

*Sorrento Village Improvement Association  
P.O. Box 343  
Sorrento, Maine 04677  
www.sorrentovia.org*

October, 2009

Dear VIA Friends:

It is truly with mixed emotions that I write my last letter as President of the Sorrento Village Improvement Association. I still remember 6 years ago when Giff Ewing, of the Nominating Committee, and Bob Worrell, then President, asked me at the Sharpe's 50th anniversary party if I would like to join the Board of Trustees. Little did I know what a challenging and ultimately rewarding experience it would be; meeting so many great people, and having also the opportunity to work with such a wonderful group of trustees. As I outlined at this year's annual meeting, minutes of which are posted under the Trustees tab on the SVIA website, I just can't thank enough everyone for their endless, dedicated support of the SVIA. We have met many goals during these past three years, which include, most importantly, increasing the transparency of our financials and developing the ability to measure results on a real time basis, which, I believe, is critical to retaining and ultimately, increasing the broad based support from our membership. Going forward, with Patrick Wilson as President, I am confident that this transparency will continue.

I am also so proud of how our programs and facilities were managed this past summer; again, a true testament to the trustees and their fantastic staff. Additionally, as I have discussed in the past, much of what we have accomplished would not have been possible without our treasurer, Rich Mayzel, whose calm counsel, patience and attention to detail, has allowed us to manage efficiently our programs, promote fiscal responsibility, and measure our results. Below is a summary of our financial results as of 10/7/09 compared to our current annual budget and prior year end results. While we have been able to maintain revenue at approximately the same level as last year which, in this economic climate, is a positive sign, we have also been able to maintain and, in some cases, reduce expenses so that our overall operating surplus will be slightly higher than last year, which does take into consideration our financial support of the library and also an additional repayment for our outstanding loan balance to the capital campaign fund.

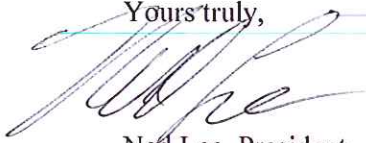
Notwithstanding our financial results below, we are not without our challenges and continue to look for ways to improve our long term financial stability by way of broad based membership support. While we are committed to an "open membership" model, it is critical we impress upon everyone, especially owners of property in Sorrento and their families, that the Sorrento Village Improvement Association and its' facilities and programs represent a tremendously valuable resource that must be supported. Our facilities cost money to maintain. Without annual support, it will be increasingly difficult to maintain our properties from our operating funds which will, once again, increase our reliance on a smaller constituency.

As we begin our planning process for 2010, I am excited about the trustees on board for next year, Patrick taking over as President and the continuity which will be in place. We will review our programs and look for ways to make them even better. Should anyone have any suggestions please feel free to contact any one of the trustees. Our contact information is on the website.

Speaking of the website, **just in time for the holidays**, you can now view and order SYC, Blink Bonnie and Sorrento Croquet merchandise. Go to the **Logo Gear** tab and order away! Profits benefit the SVIA. In addition, as some members have requested, the website will be password protected. The password will be 'waukeag'.

Thank you again for all of your encouragement and support these last three years. I wish everyone happiness, good health and a great off-season, and I look forward to seeing you next year.

Yours truly,



Ned Lee, President  
Sorrento Village Improvement Association

(As of 10/7/09)	2009 Budget	2009 YTD	2008 Annual	2007 Annual	2006 Annual
<b>Revenue</b>					
<b>Membership</b>					
Dues	\$131,250.00	\$123,724.00	\$131,250.00	\$131,675.00	\$115,745.76
Croquet	2,810.67	2,810.81	2,573.17	n/a	n/a
Golf	27,888.71	29,351.00	27,888.71	27,646.28	27,986.50
Total - Rev	156,895.96	155,885.81	161,711.88	159,321.28	143,732.26
<b>Expenses</b>					
Activities	6,684.89	5,124.78	6,565.20	5,723.67	\$4,264.30
Administration	19,068.29	19,536.49	18,087.31	33,026.44	47,316.17
Golf	62,516.11	36,662.31	70,037.63	83,654.85	92,649.37
Pool	11,936.18	10,373.20	11,761.05	12,692.33	17,323.22
Library	6,000.00	6,000.00	6,000.00		
Croquet	2,810.67	2,810.81	2,573.17	n/a	n/a
Tennis	6,233.14	1,357.10	5,154.59	5,816.24	7,247.72
Yacht Club	30,510.90	28,638.16	26,049.72	26,897.74	24,573.17
Total - Exp Operating	145,760.18	110,502.84	146,228.67	167,811.27	193,373.95
Loan Repayment Cap Campaign	(10,000.00)	(10,000.00)	(10,000.00)		
2009 forecast rev (1)		2,364.00			
2009 forecast expenses (1)		(24,421.00)			
<b>Profit (loss)</b>	<b>11,135.78</b>	<b>13,325.97</b>	<b>5,483.21</b>	<b>(8,489.99)</b>	<b>(49,641.69)</b>

Notes

1) Actuals from 10/07/08 - 12/31/2008