

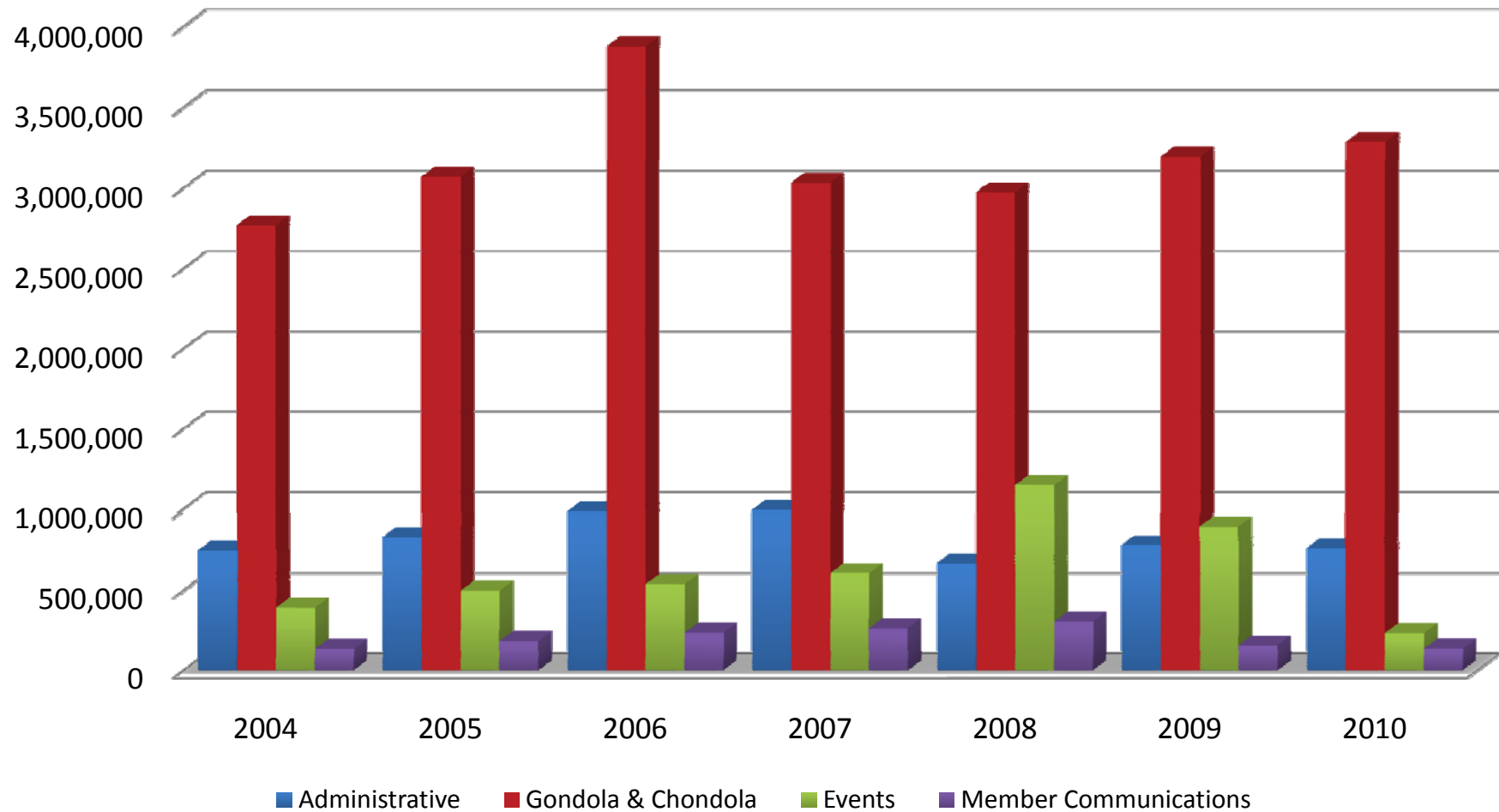


STATE OF THE ASSOCIATION

Annual Meeting

December 30, 2009

OPERATING EXPENSES



COMMUNITY RESEARCH

During 2009, TMVOA completed the following studies:

- **Ecosign Core Revitalization Study**
 - Reports are being utilized as one of the tools in the Town's "15 Year Planning" process.
- **Parametrix Gondola Analysis**
 - Study has assisted TMVOA and Town to reduce gondola costs and reduce wait times.

