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VAIL RECREATION DISTRICT YEAR IN REVIEW FOR 2005

(Vail)--The Vail Recreation District (VRD) Board of Directors and staff reported a productive and financially strong year for 2005. What follows are the events, projects and people that have contributed to supporting the VRD's dedication to offering diverse and exceptional recreation opportunities that enhance the physical, social and emotional well-being of all its residents and guests. Foremost among these is a continued strengthening of its financial position, which will allow the support of VRD programs and offerings for thousands of Vail Valley residents and visitors.

FINANCIAL MANAGEMENT

Managing the VRD's financial affairs was a top priority for VRD during 2005, following a negative cash flow of \$39,000 for fiscal year 2004, which lowered the district's fund balance to \$92,000 compared to a target of \$1 million.

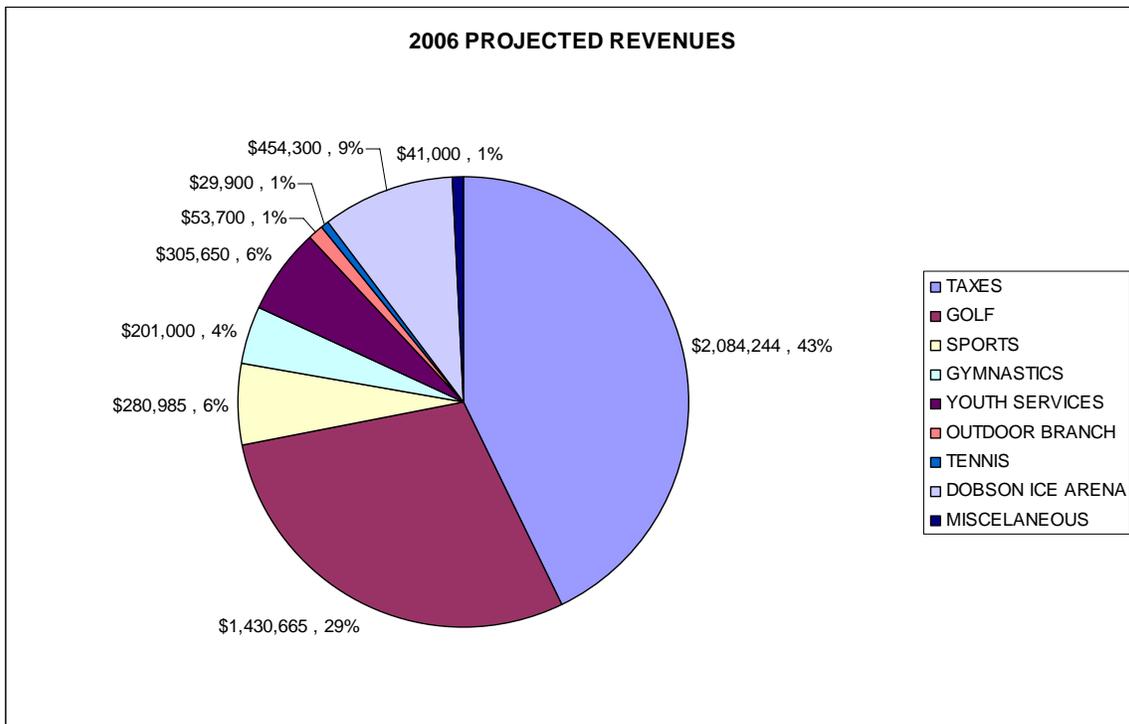
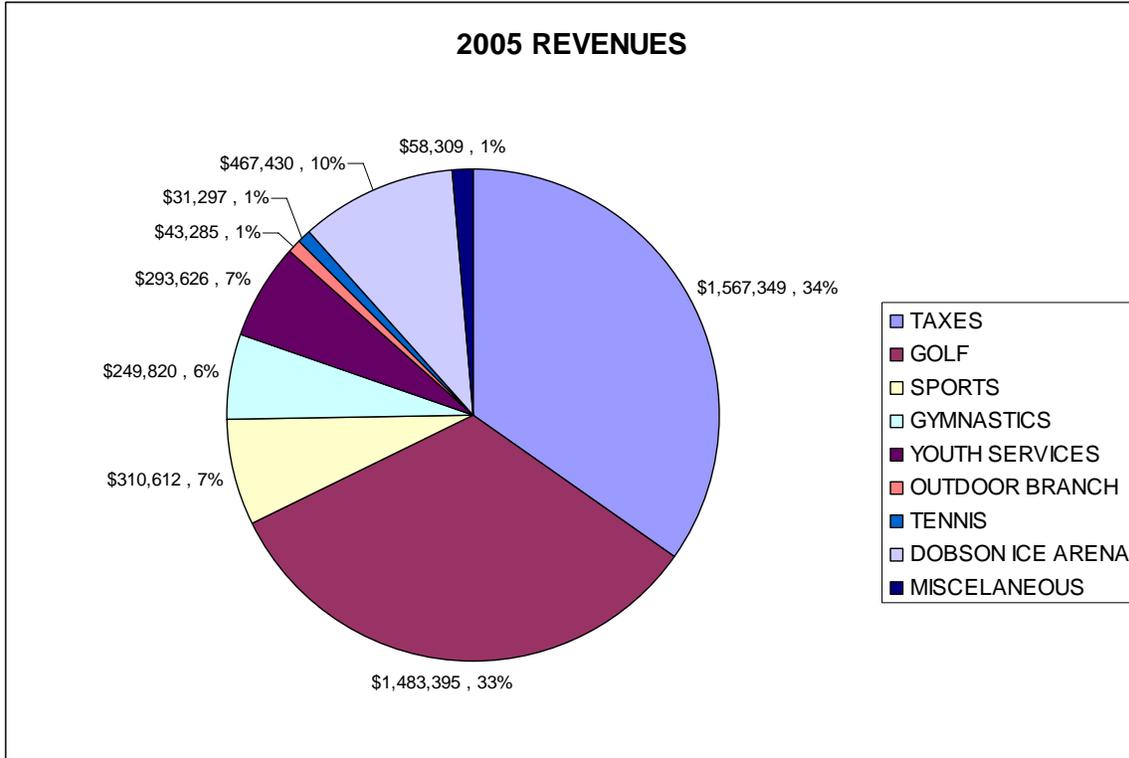
2005

