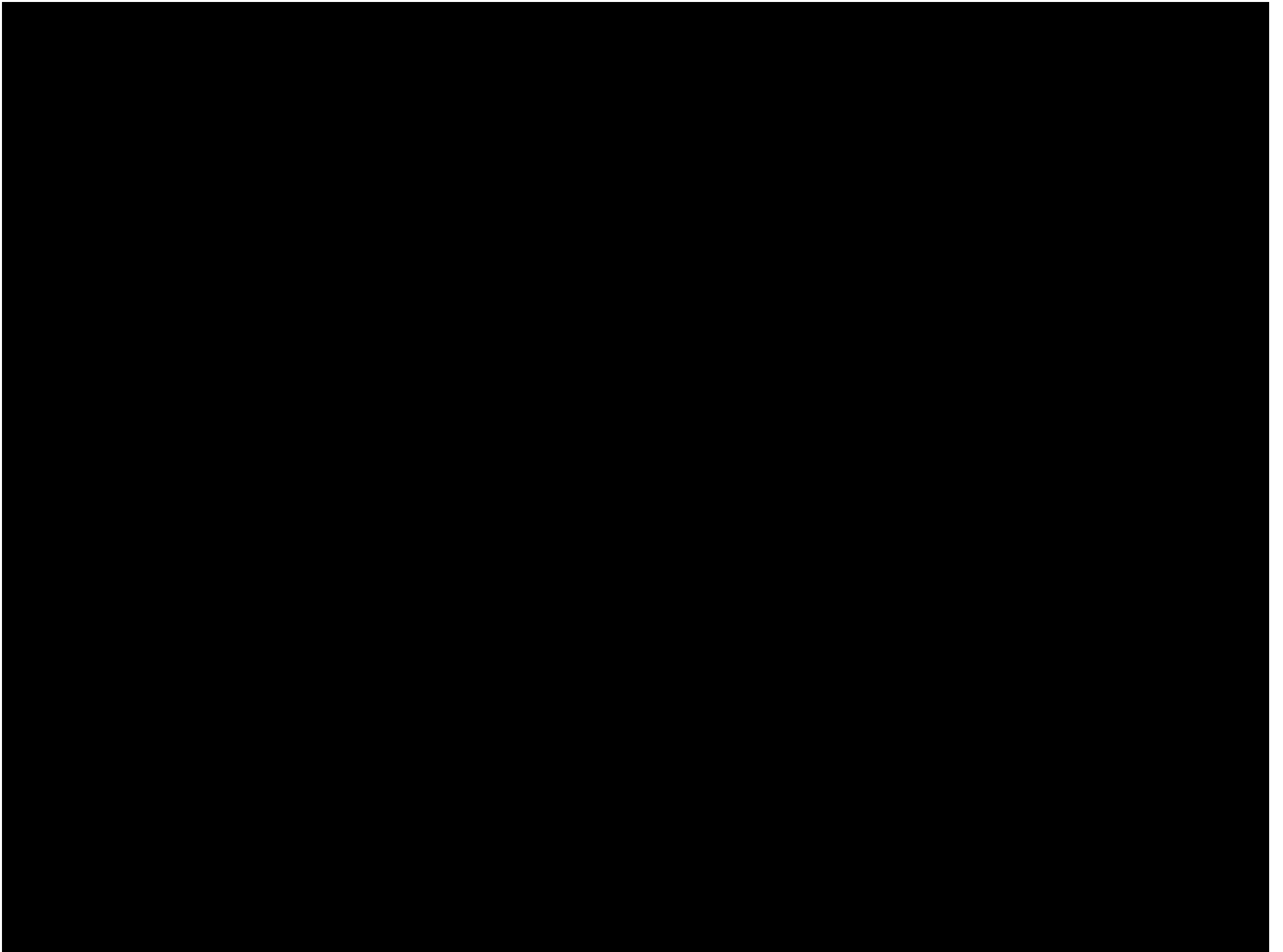
- Wildlife Management
 - Increase Feeder Fish Population
 - Reduce Crappie and Catfish Populations
 - Control Nuisance Animals and Waterfowl
- Long Range Planning
 - Coordinate Lowering Lake for Shore Maintenance with Silt Restitution Committee
 - Enhance Community Involvement to Showcase Lake

2005 Goals

- Lake Recreation
 - Kids Fishing Derby
 - Lake Sovereign Yacht Club
 - Remote Control Boats

Additional Items

- K-Tea Algaecide Available From Lake Committee
- Fish Food Available From Lake Committee At A Reduced Cost



2005

Social Committee
Report

Scheduled Events

- Bar-B-Q/Fishing Tournament
June 5
- Halloween Party Oct 31
- Christmas Dinner Party Dec ??

Events Under Discussion

- A Wine Tasting Club
- Movie Night at the Pool
- Kids Bunco Game Event
- Boat Safety Course
- CPR Course
- Boat Rides on the Lake
- Country Concert at the Pool
- October Fest

Bunco and Texas Canasta

- Bunco—1st Monday and 3rd Tuesday of each month
- Canasta—1st Tuesday (daytime) and 2nd Monday Evening – Monthly at the Club House
- Contact Sue Gross

Men's Events

- Any Interest in a Card Night?
- Hiking Events?

Social Committee

- Charise Baker
- Jane Gunnin
- Becky Hudson
- Cathy Merendo
- Judy Derr
- Sue Gross
- Deborah Pesta
- Alex LeCher
 - Refer to Owner Roster for Telephone Numbers

