

VAIL PARK AND RECREATION DISTRICT
d/b/a VAIL RECREATION DISTRICT
BOARD OF DIRECTORS

NOTICE IS HEREBY GIVEN that a Regular meeting of the Board of Directors of the Vail Park & Recreation District, Eagle County, Colorado, has been scheduled for Thursday, July 23, 2020 beginning at 5:00 p.m.

Due to the State of Emergency declared by Governor Polis and Public Health Order 20-23 Implementing Social Distancing Measures, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconferencing and can be joined through the following link and/or number:

Join on a computer or smart device: <https://bit.ly/VRDJulyMeeting>

Password: VRDBoard

Dial by phone:

Phone: (669) 900-9128 or (253) 215-8782

Meeting ID: 862 1406 1192

Password: 22459396

Agenda

1. Call to Order
2. Changes to Agenda;
3. Approval of Minutes;
 - a. June 25, 2020
4. Public Input (for matters not otherwise on Agenda/3-minute time limit/no disrupting, pursuant to § 18-9-108, C.R.S.);
5. New Business and Special Orders;
 - a. Discussion of Possible Dates for Board Retreat-Mr. Mike Ortiz
 - b. Re-Opening of Dobson Ice Arena-Mr. Jared Biniecki
6. Unfinished Business;
 - a. None
7. Officers, Committees, Staff, and Professional Consultants;
 - a. June 2020 Financials-Mr. Eric Weaver
 - b. Executive Director Input
 - c. Board Member Input
8. Adjournment

RECORD OF PROCEEDINGS

Minutes of the Regular Meeting
Of the Board of Directors

Vail Park and Recreation District
dba Vail Recreation District
June 25, 2020

A Regular Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on June 25, 2020 at 5:00 p.m. at the Vail Town Council Chambers, Town of Vail, Eagle County, Colorado, in accordance with the applicable statutes of the State of Colorado.

1. MEMBERS PRESENT

- 1.1. Tom Saalfeld, Jason Plante, Kim Newbury Rediker, Roland Kjesbo, Kirk Hansen

2. MEMBERS ABSENT AND EXCUSED

- 2.1. None

3. STAFF PRESENT

- 3.1. Mike Ortiz, Jessie Klehfoth

4. OTHERS PRESENT

- 4.1. Gabrielle Gully, James Hancock, Alexandra Timm, Owen Ruotolo, John Rediker

5. CONSULTANTS PRESENT

- 5.1. Eric Weaver

6. CALL TO ORDER

- 6.1. Director Saalfeld called the meeting to order at 5:00 p.m.

7. CHANGES TO AGENDA

- 7.1. None

8. APPROVAL OF MEETING MINUTES

- 8.1. By motion duly made and seconded it was unanimously RESOLVED to approve the minutes of the May 28, 2020 regular meeting.

9. PUBLIC INPUT FOR MATTERS NOT OTHERWISE ON AGENDA

- 9.1. None

10. PRESENTATION OF VAIL SCHOLAR ATHLETE AWARD WINNERS

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- 10.1. Mr. Ortiz explained to the board that for 2020, the scholarship committee decided to award four scholarships to graduating seniors – two to local students who excelled in sports and academics, and two to VRD staff or dependents of staff.
 - 10.1.1. The first student acknowledged was James Hancock who has worked for VRD for five years now. Mr. Hancock thanked the district for the award and promised to keep working hard for VRD.
 - 10.1.2. The second award winner was Alexandra Timm, daughter of VRD employee Dan Timm. Miss Timm thanked the board for the scholarship and employment opportunities.
 - 10.1.3. The third student award winner was Gabrielle Gully, salutatorian of Battle Mountain High School and a standout athlete. She also helps out with VRD running races. Miss Gully thanked the board for the scholarship and said she hopes to continue sports into college.
 - 10.1.4. The fourth award winner was Owen Ruotolo, an accomplished basketball player and great scholar. Mr. Ruotolo has worked on the golf course and at VRD events. He talked about how instrumental VRD was in his childhood, and thanked the VRD and many of the VRD employees for their great influence on his youth.
 - 10.1.5. Mr. Ortiz explained that the scholarship will be for four years if the students maintains a C average or better in college. This is the fourth year VRD has awarded the Vail Scholar Athlete Award and he's very proud of all the previous winners who are continuing to excel at their universities.
 - 10.1.6. Director Saalfeld talked about the history of the scholarship, and how it honors the memory of Tom Slaughter, Jr. The VRD is proud to carry on his legacy and continue to award these scholarships in his name and continue to raise funding for the scholarship via the Businesses, Bogeys and Bragging Rights charity golf tournament each fall.
 - 10.1.7. Director Rediker thanked all the students for everything they've contributed to the VRD, she noted that it was a very competitive year with over 50 applications received.