- The original budget for 2005 projected an increase in combined fund balances of \$209,000 and was later adjusted to show only a \$70,000 increase due to an error in certifying the VRD mill levy with Eagle County. As a result, \$282,000 in anticipated revenue was removed from the 2005 budget, which required the District to cut nearly \$140,000 in expenses to compensate for the loss.
- Preliminary 2005 financial results show the District's fund balances will increase to approximately \$340,000, which is \$272,000 higher than the amended budget. This is a result of a successful golf season and VRD working to streamline functions, cut expenditures and defer capital projects until 2006-07. This financial improvement was also accomplished in a cost-effective manner that allowed the VRD to continue serving the Vail Valley's recreation needs throughout the year.
- With this increase in available funds generated from 2005, for the first time in over three years the VRD will no longer need to borrow funds through a Tax Anticipation Note (TAN) to pay its overhead until the District's portion of 2006 property taxes are collected.
- In November 2005, the Board adopted the 2006 budget, which is projected to increase the unreserved fund balances another \$182,000, to approximately \$615,000. Property tax assessments, which are the largest funding source of the VRD, will total \$1.96 million for 2006, an increase of \$493,000 over 2005. Of this increase, \$315,000 will be used to pay the debt service expenditures related to improvements made to Dobson Ice Arena in 2002.

