

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

5:00 P.M.
Thursday, September 28, 2017
Town of Vail, Council Chambers
AGENDA
REGULAR MEETING

1. Call to Order
2. Changes to Agenda;
3. Approval of Minutes;
 - a. September 7, 2017
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. None
6. Unfinished Business;
 - a. Update on Ballot Issue A-Mr. Eric Weaver and Mr. Mike Ortiz
7. Officers, Committees, Staff, and Professional Consultants;
 - a. August 2017 Financials-Mr. Eric Weaver
 - b. Executive Director Input
 - c. Board Member Input
8. Adjournment

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RECORD OF PROCEEDINGS

Minutes of the Special Meeting
Of the Board of Directors

Vail Park and Recreation District
dba Vail Recreation District
September 7, 2017

A Special Meeting of the Board of Directors of the Vail Recreation District, Town of Vail, Eagle County, Colorado, was held on September 7, 2017 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, Bill Suarez, Kim Newbury Rediker, Kevin Foley

2. MEMBERS ABSENT AND EXCUSED

2.1. Roland Kjesbo

3. STAFF PRESENT

3.1. Mike Ortiz, Jessie Klehfoth

4. OTHERS PRESENT

4.1. Cliff Thompson

5. CONSULTANTS PRESENT

5.1. Eric Weaver

6. CALL TO ORDER

6.1. Director Saalfeld called the meeting to order at 5:03 p.m.

7. CHANGES TO AGENDA

7.1. None

8. APPROVAL OF MEETING MINUTES

8.1. By motion duly made and seconded it was RESOLVED to approve the minutes of the August 24, 2017 meeting, with Director Saalfeld abstaining due to absence.

9. PUBLIC INPUT FOR MATTERS NOT OTHERWISE ON AGENDA

9.1. None.

10. CONSIDERATION OF A RESOLUTION CALLING FOR A NOVEMBER 7, 2017
SPECIAL ELECTION, AUTHORIZING AN ELECTION ON THE

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Vail Recreation District September 7, 2017 Meeting Minutes

QUESTION OF INCREASING TAXES AND APPOINTING A DESIGNATED ELECTION OFFICIAL

- 10.1. Mr. Weaver stated that the reason for the special meeting is because any ballot questions for the upcoming November 7, 2017 election need to be certified to the county before tomorrow, September 8. The resolution being considered by the Board calls for a November 7, 2017 special election for Ballot Issue A. Because this is a TABOR question, it must be conducted as a mail ballot election. Mr. Weaver also pointed out that the resolution appoints Anne Clarke of Marchetti & Weaver, LLC as the Designated Election Official and also April Heredia of the Vail Recreation District as the Assistant Designated Election Official, for the purpose of providing a drop-off location in Vail.
- 10.2. After some discussion, and by motion duly made and seconded it was unanimously RESOLVED to approve the resolution.

11. EXECUTIVE DIRECTOR REPORT

- 11.1. Director Foley stated that it was nice to get a letter from a USGA amateur. He also gave a shout out to Mr. Jim Sanders and the parks maintenance crew who have done a great job with the Red Sandstone Elementary School fields, and stated it was amazing the difference year over year.
- 11.2. Mr. Ortiz stated that the recent High Fives charity golf tournament at the Vail Golf Club was well attended, and the ball drop from a helicopter was really fun. He stated that of the three High Fives tournaments held around the country, the Vail tournament raised the most money (\$55,000), even though it's the newest tournament in the High Fives lineup. Overall, the three tournaments exceeded their total fundraising goal of \$100,000. Mr. Ortiz thanked the VRD staff, Mr. Adams for the helicopter, and Brian McCartney who donated very generously through his foundation, matching \$15,000 in the silent auction. Mr. Ortiz stated it was a great event, people had a lot of fun, and it was very positive marketing for the VRD and Vail Golf Club.
- 11.3. Mr. Ortiz reminded the Board and public that the next running race, and the final race of the La Sportive Vail Trail Running Series, is next weekend, Sept. 16, on Meadow Mountain in Minturn.
- 11.4. Mr. Ortiz also reminded the Board and public that VRD's Businesses, Bogeys and Bragging Rights charity golf tournament is Sept. 14 at the Vail Golf Club. VRD is still looking for raffle prize donations, and the money raised goes toward the Tom Slaughter Jr. Memorial Youth Recreation Grant. There are also some spots still available for \$500 per team, and hole sponsorships are also available.

12. BOARD MEMBER INPUT

- 12.1. Director Saalfeld stated that he enjoyed the High Fives tournament, and thanked Mrs. Beth Pappas for a fantastic job. He hopes we can continue this tournament

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Vail Recreation District September 7, 2017 Meeting Minutes

in the future, and said it was good exposure for the golf course and clubhouse.