11. PRESENTATION AND ACCEPTANCE OF 2019 AUDIT

- 11.1. Mr. Weaver explained that the 2019 audit was done by McMahan and Associates and the District was given a clean, or unqualified opinion for 2019. He reminded the board that the District has multiple layers of financial checks and balances due to an internal financial employee, a third-party contractor for financials and McMahan and Associates doing the audit each year.

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- 11.2. By motion duly made and seconded it was unanimously RESOLVED to accept the audit draft as presented.

12. RE-OPENING OF DOBSON ICE ARENA

- 12.1. Mr. Ortiz explained that Dobson Ice Arena is a very expensive building to run. It costs \$30K per month just to freeze the ice. To open the arena for drop-in activities was not going to make sense financially as current Eagle County public health orders do not allow for indoor, contact sports. Mr. Ortiz explained how VRD has been working with their partners to ensure that enough ice time is rented to make the arena able to open from a financial perspective. It was determined that with Bob Johnson Hockey School and some other private rentals around that time, VRD staff is looking to the Board for blessing to open the rink on July 13 to accommodate these groups. Staff will begin making ice on July 6.
- 12.2. Mr. Ortiz also emphasized that the arena director, Mr. Jared Biniecki, has been very in tune with his peers at other ice rinks around the state and country on re-opening processes and new COVID-19 safety protocols. Mr. Ortiz said we are on par with other mountain resorts re-opening plans as Steamboat is not planning on opening until Sept. 1 at the earliest and Aspen is open only to clubs.
- 12.3. After some discussion, the Board gave staff the go ahead to open the arena on July 13.

13. MAY 2020 FINANCIALS

- 13.1. Mr. Weaver walked the Board through the District's financials as presented in the Board packet.
- 13.2. Mr. Weaver highlighted the cash balance, showing that the Dobson bonds have been paid off as of May 1, which will be a benefit to taxpayers who will see a decrease in their property tax bill. He also reiterated that even with all the unknowns around the pandemic, the VRD is in good financial position to weather the storm. He said the VRD is seeing an impact from taxpayers who are choosing to pay their tax bills later, due to relief offered by the governor and county treasurers, but this should resolve itself by the end of the year.
- 13.3. Mr. Weaver explained that most revenues are negative due to cancellations and reduced capacity in programs. Golf and tennis demand is going off the charts with very positive revenues and attracting a lot of new players that may help VRD into the future. An unprecedented number of passes were sold at the golf course and greens fees are up as well.
- 13.4. Mr. Weaver said the biggest unknowns right now are with Dobson and banquet room events due to closures and public health restrictions. It's hard to forecast those revenues as VRD doesn't know when they can reopen many programs and host larger events.

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- 13.5. Mr. Weaver commended staff for done a great job at cost cutting and finding savings. He said the capital budget has been cut and many projects put on hold, with the focus shifting to spending planning dollars instead.
- 13.6. Overall, Mr. Weaver was optimistic about the big picture and thinks VRD will finish the year roughly where they were budgeted, especially because of capital expense deferrals.
- 13.7. After some discussion, the Board thanked Mr. Weaver for his presentation and hard work.

14. EXECUTIVE DIRECTOR INPUT

- 14.1. Mr. Ortiz gave highlights from the Directors Reports as presented in the Board packet.
- 14.2. After some discussion, the Board thanked Mr. Ortiz and staff for their hard work.