2006

- Within the 2006 budget, routine maintenance and expenditures will include leasing a fleet of new golf carts, replacing the driving range net and additional maintenance equipment at the Vail Golf Club, as well as a new event floor at Dobson Ice Arena.
- Continued financial improvement of the VRD will be an ongoing priority of VRD. The District is making long-range planning a high priority, as well as working jointly with the Town of Vail to develop a coordinated plan for the upkeep and replacement of recreational facilities as needed. This planning process will begin with development

of a joint Recreational Facilities Comprehensive Masterplan, which is anticipated to be completed late 2006.



NEW IN 2005

- In January, a ribbon cutting was held for the official opening of the Vail Gymnastic Center. Located east of Red Sandstone Elementary School, the center offers recreation space for gymnastics, trampoline, dance, martial arts, yoga and other activities. The \$1.53 million facility is managed by the VRD and involved a five-part partnership with financial participation by the Town of Vail, Eagle River Water & Sanitation District, Vail Resorts, Eagle County School District and the VRD.
- In February, the VRD Board of Directors approved a new mission statement as follows: "The Vail Recreation District is dedicated to offering diverse and exceptional recreation opportunities that enhance the physical, social and emotional well-being of all its residents and guests."
- In October, the VRD opened the new Imagination Station as an indoor option for parents to spend time with their children. Located in the LionsHead parking structure above Subway, the Imagination Station is a drop-in children's museum featuring hands-on art and science activities including a giant kaleidoscope, marble mania, pulley power, a black-light room, toddler play area, phosorpherous wall for taking photos of shadows and science of sound exhibits. The Imagination Station was funded through a partnership with Eagle County's Health and Human Services Department and the VRD. With construction and opening of the Imagination Station, the "20 Below" teen center closed its doors in December 2004. The change from the 20 Below center to the Imagination Station was in response to demographic changes of the Vail Valley with a need for activities for the valley's growing number of younger-aged children.
- In September, the VRD re-launched its Web site at www.vailrec.com with a new design and functionality. The new Web site offers faster enrollment options for camps and races, plus a media room containing photos and press releases.

SPORTS

The VRD's Sports Department organized a wealth of activities in 2005 including the annual trail running and mountain bike events series, as well as the youth and adult recreation leagues for volleyball, softball, basketball, soccer and more.

Sponsorship

- Throughout the year the VRD's Sports Department garnered over \$72,000 in cash corporate sponsorship and over \$50,000 in prizes for merchandise and support service.

Trail Running

- In June, during the Teva Mountain Games, the VRD hosted the USA 10k Trail Championships and 2nd Annual North American Central American Caribbean Mountain Running Race, during which three teams (US, Canada and Mexico) and 300 runners were pitted against each other in a cross-country format race for cash and prizes.
- In June, the Teva Vail Mountain Trail Running Series kicked off its five race series with over 850 runners competing throughout the summer. Competitors participated from nearly all 50 states, plus Canada, Mexico, New Zealand and the Czech Republic. The annual Vail HillClimb attracted the largest number of competitors with over 500 runners participating.
- Additionally, the trail running series was named Colorado's "Best Race Series" by Colorado Runner Magazine's November/December 2005 issue.

Mountain Biking

- In May, the VRD kicked off its mountain bike race series with over 300 riders in the Eagle Classic Mountain Bike Race. Throughout the six race series, over 1,500 riders competed for \$5,000 in cash and \$8,000 in prizes. Additionally, for the first time, the VRD partnered with Summit County to host the Copper Mountain Melee.
- The mountain bike series registration increased 20 percent over 2004.

Adult Sport Leagues

- The VRD continued to offer adult sport leagues throughout the year with 12 basketball teams, 16 indoor soccer teams, 28 volleyball teams, 41 softball teams, 12 8v8 co-ed summer soccer teams, 12 teams in the La Liga Men's Soccer League and eight adult flag football teams. Team participation increased in nearly all the leagues.

Youth Sports

- Over the summer, the VRD hosted seven youth sports camps including volleyball, lacrosse, soccer, baseball and basketball, plus the Howard Head Sports Performance Enhancement and MiniHawks Camp. Over 300 local and visiting youth participated in at least one camp.
- In both the fall and spring, the VRD managed the valley-wide youth soccer leagues with over 1,000 participants, ages three to 14.
- In January and February, over 80 children, grades one through six, participated in the six-week High Country Hoops basketball camp.