COMMUNITY INVESTMENTS

Current year investments included:

- a) Capella Amenities - \$3.2 million (2008 and 2009)
- b) Gondola Improvements and Replacements - \$100,000

“ FROM 2004 TO 2009, TMVOA HAS INVESTED
OVER **\$17 MILLION** INTO COMMUNITY ASSETS. ”

COMMUNITY PROGRAMS

a) Guest Services (\$190,000 in 2010)

- a) Reduced costs by 50% for 2010 by limiting program to only most utilized functions.

b) Grants & Charitable Donations

- a) Reduced funding by 67% by utilizing collaborative MV Prioritization Committee
- b) Will fund approx. \$160,000 in 2010

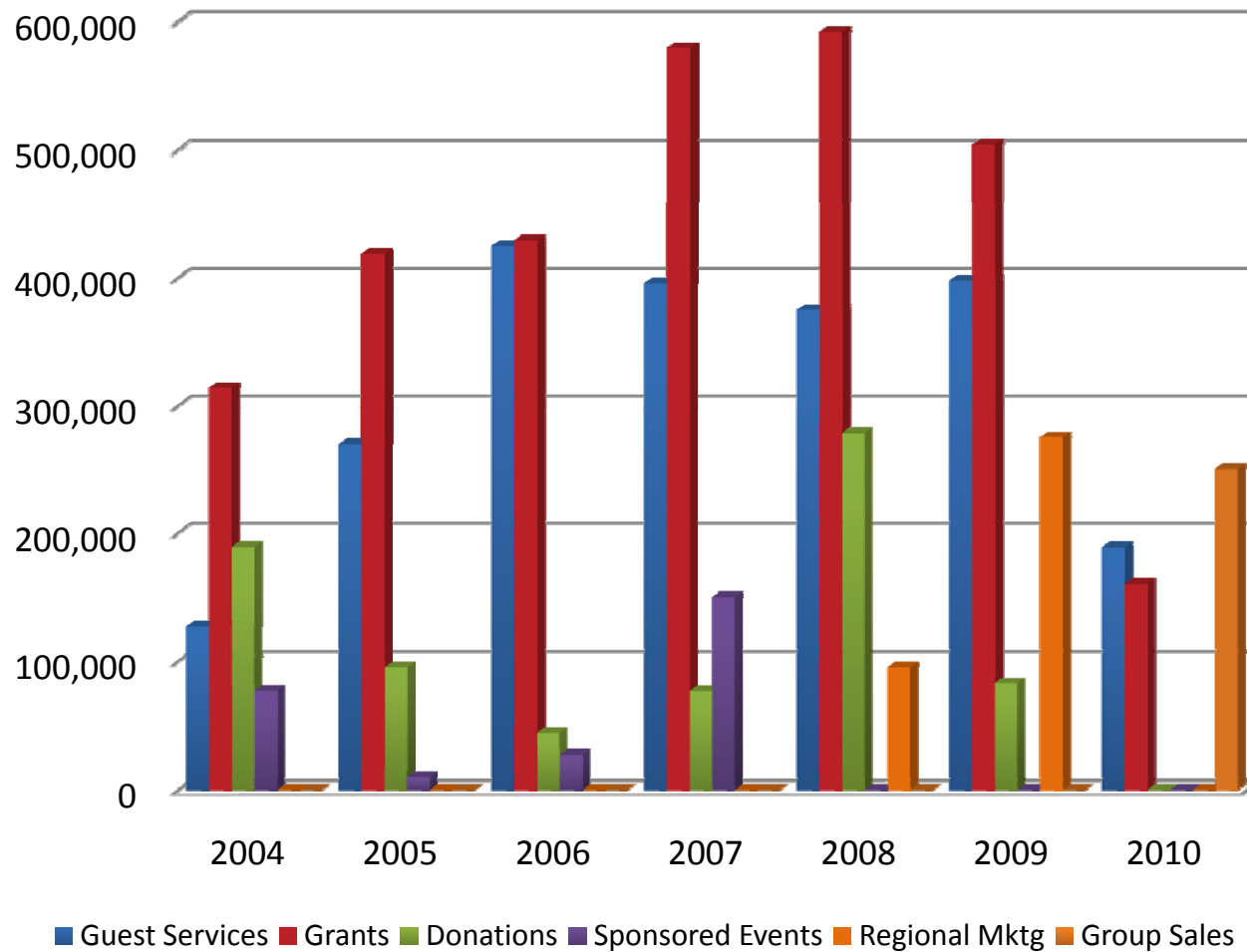
c) Regional Marketing

- a) Invested approx. \$300,000 in Regional Marketing in 2008 and 2009
- b) No further investment is budgeted in 2010

d) Group Sales

- a) Will invest approx. \$250,000 in collaborative group sales program in 2010
- b) Goal is to create stable conference business during "shoulder seasons."

COMMUNITY PROGRAMS



“ TMVOA’S MISSION IS TO PRESERVE AND PROMOTE A VITAL RESORT COMMUNITY FOR ITS MEMBERS, WITH ATTENTION TO CREATING A SUSTAINABLE VILLAGE WITH A VIBRANT ECONOMY. ”

BALANCE SHEET SUMMARY

	Audited 12/31/08	Projected 12/31/09	Variance
Current Assets	16,213,764	11,649,642	(4,564,122)
Non-Current Assets	8,023,427	7,952,488	(70,939)