13. ADJOURNMENT

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

Respectfully Submitted,
Jessie Klehfoth
Secretary to the Meeting

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

	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	Total 10 Years 2018-2027
COMBINED REVENUES											
PROPERTY AND OTHER TAXES, NET OF FEES	3,222,792	3,219,660	2,902,308	2,902,378	2,866,525	2,866,598	2,830,749	2,830,828	2,794,984	2,795,067	
OTHER NON-DEPARTMENTALIZED REVENUES	47,426	48,849	50,315	51,824	53,379	54,980	56,630	58,328	60,078	61,881	
SPORTS	411,559	423,906	436,623	449,722	463,213	477,110	491,423	506,166	521,351	536,991	
GYMNASTICS	210,862	217,188	223,703	230,414	237,327	244,447	251,780	259,333	267,113	275,127	
COMMUNITY PROGRAMMING	401,548	413,595	426,002	438,782	451,946	465,504	479,469	493,853	508,669	523,929	
NATURE CENTER	11,073	11,405	11,747	12,099	12,462	12,836	13,221	13,618	14,026	14,447	
NORDIC CENTER	478,000	492,340	507,110	522,324	537,993	554,133	570,757	587,880	605,516	623,682	
GOLF COURSE	1,318,860	1,358,426	1,399,179	1,441,154	1,484,389	1,528,921	1,574,788	1,622,032	1,670,693	1,720,814	
TENNIS	59,931	61,729	63,580	65,488	67,452	69,476	71,560	73,707	75,918	78,196	
DOBSON	691,314	712,054	733,415	755,418	778,080	801,423	825,466	850,229	875,736	902,008	
GOLF F&B / BANQUET ROOM, NET OF COGS	529,183	643,316	662,615	682,494	702,968	724,057	745,779	768,152	791,878	816,474	
TOTAL REVENUES	7,382,548	7,602,466	7,416,599	7,552,097	7,655,735	7,799,485	7,911,623	8,064,127	8,185,964	8,348,616	
OPERATING EXPENSES											
ADMINISTRATION	(807,819)	(832,053)	(857,015)	(882,725)	(909,207)	(936,483)	(964,578)	(993,515)	(1,023,321)	(1,054,020)	
PUBLIC RELATIONS/MARKETING	(281,480)	(289,924)	(298,622)	(307,581)	(316,808)	(326,312)	(336,102)	(346,185)	(356,570)	(367,267)	
PARK MAINTENANCE	(226,562)	(233,359)	(240,360)	(247,571)	(254,998)	(262,648)	(270,527)	(278,643)	(287,002)	(295,612)	
FACILITIES MAINTENANCE	(163,277)	(167,812)	(172,483)	(177,294)	(182,250)	(187,354)	(192,611)	(198,026)	(203,604)	(209,349)	
SPORTS	(593,119)	(610,913)	(629,240)	(648,117)	(667,561)	(687,587)	(708,215)	(729,462)	(751,345)	(773,886)	
GYMNASTICS	(282,614)	(291,093)	(299,825)	(308,820)	(318,085)	(327,627)	(337,456)	(347,580)	(358,007)	(368,748)	
COMMUNITY PROGRAMMING	(545,093)	(561,446)	(578,289)	(595,638)	(613,507)	(631,913)	(650,870)	(670,396)	(690,508)	(711,223)	
NATURE CENTER	(65,043)	(66,995)	(69,004)	(71,074)	(73,207)	(75,403)	(77,665)	(79,995)	(82,395)	(84,867)	
NORDIC CENTER	(435,426)	(448,488)	(461,943)	(475,801)	(490,075)	(504,778)	(519,921)	(535,519)	(551,584)	(568,132)	
GOLF OPERATIONS	(800,330)	(824,227)	(848,841)	(874,194)	(900,307)	(927,204)	(954,908)	(983,442)	(1,012,833)	(1,043,106)	
GOLF MAINTENANCE	(919,869)	(946,282)	(973,486)	(1,001,507)	(1,030,369)	(1,060,096)	(1,090,715)	(1,122,253)	(1,154,737)	(1,188,195)	
TENNIS	(105,090)	(108,197)	(111,397)	(114,693)	(118,088)	(121,585)	(125,187)	(128,897)	(132,718)	(136,654)	
DOBSON	(861,149)	(886,923)	(913,471)	(940,815)	(968,979)	(997,989)	(1,027,868)	(1,058,644)	(1,090,344)	(1,122,994)	
GOLF F&B / BANQUET ROOM	(601,918)	(644,068)	(663,390)	(683,292)	(703,790)	(724,904)	(746,651)	(769,051)	(792,137)	(815,920)	
CONTINGENCY	(150,000)	(154,500)	(159,135)	(163,909)	(168,826)	(173,891)	(179,108)	(184,481)	(190,016)	(195,716)	
TOTAL EXPENSES	(6,838,788)	(7,066,279)	(7,276,502)	(7,493,032)	(7,716,058)	(7,945,774)	(8,182,382)	(8,426,088)	(8,677,121)	(8,935,688)	