Tournaments

The VRD athletic fields continue to draw some of the largest sports competitions in the nation, plus acting as home-field for The Vail Rugby Club and Pepi's Soccer Club. Out-of-town teams lodge an average of four nights and spend between \$3,900 and \$15,000 on lodging alone during events such as the Vail Lacrosse Shootout. Such figures showcase the benefits of holding more tournaments in Vail, on the VRD playing fields and in its facilities. Tournaments held throughout the season include:

- Boulder Valley Girls Softball Tournament: 200 participants, 16 teams
- King of the Mountain Volleyball Tournament: 440 participants, 220 teams
- Vail Lacrosse Shootout: 4,376 participants, 93 teams
- Vail Invitational Soccer Tournament: 600 participants, 32 teams
- Top of the Rockies Co-ed Classic Softball Tournament: 180 participants, 12 teams
- Kick it 3v3 Soccer Rocky Mountain Regional Finals: 1,650 participants, 275 teams
- Vail Valley Soccer Club Challenge Cup: 2,340 participants, 130 teams

YOUTH SERVICES

The Youth Services Department continued to provide a vast array of activities for both Vail Valley children and visiting guests. During 2005, youth services hosted 1,500 individual children, ages two through 14.

Summer Camps

- Camp Eco Fun increased its capacity from 792 available camp spaces in 2004 to 1,160 camp spaces in 2005. The camp added an additional session resulting in 1,086 spaces used, up 437 spaces over 2004. During Camp Eco Fun, children ages four to 11, learned about the natural environment using the Nature Center as a field lab. Youth Services staff enhanced learning with developmentally appropriate games, crafts and activities that support a weekly ecological theme.
- Pre Kamp Vail (ages 30 months to five years) sold to capacity during the summer season resulting in 1,082 spaces filled out of 1,078. Youth Services is proud to operate the only summer camp geared specifically for pre school-aged children and staffed with highly-trained early childhood educators.

- Camp Vail program offered 10 weeks of activities for 375 different children. Nearly 90 children attend this multi-faceted camp each summer vacation and are fortunate to experience many of the VRD other offerings including golf, ice skating, gymnastics and the Vail Nature Center.

School Year Programs

- KidZone, the after school recreation program at both Red Sandstone and Edwards Elementary Schools, averaged approximately 17 children per day, Monday through Friday. The program at Red Sandstone Elementary has been underway for more than 20 years. It was the second year at Edwards Elementary and attendance doubled over 2004.
- As part of KidZone, School's Out Camp took place during spring break and winter break for local schools providing more than 20 days of recreational activities for Vail Valley youth.
- The Early Childhood program doubled weekly offerings available in 2005, providing 150 children ages three to five with 11 hours of weekly activities.

Events/Activities

- In April, Youth Services hosted the annual LionsHead Easter Egg Hunt, sponsored by the Town of Vail, with 250 participants.
- In August, the VRD sponsored a children's activities tent during the annual Rubber Duck Race. Over 200 children participated in crafts and games, while approximately 30 local middle and high school students assisted VRD staff during the event.
- In October, Youth Services organized the 13th Annual Trick or Treat Trot and Halloween coloring contest offering nearly 300 children safe trick-or-treating throughout Vail Village and LionsHead. The event was sponsored by Millennium Bank.
- In October, nearly 300 children and parents attended grand opening weekend of the Imagination Station in LionsHead.
- In December, Youth Services organized weekly Santa's Workshops at Millennium Bank in West Vail. Approximately 85 children participated in one of three workshops. In addition to crafts, holiday goodies and pictures with Santa, Millennium Bank offered a \$20 deposit for all new savings accounts opened for minors at the bank.