Total Assets	24,237,191	19,602,130	(4,635,061)
Current Liabilities	2,893,771	1,080,643	(1,813,128)
Long Term Liabilities	846,864	849,943	3,079
Total Liabilities	3,740,636	1,930,586	(1,810,050)
Member's Equity	20,496,556	17,671,544	(2,825,012)
Total Liabilities & Equity	24,237,191	19,602,130	(4,635,061)
Gross Working Capital	13,319,993	10,569,000	(2,750,993)

BUDGET SUMMARY

	2008 Actual	2009 Revised	2010 Proposed
Revenues	6,858,213	5,370,204	4,227,781
Operating Expenses	5,099,363	5,081,212	4,461,265
Net Income	1,758,850	288,992	(233,484)
Debt Service	66,525	66,692	67,170
Discretionary Expenses	2,144,756	1,407,723	622,800
Gondola Major Repairs	3,506,140	(85,392)	269,500
50/51 Amenity Purchases	1,335,385	1,830,625	0
Total Other Expenses	7,052,806	3,219,648	959,470
Net Income / (Loss)	(5,293,956)	(2,930,656)	(1,192,954)
Less Loss from Sale of Asset	(8,461)	0	0
Net Income / (Loss) After Investing Activities	(5,302,417)	(2,930,656)	(1,192,954)
Beginning Working Capital	18,622,410	13,319,993	10,389,337
Ending Working Capital	13,319,993	10,389,337	9,196,383
Reserves	0	(3,896,670)	(4,890,100)
Unreserved Working Capital	13,319,993	6,492,667	4,306,283

⌋ ⌋ WITH THE PERSISTING ECONOMIC CONDITIONS, TMVOA IS CLOSELY MONITORING OUR FISCAL HEALTH. ⌋ ⌋

QUESTIONS?