CHANGE IN FUND BAL BEFORE DS & CAP	543,760	536,187	140,097	59,065	(60,323)	(146,289)	(270,759)	(361,961)	(491,157)	(587,072)	
DEBT SERVICE	(273,838)	(270,975)	(272,456)	-	-	-	-	-	-	-	
CHANGE IN FUND BAL BEFORE CAP	269,922	265,212	(132,359)	59,065	(60,323)	(146,289)	(270,759)	(361,961)	(491,157)	(587,072)	
DONATIONS, LOANS, & SALE OF ASSETS	-	-	-	-	-	-	-	-	-	-	
CAPITAL EXPENDITURES	(3,501,819)	(1,581,569)	(1,676,956)	(601,469)	(1,254,474)	(685,916)	(1,735,458)	(865,566)	(1,619,773)	(946,599)	
LESS FUNDING SHORTFALLS	1,910,000	1,320,000	1,560,000	540,000	1,320,000	830,000	2,010,000	1,220,000	2,110,000	1,540,000	14,360,000
TOTAL NET CAPITAL EXPENSES	(1,591,819)	(261,569)	(116,956)	(61,469)	65,526	144,084	274,542	354,434	490,227	593,401	
CHANGE IN FUND BALANCE	(1,321,897)	3,643	(249,315)	(2,404)	5,204	(2,205)	3,782	(7,527)	(931)	6,330	
BEGINNING FUND BALANCES	2,817,357	1,495,460	1,499,103	1,249,788	1,247,384	1,252,588	1,250,382	1,254,165	1,246,638	1,245,707	
ENDING FUND BALANCES	1,495,460	1,499,103	1,249,788	1,247,384	1,252,588	1,250,382	1,254,165	1,246,638	1,245,707	1,252,037	
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VAIL RECREATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	10 Years 2018-2027
TOTAL CAPITAL COSTS BY CATEGORY:											
Golf Cart Fleet	0	0	336,046	0	0	0	378,223	0	0	0	714,269
Parks & Golf Maintenance Equipment	203,922	352,103	183,559	222,830	194,737	236,401	206,597	212,795	219,178	224,597	2,256,718
Snowcat & Grooming Equipment	35,000	0	0	0	0	0	311,593	43,046	0	0	389,639
Zamboni	11,255	0	0	0	12,668	0	0	0	163,963	0	187,886
Nordic & Gymnsatics Equipment	56,774	37,989	39,129	40,303	41,512	64,677	44,040	45,361	46,721	48,123	464,631
Other Vehicles, Computers, & Equipmer	76,023	114,027	143,927	58,078	154,285	104,719	153,434	46,004	125,526	84,260	1,060,283
Building Effeciency Upgrades	-	100,000	-	-	-	-	-	-	-	-	100,000
Imagination Station Exhibits	-	10,000	98,334	10,609	29,929	11,255	11,593	11,941	97,845	41,304	322,809
Nature Center Exhibits/ Remodel	-	300,000	-	-	-	-	-	-	-	-	300,000
Starter House	1,155,000	-	-	-	-	-	-	-	-	-	1,155,000
Clubhouse Kitchen Equipment	-	-	-	-	-	-	-	-	204,123	-	204,123
Dobson Event Stage & Flooring	139,031	-	-	-	-	-	-	11,766	206,735	-	357,532
Dobson Rink & Chilling System	140,689	-	23,881	-	53,204	-	-	-	-	-	217,774
Dobson Seating	131,127	-	-	-	-	-	-	-	-	-	131,127
Buildings- Other	333,054	121,666	85,569	73,130	229,836	65,229	137,854	110,760	121,990	208,237	1,487,325
Bridges	407,091	13,692	-	-	31,670	-	-	-	-	7,343	459,795
15th Tee Box	150,000	-	-	-	-	-	-	-	-	-	150,000
Tees, Greens & Bunkers	7,335	-	92,102	-	-	-	-	-	-	-	99,437
Trees & Weather Shelters	-	-	-	-	31,669	-	-	-	-	36,713	68,382
Driving Range Renovation	-	-	-	-	-	-	-	-	92,674	-	92,674
Gore Creek Enhancements	-	150,000	-	-	-	-	-	-	-	-	150,000
Cart Paths & Other Golf Course	162,220	139,573	104,479	113,762	141,589	114,167	223,762	171,329	124,754	172,552	1,468,189
Athletic Field Restrooms/ Storage/ Office	26,990	-	200,000	-	-	-	-	-	-	-	226,990
Ford Park & Other Grounds	9,549	36,227	151,196	4,305	169,747	-	41,998	99,665	4,990	-	517,677
15% For Soft Costs & Contingency	456,759	206,292	218,733	78,452	163,627	89,467	226,364	112,900	211,275	123,469	1,887,339
Total Capital Costs By Category	3,501,819	1,581,569	1,676,956	601,469	1,254,474	685,916	1,735,458	865,566	1,619,773	946,599	14,469,598
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WHO ARE WE?