DOBSON ICE ARENA

One of Vail's long-standing venues, Dobson Ice Arena offered the community great hockey and ice skating opportunities in 2005, as well as acted as a venue for unique events and groups.

New Programs

- Four new programs were added throughout the year including Squirt Level Recreation Hockey for ages nine to 10, Story Time skating for toddlers, a Learn to Play Hockey program for adults and adult hockey leagues.
- Dobson also received accolades in USA Hockey Magazine for hosting an innovative "cross-ice" tournament.

Groups and Events

- In February, approximately 5,000 members of the National Brotherhood of Skiers convened in Vail for the weeklong annual summit using the arena as its headquarters.
- The Lipizzaner Stallions returned in May, providing residents and guests with artistry horsemanship at sold out performances.

- In March, the annual Detroit Red Wings Alumni and Vail Mountaineers Alumni game took place to benefit the VRD Youth Hockey Program. The game raised \$5,000 for the youth program.
- In April, 2,500 members of the Future Business Leaders of America (FBLA) returned to Dobson, using the facility for the Colorado Chapter's annual meeting.
- In May, the VRD took part in an emergency preparedness training exercise with the Town of Vail. More than 650 responders from more than 40 local, state and federal agencies came to Vail for a four-day training exercise involving a simulated building collapse. The arena acted as an overflow facility for Vail Valley Medical Center.
- In December, 40 children from the Learn to Skate program participated in the annual Skating Club of Vail Holiday Ice Show to a sold out audience. Participation doubled over 2004.

Camps

- Both the Greg Carter Hockey Camp and Bob Johnson Hockey School were hosted in the arena with over 135 participants. Greg Carter Hockey Camp came to Vail for the first time, while the Bob Johnson Hockey School returned for its 21st year.

Leagues

- In January, the second season of VRD Mini Mites (five to six years) and Mites (seven to eight years) kicked off with 50 children participating producing a 50 percent increase over 2004. The program also took place in October through a joint venture with the Western Eagle County Metropolitan Recreation District to offer valley-wide skating.
- The adult leagues increased team participation throughout the year including 14 teams and 200 participants during the summer session and 11 teams and 130 participants during the fall session.

VAIL NATURE CENTER

The Nature Center hosted thousands of visitors from across the world in 2005, June through September, who participated in a variety of learning opportunities including:

- Camp Eco Fun (4-12); children spent a half of each day learning about local flora and wildlife at the nature center and the other half with Youth Services doing crafts and activities that support the ecology theme.
- Family programs three nights per week that include a beaver pond tour, the Starlight and Flaming Marshmallow program and a speaker series
- Morning bird walks and afternoon flower walks
- Hiking programs
- Nature's medicine chest
- Daytime and nighttime snowshoe tours
- Photography and fly fishing classes
- Stream ecology classes

Groups

- The Nature Center hosted several groups throughout the summer, including 25 members of the Chicago Chapter of the Over the Hill Gang in July. In addition to a hut trip arranged by the VRD, the Nature Center staff also offered a week's worth of programs including hiking, biking and rafting for groups.
- Approximately 30 people participated in additional hut trips arranged by Nature Center staff. These trips take place annually in July and August for two nights, three days.

Clubs and Programs

- The adult Nature Center Hiking Club membership grew 20 percent over 2004 with approximately 80 members hiking trails four times per week throughout Vail and Eagle County. Club members hiked over 450 miles throughout the summer.
- Approximately 120 children from the Beaver Creek Day Camp visited the Nature Center three times throughout the summer.
- In the spring and fall, the Nature Center worked with local schools hosting grades kindergarten through second for field trips. Approximately 300 local school children participated in the field trips. Nearly every student within Eagle County School District has visited the Nature Center by third grade.
- The Nature Center partnered with the Gore Range Natural Science School (GRNSS) to present the Eagle Explorers Junior Naturalist Program. The program offered children ages six and older an opportunity to learn more about the Eagle River watershed. The program is a joint venture among GRNSS, VRD, Betty Ford Alpine Gardens, Colorado Ski Museum and the White River National Forest.
- In the fall, approximately 20 children from Eagle County's Youth Volunteer Corps participated in four working days to help clean, repair, pull weeds and assist with Nature Center upgrades.
- Throughout the year, the Nature Center worked with various senior groups in Eagle County organizing activities including hiking and biking in the summer and snowshoe and on-mountain ski tours during the winter.