15. BOARD MEMBER INPUT

- 15.1. Director Plante thanked Mrs. Klehfoth for working on a video showing new day camp check-in protocols. He said the fields and tennis area look really great and all the new flowers are very nice. He noted the paint project has buildings looking better. He commended the staff and said he's glad that everyone is wearing a mask. He reminded everyone to not let their guard down and to keep employees safe. He thanked Mr. Ortiz for keeping everything organized.
- 15.2. Director Hansen said he was glad that the Town of Vail and VRD are progressive organizations and are always looking to add programming. He expressed his view that there are gaps in the winter in terms of programming in areas like sports and theater. He would like to work with the Town to explore opportunities and would like to serve on committees to do feasibility studies and analysis.
- 15.3. Director Rediker apologized for not playing enough golf, stating that she can't get a tee time because they are so busy, which is great news. She's glad to see all the paying customers. She told Director Hansen that the Mountain Art Collective received funding from CSE for programs and encouraged him to get involved with them if he wants to help bring theater and dance to the community. She jokingly asked if the new world handicap system is equipped to have smiley faces as golf scores? She also thanked the VRD scholarship committee for recognizing Mr. Ruotolo and said that he worked really hard in high school.
- 15.4. Director Kjesbo said the golf course is playing great, he thanked Mr. Scott Todd who has done an amazing job and said the greens get better every week. He also commended the entire VRD staff for taking the new safety

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protocols so seriously, enabling the District to be as successful as they can under the circumstances.

- 15.5. Director Saalfeld commended all directors for ushering VRD through the initial phases of COVID-19, and for helping out wherever possible. He was impressed how many staff stepped up and helped out at golf and other departments when needed, and said it showed what a great, unified staff VRD has. He also said it was a great testament to Mr. Ortiz as executive director. He finished by thanking Mr. Suarez again for his eight years of service on the Board and Mr. Ortiz thanked Mr. Jim Sanders for his many years of service in employment to the District.

16. ADJOURNMENT

- 16.1. Upon a motion duly made and seconded it was unanimously RESOLVED to adjourn the Regular Meeting of the Vail Recreation District Board of Directors.

Respectfully Submitted,
Jessie Klehfoth
Secretary to the Meeting

**VAIL RECREATION DISTRICT
COMBINED BALANCE SHEET
December 31, 2019 and June 30, 2020**

	12/31/19					06/30/20				
	General Fund	Enterprise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total	General Fund	Enterprise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total
ASSETS										
CASH- UNRESTRICTED	4,073,870	11,900			4,085,770	6,103,144	3,300			6,106,444
INVESTMENTS- RESTRICTED		304,803			304,803		-			0
ACCOUNTS RECEIVABLE	153,157	22,883			176,040	374,018	1,110			375,128
PROPERTY TAXES RECEIVABLE	4,656,289	288,334			4,944,623	1,007,327	44,941			1,052,268
PREPAIDS, DEPOSITS & INVENTORY	166,330	305,927			472,257	86,907	187,011			273,918
DUE (TO) FROM OTHER FUND	53,011	(53,011)			0	524,331	(524,331)			0
LOAN DUE (TO) FROM OTHER FUND	9,412	(9,412)			0	9,412	(9,412)			0
BUILDINGS			552,671	13,340,515	13,893,186			552,671	13,340,515	13,893,186
EQUIPMENT			940,511	1,587,309	2,527,820			940,511	1,587,309	2,527,820
ACCUM DEPR			(840,534)	(8,520,526)	(9,361,060)			(840,534)	(8,520,526)	(9,361,060)
TOTAL ASSETS	9,112,069	871,424	652,648	6,407,298	17,043,439	8,105,139	(297,381)	652,648	6,407,298	14,867,704
LIABILITIES AND FUND EQUITY										
ACCOUNTS PAYABLE	190,016	161,584			351,599	125,907	86,313			212,219
DEFERRED PROPERTY TAXES	4,656,289	288,334			4,944,623	1,007,334	44,941			1,052,275
DEFERRED REVENUE	16,767	85,089			101,856	1,747	116,856			118,603
ACCRUED COMPENSATED ABSENCES			72,242	43,131	115,373			72,242	43,131	115,373
ACCRUED INTEREST PAYABLE				4,637	4,637				4,637	4,637
DOBSON BONDS PAYABLE				265,000	265,000				0	0
TOTAL LIABILITIES	4,863,071	535,006	72,242	312,768	5,783,088	1,134,988	248,109	72,242	47,768	1,503,107
NET ASSETS										
INV IN FIXED ASSETS, NET OF DEBT			580,406	6,094,530	6,674,936			580,406	6,359,530	6,939,936
RESTRICTED	472,284	271,956			744,240	377,750	-			377,750
COMMITTED & ASSIGNED FOR CAPITAL	2,340,000	-			2,340,000	3,320,000	-			3,320,000
UNASSIGNED	1,436,713	64,462			1,501,175	3,272,402	(545,491)			2,726,911
TOTAL NET ASSETS	4,248,997	336,418	580,406	6,094,530	11,260,351	6,970,151	(545,491)	580,406	6,359,530	13,364,597
TOTAL LIAB & NET ASSETS	9,112,069	871,424	652,648	6,407,298	17,043,439	8,105,139	(297,381)	652,648	6,407,298	14,867,704