The Vail Recreation District's (VRD) mission is to offer diverse and exceptional recreation opportunities that enhance the physical, social and emotional well-being of all its residents and guests. The VRD aims to help Vail Valley residents and visitors pursue their recreational passions by providing the following:



Vail Golf Club



John A. Dobson Ice Arena



Vail Gymnastics Center



Vail Tennis Center



Imagination Station



Zeke M. Pierce Skatepark



Vail Nordic Center



Golden Peak Pickleball Center



Ford Athletic Fields



Vail Nature Center



Community Programming



After-School Programs



Whitewater Race Series



Mountain Bike Race Series



Trail Running Race Series



Sports Leagues & Programs



Summer Day & Sports Camps



Special Events & Art Classes

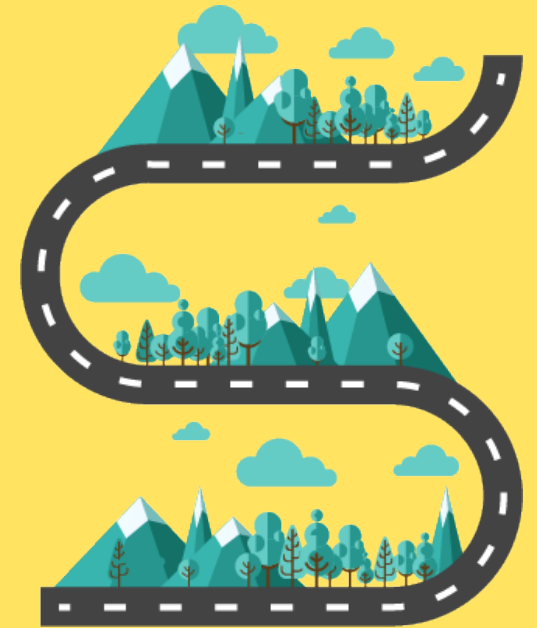


VAIL RECREATION
DISTRICT

700 South Frontage Rd. East
Vail, CO 81657
970-479-2280
vailrec.com

VAIL RECREATION DISTRICT

ROADMAP FOR THE FUTURE



VAIL RECREATION
DISTRICT

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VRD FINANCIALS

The VRD's taxes account for approximately 7% of total taxes paid by most Vail taxpayers.

VRD REVENUE SOURCES



of District revenue comes from property taxes



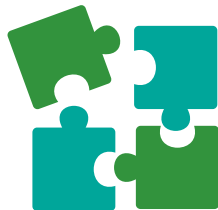
of District revenue comes from user fees and other sources

The VRD's tax rate was transferred from the Town of Vail to the VRD in 1993, when residents voted to become a special district.

- This tax rate for operations **has not been increased** in 24 years.
- The original tax rate was intended to cover **operating expenses only**. It was not meant for the capital needs the District now faces.

WHAT HAPPENED?

- Since 1993, VRD has **substantially increased programming** and taken over **management of new facilities** to keep up with resident and guest demand, which all come with new costs.
- State law has constrained the funding available to the District.



WHAT IS THE NEED?

Over the next 10 years, VRD will face a \$14 million shortage on funding capital obligations that include:



Updating and maintaining safe, modern and environmentally-friendly facilities for residents and guests.

- Vail Tennis Center, golf maintenance building and other facility interiors
- Tennis court screens and releveling
- Imagination Station and Vail Nature Center exhibits
- Dobson Ice Arena rink chiller system, bleachers, scoreboards, sound system, concessions, stage, flooring and more
- Golf club starter house updates
- Golf driving range, bridges, tee boxes, cart paths and restrooms
- Athletic Field restrooms



Creating community by preserving affordable recreational and educational opportunities for children and working families.



Replacing outdated equipment and addressing the major repair backlog to upgrade and renovate facilities.



Building programming for seniors in the community.



Recruiting and retaining quality employees.



FUNDING OPTIONS

Possible solutions to the VRD's current financial predicament:

- Fees may need to be raised 35% across the board, and this assumes there's no drop in participation.

	Current	+35%	Difference
Vail Golf Club Silver Pass	\$1,000	\$1,350	+\$350
One Day of Youth Summer Camp	\$55	\$74.25	+\$19.25
Softball Team	\$585	\$789.75	+\$204.75
Annual Pickleball Pass	\$150	\$202.50	+\$52.50
Youth Soccer Program	\$65	\$87.75	+\$22.75

- District may need to close facilities and cut programs.
- Ask voters for a mill levy increase.

WHAT WOULD IT COST?

There may be a ballot question this November asking voters in the Vail Recreation District to approve a property tax increase of 1.0 mill to generate \$1.1 million annually to fund the Vail Recreation District.

The additional cost on a home that is valued at \$500,000 will be **\$36 per year**. If approved, the increase would be permanent.