VAIL GYMNASTIC CENTER

In its first year of operation, the Gymnastic Center hosted approximately 445 participants per week, or 22,000 throughout the year, in one of the many programs offered at the center. This includes gymnastic programs, trampoline classes, dance programs, yoga programs, martial art programs and birthday parties.

Gymnastic Programs

- The VRD manages the gymnastic program, which operates 65 classes per week ranging in ages from preschool to adult, plus five competitive team classes per week.
- Approximately 290 students participated in the gymnastic center learning programs for ages five through 12 including preschool programs and boys and girls classes.
- Approximately 10 adults participated in the adult gymnastics program per week.

Special Programs

- The Center hosted 45 birthday parties, averaging three parties per week with approximately 15 children and family members attending. The parties include coaching on equipment and an area for food and drink.

VAIL GOLF CLUB

In May, Vail Golf Club opened for its 37th season of operation and generated \$1.36 million in revenue in 2005. Throughout the golf season, nearly 23,000 rounds were played, a number consistent with 2004. Beautiful weather allowed the golf club to stay open all but two days during the 2005 season. Addition

Clinics

- Seven junior clinics were held Tuesday through Thursday with an average of 20 students per class.
- The first-ever weekly adult clinics were held last summer offering an hour of instruction Tuesday and Wednesday, followed by nine holes of golf on Thursday. The clinics were limited to two or three people per instructor.

Leagues

- Three leagues offered approximately 190 members play throughout the week. This includes 90 members of the senior association, who played Mondays; plus 80 members of the Men's Golf League and 20 members of the Lady's League who played each Wednesday.

Events

- The Monday Sundowner returned with 16 to 17 foursomes per week offering a local's scrambler that included nine holes of golf followed by appetizers and cocktails at The Clubhouse Restaurant.
- In June, the Vail Golf Club hosted the annual Fred and Judy Alexander Golf Clinic with approximately 100 children participating.
- Also in June, 100 golfers turned out for a Battle Mountain High School Football fundraising event.

Restaurant

- In May, The Clubhouse Restaurant at the Vail Golf Club completed a \$225,000 renovation that included new furniture, lighting and interior painting. The Clubhouse Restaurant also offered sleigh ride dinners and continued to be a perfect venue for wedding parties throughout the year.

VAIL NORDIC CENTER

During the 2004-05 winter season, Vail Golf Club opened the Nordic Center offering snowshoe, skate and cross country skiing. Approximately 14,000 users visited the Nordic Center last season.

- The Nordic Center offered users 15 kilometers of set track for both skate skiing and classic cross country skiing, plus nearly 10 kilometers for snowshoeing. The track continued to remain free for those who brought their own equipment.
- Snowshoe tours, daytime and moonlight, were organized by the VRD Nature Center and free skating was available at the outdoor ice arena, located adjacent to the Vail Nordic Center.
- The Nordic Center also continued to be the training site for Vail's local high school teams and teaching area for younger Nordic skiers. Vail Resorts offered lessons in classic and skate skiing techniques throughout the winter, plus conducted several backcountry tours on skis and snowshoes.

TENNIS CENTER

The Tennis Center at Ford Park offered a full range of tennis activities for juniors and adults on its 12 courts. The Tennis Center was open from Memorial Day weekend through September. The Tennis Center hosted up to 150 participants weekly, including:

- 20 to 24 participants during Monday evening Pro Am.
- 12 to 24 participants during Tuesday morning 60 and older doubles matches.
- 32 participants during the Wednesday morning lady's drop in matches, which included a free clinic.
- 24 participants during the Thursday mornings Club 50 weekly tennis matches.
- Sunday morning doubles matches offered play for approximately 16 to 20 participants with the Sunday evening doubles matches drawing up to 12 participants per week.
- The Tennis Center hosted a variety of junior lessons and clinics throughout the year. Junior lessons are held over a 10 week period with an average of 10 to 14 kids per day.