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VAIL RECREATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

Printed: 07/19/20
 Modified Accrual Basis

	2019 Prelim Actual	2020 Forecast	2020 Adopted Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)	6 Months Ended 06/30/20 Actual	6 Months Ended 06/30/20 Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)
COMBINED REVENUES									
PROPERTY AND OTHER TAXES, NET OF FEES	4,527,346	4,724,665	4,724,665	-	0%	3,871,297	3,977,290	(105,994)	-3%
OTHER NON-DEPARTMENTALIZED REVENUES	175,510	78,418	114,000	(35,582)	-31%	47,604	57,525	(9,921)	-17%
SPORTS	412,112	228,675	423,890	(195,216)	-46%	147,551	262,714	(115,163)	-44%
GYMNASTICS	244,162	206,403	282,620	(76,217)	-27%	93,594	113,492	(19,898)	-18%
COMMUNITY PROGRAMMING	403,861	285,100	431,200	(146,100)	-34%	197,669	272,195	(74,526)	-27%
NATURE CENTER	-	-	-	-	0%	-	-	-	0%
NORDIC CENTER	468,403	419,283	472,050	(52,767)	-11%	245,058	242,388	2,669	1%
GOLF COURSE	1,381,314	1,425,250	1,377,600	47,650	3%	541,936	398,465	143,471	36%
TENNIS	41,685	42,047	41,854	193	0%	20,158	12,315	7,843	64%
PICKLEBALL	126,827	99,535	98,720	815	1%	57,415	38,884	18,531	48%
DOBSON	882,654	484,259	911,435	(427,176)	-47%	333,403	547,683	(214,281)	-39%
GOLF F&B / BANQUET ROOM, NET OF COGS	712,240	373,899	777,961	(404,062)	-52%	96,260	121,092	(24,832)	-21%
TOTAL REVENUES	9,376,112	8,367,533	9,655,994	(1,288,462)	-13%	5,651,943	6,044,043	(392,100)	-6%
OPERATING EXPENSES									
ADMINISTRATION	(739,169)	(839,584)	(907,102)	67,518	7%	(475,371)	(536,760)	61,388	11%
PUBLIC RELATIONS/MARKETING	(374,457)	(376,211)	(398,588)	22,377	6%	(139,531)	(190,280)	50,750	27%
PARK MAINTENANCE	(226,558)	(294,954)	(295,677)	722	0%	(143,431)	(136,318)	(7,113)	-5%
FACILITIES MAINTENANCE	(141,521)	(138,590)	(141,899)	3,309	2%	(69,197)	(72,114)	2,917	4%
SPORTS	(521,874)	(447,213)	(559,204)	111,991	20%	(195,329)	(242,508)	47,180	19%
GYMNASTICS	(331,728)	(331,608)	(359,010)	27,402	8%	(145,236)	(164,291)	19,055	12%
COMMUNITY PROGRAMMING	(532,390)	(506,562)	(605,956)	99,395	16%	(207,659)	(251,812)	44,153	18%
NATURE CENTER	(480)	-	-	-	0%	-	-	-	0%
NORDIC CENTER	(394,633)	(370,284)	(374,618)	4,334	1%	(202,339)	(212,750)	10,411	5%
GOLF OPERATIONS	(681,015)	(752,290)	(765,094)	12,804	2%	(203,437)	(235,638)	32,201	14%
GOLF MAINTENANCE	(881,242)	(724,073)	(951,986)	227,913	24%	(372,607)	(394,368)	21,761	6%
TENNIS	(102,399)	(116,275)	(112,133)	(4,142)	-4%	(52,835)	(61,786)	8,951	14%
PICKLEBALL	(142,623)	(91,541)	(114,684)	23,143	20%	(24,961)	(33,970)	9,009	27%
DOBSON	(959,547)	(804,447)	(985,351)	180,904	18%	(371,976)	(496,006)	124,030	25%
GOLF F&B / BANQUET ROOM	(782,681)	(657,409)	(820,825)	163,417	20%	(263,814)	(324,743)	60,929	19%
TOTAL EXPENSES	(6,812,317)	(6,451,040)	(7,392,128)	941,088	13%	(2,867,724)	(3,353,345)	485,621	14%
CHANGE IN FUND BAL BEFORE DS & CAP	2,563,795	1,916,493	2,263,867	(347,374)		2,784,219	2,690,698	93,521	
DEBT SERVICE	(270,975)	(272,456)	(272,456)	-	0%	(271,956)	(271,956)	(0)	0%
DONATIONS, LOANS, & SALE OF ASSETS	122,000	-	-	-	0%	-	-	-	0%
CAPITAL EXPENDITURES	(1,941,173)	(838,017)	(1,695,755)	857,737	51%	(673,017)	(1,261,323)	588,306	47%
LESS UNFUNDED CAPITAL PROJECTS	-	-	-	-	-	-	-	-	-
CONTINGENCY	-	(300,000)	(200,000)	(100,000)	-50%	-	(50,000)	50,000	100%
TOTAL NET CAPITAL EXPENSES	(2,090,148)	(1,410,473)	(2,168,211)	757,737	35%	(944,973)	(1,583,279)	638,306	40%
CHANGE IN FUND BALANCE	473,648	506,019	95,656	410,363		1,839,246	1,107,419	731,827	
BEGINNING FUND BALANCES	4,111,768	4,585,415	4,296,338	289,077		4,585,415	4,296,338	289,077	
ENDING FUND BALANCES	4,585,415	5,091,435	4,391,994	699,441		6,424,661	5,403,757	1,020,904	