**VAIL RECREATION DISTRICT
COMBINED BALANCE SHEET
December 31, 2016 and August 31, 2017**

	12/31/16					08/31/17				
	General Fund	Enter-prise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total	General Fund	Enter-prise Fund	General Fixed Assets & LTD	Ent. Fund Fixed Assets & LTD	Total
ASSETS										
CASH- UNRESTRICTED	3,398,381	9,965			3,408,346	4,628,499	12,265			4,640,764
INVESTMENTS- RESTRICTED		294,507			294,507		295,783			295,783
ACCOUNTS RECEIVABLE	84,970	11,087			96,057	123,638	15,067			138,704
PROPERTY TAXES RECEIVABLE	2,782,872	273,246			3,056,117	20,057	1,969			22,026
PREPAIDS, DEPOSITS & INVENTORY	348	36,490			36,838	107,248	61,726			168,974
DUE (TO) FROM OTHER FUND	(222,361)	222,361			0	21,098	(21,098)			0
LOAN DUE (TO) FROM OTHER FUND	1,974	(1,974)			0	1,974	(1,974)			0
BUILDINGS			559,718	11,390,689	11,950,407			559,718	11,390,689	11,950,407
EQUIPMENT			820,463	1,547,845	2,368,308			820,463	1,547,845	2,368,308
ACCUM DEPR			(823,553)	(7,378,168)	(8,201,721)			(823,553)	(7,378,168)	(8,201,721)
TOTAL ASSETS	6,046,184	845,682	556,628	5,560,366	13,008,859	4,902,513	363,738	556,628	5,560,366	11,383,245
LIABILITIES AND FUND EQUITY										
ACCOUNTS PAYABLE	76,940	230,753			307,693	97,466	89,528			186,994
DEFERRED PROPERTY TAXES	2,782,872	273,246			3,056,117	20,057	1,969			22,026
DEFERRED REVENUE	19,491	15,001			34,492	633	68,623			69,256
ACCRUED COMPENSATED ABSENCES			49,245	30,589	79,834			49,245	30,589	79,834
ACCRUED INTEREST PAYABLE				17,238	17,238				17,238	17,238
DOBSON BONDS PAYABLE				985,000	985,000				755,000	755,000
TOTAL LIABILITIES	2,879,303	519,000	49,245	1,032,827	4,480,375	118,156	160,121	49,245	802,827	1,130,349
NET ASSETS										
INV IN FIXED ASSETS, NET OF DEBT			507,383	4,527,539	5,034,922			507,383	4,757,539	5,264,922
RESTRICTED	119,133	278,913			398,046	120,181	278,913			399,094
COMMITTED & ASSIGNED FOR CAPITAL	2,000,000	-			2,000,000	1,540,000	-			1,540,000
UNASSIGNED	1,047,747	47,769			1,095,516	3,124,176	(75,296)			3,048,880
TOTAL NET ASSETS	3,166,880	326,682	507,383	4,527,539	8,528,484	4,784,357	203,617	507,383	4,757,539	10,252,896
TOTAL LIAB & NET ASSETS	6,046,184	845,682	556,628	5,560,366	13,008,859	4,902,513	363,738	556,628	5,560,366	11,383,245
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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: 09/26/17
 Modified Accrual Basis