- Approximately 110 participants competed in the annual Bill Wright Colorado Clay Court Open and Senior Tennis Tournament in August. The tournament is a U.S. Tennis Association sanctioned event with competitors from across the nation. The tournament was sponsored by the Mountain Haus and FirstBank of Vail.

PARTNERSHIPS

- Eagle County Health and Human Services assisted in funding the initial creation of the Imagination Station through a \$10,000 grant. The remaining \$10,000 was funded via the VRD's capital fund.
- During the summer, the VRD proudly partnered with the Gore Range Natural Science School to provide world-class programming at the Vail Nature Center. The partnership improved the ability for the Nature Center to offer information about Vail's streamside trails, plant and animal exhibits to all ages.
- Efforts continued throughout the year to improve relations with the Town of Vail. Activities included preparation of a five-year capital and maintenance budget for recreation facilities drafted jointly by Town Manager Stan Zemler and VRD Director Mike Ortiz. Shared operational services in the areas of Information Technology and communications were also implemented for added efficiencies.
- VRD continued to work closely with the White River National Forest and U.S. Forest Service. VRD programs that take place on forest service land operate under a special use permit from the White River National Forest.
- The VRD continued to work with many community organizations including Vail Resorts, Inc., Ski and Snowboard Club Vail, Snowboard Outreach Society, Meet the Wilderness, Foresight Ski Guides, Eagle County School District, Vail Mountain School, Town of Vail, Eagle River Water and Sanitation District, Rotary Club, Club 50, Over the Hill Gang, Boy and Girl Scouts of America, Eagle River Preserve, P. Furniture & Design, Eagle County Government, Parent's Handbook, RSN/TV8, KZYR, Plum TV, Colorado Mountain Express, Vail Financial Services, Cascade Village Theatre, Drug Free Eagle Valley, Vail Daily, Millennium Bank and Bravo! Vail Valley Music Foundation.
- The VRD awards nearly \$20,000 in cash and in-kind services annually to approximately 100 children in Eagle County through its Eagle County Youth Activities Grant and Tom Slaughter, Jr., Memorial Youth Recreation Grant programs. These grant programs provide school-aged children financial aid to participate in recreation including skiing, snowboarding, basketball, gymnastics and other programs offered in Eagle County.

PEOPLE

VRD Staff, Board and Volunteers

- In February, 12-year employee Mike Ortiz was named executive director by the VRD Board of Directors. Joel Rabinowitz was then promoted to fill Ortiz's position as Director of Sports.
- The VRD Board of Directors chose to outsource its financial management in April and hired Robertson and Marchetti, P.C., a firm specializing in accounting, administration and management for special districts. The firm has over 30 years of experience in handling the finances of special districts and has been instrumental in monitoring, analyzing and improving the financial position of the VRD.
- In September, Jared Biniiecki was promoted to manager of Dobson Ice Arena following two years with the VRD.

- Vail Gymnastic Center Director David Ward personally donated over \$15,800 in equipment to assist in getting the new gymnastic center programs underway. This was followed by a \$7,100 donation from Vail residents Norm and Marge Agin.
- Youth Services Director Diane Johnson continued to promote Eagle County's Early Childhood Initiative as the Co-Chair of the Health & Safety Task Force. Johnson also celebrated 15 years as an employee with the VRD.
- Countless hours by hundreds of volunteers helped the VRD continue to provide quality affordable sports recreation programs to both local users and guests.
- Vail Recreation District Board of Directors Nino Licciardi, Julie Hansen, Michelle Hall, Scott Proper and Peter Cook, worked to guide VRD staff throughout the year and seek innovative methods to improve the financial standing of the District.

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