SUMMARY OF SIGNIFICANT VARIANCES:

PROPERTY TAX REVENUES- County allowing only half payments by taxpayers in April has collections delayed, should rebound in July.
 SPORTS REVENUES- Facility rental and some summer programs hit hard by COVID19.
 COMMUNITY PROGRAMMING REV- After school stopped in the Spring and Summer Camps at reduced capacity
 GOLF REVENUES- Record pass sales will likely be partially offset with decreased daily fees. Pro shop will be down due to reduced inventory.
 DOBSON REVENUES- Lots of unknown on when the facility will be able to reopen to contact sports and events.
 GOLF F&B/ BANQUET REVENUES- Golf F&B doing well, but events expected to be down 75% compared to budget.
 ADMINISTRATION EXPENSES- Savings in delayed hiring HR position, no election, insurance, and other costs where possible.
 PUBLIC RELATIONS EXPENSES- Savings while facilities closed and delays in marketing due to phased reopening timeline unknown.
 COMMUNITY PROGRAMMING EXPENSES- Savings from temporary closures and reductions in programming.
 DOBSON EXPENSES- Savings in utilities, cost of goods, and other areas where possible while the facility is closed.
 GOLF BANQUET/ F&B EXPENSES- Savings in labor, cost of goods, and other areas with Gore Range Room revenues expected to be down significantly.
 CAPITAL- Most projects that can be deferred pushed to next year. More than half of the remaining forecast for capital was the new fleet of golf carts with GPS units.
 CONTINGENCY- Increased from \$200K to \$300K for additional unknowns due to COVID19.
 FUND BALANCE- Savings at end of 2019 rolled forward to 2020.