	2016 Audited Actual	2017 Forecast	2017 Adopted Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)	8 Months Ended 08/31/17 Actual	8 Months Ended 08/31/17 Budget	Variance Favorable (Unfavor)	Percentage Variance Favorable (Unfavor)
COMBINED REVENUES									
PROPERTY AND OTHER TAXES, NET OF FEES	3,126,207	3,125,264	3,116,518	8,745	0%	3,041,133	3,028,455	12,678	0%
OTHER NON-DEPARTMENTALIZED REVENUES	77,073	77,245	66,545	10,700	16%	33,291	20,781	12,510	60%
SPORTS	379,490	420,732	398,336	22,396	6%	353,832	339,714	14,117	4%
GYMNASTICS	204,670	201,620	216,320	(14,700)	-7%	126,462	155,022	(28,560)	-18%
COMMUNITY PROGRAMMING	404,966	395,353	399,833	(4,480)	-1%	344,672	340,914	3,757	1%
NATURE CENTER	13,574	10,750	10,750	-	0%	(20)	-	(20)	0%
NORDIC CENTER	100,223	230,529	98,600	131,929	134%	47,132	34,425	12,707	37%
GOLF COURSE	1,140,767	1,364,650	1,304,947	59,703	5%	1,139,680	1,085,771	53,909	5%
TENNIS & PICKLEBALL	52,516	67,838	42,885	24,953	58%	61,281	39,645	21,636	55%
DOBSON	671,962	687,074	647,679	39,395	6%	504,786	479,600	25,187	5%
GOLF F&B / BANQUET ROOM, NET OF COGS	90,147	494,773	370,662	124,111	33%	384,936	250,212	134,725	54%
TOTAL REVENUES	6,261,594	7,075,828	6,673,076	402,752	6%	6,037,185	5,774,539	262,646	5%
OPERATING EXPENSES									
ADMINISTRATION	(632,957)	(775,188)	(681,989)	(93,198)	-14%	(524,417)	(488,110)	(36,307)	-7%
PUBLIC RELATIONS/MARKETING	(244,157)	(266,459)	(271,038)	4,579	2%	(155,737)	(161,687)	5,951	4%
PARK MAINTENANCE	(198,735)	(217,421)	(217,163)	(258)	0%	(145,373)	(150,554)	5,181	3%
FACILITIES MAINTENANCE	(131,413)	(137,999)	(136,700)	(1,299)	-1%	(89,200)	(89,557)	357	0%
SPORTS	(507,169)	(550,881)	(544,567)	(6,314)	-1%	(372,821)	(381,077)	8,256	2%
GYMNASTICS	(245,877)	(266,290)	(268,111)	1,821	1%	(158,221)	(166,961)	8,740	5%
COMMUNITY PROGRAMMING	(482,619)	(507,975)	(520,482)	12,507	2%	(363,334)	(392,359)	29,025	7%
NATURE CENTER	(66,275)	(62,773)	(62,660)	(113)	0%	(43,926)	(50,396)	6,470	13%
NORDIC CENTER	(13,276)	(237,960)	(12,810)	(225,150)	1758%	(71,780)	(2,454)	(69,327)	-2825%
GOLF OPERATIONS	(647,331)	(735,497)	(694,872)	(40,626)	-6%	(415,133)	(389,536)	(25,597)	-7%
GOLF MAINTENANCE	(833,387)	(855,505)	(859,228)	3,722	0%	(551,330)	(561,778)	10,448	2%
TENNIS & PICKLEBALL	(93,236)	(118,410)	(97,918)	(20,492)	-21%	(102,910)	(81,418)	(21,492)	-26%
DOBSON	(700,430)	(807,618)	(789,486)	(18,132)	-2%	(546,420)	(530,266)	(16,154)	-3%
GOLF F&B / BANQUET ROOM	(150,971)	(608,408)	(483,923)	(124,485)	26%	(396,768)	(345,948)	(50,819)	-15%
TOTAL EXPENSES	(4,947,833)	(6,148,384)	(5,640,946)	(507,438)	-9%	(3,937,369)	(3,792,101)	(145,267)	-4%
CHANGE IN FUND BAL BEFORE DS & CAP	1,313,761	927,443	1,032,130	(104,686)		2,099,816	1,982,438	117,379	
DEBT SERVICE	(277,988)	(276,176)	(276,176)	-	0%	(275,675)	(275,676)	1	0%
CHANGE IN FUND BAL BEFORE CAP	1,035,773	651,267	755,954	(104,686)		1,824,141	1,706,762	117,380	
DONATIONS, LOANS, & SALE OF ASSETS	-	-	-	-	0%	-	-	-	0%
CAPITAL EXPENDITURES	(831,202)	(1,005,888)	(884,717)	(121,171)	-14%	(329,729)	(383,380)	53,651	14%
LESS UNFUNDED CAPITAL PROJECTS	-	-	-	-	0%	-	(90,000)	90,000	100%
CONTINGENCY	-	(100,000)	(100,000)	-	0%	-	(90,000)	90,000	100%
TOTAL NET CAPITAL EXPENSES	(831,202)	(1,105,888)	(984,717)	(121,171)	-12%	(329,729)	(473,380)	143,651	30%
CHANGE IN FUND BALANCE	204,571	(454,620)	(228,763)	(225,857)		1,494,412	1,233,381	261,031	
BEGINNING FUND BALANCES	3,288,991	3,493,562	3,199,651	293,911		3,493,562	3,199,651	293,911	
ENDING FUND BALANCES	3,493,562	3,038,942	2,970,887	68,054		4,987,974	4,433,032	554,942	

SUMMARY OF SIGNIFICANT VARIANCES:

TENNIS & PICKLEBALL REVENUES- Pickleball doing well, mostly offset with additional expenses though
 GOLF F&B/ BANQUET REVENUES- Nordic, golf, and Banquets all running favorable to budget, partially offset by additional expenses, overall subsidy expected to decrease slightly
 ADMINISTRATION EXPENSES- Overage for financial planning and studying/ conducting November election
 NORDIC EXPENSES- Buyout of Nordic operations.
 GOLF OPERATIONS EXPENSES- Overages in building utilities
 TENNIS & PICKLEBALL- Pickleball revenues and expenses both running higher than budget.
 GOLF BANQUET/ F&B EXPENSES- Staffing and equipment rental overages, net against positive in revenues
 CAPITAL- Projects to date under budget, driving range renovation deferred to later year but moving forward with unbudgeted snowcat replacement.
 FUND BALANCE- Savings at end of 2016 rolled forward to 2017.

No assurance is provided on these financial statements;
 substantially all disclosures required by GAAP omitted.

VAIL RECREATION DISTRICT DIRECTOR REPORTS

September 28, 2017

GOLF

- Through September 21st, total number of rounds for the season is 22,824. This is a significant increase in player numbers from the past two seasons. We have continued to have steady business throughout the fall.
- With the help of Allison Wadey and the Vail Chamber, we hosted the BBB Tom Slaughter Golf Tournament on September 14th. Thank you to Allison Wadey and all the VRD Staff especially Beth Pappas. We had 27 teams participate this year (a new record). Many participants dressed up for our theme of "Margaritaville" this year. This was a fun new twist to the event. All the golf professional staff dressed up in Hawaiian shirts and other "Hawaiian" attire for the day. The event raised over \$20,000.
- This year's Men's Club Champion is Gerry Shea; shooting a two-day total of 147. Our Senior Champion for the Men's Club was "Tex" Collins with a two-day total of 171. The last men's club event of the season will be September 27th.
- Our golf shop retail sales have continued to be strong. We have sold a record 956 units of hats this season. This is a phenomenal amount in a five-month span. Our men's apparel sales margin is currently 44.36% which is also a very good number. Overall, our shop sales have been excellent this season.
- Our last event of the summer will be September 28th. This will be a 1:00pm shotgun.
- The course will be closed for one day on October 4th for green aerification. All golf operations staff will help the maintenance crew on the 4th. The golf course will close for the season on October 22nd.
- All PGA Staff will attend the PGA West Chapter Meeting at Aspen Glen on October 3rd. Nathan and Trey will compete in the PGA West Chapter Championship.

GOLF MAINTENANCE

- Exciting events for our staff were very well received: Rocky Mountain Golf Course Superintendent's Association Affiliates Cup on August 25th, followed by the USGA women's mid-am qualifier on the 28th, and the High Five tourney on the 29th. The following weeks, we hosted Club Championship on the 6th and 7th of September, and the BB and B on the 14th. We have one more, a fund raiser tourney for Kara Woods, on the 28th of September.
- Today, September 18th, we are beginning aeration of our fairways. We will do the back nine this week, and switch nine's to do the front next week. If each nine goes smoothly, we will aerate and top-dress tees over these two weeks, and if not, we will do so after all the fairways are completed. Regardless, there will be no disruption of play over this last two weeks of September.
- Greens aeration, including deep tining and core aeration will be done on Wednesday, October 4th. The course will be closed this one day to accommodate these procedures.
- Gore Creek finally dropped below the 20 cfs mark on September 6th and remained there for several days, which had us entering into irrigation restrictions

of our roughs, driving range, and landscape areas (no more than 50% of E.T. replacement allowed). However, after a few days in that scenario, and looking at having to restrict fairways and tees once the Creek dropped to 16 cfs, we received some timely rains that propped the flow back up above 20 cfs, and we remain above that mark as of today (24 cfs, currently).

- With the timely rains, we have been able to partially refill the ponds on 1, 2, 8, and 9 from our irrigation system, and we'll continue to do so after each rain event, as each rain prevents us from having to irrigate the course and we can divert the water to the ponds.
- We still have budgeted money left to spend on cart paths following the asphalt overlays completed in May. I am hopeful to get a contractor in to do some crack sealing before the end of the season.
- In preparation for the 2018 budget proposal, I have been conducting surveys of local job markets, housing costs, and our existing staff members' situations to better understand and pin point a new starting wage for next year, to hopefully enable us to increase our ability to attract and retain employees.

SPORTS REPORT

- We covered our entire section of our adopted North Trail. Thanks to Jim Sanders, Mike Ortiz, Chad Young, Jared Biniecki, Sara Easton, Andy Holland, Scott Todd, Dan Tim, and the entire Sports team.
- Beth worked with Allison Wadey of the Chamber to produce the best BBB Golf Tournament yet, over \$20,000 was raised.
- Sports Department produced a race at Wild West Days to support the public elementary schools
- We debuted a new trail running course on Meadow Mountain. The Meadowgold was extremely well received. We even got to work with llamas from Paragon Guides to support the race. This race completed the seven race series.
- Fall adult leagues and open gyms have started with flag football, 8v8 soccer, open gym basketball and volleyball. Volleyball league will start in a couple of weeks.
- We will be timing the Outlier Cross Country Mountain bike race on Vail Mountain next weekend.
- Beth and Joel are attending NRPA
- We are assisting BMHS FBLA with their Zombie Run in mid-October.
- Last big event in the fields will be the Vail Valley Soccer Club's tournament the first weekend of October with over 150 teams attending.

COMMUNITY PROGRAMMING

Community Programming

- Imagination Station is busier than previous Septembers with 3 to 7 families coming each day. We have had some groups come in to paint pottery with us also.
- Gentle Yoga continues with regulars and some of our part time residents who are staying away from Florida. We have had a few very large yoga classes. TRX continues. Aikido is back with renewed vigor and a guest instructor for the summer.

Summer Camps

- We are expecting to be completely displaced from Red Sandstone in 2018. We have begun a conversation with Vail Mountain School regarding use of their school for Camp Eco Fun in 2018.
- We have made a request to Vail Resorts regarding expanding our footprint at Golden Peak Children's Center for the summer or 2018. We await their response.

KidZone

- School started, and we were there on day one to serve our local families. We have our regulars and a few new faces coming to after school. We have a great new crop of Kindergarten children!
- We hosted three days of School's Out Camp in September and will run three more in October
- PwrHrs begin September 26

Other

- We are working with Red Sandstone to provide continuous service in 2018-19 wherever they are located. We are also working to make sure we have sufficient space to provide programming in future school years and summers.

PARKS

- Got the controller at FP back on track. Softball is over for the season. Fall leagues and club soccer going on. Club soccer tournament first full weekend in October. Getting ready to start fall-winter prep for the fields. All of the fields looking good going into fall.

VRD OPERATIONS/BUILDING MAINTENANCE

Vail Golf & Nordic Club House Construction

- Still no word on vinyl flooring however TOV has asked VRD to investigate issues and remedies with local flooring company. Still planning some corrective action in Fall 2017
- Shower renovation complete, showers are now open and available to guests. Floors drain properly however still looking into replacing existing shower head.
- Trash and recycle garage has lighting installed however motion activation needs adjustment
- New recycling program implemented at Club House, will allow us to be more efficient, less expensive and divert more recycle material from landfill
- Interior & exterior signs installed, looking at next phase of signage for interior.
- HVAC issues being resolved. Still need commissioning agent to inspect all mechanical
- We have issues with HVAC in offices and pro-shop, working with Climate Control to resolve
- CO2 alarm in mechanical room still an issue, will follow up with Climate Control and Evans / Chaffee to resolve.
- Exterior lighting control now installed and utilized this past weekend.

- Lightning detection system mounting pole has been modified, working with electrician and system installer to relocate from pump house to club house
- Investigating installation of exhaust fans for restroom stalls in locker room with TOV approval.
- Preparing fall punch list for transition from golf to Nordic and regular fall maintenance.
- Preparing additional fall punch list for construction warranty items.

F&B

- Very successful Hispanic dance on Friday Sept 22nd, over 1200 in attendance
- Hosted Vail Pioneers night at the ice arena and provided beverage service.
- Grill on the Gore saw strong lunch volume all weekend, peak foliage now awe inspiring from the deck. 70+ lunch covers each day
- Gore Range room hosted back to back destination weddings on Fri. 22nd & Sat. 23rd. both events went well
- August financials indicating strong F&B performance for the month as well as YTD
- Ford Park prepping to host local soccer tournament in early Oct.
- Starter building will close second week of October however the restaurant will now remain open until the end of the golf season. This is a new approach to providing F&B late season. We will do our best to minimize losses due to decreased guest volume
- Events schedule booked on weekend throughout Sept and into the 3rd week of October

Gymnastics

- Replaced another interior bulb with new efficient LED light
- Completed short punch list of items that required attention as a result of CIRSA inspection
- Preparing a punch list of fall items to be attended to
- TOV has requested the VRD take the lead on investigation of air conditioning install. Will begin work with MEP.

Pickleball

- Working on new sign package to address some of the issues with rules, availability, fees, contact info

Vail Nature Center

- Hopkins was selected as architect for investigative work and will execute "Phase Zero" by forming small focus groups to determine what the future of the building will be
- Preparing to replace 4 2nd floor windows as they are non-functioning and we will probably live with the facility as it exists for at least 2 more years.

Dobson

- TOV has requested that the VRD investigate and provide feedback on:
 - Water intrusion in bleachers (north east side)
 - Sky light renovation / replacement

- VRD will meet with the new TOV building official once they start to discuss challenges with existing stair and mezzanine railings. VRD users have voiced concerns regarding safety of these elements

Red Sandstone Elementary

- VRD will reach out to ECSD to discuss future of gymnasium floor and use of arts and crafts space on 2nd floor, north side of gymnasium

Other Capital Items

- VRD preparing programming document in preparation of working with an architect on new golf starter building.
- VRD will reach out to Loris and Associates and Martin and Martin (Civil & structural engineers) and begin planning for golf course bridge replacement as well as retaining wall renovation on 15 tee.

NORDIC

- Interviewing candidates for Vail Nordic Center
- We have ordered 9 rental fat/ snow bikes for the upcoming winter
- We will have roughly 10k of single track snow biking trails at the Vail Golf Course
- Had a successful Nordic Team Night at Vail Golf Course Clubhouse on September 17th from 330-800pm. This was for high school and middle school athletes.
- Plan to start setting up the Nordic Center Retail and Rental Shop is scheduled for October 23rd